

**GREER, PATTERSON & ASSOCIATES, INC.**

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Edward O. Greer, MAI

March 9, 2001

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Ben Henson, Executive Director  
Appraisal Subcommittee  
2000 "K" Street NW, Suite 310  
Washington, D.C. 20006

Dear Mr. Henson:

I recently had a conversation with Kathryn Gearheard regarding the status of the Washington State real estate appraisers' licensing law. I have been very outspoken about the State of Washington's process and was unaware of National's review of the State's rules.

Based on my conversation with Ms. Gearheard, I would like to reiterate my displeasure with the State of Washington Department of Licensing, Real Estate Appraiser Section's handling of complaints.

The first "problem" report I submitted to the State was referred to by them as Complaint Number [DELETION]. This file referenced a proposed mini-mart or service station food mart.

On Page 25 of the report, the *Reconciliation* indicates the following:

Cost Approach	N/A
Sales Comparison Approach	N/A
Income Approach	\$660,000

However, on Page 20 of the report, the Cost Approach notes a \$660,000 value. The Sales Comparison Approach is on pages 21, 22 and 23, and yet there is no conclusion noted. One would think the second paragraph on Page 23 is the correlation of facts of the Sales Comparison Approach, but the appraiser's conclusion notes "*Conclusions to be made are that the market and income approaches are not reliable or applicable in this appraisal.*" Thus, the *Reconciliation* on Page 25 is totally inconsistent with the data noted.

Based on my review of the data, the report is incoherent and does not reasonably lead one to any conclusion due to the errors and misstatements.

On September 20, 1994 I received a letter noting that the Washington State Department of Licensing **did not find any problems with the report.**

A second submission to the State regarded two reports of a side-by-side development in which the appraiser forgot to mention in the analysis that the properties were, in fact, related to each other, i.e., the office for the motel was in the adjoining property's office building. No notation was made of this relationship, along with what I considered several other major deficiencies.

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I have no specifics as to the State's case number, but as noted from the letter dated June 28, 1994 from [DELETION], there was a complaint filed.

It is my finding that the appraisal profession is going backwards: first, due to Washington State's failure to enforce or reasonably investigate any inquiries regarding misconduct of appraisers, and second, due to the releasing of information to the party involved in the inquiry.

It is my belief that sending information to a department of licensing is only an alert to the licensing department. They are to make a reasonable review of the information and be the complainant.

I have suggested, and will continue to suggest, that no complaints be filed with the State of Washington until there are assurances that:

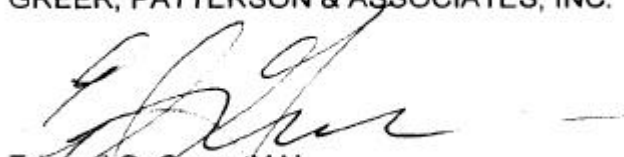
1. The inquiring party's name is not released to the party upon whom the inquiry/complaint is issued, and
2. The State has individuals reviewing the reports or data submitted who understand the Standards as required by USPAP.

I hope this helps push the licensing in a direction which is truly beneficial to clients using appraisal services and to the profession overall.

**I have assumed this information will be used in a general basis and that the specifics will be kept confidential.** If I can be of assistance to you, or if you have other questions, I will be happy to discuss the issues further.

Very truly yours,

GREER, PATTERSON & ASSOCIATES, INC.



Edward O. Greer, MAI  
State-certified General Real Estate Appraiser  
Number 270-11 1100597

EOG:gc

Attachments

cc (without attachments): Vicki Ledbetter, Appraisal Policy Manager  
Appraisal Subcommittee