

**BEFORE THE WEST VIRGINIA REAL ESTATE  
APPRAISER LICENSING AND CERTIFICATION BOARD**

**IN THE MATTER OF:**

**BEVERLY H. JOHNSON,  
Apprentice Permit No. 10374.**



**CONSENT DECREE**

Now comes Respondent, Beverly H. Johnson (hereinafter "Respondent"), and the West Virginia Real Estate Appraiser Licensing and Certification Board (hereinafter "Board"), by Sharron L. Knotts, its Executive Director, and by its counsel, Gregory G. Skinner, Assistant Attorney General, for the purpose of resolving Board Complaint No. 04-005, against Respondent. As reflected in this Consent Decree, the parties have reached an agreement in which Respondent hereby agrees and stipulates to the Findings of Fact and Conclusions of Law set forth in the instant Consent Decree concerning the proper disposition of this matter, and the Board, having approved such agreement, does hereby find and Order as follows:

**FINDINGS OF FACT**

1. The Board is a state entity created by W. Va. Code § 30-38-1, et seq., and is empowered to regulate, among other things, the conduct of licensed residential appraisers.
2. Respondent is a real estate appraiser apprentice, holding apprentice permit number 10374, by and through the Board.
3. Edward McDonald is a Certified General Appraiser licensed by the Board, holding license number 015.

4. Edward McDonald, during all times pertinent to Complaint No. 04-005, was the supervising appraiser to Respondent.

5. On or around December 1, 2003, Respondent submitted an application to the Board for licensure as a state licensed residential appraiser.

6. Among other things, Respondent submitted to the Board an experience log summarizing all appraisal work performed by Respondent under the supervision of McDonald.

7. In consideration of Respondent's application, the Board chose two appraisals at random from Respondent's experience log in which to review.

8. The Board chose, as relevant to the instant Consent Decree, a commercial appraisal of a townhouse rental unit located at Cole Avenue (Easy Street), Elkins, West Virginia, 26241, performed on or around November 14, 2003.

9. McDonald signed the appraisal report in his capacity of supervisor to Respondent.

10. Respondent claimed the appraisal report was intended for valuation purposes only.

11. The report, however, constitutes an actual appraisal, and determines the value of the rental unit to be \$135,000.00 as of November 14, 2003.

12. As an appraisal report with a determined value, the report was deficient in that an incorrect form was utilized, and certain information and analysis required by West Virginia state law and the Uniform Standards of Professional Appraisal Practice was therefore lacking.

13. As a result of the Board's review of the above-referenced property, the Board requested additional appraisal reports and workfiles for the following properties:

- a. Vision Automotive Group, Elkins, West Virginia;
- b. Vision Automotive Used Automobile Lot, Elkins, West Virginia;
- c. Route 219 South 4 Lane, Beverly, West Virginia;
- d. Main Street, Belington, West Virginia;
- e. Harrison Avenue, Elkins, West Virginia;
- f. Georgetown Road, Elkins, West Virginia;
- g. 5 Locust Avenue, Junior, West Virginia;
- h. Georgetown Road, Beverly, West Virginia;
- i. Becky's Creek, Huttonsville, West Virginia;
- j. Kelley Mountain Road, Elkins, West Virginia; and
- k. Route 2, Montrose, West Virginia.

14. Upon review of the above-referenced properties, the Board was concerned that Respondent failed to correctly utilize or perform the following appraisal functions: incorrect use of appraisal form(s); incorrect use and/or determination of the income approach; incorrect determination of lot size; incorrect use and/or determination of the cost approach; inadequate expression of the hypothetical condition and description of a property; improper adjustments performed; incorrect description of heating; and incorrect citation of zoning and sight improvements.

15. The supervising real estate appraiser is responsible for the content and accuracy of an appraisal report performed by an apprentice.

16. The supervising real estate appraiser has a duty to ensure an apprentice adequately and competently learns the profession of real estate appraising.

17. In the instant matter, McDonald failed to provide adequate supervision, oversight and tutelage in regard to the work product of Respondent.

### **CONCLUSIONS OF LAW**

1. Pursuant to Article 38 of Chapter 30 of the West Virginia Code, the Board is the State entity vested with the power to regulate real estate appraisers in the State of West Virginia.

2. West Virginia Code § 30-38-4(a) provides, in pertinent part, that there are three classifications of state licensed real estate appraisers: residential real estate appraisers, certified residential real estate appraisers and certified general real estate appraisers.

