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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:

Case No. C20150417-02 and C20150805-01

**ADEMUYIWA O. ADEBIYI
425 Orange Street
Suite 303
Oakland, CA 94610**

DEFAULT DECISION AND ORDER

Real Estate Appraiser License No. 043417

[Gov. Code, §11520]

Respondent.

FINDINGS OF FACT

1. On or about March 11, 2016, Elizabeth Seaters, in her official capacity as the Chief of Enforcement of the Bureau of Real Estate Appraisers (Complainant), filed Accusation No. C20150417-02 and C20150805-01 against Ademuyiwa O. Adebisi (Respondent) before the Bureau of Real Estate Appraisers. (Accusation attached as Exhibit A.)

2. On or about December 19, 2007, the Bureau of Real Estate Appraisers (Bureau) (formerly the Office of Real Estate Appraisers) issued Real Estate Appraiser License No. 043417 to Respondent. The Real Estate Appraiser License was in full force and effect at all times relevant to the charges brought in Accusation No. C20150417-02 and C20150805-01 and expired on April 11, 2016.

1 3. On or about May 4, 2016, Respondent was served by Certified and First Class Mail
2 copies of the Accusation No. C20150417-02 and C20150805-01, Statement to Respondent,
3 Notice of Defense, and Request for Discovery at Respondent's address of record which, pursuant
4 to Title 10, California Code of Regulations, section 3527, is required to be reported and
5 maintained with the Bureau. Respondent's address of record was and is:

6 425 Orange Street
7 Suite 303
8 Oakland, CA 94610

9 4. Service of the Accusation was effective as a matter of law under the provisions of
10 Government Code section 11505, subdivision (c), and/or Business & Professions Code section
11 124.

12 5. On or about June 2, 2016, the aforementioned documents were returned by the U.S.
13 Postal Service marked "Return to Sender Unable to Forward."

14 6. Government Code section 11506(c) states, in pertinent part:

15 (c) The respondent shall be entitled to a hearing on the merits if the respondent
16 files a notice of defense . . . and the notice shall be deemed a specific denial of all
17 parts of the accusation . . . not expressly admitted. Failure to file a notice of defense
18 . . . shall constitute a waiver of respondent's right to a hearing, but the agency in its
19 discretion may nevertheless grant a hearing.

20 7. Respondent failed to file a Notice of Defense within 15 days after service upon him
21 of the Accusation, and therefore waived his right to a hearing on the merits of Accusation No.
22 C20150417-02 and C20150805-01.

23 8. California Government Code section 11520(a) states, in pertinent part:

24 (a) If the respondent either fails to file a notice of defense . . . or to appear at
25 the hearing, the agency may take action based upon the respondent's express
26 admissions or upon other evidence and affidavits may be used as evidence without
27 any notice to respondent

28 9. Pursuant to its authority under Government Code section 11520, the Bureau finds
Respondent is in default. The Bureau will take action without further hearing and, based on the
relevant evidence contained in the Default Decision Evidence Packet in this matter, as well as
taking official notice of all the investigatory reports, exhibits and statements contained therein on
file at the Bureau's offices regarding the allegations contained in Accusation No. C20150417-02

1 and C20150805-01 finds that the charges and allegations in Accusation No. C20150417-02 and
2 C20150805-01, are, separately and severally, found to be true and correct by clear and convincing
3 evidence.

4 10. Taking official notice of its own internal records, pursuant to Business and
5 Professions Code section 11409, it is hereby determined that the reasonable costs for
6 Investigation and Enforcement is \$8,427.63 as of June 6, 2016.

7 DETERMINATION OF ISSUES

8 1. Based on the foregoing findings of fact, Respondent Ademuyiwa O. Adebisi has
9 subjected his Real Estate Appraiser License No. 043417 to discipline.

10 2. The agency has jurisdiction to adjudicate this case by default.

11 3. The Bureau of Real Estate Appraisers is authorized to revoke Respondent's Real
12 Estate Appraiser License based upon the following violations alleged in the Accusation which are
13 supported by the evidence contained in the Default Decision Evidence Packet in this case:

14 a. California Code of Regulations, title 10, sections 3701 and 3721 for USPAP
15 (Uniform Standards of Professional Appraisal Practice) violations in real property appraisals;

16 b. California Code of Regulations, title 10, sections 3701, 3702(a)(1), (a)(3), 3721(a)(2),
17 (a)(5), (a)(6) and (a)(7), 3568(e), and USPAP Ethics Rule for falsifications in a trainee's
18 certifications for licensure; and

19 c. California Code of Regulations, title 10, sections 3701, 3702(a)(1), (a)(3), 3721(a)(2),
20 (a)(5), (a)(6) and (a)(7), 3568(e), and USPAP Ethics Rule for alterations in appraisal reports.

