BEFORE THE

DIRECTOR OF THE BUREAU OF REAL ESTATE APPRAISERS

BUREAU OF REAL ESTATE APPRAISERS

STATE OF CALIFORNIA

In the Matter of the Real Estate Appraiser License of: Christopher Blakeslee, Real Estate License No. 014223 Respondent.	Case No. C20150416-01 OAH No. 2016020931

DECISION AND ORDER

The attached Stipulated Surrender of License and Order is hereby adopted by the Director of the Bureau of Real Estate Appraisers, as its Decision in this matter.

This Decision shall become effective on 8-4-16.

It is so ORDERED 7-5-16.

Original Signed

JAMES MARTIN, BUREAU CHIEF,
BUREAU OF REAL ESTATE APPRAISERS
DEPARTMENT OF CONSUMER AFFAIRS

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BEFORE THE
BUREAU OF REAL ESTATE APPRAISERS
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: **CHRISTOPHER L. BLAKESLEE** **245 Kentucky Street** **Suite F** **Petaluma, CA 94952** **368 Monte Vista Lane** **Petaluma, CA 94952** **Real Estate Appraiser License No. 014223** Respondent.	Case No. C20150416-01 OAH No. 2016020931 **STIPULATED SURRENDER OF LICENSE AND DISCIPLINARY ORDER**

In the interest of a prompt and speedy settlement of this matter, consistent with the public interest and the responsibilities of the Bureau of Real Estate Appraisers (Bureau), the parties hereby agree to the following Stipulated Surrender of License and Disciplinary Order which will be submitted to the Bureau Chief for approval and adoption as the final disposition of the Accusation.

PARTIES

1. Elizabeth Seaters, acting on behalf of the Bureau of Real Estate Appraisers (Complainant), Department of Consumer Affairs, brought this action solely in her capacity as the

Chief of Enforcement for Complainant and is represented in this matter by Kamala D. Harris, Attorney General of the State of California, by Char Sachson, Deputy Attorney General.

2. Christopher L. Blakeslee (Respondent) is represented in this proceeding by attorney K.P. Dean Harper, Esq., Bowles & Verna LLP, 2121 N. California Boulevard, Suite 875, Walnut Creek, CA 94596.

3. On or about February 5, 1994, the Bureau of Real Estate Appraisers (formerly Office of Real Estate Appraisers) issued Real Estate Appraiser License No. 014223 to Respondent. The Real Estate Appraiser License was in full force and effect at all times relevant to the charges brought in Accusation No. C20150416-01 and will expire on September 17, 2016, unless renewed.

JURISDICTION

4. Accusation No. C20150416-01 was filed before the Bureau of Real Estate Appraisers (Bureau), for the Department of Consumer Affairs, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on January 22, 2016. Respondent timely filed his Notice of Defense contesting the Accusation. A copy of Accusation No. C20150416-01 is attached as Exhibit A and incorporated by reference.

5. When deemed by the Bureau Chief to be in the public interest, Complainant has the authority under Business and Professions Code section 11315.5 to enter into a settlement related to administrative allegations of violations of Real Estate Appraisers' Licensing and Certification Law or regulations promulgated pursuant thereto, upon any terms and conditions as the Bureau Chief deems appropriate.

ADVISEMENT AND WAIVERS

6. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in Accusation No. C20150416-01. Respondent also has carefully read, fully discussed with counsel, and understands the effects of this Stipulated Surrender of License and Order.

7. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to be represented by counsel, at his own expense; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.

8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

9. Respondent understands that the charges and allegations in Accusation No. C20150416-01, if proven at a hearing, constitute cause for imposing discipline upon his Real Estate Appraiser's License.

10. For the purpose of resolving the Accusation without the expense and uncertainty of further proceedings, Respondent agrees that, at a hearing, Complainant could establish a factual basis for the charges in the Accusation and that those charges constitute cause for discipline. Respondent hereby gives up his right to contest that cause for discipline exists based on those charges.

11. Respondent understands that by signing this stipulation he enables the Bureau Chief to issue an order accepting the surrender of his Real Estate Appraiser License without further process.

12. Respondent understands and acknowledges that, pursuant to Business and Professions Code section 11409(c)(2), the Bureau of Real Estate Appraisers is not authorized to accept a new application from Respondent for licensure or certification until such time that payment of the costs of investigation, enforcement and prosecution of this case, as imposed by this order, is received in full.