3. Pursuant to W. Va. Code § 30-38-7(a), the board shall "define by rule the type of educational experience, appraisal experience and equivalent experience that will meet the statutory requirements of [W. Va. Code § 30-38-1, et seq.]."

4. Participation in the apprentice program is a prerequisite to licensure or certification except in cases of reciprocity or issuance of a temporary permit as required by § 30-38-5. 190 C.S.R. § 2-11.2.

5. The apprentice shall work under the direct supervision of a state licensed or state certified real estate appraiser. 190 C.S.R. § 2-11-6.a.

6. An applicant for residential appraiser licensure shall have a minimum of two thousand (2000) hours of appraisal experience. The board or an applicant may treat hours

as cumulative in order to achieve the required two thousand (2000) hours. 190 C.S.R. § 2-5.2.a.

7. As a part of the application for licensure, an applicant shall execute an affidavit attesting to his or her experience in the field of real estate appraisal. This affidavit shall be on forms provided by the board with the application. In addition, an applicant shall provide, on forms provided by the board, a detailed list of the real estate appraisal reports or file memoranda for each year for which experience is claimed. Upon request, an applicant shall provide the board a sample of appraisal reports which the applicant has prepared. Experience obtained after January 1, 1991, shall comply with the Uniform Standards of Professional Appraisal Practice. 190 C.S.R. § 2-5.2.b.

8. The apprentice shall maintain an experience log on a form provided by the Board. Experience hours shall be calculated in accordance with Section 7 of this rule. Separate experience logs shall be maintained for each supervising appraiser. 190 C.S.R. § 2-11.6.b.

9. The Board requested and reviewed the above-referenced sample appraisal reports pursuant to 190 C.S.R. §§ 2-5.2.b. and 2-11.6.b.

10. As provided for in Sections 5 and 6 of this rule, an applicant for residential real estate appraiser licensing or certification shall provide evidence *satisfactory* to the board that the applicant possesses the required amount of appraisal experience. 190 C.S.R. § 2-7.1. [Italics added].

11. The Board determined the appraisal reports submitted by Respondent, in regard to commercial properties, were unsatisfactory for purposes of licensure, and failed to meet the standard set forth in 190 C.S.R. § 2-7.1, and W. Va. Code § 30-38-1, et seq.

## CONSENT

Respondent, both in her individual capacity and as an appraiser apprentice, by the execution hereof, agrees to the following:

1. Respondent has had the opportunity to consult with counsel and executes this Consent Decree voluntarily, freely, without compulsion or duress and mindful that it has legal consequences. No person or entity has made any promise or given any inducement whatsoever to encourage Respondent to make this settlement other than as set forth herein. Respondent acknowledges that she is aware that she may pursue this matter through appropriate administrative and/or court proceedings, and is aware of her legal rights regarding this matter, but intelligently and voluntarily waives such rights.

2. Respondent consents to the entry of the following Order affecting her conduct as an appraiser apprentice.

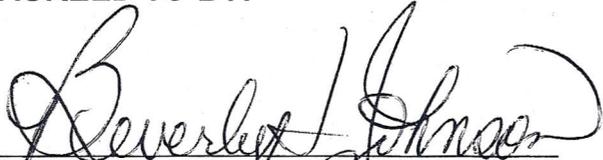
## ORDER

On the basis of the foregoing, the Board hereby ORDERS as follows:

1. The Board shall not accept, for purposes of licensure as a residential real estate appraiser, certified residential real estate appraiser or certified general real estate appraiser, any experience hours for work performed, as claimed on Respondent's experience log previously submitted to the Board, for experience hours related to commercial work.

2. Respondent shall cease Respondent's real estate appraiser apprenticeship with McDonald, and shall obtain an appraiser apprenticeship with another state licensed or state certified real estate appraiser until such time Respondent properly becomes licensed by the Board as a residential real estate appraiser, certified residential real estate appraiser or certified general real estate appraiser.

AGREED TO BY:

  
BEVERLY H. JOHNSON Individually DATE 6-16-04  
*Licensed Residential Appraiser*  
#0842

ENTERED into the records of the Board this:

28th day of June, 2004.

WEST VIRGINIA REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD

By:   
SHARRON L. KNOTTS DATE 6/28/04  
EXECUTIVE DIRECTOR