21 ORDER

22 IT IS SO ORDERED that Real Estate Appraiser License No. 043417, heretofore issued to
23 Respondent Ademuyiwa O. Adebisi, is revoked. IT IS FURTHER ORDERED that a fine shall
24 issue against Respondent Ademuyiwa O. Adebisi in the amount of \$10,000.00 pursuant to
25 Business and Professions Code section 11316.
26

27 Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a
28 written motion requesting that the Decision be vacated and stating the grounds relied on within

1 seven (7) days after service of the Decision on Respondent. The agency in its discretion may
2 vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

3 This Decision shall become effective on 7-13-16

4 It is so ORDERED 6-13-16

5
6 **Original Signed**
7 CHIEF OF THE BUREAU OF REAL ESTATE
8 APPRAISERS
9 DEPARTMENT OF CONSUMER AFFAIRS

41536669 DOC
DOJ Matter ID SF2015403508

10 Attachment:
11 Exhibit A: Accusation
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Exhibit A

Accusation

(ADEMUYIWA O. ADEBIYI)

1 KAMALA D. HARRIS
Attorney General of California
2 FRANK H. PACOE
Supervising Deputy Attorney General
3 CHAR SACHSON
Deputy Attorney General
4 State Bar No. 161032
455 Golden Gate Avenue, Suite 11000
5 San Francisco, CA 94102-7004
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6 Facsimile: (415) 703-5480
Attorneys for Complainant

7
8 **BEFORE THE**
BUREAU OF REAL ESTATE APPRAISERS
9 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

10
11 In the Matter of the Accusation Against:

Case Nos. C20150417-02 and C20150805-01

12 **ADEMUYIWA O. ADEBIYI**
13 **425 Orange Street**
14 **Suite 303**
Oakland, CA 94610

ACCUSATION

15 **Real Estate Appraiser License No. 043417**

16 Respondent.

17
18 Complainant alleges:

19 **PARTIES**

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

23 2. On or about December 19, 2007, the Bureau of Real Estate Appraisers (formerly
24 Office of Real Estate Appraisers) issued Real Estate Appraiser License Number 043417 to
25 Ademuyiwa O. Adebisi (Respondent). The Real Estate Appraiser License was in full force and
26 effect at all times relevant to the charges brought herein and will expire on April 11, 2016, unless
27 renewed.

28

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 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.

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:

1 (1) Personally inspect the property with the trainee until the trainee is competent to make
2 unsupervised inspections in accordance with the Competency Provision of USPAP for the type of
3 property being appraised;

4 (2) Review the trainee's appraisal report;

5 (3) Accept responsibility for the appraisal report by signing and certifying that the report is
6 in compliance with USPAP;

7 (4) Review and initial each page of the trainee's Log of Appraisal Experience Form REA
8 3004 (Rev. 4/7/08) and verify under penalty of perjury that the work was completed under his/her
9 supervision; and

10 (5) Maintain records of the trainee's appraisals in accordance with USPAP.

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

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

16 13. Title 10, California Code of Regulations section 3702 states that:

17 "(a) The Director finds and declares as follows:

18 "(1) That the profession of real estate appraisal is vested with a fiduciary relationship of trust
19 and confidence as to clients, lending institutions, and both public and private guarantors or insurers
20 of funds in federally-related real estate transactions and that the qualifications of honesty, candor,
21 integrity, and trustworthiness are directly and substantially related to and indispensable to the
22 practice of the appraisal profession;

23 "(2) That registered Appraisal Management Companies are vested with a relationship of
24 trust and confidence as to their clients, lending institutions, and both public and private guarantors
25 or insurers of funds in federally-related real estate transactions and that the qualifications of
26 honesty, candor, integrity, and trustworthiness are directly and substantially related to and
27 indispensable to their business operations; and

28

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

7
8 15. Business and Professions Code section 11409, subdivision (a) states:

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

16 UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (2014-2015)

17 16. Uniform Standards Of Professional Appraisal Practice (USPAP) Standards Rule 1
18 states:

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

22 17. USPAP Standards Rule 1-1 states:

23 In developing a real property appraisal, an appraiser must:

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

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

28

1 (c) not render appraisal services in a careless or negligent manner, such as by making a
2 series of errors that, although individually might not significantly affect the results of an app

3 18. USPAP Standards Rule 1-2 states:

4 In developing a real property appraisal, an appraiser must:

5 (a) identify the client and other intended users;