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CONTINGENCY

13. This stipulation shall be subject to approval by the Bureau of Real Estate Appraisers. Respondent understands and agrees that counsel for Complainant and the staff of the Bureau of Real Estate Appraisers may communicate directly with the Bureau Chief regarding this stipulation and surrender, without notice to or participation by Respondent or his counsel. By signing the stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Bureau Chief considers and acts upon it. If the Bureau Chief fails to adopt this stipulation as its Decision and Order, the Stipulated Surrender and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Bureau shall not be disqualified from further action by having considered this matter.

14. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Surrender of License and Order, including Portable Document Format (PDF) and facsimile signatures thereto, shall have the same force and effect as the originals.

15. This Stipulated Surrender of License and Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Surrender of License and Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.

16. In consideration of the foregoing admissions and stipulations, the parties agree that the Bureau Chief may, without further notice or formal proceeding, issue and enter the following Order:

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ORDER

IT IS HEREBY ORDERED that Real Estate Appraiser License No. 014223, issued to Respondent Christopher L. Blakeslee, is surrendered and accepted by the Bureau of Real Estate Appraisers.

1. Respondent shall lose all rights and privileges as a Real Estate Appraiser in California as of the effective date of the Bureau's Decision and Order.

2. Respondent shall cause to be delivered to the Bureau his license certificate on or before the effective date of the Decision and Order.

3. If he ever applies for licensure or any certificate or registration as an appraisal management company to the Bureau of Real Estate Appraisers, or petitions for reinstatement in the State of California, the Bureau shall treat it as a new application for licensure or certification. Respondent must comply with all the laws, regulations and procedures for licensure in effect at the time the application or petition is filed, and all of the charges and allegations contained in Accusation No. C20150416-01 shall be deemed to be true, correct and admitted by Respondent when the Bureau determines whether to grant or deny the application or petition.

4. Respondent shall not be eligible to apply for a new license or for a certification of registration as an appraisal management company until one year from the effective date of this Stipulated Surrender.

5. Respondent shall pay the agency its costs of investigation and enforcement in the amount of $26,340.58 prior to issuance of a new or reinstated license. However, Respondent shall not be required to pay these charges as long as his license remains surrendered.

6. Respondent shall pay the Bureau an administrative fine of $10,000.00 prior to issuance of a new or reinstated license. However, Respondent shall not be required to pay these charges as long as his license remains surrendered.

ACCEPTANCE

I have carefully read the above Stipulated Surrender of License and Order and have fully discussed it with my attorney, K.P. Dean Harper. I understand the stipulation and the effect it

will have on my Real Estate Appraiser License. I enter into this Stipulated Surrender of License and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Bureau of Real Estate Appraisers.

DATED: 6/27/2016

Original Signed

CHRISTOPHER L. BLAKESLEE
Respondent

I have read and fully discussed with Respondent Christopher L. Blakeslee the terms and conditions and other matters contained in this Stipulated Surrender of License and Order. I approve its form and content.

DATED: 6-30-16

Original Signed

K.P. DEAN HARPER
Attorney for Respondent

ENDORSEMENT

The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted for consideration by the Bureau of Real Estate Appraisers.

Dated: 7/5/16

Respectfully submitted,

KAMALA D. HARRIS
Attorney General of California
FRANK H. PACOE
Supervising Deputy Attorney General

Original Signed

Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation No. C20150416-01

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BEFORE THE
BUREAU OF REAL ESTATE APPRAISERS
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: **CHRISTOPHER L. BLAKESLEE** **245 Kentucky Street** **Suite F** **Petaluma, CA 94952** **368 Monte Vista Lane** **Petaluma, CA 94952** **Real Estate Appraiser License No. 014223** Respondent.	Case No. C20150416-01 **ACCUSATION**

Complainant alleges:

PARTIES

1. Elizabeth Seaters, acting on behalf of the Bureau of Real Estate Appraisers (Complainant), Department of Consumer Affairs, brings this Accusation solely in her official capacity as Chief of Enforcement for Complainant.

2. On or about March 9, 1994, the Bureau of Real Estate Appraisers (formerly Office of Real Estate Appraisers) issued Real Estate Appraiser License Number 014223 to Christopher L. Blakeslee (Respondent). The Real Estate Appraiser License was in full force and effect at all times relevant to the charges brought herein and will expire on September 17, 2016, unless renewed.

JURISDICTION

3. This Accusation is brought before the Bureau of Real Estate Appraisers (Bureau) for the Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.

4. Business and Professions Code section 11313 states:

The bureau is under the supervision and control of the Director of Consumer Affairs. The duty of enforcing and administering this part is vested in the chief, and he or she is responsible to the Director of Consumer Affairs therefor. The chief shall adopt and enforce rules and regulations as are determined reasonably necessary to carry out the purposes of this part. Those rules and regulations shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Regulations adopted by the former Director of the Office of Real Estate Appraisers shall continue to apply to the bureau and its licensees.

