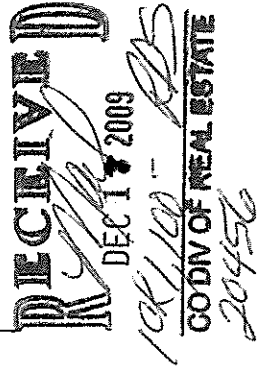


BEFORE THE BOARD OF REAL ESTATE APPRAISERS  
STATE OF COLORADO

Case Nos. 2008081043 and 2009040765



STIPULATION AND FINAL AGENCY ORDER

IN THE MATTER OF THE DISCIPLINARY ACTION AGAINST THE APPRAISER'S  
LICENSE OF MIKE CARTON (LICENSE # CR40015676),

Respondent.

IT IS HEREBY STIPULATED by and between the Colorado Board of Real Estate Appraisers (the "Board") and Respondent, as follows:

1. At all times relevant hereto, Respondent was registered, licensed or certified as a real estate appraiser in the State of Colorado.
2. The Board has jurisdiction over Respondent, Respondent's license and the subject matter of this action.
3. The Board commenced an investigation of Respondent's activities based upon a complaint filed on the Board's own motion or by an individual with specific knowledge of Respondent's actions.
4. The Board notified Respondent of the complaint and of the investigation and provided to Respondent a copy of the complaint and investigative report. The Board offered Respondent the opportunity to give written data, views and arguments concerning the complaint, the investigation and the investigative report.
5. The Board considered the investigative report regarding the appraisal and the appraisal reporting of the property or properties identified on Exhibit A, attached hereto and incorporated herein, and found reasonable grounds exist to refer Respondent to hearing for violations of appraisal law. The Board authorized the preparation of this settlement agreement including the disciplinary terms set forth herein and set forth on Exhibit A as a means to resolve the matter without the need for formal hearing.
6. Respondent admits to factual findings and violations of appraisal laws, Board Rules and Uniform Standards of Professional Appraisal Practice as set forth in the investigative report identified on Exhibit A. The investigative report is incorporated herein by this reference.

7. Respondent agrees to and accepts the discipline set forth herein and set forth on Exhibit A.

a. If the discipline set forth on Exhibit A includes a fine, such fine shall be made payable to the "Colorado Board of Real Estate Appraisers" and shall be paid to the Board in good funds in one lump-sum payment when Respondent signs and returns this Stipulation and Final Agency Order to the Board. Respondent's failure to include payment for the fine when returning this signed Stipulation and Final Agency Order to the Board will not preclude the Board from executing and accepting this Stipulation and Final Agency Order which has been signed by Respondent. In such event, the Board may, in its sole discretion, execute this Stipulation and Final Agency Order signed by Respondent and treat Respondent's failure to provide payment of the fine as a failure to comply with the terms of this Stipulation and Final Agency Order.

b. If the discipline set forth on Exhibit A includes the completion of course work, Respondent shall enroll in and successfully complete the courses set forth on Exhibit A by the due dates set forth therein. Respondent shall also submit written proof of course work completion in a form and manner acceptable to the Board by such due dates. All such course work shall be completed in addition to any continuing education courses required by §12-61-706, C.R.S. and the rules and regulations of the Board.

c. If the discipline set forth on Exhibit A includes supervision, Respondent shall be directly supervised by an independent third party appraiser approved by the Board or the Board's designee. Respondent shall bear the responsibility and any costs associated with locating and retaining said review appraiser. During the period of supervision, Respondent's work product shall be reviewed by the supervisor in accordance with the terms and conditions set forth on Exhibit A.

d. If the discipline set forth on Exhibit A includes probation, Respondent shall be placed on probationary status for the period set forth on Exhibit A. During the period of probation, Respondent may continue to practice as an appraiser subject to the terms and conditions set forth on Exhibit A.

e. If the discipline set forth on Exhibit A includes suspension, Respondent shall be suspended from practicing as an appraiser commencing on the date set forth on Exhibit A and continuing for the period set forth on Exhibit A. During the period of suspension, Respondent shall not engage in any act requiring an appraiser registration, license or certificate as set forth in §12-61-706 and §12-61-712, C.R.S. Any registration(s), license(s), certificate(s) and/or pocket card(s) of Respondent shall be returned to the Board no later than the effective date of the suspension.

f. Respondent acknowledges that the Board will publish this Stipulation and Final Agency Order (or a summary of the disciplinary terms provided for herein) on the Board's website and in the Board's newsletter, and will treat this Stipulation and Final Agency Order and the investigative report as public records in the custody of the Board.