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

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

9 (i) in terms of cash; or

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

11 (iii) in other precisely defined terms; and

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

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

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

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

20 (ii) the real property interest to be valued;

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

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

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

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

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

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

3 19. USPAP Standards Rule 1-2 states:

4 In developing a real property appraisal, an appraiser must:

- 5 (a) identify the client and other intended users;
6 (b) identify the intended use of the appraiser's opinions and conclusions;
7 (c) identify the type and definition of value, and, if the value opinion to be developed is

8 market value, ascertain whether the value is to be the most probable price:

9 (i) in terms of cash; or

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

11 (iii) in other precisely defined terms; and

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

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

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

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

20 (ii) the real property interest to be valued;

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

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

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

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

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

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

3 20. USPAP Standards Rule 1-4 states:

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

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

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

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

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

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

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

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

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

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

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

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

28

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

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

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

10 21. USPAP Standards Rule 1-6 states:

11 In developing a real property appraisal, an appraiser must:

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

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

16 22. USPAP Standards Rule 2 states:

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

19 23. USPAP Standards Rule 2-1 states:

20 Each written or oral real property appraisal report must:

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

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

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

26 24. USPAP Standards Rule 2-2 states:

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

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

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

7 (ii) state the intended use of the appraisal;

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

11 (iv) state the real property interest appraised;

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

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

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

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

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

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

22 (xi) clearly and conspicuously:

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

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

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1 25. USPAP Competency Rule states:

2 An appraiser must: (1) be competent to perform the assignment; (2) acquire the necessary
3 competency to perform the assignment; or (3) decline or withdraw from the assignment. In all
4 cases, the appraiser must perform competently when completing the assignment.

5 Being Competent

6 The appraiser must determine, prior to accepting an assignment, that he or she can perform
7 the assignment competently. Competency requires:

- 8 1. the ability to properly identify the problem to be addressed; and
9 2. the knowledge and experience to complete the assignment competently; and
10 3. recognition of, and compliance with, laws and regulations that apply to the
11 appraiser or to the assignment.

12 Acquiring Competency

13 If an appraiser determines he or she is not competent prior to accepting an assignment, the
14 appraiser must:

- 15 1. disclose the lack of knowledge and/or experience to the client before accepting the
16 assignment;
17 2. take all steps necessary or appropriate to complete the assignment competently; and
18 3. describe, in the report, the lack of knowledge and/or experience and the steps taken
19 to complete the assignment competently.

20 When facts or conditions are discovered during the course of an assignment that cause an
21 appraiser to determine, at that time, that he or she lacks the required knowledge and experience to
22 complete the assignment competently, the appraiser must:

- 23 1. notify the client, and
24 2. take all steps necessary or appropriate to complete the assignment competently, and
25 3. describe, in the report, the lack of knowledge and/or experience and the steps taken
26 to complete the assignment competently.

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1 Lack of Competency

2 If the assignment cannot be completed competently, the appraiser must decline or withdraw
3 from the assignment.

4 26. USPAP Ethics Rule states:

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

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

10 Conduct:

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

13 An appraiser:

- 14 • must not perform an assignment with bias;
- 15 • must not advocate the cause or interest of any party or issue;
- 16 • must not accept an assignment that includes the reporting of predetermined opinions and
17 conclusions;
- 18 • must not misrepresent his or her role when providing valuation services that are outside of
19 appraisal practice;
- 20 • must not communicate assignment results with the intent to mislead or to defraud;
- 21 • must not use or communicate a report that is known by the appraiser to be misleading or
22 fraudulent;
- 23 • must not knowingly permit an employee or other person to communicate a misleading or
24 fraudulent report;
- 25 • must not use or rely on unsupported conclusions relating to characteristics such as race,
26 color, religion, national origin, gender, marital status, familial status, age, receipt of public
27 assistance income, handicap, or an unsupported conclusion that homogeneity of such
28 characteristics is necessary to maximize value;

- 1 • must not engage in criminal conduct;
- 2 • must not willfully or knowingly violate the requirements of the RECORD KEEPING
- 3 RULE; and
- 4 • must not perform an assignment in a grossly negligent manner.

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

- 7 • any current or prospective interest in the subject property or parties involved; and
- 8 • any services regarding the subject property performed by the appraiser within the three
- 9 year period immediately preceding acceptance of the assignment, as an appraiser or in any other
- 10 capacity.

11 Management:

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

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

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

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

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

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

2 Confidentiality:

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

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

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

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

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

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

18 27. USPAP Scope of Work Rule states:

19 For each appraisal and appraisal review assignment, an appraiser must:

- 20 1. identify the problem to be solved;
- 21 2. determine and perform the scope of work necessary to develop credible
22 assignment results; and
- 23 3. disclose the scope of work in the report.

