Disciplinary Actions:

The following is a summary of recent disciplinary actions taken by the Appraisal Board. This is only a summary; for brevity, some of the facts and conclusions may not have been included. Because these are summaries only, and because each case is unique, these summaries should not be relied on as precedent as to how similar cases may be handled.

In many cases appraisers are required to complete additional education as part of a consent order. Please check with the Board office if you have questions regarding an individual's current license status.

Appraisers:

Stewart Browne A8336 (Locust)

By consent, the Board voted that effective October 14, 2026, Mr. Browne's certification as a residential appraiser is reprimanded. No later than April 13, 2027, Respondent shall complete the following coursework: a continuing education course on Appraisal Ethics and Valuation Bias. Respondent shall also complete the Appraisal Foundation corrective education course entitled, "Ethics, Competency, and Negligence." Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the above courses and provide certificates of completion to the Board office by April 13, 2027, the reprimand will be vacated, and an active suspension shall be activated in its place on April 14, 2027. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal on a single-family residential property located in North Carolina to obtain current market value for mortgage lending. Respondent included in his appraisal report unprofessional and derogatory comments that were of a personal nature about the builder's company. Respondent's conduct, as set forth above, is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Samuel Fagan A6156 (Landrum)

By consent, the Board voted that effective October 14, 2026, Mr. Fagan's certification as a residential appraiser is reprimanded. No later than April 13, 2027, Respondent shall complete two continuing education courses: 1) Appraiser Liability, and; 2) Accessory Dwelling Units (ADUs). Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the above courses and provide certificates of completion to the Board office by April 13, 2027, the reprimand will be vacated, and an active suspension shall be activated in its place on April 14, 2027. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal on a single-family residential property located in North Carolina to obtain current market value for the purpose of a refinance transaction. Respondent did not adequately develop, analyze, or report the appraisal, as required by the Uniform Standards of Professional Appraisal Practice (USPAP). Respondent did not adequately identify the property being appraised by failing to report on the multiple Accessory Dwelling Units (ADUs) that were on the property. Respondent made a series of errors and omissions and failed to follow the assignment conditions. Respondent's conduct, as set forth above, constitutes violations of the North Carolina Appraisers Act, Board Rules, and USPAP.

James Julian A6405 (Cramerton)

By consent, the Board voted that effective October 14, 2027, Mr. Julian's certification as a general appraiser is inactively suspended for a period of six months. No later than October 14, 2027, Respondent shall complete two qualifying education courses: 1) Market Analysis and Highest and Best Use for general appraisers (30 hours); and 2) Sales Comparison Approach for general appraisers (30 hours). Respondent shall also complete the Appraisal Foundation's corrective education course entitled, "Ethics, Competency, and Negligence." Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the above courses and provide certificates of completion to the Board office by October 14, 2027, Respondent's license shall be actively suspended on October 15, 2027, and the active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent, at the request of his client who previously entered a contract to purchase a commercial/industrial property, performed an appraisal on that commercial/industrial property located in North Carolina to obtain the current market value for the purpose of allowing his client to make an investment decision. Based upon the Board's review of an appraisal review and report subsequently prepared by another appraiser and the Board's investigator's evaluation, the Board determined that: Respondent did not produce a credible appraisal report and provided an opinion of value that was substantially higher than a more credible appraised value; Respondent lacked adequate due diligence in confirming comparable sales; Respondent did not adequately identify the market by restricting the data search and did not appraise the property based on the definition of market value; Respondent made excessive adjustments to comparable sales. Respondent's methodology did not recognize differences in property attributes associated with industrial properties; Respondent's comparable sales did not represent a reasonable substitute for potential buyers of the subject property because of their differences in age, size, and construction and Respondent's report did not adhere to Uniform Standards of Professional Appraisal Practice (USPAP) standards and contained numerous substantial errors. Based upon the Board's review of an appraisal review and report subsequently prepared by another appraiser and the Board's investigator's evaluation, the Board determined that Respondent's conduct, as set forth above, is in violation of USPAP, the North Carolina Appraiser's Act, and Board Rules. Respondent does not admit the above conduct but enters into this Consent Order for purposes of resolving this matter.

David McGonagle A5652 (Charlotte)

By consent, the Board voted that effective November 1, 2026, Respondent's certification as a residential appraiser is actively suspended for a period of one month starting on November 1, 2026, and ending on December 1, 2026. On December 2, 2026, Respondent's license shall be inactively suspended for a period of five months ending on May 1, 2027, during which Respondent shall complete the following courses: 1) a continuing education course on supporting adjustments; 2) a continuing education course on appraiser liability; and 3) The Appraisal Foundation's corrective education course entitled, "Report Certifications: What Am I Signing and Why." All courses shall be completed by May 1, 2027. For all the above courses, no later than May 1, 2027, Respondent shall submit completion certificates to the Board office establishing that he has completed the coursework. If Respondent does not complete all the coursework by May 1, 2027, his license shall be actively suspended at that time and will remain actively suspended until he successfully completes the coursework and submits certificates of completion to the Board office. The continuing education and corrective education hours for the above courses shall not be used for Respondent's required continuing education hours. Pursuant to the requirements of the Appraisal Qualifications Board (AQB), Respondent shall not supervise a registered trainee until three years after all terms of this Consent Order have been satisfied.