8. It is the intent and purpose of this Stipulation to provide for the settlement of the particular issues, allegations and/or charges raised by the investigation of Respondent's activities by the Board as set forth in paragraphs 3, 4 and 5 above and as set forth in the investigative report, except as provided in paragraph 11 below.

9. Upon execution by all parties, this Stipulation and Final Agency Order shall represent the entire and final agreement of the parties. In the event any provision of this Stipulation and Final Agency Order is deemed invalid or unenforceable by a court of law, it shall be severed and the remaining provisions of this Stipulation and Final Agency Order shall be given full force and effect.

10. Respondent expressly agrees and acknowledges that Respondent has entered into this Stipulation and Final Agency Order knowingly and voluntarily. After the opportunity to consult with legal counsel, Respondent affirms that Respondent has read this Stipulation and Final Agency Order and fully understands its nature, meaning and content. Respondent agrees that upon execution of this Stipulation and Final Agency Order, no subsequent action or assertion shall be maintained or pursued by Respondent asserting the invalidity in any manner of this Stipulation and Final Agency Order.

11. Respondent agrees that the following terms shall apply if Respondent fails to comply with any of the terms of this Stipulation and Final Agency Order:

a. In the event that Respondent fails to comply with any of the terms of this Stipulation and Final Agency Order, such failure shall constitute a violation of §12-61-710(1)(b), C.R.S., and the Board shall have the right to proceed with formal disciplinary action against Respondent pursuant to §12-61-710, §24-4-104 and §24-4-105, C.R.S. Completion of the terms of this Stipulation and Final Agency Order after the date required herein shall not excuse the failure to comply nor prohibit the Board from proceeding with such formal disciplinary action.

b. In a proceeding against Respondent for failing to comply with the terms of this Stipulation and Final Agency Order, this Stipulation and Final Agency Order shall be admissible as evidence, and the matters at issue shall be limited to the question of whether or not Respondent has failed to comply with any of the terms of this Stipulation and Final Agency Order. Any issues relating to the underlying complaint or investigation that formed the basis for disciplinary action against Respondent (and any defenses that Respondent may have to such complaint and investigation) shall specifically not be at issue in the proceeding against Respondent for failing to comply with the terms of this Stipulation and Final Agency Order.

c. In the event that Respondent is found, after a hearing, to have failed to comply with any of the terms of this Stipulation and Final Agency Order, Respondent stipulates and agrees that the appropriate form of formal discipline to be imposed by the Board shall consist of revocation of Respondent's appraiser registration, license or certificate. Upon such revocation, Respondent shall not engage in any act requiring an appraiser registration, license or certificate as set forth in §§12-61-706 and §12-61-712, C.R.S. Respondent shall

also be required to pay any unpaid fine provided for in this Stipulation and Final Agency Order. The Board shall also have the right to publish the Final Agency Order from the hearing (or a summary of the disciplinary terms therein) on the Board's website and in the Board's newsletter, and to continue thereafter to treat such Final Agency Order as a public record in the custody of the Board.

12. Respondent understands and knowingly and voluntarily enters into this Stipulation and Final Agency Order. Respondent further understands and knowingly and voluntarily waives the following rights:

- a. The right to a formal disciplinary hearing on the merits of the matters forming the basis of this Stipulation and Final Agency Order and the right to require the Board to meet its burden of proof in a formal hearing.
- b. The right to confront and cross-examine all witnesses against Respondent at a formal hearing.
- c. The right to subpoena witnesses, present evidence and to testify on Respondent's own behalf at a formal hearing.
- d. The right to be represented by counsel of Respondent's own choosing and at Respondent's expense at any stage of this proceeding.
- e. The right to engage in pre-hearing discovery of the Board's evidence.
- f. The right to appeal the Final Agency Order provided for by this Stipulation.