24 An appraiser must properly identify the problem to be solved in order to determine the
25 appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work
26 is sufficient to produce credible assignment results.

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1 b. Respondent completed a misleading report by inaccurately developing, reporting, and
2 analyzing data used in the Sales Comparison Approach, in violation of S.R. 1-4(a) and 2-2(a)(viii)
3 in that he:

4 1. Failed to include a time adjustment in an appreciating market;

5 2. Failed to support the ten-percent style adjustment and misapplied a negative
6 adjustment when it should have been a positive adjustment. This resulted in a 20-percent error to
7 the adjusted sale prices of Comparable Sales One, Two, Four, and Six;

8 3. Failed to support lack of an adjustment to allow for differences in the number of
9 units; and/or

10 4. Neglected to adjust for differences in room and bathroom counts despite a
11 report statement that adjustments were warranted.

12 c. Respondent failed to meaningfully reconcile the gross rent multiplier (GRM)
13 indicators, which ranged from 126.79 to 205.24, to the conclusion of 145. GRMs are commonly
14 used in appraising small income properties (S.R. 1-4(c)(iii) and 2-2(a)(viii));

15 d. Respondent failed to adequately reconcile the adjusted sale price within the Sales
16 Comparison Approach, which ranged from \$409,940 to \$783,880 to the value conclusion of
17 \$575,000. In doing so, Respondent failed to reconcile the quality and quantity of data available and
18 analyzed within the Sales Comparison Approach to Value, in violation of S.R. 1-6(a) and 2-
19 2(a)(viii);

20 e. Respondent failed to inspect the exteriors of comparable sales, which was contrary
21 to the stated Scope of Work, and Respondent did not provide original pictures, which was an
22 assignment condition, in violation of the Scope of Work Rule;

23 f. Based on the allegations listed above in paragraphs 28.a, 28.b, 28.c, 28.d, and 28.e.
24 above, Respondent failed to be aware of, understand, and correctly employ those recognized
25 methods and techniques that are necessary to produce a credible appraisal, in violation of S.R. 1-
26 1(a);

1 g. Based on the allegations listed above in paragraphs 28.a, 28.b, 28.c, 28.d, and 28.e
2 above, Respondent failed to clearly and accurately set forth the appraisal in a manner that was not
3 misleading, in violation of S.R.2-1(a);

4 h. Based on the allegations listed above in paragraphs 28.a, 28.b, 28.c, 28.d, and 28.e
5 above, Respondent's report failed to contain sufficient information to enable the intended users of
6 the appraisal to understand the report properly, in violation of S.R. 2-1(b); and/or

7 i. Based on the allegations listed above in paragraphs 28.a, 28.b, 28.c, 28.d, and 28.e
8 above, Respondent failed to complete the appraisal assignment competently, in violation of the
9 Competency Rule.

10 SECOND CAUSE FOR DISCIPLINE

11 (October 15, 2014 Appraisal Report for 6564 Lucas Avenue, Oakland, California)

12 29. Respondent is subject to disciplinary action under California Code of Regulations, title
13 10, sections 3701 and 3721, and USPAP in that, for his October 16, 2014 appraisal of 5221
14 Cypress Avenue, El Cerrito, California:

15 a. Respondent failed to adequately identify neighborhood and physical characteristics of
16 the subject, in violation of S.R.1-2(e)(i) and 2-2(a)(iii) in that he:

17 1. Reported arbitrary neighborhood boundaries of one mile north, east, south, and
18 west of the subject that did not accurately describe the subject neighborhood;

19 2. Reported incorrect Zoning Classification and Description, when he reported it as
20 "2400" and "Quadruplex" when the subject was zoned RM-3 and Mixed Housing Type Residential
21 Zone; and/or

22 3. Incorrectly counted the total room count of the units.

23 b. Respondent completed a misleading report by inaccurately developing, reporting, and
24 analyzing data used in the Sales Comparison Approach, in violation of S.R.1-4(a) and 2-2(a)(viii);

25 1. Failed to support lack of an adjustment for differences in the number of units;
26 and/or

27 2. Neglected to adjust for differences in room and bathroom counts despite a
28 report statement that adjustments were warranted.