Respondent performed an appraisal to determine current market value on a residential off-frame modular property located in North Carolina for purposes of a refinance transaction. Respondent did not inspect the property, as required by the Client; his trainee inspected it. When completing Form 1004, Respondent signed the certification statement, which is preprinted, which states that he inspected the property. Respondent included a separate certification as part of the report transmission in which he attempted to clarify that he did not inspect the property. In addition, Respondent's appraisal report included multiple instances of inaccurate or misleading information and contained unsupported adjustments that reduced the credibility of the report. Respondent's conduct, as set forth above, constitutes violations of the North Carolina Appraisers Act, Board Rules, and USPAP.

Ellen Qualls A4061 (Troy)

By consent, the Board voted that effective October 14, 2026, Ms. Qualls' license as a residential appraiser is reprimanded. No later than April 13, 2027, Respondent shall complete two continuing education courses: 1) Appraiser Liability, and; 2) Supporting Adjustments. Respondent shall also complete the Appraisal Foundation's corrective education course entitled, "Ethics, Competency, and Negligence." Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the above courses and provide certificates of completion to the Board office by April 13, 2027, the reprimand will be vacated, and an active suspension shall be activated in its place on April 14, 2027. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal on a single-family residential property located in North Carolina to obtain current market value for the purpose of loan servicing. In Respondent's

appraisal report, she inaccurately reported RA-1 zoning descriptions and mislabeled a street view. Respondent's appraisal report did not address location or marketability impacts to comparable sale nos. 2, 3, and 6; lacked adequate support; did not adequately explain the reconciled value; and failed to respond to a revision request. Respondent lacked support for adjustments in property no. 1 and did not accurately identify photos of the subject; failed to address physical differences in property no. 2; and did not inspect the comparable sales from the street for both properties. Respondent's conduct, as set forth above, is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

William Scarbrough A4729 (Smithfield)

By consent, the Board voted that effective September 17, 2026, Mr. Scarbrough's certification as a general appraiser is actively suspended for a period of six months starting on October 1, 2026, and ending on April 1, 2027. On April 2, 2027, Respondent's license shall be inactively suspended for a period of six months ending on October 1, 2027. During the above suspension, Respondent shall complete the following courses: a continuing education course on GSE appraisal requirements; a residential property inspection continuing education course; and The Appraisal Foundation corrective education course entitled, "Scope of Work: Appraisals and Inspections." All courses shall be completed by April 1, 2027. For all of the above courses, no later than April 1, 2027, Respondent shall submit completion certificates to the Board office establishing that he has completed the coursework. If Respondent does not complete all of the above coursework by April 1, 2027, his license shall be actively suspended at that time and will remain actively suspended until he successfully completes the coursework and submits certificates of completion to the Board office. The continuing education and the corrective education hours for the above courses shall not be used for Respondent's required continuing education hours. Pursuant to the requirements of the Appraisal Qualifications Board (AQB), Respondent shall not supervise a registered trainee until three years after all terms of this Consent Order have been satisfied.

Respondent performed an appraisal to determine market value on a residential condominium property located in North Carolina. Respondent incorrectly appraised the property as a duplex, when it was legally a two-unit condominium, as a result, Respondent did not accurately describe the physical and legal characteristics of the subject property. Respondent failed to use original photographs in the appraisal report, which was required by the client. In the original appraisal report, all interior and exterior photographs for the subject were MLS photographs, with a subject street photograph that is not from the subject's street. Respondent revised the report and included original exterior photographs and a corrected street photograph; however, Respondent's interior photographs were not original and were from the MLS. Respondent's conduct, as set forth above, is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Appraisal Management Companies:

Financial Asset Services, Inc. NC-1039 (Irvine, CA)

By consent, the voted that effective October 14, 2026, Financial Asset Services, Inc.'s registration as an AMC is inactively suspended for a period of six months. The compliance

manager, Brandon E. Sison, is inactively suspended in their role as compliance manager for Respondent for a period of six months. During the inactive suspension, both the President/CEO, Stacy A. Seminoff, and compliance manager, Brandon E. Sison shall complete lessons 3 and 4 of the course entitled "Professional Ethics and Conduct." Respondent shall pay the civil penalty of $2,500 made payable to the North Carolina Appraisal Board, no later than January 14, 2027. If Respondent fails to pay the civil penalty of $2,500 by January 14, 2027, or if the funds are deemed insufficient, Respondent's registration will be actively suspended until payment is received and cleared. Any subsequent violations involving failure to report disciplinary action that took place in another State shall result in a minimum of a $5,000 civil penalty for each violation.

Respondent failed to notify the NC Appraisal Board of sanctions imposed against the designated compliance manager. Respondent's conduct is in violation of the North Carolina Appraiser's Act and Board Rules.

Timios Appraisal Management, Inc. NC-1137 (Plano, TX)

By consent, the Board voted that effective October 13, 2026, Timios Appraisal Management, Inc., shall voluntarily surrender their registration as an AMC in North Carolina. Respondent shall pay an administrative fine of $1,000 by November 1, 2026, payable to the NC Appraisal Board via cashier's check or money order.

On April 6, 2026, Respondent notified the Board of its closure effective April 1, 2026, and agreed to maintain the required surety bond for at least two years following closure. In each of the four complaints in this matter, Respondent failed to pay the appraisers the fee owed for the transmission of the appraisal within 30 days. In all four complaints in this matter, Respondent eventually paid the fee owed to the appraisers, approximately two to three months late. North Carolina General Statute § 93E-2-4(d), requires that an AMC shall pay fees to an appraiser within 30 days of the date the appraisal is transmitted by the appraiser to the AMC.