5. Business and Professions Code section 11315.3 states:

The suspension, expiration, or forfeiture by operation of law of a license or certificate of registration issued by the office, or its suspension, forfeiture, or cancellation by order of the office or by order of a court of law, or its surrender without the written consent of the office, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the office of its authority to institute or continue a disciplinary proceeding against the licensee or registrant upon any ground provided by law or to enter an order suspending or revoking the license or certificate of registration, or otherwise taking disciplinary action against the licensee or registrant on any such ground.

STATUTORY AND REGULATORY PROVISIONS

6. Business and Professions Code section 11301 states:

(a) There is hereby created within the Department of Consumer Affairs a Bureau of Real Estate Appraisers to administer and enforce this part.

(b) Whenever the term "Office of Real Estate Appraisers" appears in any other law, it means the "Bureau of Real Estate Appraisers.

7. Business and Professions Code section 11316, subdivision (a), states:

(a) The director may assess a fine against a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation for violation of this part or any regulations adopted to carry out its purposes.

8. Business and Professions Code section 11314 states, in pertinent part: "The office is required to include in its regulations requirements for licensure and discipline of real estate appraisers that ensure protection of the public interest.

9. Business and Professions Code section 11319 states:

Notwithstanding any other provision of this code, the Uniform Standards of Professional Appraisal Practice constitute the minimum standard of conduct and performance for a licensee in any work or service performed that is addressed by those standards. If a licensee also is certified by the Board of Equalization, he or she shall follow the standards established by the Board of Equalization when fulfilling his or her responsibilities for assessment purposes.

10. Business and Professions Code section 11328 states, in pertinent part:

To substantiate documentation of appraisal experience, or to facilitate the investigation of illegal or unethical activities by a licensee, applicant, or other person acting in a capacity that requires a license, that licensee, applicant, or person shall, upon the request of the director, submit copies of appraisals, or any work product which is addressed by the Uniform Standards of Professional Appraisal Practice, and all supporting documentation and data to the OREA.

11. California Code of Regulations, title 10, section 3701, states:

Every holder of a license under this part shall conform to and observe the Uniform Standards of Professional Appraisal Practice (USPAP) and any subsequent amendments thereto as promulgated by the Appraisal Standards Board of The Appraisal Foundation which standards are herein incorporated into these regulations by reference as if fully set forth herein.

12. California Code of Regulations, title 10, section 3721, states:

(a) The Director may issue a citation, order of abatement, assess a fine or private or public reproval, suspend or revoke any license or Certificate of Registration, and/or may deny the

issuance or renewal of a license or Certificate of Registration of any person or entity acting in a capacity requiring a license or Certificate of Registration who has:

(1) Been convicted of a felony or any crime which is substantially related to the qualifications, functions, or duties of the profession of real estate appraisal;

(2) Done any act involving dishonesty, fraud or deceit with the intent to benefit himself or another, or to injure another;

(3) Been convicted for a commission or solicitation of a criminal act which involved or threatened bodily harm to others;

(4) Done any act which if done by the holder of a license to practice real estate appraisal would be grounds for revocation or suspension of such license;

(5) Knowingly made a false statement of material fact required to be disclosed in an application for a license authorizing the practice of real estate appraisal;

(6) Violated any provision of USPAP;

(7) Violated any provision of the Real Estate Appraisers' Licensing and Certification Law, Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code, or regulations promulgated pursuant thereto; or any provision of the Business and Professions Code applicable to applicants for or holders of licenses authorizing appraisals;

(8) Been prohibited from participating in the affairs of an insured depository institution pursuant to Section 19(a) of the Federal Deposit Insurance Act (12 U.S.C. Section 1829.); or

(9) Submitted a financial instrument to OREA for the payment of any fee, fine or penalty which instrument is subsequently dishonored by the issuing institution due to an act or omission of that person.

(b) Before issuing any private or public reproval or denying, suspending, or revoking any license or Certificate of Registration issued or issuable under the provisions of the Real Estate Appraisers Licensing and Certification Law or these regulations, the Office shall proceed as prescribed by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code (the Administrative Procedure Act) and the Office shall have all the powers granted therein.

(c) Any person issued a citation containing a fine or order of abatement may contest the citation by filing a written notice with the Office within 30 calendar days that states with specificity the basis of the appeal. Upon receipt of such notice, the Office shall proceed as prescribed by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code (the Administrative Procedure Act) and the Office shall have all the powers granted therein.