1 c. Respondent failed to analyze potential rent correctly by not adequately considering the
2 effects of rent control, in violation of S.R. 1-4(c)(i) and 2-2(a)(viii));

3 d. Respondent failed to meaningfully reconcile the gross rent multiplier (GRM)
4 indicators, which ranged from 146.03 to 201.77, to the conclusion of 150, in violation of S.R. 1-
5 4(c)(iii) and 2-2(a)(viii);

6 e. Respondent failed to reconcile the adjusted sale price within the Sales Comparison
7 Approach, which ranged from \$1,040,600 to \$1,704,300 to the value conclusion of \$1,250,000.
8 In doing so, Respondent failed to reconcile the quality and quantity of data available and analyzed
9 within the Sales Comparison Approach to Value, in violation of S.R. 1-6(a) and 2-2(a)(viii);

10 f. Based on the allegations listed above in paragraphs 29.a, 29.b, 29.c, 29.d, and 29.e
11 above, Respondent failed to be aware of, understand, and correctly employ those recognized
12 methods and techniques that are necessary to produce a credible appraisal, in violation of S.R. 1-
13 1(a);

14 g. Based on the allegations listed above in paragraphs 29.a, 29.b, 29.c, 29.d, and 29.e
15 above, Respondent failed to clearly and accurately set forth the appraisal in a manner that was not
16 misleading, in violation of S.R.2-1(a);

17 h. Based on the allegations listed above in paragraphs 29.a, 29.b, 29.c, 29.d, and 29.e
18 above, Respondent's report failed to contain sufficient information to enable the intended users of
19 the appraisal to understand the report properly, in violation of S.R. 2-1(b); and/or

20 i. Based on the allegations listed above in paragraphs 29.a, 29.b, 29.c, 29.d, and 29.e
21 above, Respondent failed to complete the appraisal assignment competently, in violation of the
22 Competency Rule.

23 THIRD CAUSE FOR DISCIPLINE

24 (FALSIFICATION OF SUPERVISING APPRAISER'S CERTIFICATIONS)

25 30. Respondent performed the following appraisals of real property, for which appraisal
26 reports were submitted to lenders:

- 27 • November 14, 2014: 736 Laurel Avenue, Burlingame, California
- 28 • November 28, 2014: 563 58th Street, Oakland, California

1 On or about December 23, 2014, February 9, 2015 and April 30, 2015, Respondent certified
2 appraisal experience for C.C., an appraiser trainee who was applying for his appraiser's license
3 with the Bureau. The certifications indicated that C.C. had either signed the two reports
4 referenced above, or was acknowledged in the reports as having provided significant real property
5 appraisal assistance in the reports that were transmitted to the lender. Respondent failed to
6 indicate on the appraisal reports submitted to the lenders that C.C. had provided any assistance.
7 On the appraisal reports submitted to the Bureau in support of C.C.'s application however,
8 Respondent indicated that C.C. assisted in the completion of the reports.

9 31. Respondent is subject to disciplinary action under California Code of Regulations, title
10 10, sections 3701, 3702(a)(1), (a)(3), 3721(a)(2), (a)(5), (a)(6) and (a)(7), 3568(e) and USPAP
11 Ethics Rule in that he submitted certifications of appraisal experience which indicated either that
12 the applicant C.C. had signed the above-listed reports, or was acknowledged as providing
13 significant real property appraisal assistance, when neither was true.

14 SECOND CAUSE FOR DISCIPLINE

15 (ALTERATION OF APPRAISAL REPORTS)

16 32. Respondent is subject to disciplinary action under California Code of Regulations, title
17 10, sections 3701, 3702(a)(1), (a)(3), 3721(a)(2), (a)(5), (a)(6) and (a)(7), 3568(e) and USPAP
18 Ethics Rule in that, as alleged above, he submitted appraisal reports to lenders that failed to
19 indicate any assistance by applicant C.C., and submitted appraisal reports for the same appraisals
20 to the Bureau which indicated that applicant C.C. did provide real property appraisal assistance.

21 PRAYER

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

24 1. Revoking or suspending Real Estate Appraiser License Number 043417, issued to
25 Ademuyiwa O. Adebisi;

26 2. Ordering Ademuyiwa O. Adebisi to pay the Bureau of Real Estate Appraisers the
27 reasonable costs of the investigation and enforcement of this case, pursuant to Business and
28 Professions Code section 11409;

1 3. Ordering Ademuyiwa O. Adebisi to pay the Bureau of Real Estate Appraisers a fine in
2 the amount of \$10,000.00 pursuant to Business and Professions Code section 11316; and

3 4. Taking such other and further action as deemed necessary and proper.
4
5

6
7 DATED: 3/11/16

Original Signed

8 ELIZABETH SEATERS
9 Chief of Enforcement
10 Bureau of Real Estate Appraisers
11 Department of Consumer Affairs
12 State of California
13 *Complainant*
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