BEFORE THE MISSISSIPPI REAL ESTATE APPRAISER
LICENSING AND CERTIFICATION BOARD

MISSISSIPPI REAL ESTATE APPRAISER
LICENSING AND CERTIFICATION BOARD — COMPLAINANT

VS. — CAUSE NO.: AMC 03-1403

EQUITY VALUATION PARTNERS, INC., (AMC-028) — RESPONDENT

AGREED ORDER

THIS cause came before the Mississippi Real Estate Appraiser Licensing and Certification Board (sometimes hereinafter "Board"), pursuant to authority of Miss. Code Ann. §73-34-35(2) and the *Mississippi Appraisal Management Company Registration Act,* Miss. Code Ann. §§73-34- 101, *et seq.,* following issuance of a formal Notice and Order for Hearing and Complaint served upon Respondent Equity Valuation Partners, Inc. (sometimes hereinafter "Respondent" or "EVP"), an appraisal management company registered to conduct business in Mississippi, Registration No.: AMC-028. EVP and the Board announced their intent not to contest the allegations within the Board's Notice and Order for Hearing and Complaint. By entering into this Agreed Order, EVP waives the right to a hearing with full due process and the right to petition for appeal from any adverse decision resulting from a hearing. Further, the Board agrees that this agreed resolution resolves all claims of the Board against EVP and its employees and agents arising out of the allegations below. Having reached an agreement with EVP on this matter, the Board issues the following Findings of Fact, Conclusions of Law and Disciplinary Order as follows:

FINDINGS OF FACT

I.

The Board is charged by law with the regulation of the practice of real estate appraisal in Mississippi, including matters relating to the registration and operation of appraisal management companies, and disciplinary functions pursuant to §§73-34-1, *et seq.*, §§73-34-101, *et seq.*, and the Rules and Regulations of the Board. Pursuant to this authority, the Board has full, complete and proper jurisdiction over the parties and subject matter herein.

II.

EVP is an appraisal management company registered to conduct business in Mississippi with a principal place of business and mailing address in Alabama. EVP is subject to all of the provisions, rules, regulations and statutes governing the conduct and operation of appraisal management companies under Mississippi law.

III.

On or about February 28, 2014, in response to a request for a "Residential Evaluation," EVP submitted a Report to a Mississippi bank (the "Bank"), concerning real property located in Mississippi. The subject Report was prepared by an employee of EVP who was not licensed to perform real property appraisals in Mississippi.

IV.

Upon investigation, the Board requested information from Respondent EVP regarding the circumstances attendant the referenced report for the Bank. EVP responded promptly to the Board's requests for information and willingly supplied all information requested by the Board and fully cooperated in the Board's investigation.

V.

During its investigation, the Board received documents from Respondent EVP that reflected the existence of an "Appraisal Management Services Agreement" (the "Bank Agreement") between Respondent EVP and the Bank for the provision of "appraisal and valuation services" to the Bank, as an independent contractor, and in exchange for compensation in the form of a fee per appraisal/valuation transaction.

VI.

Miss. Code Ann. §73-34-5 prohibits anyone from engaging in real estate appraisal activity in Mississippi without holding one of the real estate appraisal licenses issued by the Board, with limited exception set forth in Miss. Code Ann. §73-34-5(1)(b) which provides, in relevant part:

> The provisions of this chapter shall not apply to any director, officer or salaried employee of commercial banks, savings banks, credit unions, and savings and loan associations, when engaged in appraisal or evaluation activities for and on behalf of such financial institution unless there is a fee charged for the appraisal or evaluation…

VII.

The Board finds that EVP was an agent of the bank pursuant to the above referenced Agreement and finds that EVP operated with the good faith belief that the above referenced exception to Mississippi's appraisal licensing requirements applied to the Report performed by its salaried employee. EVP informed the Board it had no intent to violate the licensing requirements for Mississippi appraisal activity.

CONCLUSIONS OF LAW

VIII.

The Board finds that the above and foregoing described acts of EVP constitute violations of the statutes governing the practice of real estate appraisals and the operation of appraisal management companies in Mississippi and the Rules and Regulations adopted by the Board. The Board finds that the referenced statutory exception does not apply to the referenced Report because EVP's employee was not a director, officer or salaried employee of the Bank and because EVP charged the Bank a fee for the referenced report. The Board found no issues with and makes no allegations related to the accuracy or appropriateness of the data, information, or analysis in the report or the credibility of the assignment result. The Board is informed by Respondent EVP that the referenced Report was supported by a later appraisal report developed and reported by a certified appraiser licensed in Mississippi.

DISCIPLINARY ORDER

IX.

The Board, by EVP's agreement and consent, hereby orders and imposes the following:

A) A civil penalty in the amount of $2,500.00 (Two Thousand Five Hundred Dollars) which shall be remitted by cashier's check or certified funds, payable to the Mississippi Real Estate Appraiser Licensing and Certification Board, within thirty (30) days from the date this Agreed Order is executed by the Respondent EVP. In considering the discipline to be imposed in this instance, the Board finds that the civil penalty imposed is reasonable in light of the nature of the violation at issue. EVP has satisfied the Board that it has in place an effective program

reasonably designed to ensure compliance with this chapter in the future and has taken prompt and appropriate steps to correct and prevent the recurrence of any violations of the laws, rules and regulations governing the practice of appraisal management companies in Mississippi.

This the 12th day of August, 2015.

By: _____
MICHAEL MCGEE
Deputy Director

AGREED:

EQUITY VALUATION PARTNERS, INC.

By: _____

Print Name: Andrew D. Watson

Its: President

Date: 8/11/15