COST RECOVERY

13. Business and Professions Code section 11409, subdivision (a) states:

"Except as otherwise provided by law, any order issued in resolution of a disciplinary proceeding may direct a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, registrant, applicant for a certificate of registration, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation found to have committed a violation or violations of statutes or regulations relating to real estate appraiser practice to pay a sum not to exceed the reasonable costs of investigation, enforcement, and prosecution of the case."

UNIFORM STANDARDS OF APPRAISAL PRACTICE (USPAP)[1]

14. USPAP Standards Rule 1 states:

In developing a real property appraisal, an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete research and analyses necessary to produce a credible appraisal.

15. USPAP Standards Rule 1-1 states:

In developing a real property appraisal, an appraiser must:

(a) be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal;

(b) not commit a substantial error of omission or commission that significantly affects an appraisal; and

[1] The 2014-2015 revision of USPAP was effective from January 1, 2014 to December 31, 2015.

(c) not render appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal, in the aggregate affects the credibility of those results.

16. USPAP Standards Rule 1-2 states:

In developing a real property appraisal, an appraiser must:

(a) identify the client and other intended users;

(b) identify the intended use of the appraiser's opinions and conclusions;

(c) identify the type and definition of value, and, if the value opinion to be developed is market value, ascertain whether the value is to be the most probable price:

(i) in terms of cash; or

(ii) in terms of financial arrangements equivalent to cash; or

(iii) in other precisely defined terms; and

(iv) if the opinion of value is to be based on non-market financing or financing with unusual conditions or incentives, the terms of such financing must be clearly identified and the appraiser's opinion of their contributions to or negative influence on value must be developed by analysis of relevant market data;

(d) identify the effective date of the appraiser's opinions and conclusions;

(e) identify the characteristics of the property that are relevant to the type and definition of value and intended use of the appraisal, including:

(i) its location and physical, legal, and economic attributes;

(ii) the real property interest to be valued;

(iii) any personal property, trade fixtures, or intangible items that are not real property but are included in the appraisal;

(iv) any known easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of a similar nature; and

(v) whether the subject property is a fractional interest, physical segment, or partial holding;

(f) identify any extraordinary assumptions necessary in the assignment;

(g) identify any hypothetical conditions necessary in the assignment; and

(h) determine the scope of work necessary to produce credible assignment results in accordance with the SCOPE OF WORK RULE.

17. USPAP Standards Rule 1-3 states:

When necessary for credible assignment results in developing a market value opinion, an appraiser must:

(a) identify and analyze the effect on use and value of existing land use regulations, reasonably probable modifications of such land use regulations, economic supply and demand, the physical adaptability of the real estate, and market area trends; and

(b) develop an opinion of the highest and best use of the real estate.

18. USPAP Standards Rule 1-4 states:

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

(a) When a sales comparison approach is necessary for credible assignment results, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion.

(b) When a cost approach is necessary for credible assignment results, an appraiser must:

(i) develop an opinion of site value by an appropriate appraisal method or technique;

(ii) analyze such comparable cost data as are available to estimate the cost new of the improvements (if any); and

(iii) analyze such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements (accrued depreciation).

(c) When an income approach is necessary for credible assignment results, an appraiser must:

(i) analyze such comparable rental data as are available and/or the potential earnings capacity of the property to estimate the gross income potential of the property;

(ii) analyze such comparable operating expense data as are available to estimate the operating expenses of the property;

(iii) analyze such comparable data as are available to estimate rates of capitalization and/or rates of discount; and

(iv) base projections of future rent and/or income potential and expenses on reasonably clear and appropriate evidence.

(d) When developing an opinion of the value of a leased fee estate or a leasehold estate, an appraiser must analyze the effect on value, if any, of the terms and conditions of the lease(s).

(e) When analyzing the assemblage of the various estates or component parts of a property, an appraiser must analyze the effect on value, if any, of the assemblage. An appraiser must refrain from valuing the whole solely by adding together the individual values of the various estates or component parts.

(f) When analyzing anticipated public or private improvements, located on or off the site, an appraiser must analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.

(g) When personal property, trade fixtures, or intangible items are included in the appraisal, the appraiser must analyze the effect on value of such non-real property items.

19. USPAP Standards Rule 1-5 states:

When the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business:

(a) analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal; and

(b) analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal.

20. USPAP Standards Rule 1-6 states:

In developing a real property appraisal, an appraiser must:

(a) reconcile the quality and quantity of data available and analyzed within the approaches used; and

(b) reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value conclusion(s).