13. On the date upon which this Stipulation is executed by an authorized representative of the Board, it shall become the Final Agency Order of the Board.

EXECUTED BY THE BOARD this 23<sup>rd</sup> day of December, 2009.

RESPONDENT

COLORADO BOARD OF REAL ESTATE APPRAISERS

Michelle Carton  
Respondent

By:

Marcia Waters  
Erin Toll (or Designee of the Director)  
Division of Real Estate  
1560 Broadway, Ste. 925  
Denver, CO 80202

**EXHIBIT A**  
**Stipulation and Final Agency Order**

Respondent Name: MIKE CARTON  
License Number: CR40015676  
Case Numbers: 2008081043 and 2009040765

Property Appraised

- 10140 Fremont County Road 45, Coaldale, CO
- 4150 W. 111<sup>th</sup> Circle, Westminster, CO
- 3924 Xavier Street, Denver, CO

Appraisal Report Date

June 26, 2008  
December 10, 2008  
December 10, 2008

Admissions: Respondent admits to the allegations, factual findings and conclusions of law in the investigative report dated November 3, 2009. Respondent admits these facts constitute a violation of: USPAP Conduct and Record Keeping sections of the Ethics Rule; Competency Rule; Problem Identification, Acceptability, Disclosure Obligation sections of the Scope of Work Rule; Standards Rules 1-1 (a), 1-1 (b), 1-1 (c), 1-2 (e) 1-2 (h), 1-4, 1-4 (a), 1-4 (b)(i), 1-4 (b)(ii), 1-4 (b)(iii), 1-6 (a), 2-1 (a), 2-1 (b), 2-2 (b)(vii), 2-2 (b)(viii), 2-3; and Board Rule 11.2 of the 2008 Rules of the Colorado Board of Real Estate Appraisers.

Discipline: Respondent accepts the discipline set forth in paragraph 7 and the discipline set forth below:

- Fine: Respondent shall pay a fine of \$1,000. Respondent understands and acknowledges that, pursuant to section 24-34-108, C.R.S., the Executive Director of the Department of Regulatory Agencies shall impose an additional surcharge of 10% of this fine. Thus Respondent shall pay a total amount of \$1,100[fine plus 10%]. Fine is due and payable to the "Colorado Board of Real Estate Appraisers" upon execution and return of this Stipulation to the Board; and
- Course Work:  
67 or more hours of real estate appraisal education to be successfully completed within nine (9) months after the execution of this Stipulation by the Board. To be "successfully completed", Respondent must pass any required examination given as part of the course. The required course work must include the following courses:
  1. 15-hour National USPAP Course (15 Classroom Hours)
  2. Residential Appraiser Site Valuation and Cost Approach (15 Classroom Hours)
  3. Residential Report Writing and Case Studies (15 Classroom Hours)

4. Advanced Residential Applications and Case Studies (15 Classroom Hours)
5. Business Practices and Ethics (7 Classroom Hours)

\* Board Rule 13.6: Pursuant to Section 24-34-106, C.R.S., when a licensee is required to complete real estate appraisal education as part of a disciplinary action, no portion of any such courses or programs completed to satisfy the terms of a disciplinary action shall be creditable toward continuing education or qualifying education requirements; and

- Work Product Review:  
Within thirty (30) days after the effective date of this Stipulation and Final Agency Order, the Respondent must obtain the approval of the Colorado Division of Real Estate, Appraiser Program Manager of an independent third party appraiser who will randomly select fifteen (20) appraisals, three (4) per month for a period of five (5) months. The Respondent shall provide the reviewer a list of all appraisals completed within the previous month for the reviewer to select the three (3) reports to review.

Respondent shall be responsible for notifying the Colorado Division of Real Estate, Appraiser Program Manager in writing upon completion of the review required above. Upon receipt of such written notification, the Appraiser Program Manager may require Respondent to repeat the review process set forth above for an additional period five (5) months or require direct supervision if the Respondent's work is determined to be non-USPAP compliant.

All fees and costs associated with the review process of the Respondent shall be paid by the Respondent.