21. USPAP Standards Rule 2 states:

In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.

22. USPAP Standards Rule 2-1 states:

Each written or oral real property appraisal report must:

(a) clearly and accurately set forth the appraisal in a manner that will not be misleading;

(b) contain sufficient information to enable the intended users of the appraisal to understand the report properly; and

(c) clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment.

23. USPAP Standards Rule 2-2 states:

Each written real property appraisal report must be prepared under one of the following options and prominently state which option is used: Appraisal Report or Restricted Appraisal report.

(a) The content of an Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

(i) state the identity of the client and any intended users, by name or type;

(ii) state the intended use of the appraisal;

(iii) summarize information sufficient to identify the real estate involved in the appraisal, including the physical, legal, and economic property characteristics relevant to the assignment;

(iv) state the real property interest appraised;

(v) state the type and definition of value and cite the source of the definition;

(vi) state the effective date of the appraisal and the date of the report;

(vii) summarize the scope of work used to develop the appraisal;

(viii) summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained;

(ix) state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal;

(x) when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion;

(xi) clearly and conspicuously:

- state all extraordinary assumptions and hypothetical conditions; and
- state that their use might have affected the assignment results; and

(xii) include a signed certification in accordance with Standards Rule 2-3.

24. USPAP Standards Rule 2-3 states:

Each written real property appraisal report must contain a signed certification that is similar in content to the following form:

I certify that, to the best of my knowledge and belief:

— the statements of fact contained in this report are true and correct.

— the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

— I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.

— I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this agreement.

— I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

— my engagement in this assignment was not contingent upon developing or reporting predetermined results.

— my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

— my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

— I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)

— no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

25. USPAP Ethics Rule states:

An appraiser must promote and preserve the public trust inherent in appraisal practice by observing the highest standards of professional ethics.

An appraiser must comply with USPAP when obligated by law or regulation, or by agreement with the client or intended users. In addition to these requirements, an individual should comply any time that individual represents that he or she is performing the service as an appraiser.

Conduct:

An appraiser must perform assignments with impartiality, objectivity, and independence, and without accommodation of personal interests.

An appraiser:

- must not perform an assignment with bias;
- must not advocate the cause or interest of any party or issue;
- must not accept an assignment that includes the reporting of predetermined opinions and conclusions;
- must not misrepresent his or her role when providing valuation services that are outside of appraisal practice;
- must not communicate assignment results with the intent to mislead or to defraud;
- must not use or communicate a report that is known by the appraiser to be misleading or fraudulent;
- must not knowingly permit an employee or other person to communicate a misleading or fraudulent report;
- must not use or rely on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value;
- must not engage in criminal conduct;
- must not willfully or knowingly violate the requirements of the RECORD KEEPING RULE; and
- must not perform an assignment in a grossly negligent manner.

If known prior to accepting an assignment, and/or if discovered at any time during the assignment, an appraiser must disclose to the client, and in each subsequent report certification:

- any current or prospective interest in the subject property or parties involved; and

- any services regarding the subject property performed by the appraiser within the three year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.

Management:

An appraiser must disclose that he or she paid a fee or commission, or gave a thing of value in connection with the procurement of an assignment.

An appraiser must not accept an assignment, or have a compensation arrangement for an assignment, that is contingent on any of the following:

1. The reporting of a predetermined result (e.g., opinion of value);
2. a direction in assignment results that favors the cause of the client;
3. the amount of a value opinion;
4. the attainment of a stipulated result (e.g., that the loan closes, or taxes are reduced); or
5. the occurrence of a subsequent event directly related to the appraiser's opinions and specific to the assignment's purpose.

An appraiser must not advertise for or solicit assignments in a manner that is false, misleading, or exaggerated.

An appraiser must affix, or authorize the use of, his or her signature to certify recognition and acceptance of his or her USPAP responsibilities in an appraisal, appraisal review, or appraisal consulting assignment (see Standards Rules 2-3, 3-6, 5-3, 6-9, 8-3, and 10-3). An appraiser may authorize the use of his or her signature only on an assignment-by-assignment basis.

An appraiser must not affix the signature of another appraiser without his or her consent.

Confidentiality:

An appraiser must protect the confidential nature of the appraiser-client relationship.

An appraiser must act in good faith with regard to the legitimate interests of the client in the use of confidential information and in the communication of assignment results.

An appraiser must be aware of, and comply with, all confidentiality and privacy laws and regulations applicable in an assignment.

An appraiser must not disclose: (1) confidential information; or (2) assignment results to anyone other than:

- the client;
- persons specifically authorized by the client;
- state appraiser regulatory agencies;
- third parties as may be authorized by due process of law; or
- a duly authorized professional peer review committee except when such disclosure to a committee would violate applicable law or regulation.

A member of a duly authorized professional peer review committee must not disclose confidential information presented to the committee.

26. USPAP Record Keeping Rule states:

An appraiser must prepare a workfile for each appraisal or appraisal review assignment. A workfile must be in existence prior to the issuance of any report. A written summary of an oral report must be added to the workfile within a reasonable time after the issuance of the oral report.

The workfile must include:

- the name of the client and the identity, by name or type, of any other intended users;
- true copies of any written reports, documented on any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy.);
- summaries of all oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification;
- all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other documentation; and
- a workfile in support of a Restricted Appraisal Report must be sufficient for the appraiser to produce an Appraisal Report.

An appraiser must retain the workfile for a period of at least five years after preparation or at least two years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires last.

An appraiser must have custody of the workfile, or make appropriate workfile retention, access, and retrieval arrangements with the party having custody of the workfile. This includes ensuring that a workfile is stored in a medium that is retrievable by the appraiser throughout the prescribed record retention period.

An appraiser having custody of a workfile must allow other appraisers with workfile obligations related to an assignment appropriate access and retrieval for the purpose of:

- submission to state appraiser regulatory agencies;
- compliance with due process of law;
- submission to a duly authorized professional peer review committee; or
- compliance with retrieval arrangements.

An appraiser who willfully or knowingly fails to comply with the obligations of this RECORD KEEPING RULE is in violation of the ETHICS RULE.

APPRAISALS OF 815 RIVERWAY, VALLEJO, CALIFORNIA

27. Respondent performed appraisals of real property located at 815 Riverway, in Vallejo, California on January 27, 2015, and on May 4, 2015. The property consists of 35 acres of vacant land next to the Napa River, and is an undeveloped combination of wetlands, tidal marsh and uplands. It is not served by municipal utilities and, due to its location, it is under the permitting jurisdiction of the San Francisco Bay Conservation and Development Commission, the U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service, *inter alia.* In Respondent's January 27, 2015 appraisal report, Respondent listed an opinion of value of $35,000,000.00, and opined that the highest and best use of the property was "mixed use commercial, retail, residential and water oriented development." In Respondent's May 4, 2015 appraisal report, Respondent listed an opinion of value of $8,300,000.00, and opined that the highest and best use of the property was "home/winery, vineyard, and mitigation land."

FIRST CAUSE FOR DISCIPLINE

(January 27, 2015 Appraisal of 815 Riverway, Vallejo, California)

28. Respondent is subject to disciplinary action under California Code of Regulations, title 10, sections 3701 and 3721, and USPAP in that, for his January 27, 2015 appraisal of 815 Riverway, Vallejo, California:

a. Respondent misleadingly labeled the report as a "Consulting Letter on Valuation" when, in fact, it was an appraisal. Respondent communicated assignment results with the intent to mislead and communicated a report that was known to him to be misleading, in violation of the Conduct section of the Ethics Rule.

b. Respondent did not identify or prominently state the appraisal reporting option used, in violation of Standards Rule (S.R.) 2-2.

c. Respondent did not retain documentation in his workfile sufficient to produce an appraisal report in that he failed to produce any documentation for seven comparable properties utilized in the sales comparison approach to value, in violation of the Record Keeping Rule.

d. Respondent communicated a misleading report when he failed to satisfy minimum requirements for use of an Extraordinary Assumption, in violation of S.R. 1-2(f), 2-1(c), 2-2(a)(xi) and the Conduct section of the Ethics Rule.

e. Respondent failed to state the effective date of the appraisal when he variously stated it as November 27, 2014, January 27, 2015, and January 27, 2014, in violation of S.R. 2-2(a)(vi).

f. Respondent failed to provide an estimate of exposure time in violation of S.R. 1-2(c) and 2-2(a)(v).

g. Respondent failed to identify the relevant subject property characteristics in violation of S.R. 1-2(e)(i), 1-2(e)(iv) and 2-2(a)(iii) when he:

1. Failed to identify the subject's limited access easement which is substandard for virtually any development;

2. Failed to identify potential topographic impediments to development such as wetlands, soils, and contamination;

3. Failed to identify the subject general plan designation of U-I or to analyze how that designation would affect possible permit approvals for the subject;

4. Failed to identify other permitting agencies with jurisdiction over development of the subject;

5. Failed to identify availability and/or cost to extend municipal utilities to the subject; and/or

6. Failed to identify adverse claims on title to the subject.

h. Respondent failed to develop and report a credible conclusion of highest and best use, in violation of S.R. 1-3(a), 1-3(b) and 2-2(a)(x), in that he failed to consider land use regulations and other physical and legal characteristics of the subject property including access, topography, zoning, permitting, authority, utilities, and title. Respondent's conclusion of highest and best use was not supported as legally permissible, physically possible, and financially feasible.

i. Respondent failed to determine or perform a scope of work necessary to produce credible assignment results, in violation of S.R. 1-2(h), 1-3(a), 2-2(a)(iii), and the Conduct section of the Ethics Rule. The extent to which Respondent failed to research of identify relevant subject property characteristics, and his reliance upon the owner as his sole source of subject data, resulted in an appraisal that was not credible.

j. Respondent knowingly failed to report or analyze the prior transfer of the subject property in August, 2014, and failed to collect, verify, analyze or report information regarding prior listings of the subject property, in violation of S.R. 1-4(a), 1-5(b), 2-2(a)(viii), and the Conduct section of the Ethics Rule.

k. Respondent developed and reported a Sales Comparison Approach which was not credible and was misleading, in violation of S.R. 1-4(a), 1-6(a) and 2-2(a)(viii), when he:

1. Relied on unverified and unsuccessful offers to purchase the subject;

2. Failed to adequately analyze sales of comparable properties and misrepresented differences in physical and economic characteristics of the comparable sales;

3. Relied on sales which were not actual sales but were presented as such;

4. Misapplied the allocation method of estimating site value and applied a ratio of 30% of development cost as land value without any support for that ratio or any actual sale price to allocate;

5. Made numerous errors in reporting physical characteristics of the comparable sales, and mistakenly reported the sale price, site size, and clean up costs of the former General Mills Flour Mill sale property in Vallejo; and/or

6. Failed to reconcile and analyze the quality and quantity of data available within the Sales Comparison Approach.

l. Based on the allegations listed above in paragraphs 28.a., 28.d, 28.e., 28.f., 28.g., 28.h., 28.i., 28.j. and 28.k., Respondent failed to be aware of, understand and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal, in violation of S.R. 1-1(a).

m. Based on the allegations listed above in paragraphs 28.a., 28.b., 28.c., 28.d, 28.e., 28.f., 28.g., 28.h., 28.i., 28.j. and 28.k., Respondent committed substantial errors of omission or commission that significantly affected the appraisal, in violation of S.R. 1-1(b).

n. Based on the allegations listed above in paragraphs 28.a., 28.b., 28.d, 28.e., 28.f., 28.g., 28.h., 28.i., 28.j. and 28.k., Respondent set forth the appraisal in a manner that was misleading, in violation of S.R. 2-1(a).

o. Based on the allegations listed above in paragraphs 28.b., 28.d, 28.e., 28.f., 28.g., 28.h., 28.i., 28.j. and 28.k., Respondent did not provide sufficient information to enable the intended users of the appraisal to understand the report properly, in violation of S.R. 2-1(b).

SECOND CAUSE FOR DISCIPLINE

(May 4, 2015 Appraisal of 815 Riverway, Vallejo, California)

29. Respondent is subject to disciplinary action under California Code of Regulations, title 10, sections 3701 and 3721, and USPAP in that, for his May 4, 2015 appraisal of 815 Riverway, Vallejo, California:

a. Respondent misleadingly labeled the report as a "Consulting Letter on Valuation" when, in fact, it was an appraisal. Respondent communicated assignment results with the intent to

mislead and communicated a report that was known to him to be misleading, in violation of the Conduct section of the Ethics Rule.

b. Respondent failed to include a signed certification with the appraisal report, in violation of S.R. 2-2(a)(xii) and 2-3.

c. Respondent failed to disclose prior services regarding the subject, in violation of S.R. 2-3 and the Conduct section of the Ethics Rule.

d. Respondent did not identify or prominently state the appraisal reporting option used, in violation of S.R. 2-2.

e. Respondent failed to establish that his Extraordinary Assumptions had a reasonable basis and were likely to occur, and inappropriately assumed a unit value for a portion of the subject, resulting in analysis of the subject's value that was not credible, in violation of S.R. 1-2(f), 2-1(c), 2-2(a)(xi), and the Conduct section of the Ethics Rule.

f. Respondent failed to provide an estimate of exposure time, despite including exposure time in his definition of market value, in violation of S.R. 1-2(c) and 2-2(a)(v).

g. Respondent failed to identify the relevant subject property characteristics in violation of S.R. 1-2(e)(i), 1-2(e)(iv) and 2-2(a)(iii) when he:

1. Failed to identify the subject's limited access easement which is substandard for virtually any development;

2. Failed to identify potential topographic impediments to development such as wetlands, soils, climate, and contamination;

3. Failed to identify availability and/or cost to extend municipal utilities to the subject; and/or

4. Failed to identify adverse claims on title to the subject.

h. Respondent failed to develop and report a credible conclusion of highest and best use, in violation of S.R. 1-3(a), 1-3(b) and 2-2(a)(x), in that he failed to consider physical and legal characteristics of the subject property including access, topography, climate, utilities, and title. Respondent's conclusion of highest and best use was not supported as legally permissible, physically possible, and financially feasible.

i. Respondent failed to determine or perform a scope of work necessary to produce credible assignment results, in violation of S.R. 1-2(h), 1-3(a), 2-2(a)(iii), and the Conduct section of the Ethics Rule. The extent to which Respondent failed to research or identify relevant subject property characteristics, and his reliance upon the owner as his sole source of subject data, resulted in an appraisal that was not credible.

j. Respondent knowingly failed to report or analyze the prior transfer of the subject property in August, 2014, and failed to collect, verify, analyze or report information regarding prior listings of the subject property, in violation of S.R. 1-4(a), 1-5(b), 2-2(a)(viii), and the Conduct section of the Ethics Rule.

k. Respondent developed and reported a Sales Comparison Approach which was not credible and was misleading, in violation of S.R. 1-4(a), 1-4(e), 1-6(a) and 2-2(a)(viii), when he:

1. Failed to collect, verify or analyze any comparable sales data, other than the one pending sale of a dissimilar property;

2. Relied on generic, broad market data which were not actual sales and which generic data did not reflect the subject's physical, legal, and economic characteristics;

3. Added together the component values of the subject property without analyzing the effect on value, if any, of the assemblage;

4. Assumed a unit value of $100,000.00 per acre for 21 of the subject areas as mitigation land, instead of estimating a unit value for that portion of the subject; and/or

5. Failed to analyze and reconcile the quality and quantity of data available for the Sales Comparison Approach.

l. Based on the allegations listed above in paragraphs 29.a., 29.b., 29.d, 29.e., 29.f., 29.g., 29.h., 29.i., 29.j. and 29.k., Respondent failed to be aware of, understand and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal, in violation of S.R. 1-1(a).

m. Based on the allegations listed above in paragraphs 29.a., 29.b., 29.c., 29.d, 29.e., 29.f., 29.g., 29.h., 29.i., 29.j. and 29.k., Respondent committed substantial errors of omission or commission that significantly affected the appraisal, in violation of S.R. 1-1(b).

n. Based on the allegations listed above in paragraphs 29.a., 29.b., 29.c., 29.d, 29.e., 29.f., 29.g., 29.h., 29.i., 29.j. and 29.k., Respondent set forth the appraisal in a manner that was misleading, in violation of S.R. 2-1(a).

o. Based on the allegations listed above in paragraphs 29.a., 29.b., 29.c., 29.d, 29.e., 29.f., 29.g., 29.h., 29.i., 29.j. and 29.k., Respondent did not provide sufficient information to enable the intended users of the appraisal to understand the report properly, in violation of S.R. 2-1(b).

DISCIPLINE CONSIDERATIONS

30. To determine the degree of discipline, if any, to be imposed on Respondent, Complainant alleges that on or about May 1, 2009, in a prior action, the Bureau issued Citation Number C 070705-01 and C 081205-02 against Respondent. On June 2, 2009, the Bureau issued its final order in Citation Number C 070705-01 and C 081205-02 and ordered Respondent to complete a 15 hour USPAP course and pay a fine in the amount of $1,500.00. That Citation is now final and is incorporated by reference as if fully set forth.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Chief of the Bureau of Real Estate Appraisers issue a decision:

1. Revoking or suspending Real Estate Appraiser License Number 014223, issued to Christopher L. Blakeslee;

2. Ordering Christopher L. Blakeslee to pay the Bureau of Real Estate Appraisers the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 11409;

3. Ordering Christopher L. Blakeslee to pay the Bureau of Real Estate Appraisers a fine in the amount of $10,000.00 pursuant to Business and Professions Code section 11316; and

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4. Taking such other and further action as deemed necessary and proper.

DATED: 1/22/2016

Original Signed

ELIZABETH SEATERS
Chief of Enforcement
Bureau of Real Estate Appraisers
Department of Consumer Affairs
State of California
Complainant

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