



Case Summary: 2023-17

Sanction Consent Agreement Implementation Date: November 9, 2023

General Summary:

File Opened: July 24, 2023

The Member created a promotional video that was posted on social networking websites. In the video, the Member reviews and explains the content of the unredacted Appraisal Report to the audience. The Member identified the Report as a “mock appraisal” and states that “I’ve changed the lender and borrower’s names for privacy reasons.”

However, all other personal information in the Appraisal Report remained unredacted and unaltered, including the exterior and interior photographs of the subject property.

The Member obtained verbal consent from the owner/occupant to take photographs strictly for use in the Appraisal Report but did not seek authorization to disclose the content of the Appraisal Report for educational or promotional purposes.

The Member immediately removed the promotional video from the social networking websites after being informed of the complaint.

Report Details:

N/A – Ethical Issues

Complainant Allegations:

The Member completed an Appraisal Report for a Client/Lender on a single-family residence.

The Member created a promotional video that was posted on social networking websites. In the video, the Member reviews and explains the content of the unredacted Appraisal Report to the audience. The Member identified the Report as a “mock appraisal” and states that “I’ve changed the lender and borrower’s names for privacy reasons.”

However, all other personal information in the Appraisal Report remained unredacted and unaltered, including the exterior and interior photographs of the subject property.

Issues Arising from the Complaint Review:

None.

Sanction Consent Agreement Terms

Agreed Breaches of CUSPAP 2022:

Ethics Standard

4.1 Requirements of Members

4.1.1 Members of the Institute pledge to conduct themselves in a manner that is not detrimental to the public, the Institute, CUSPAP, or the appraisal profession. A Member's relationship with other Members, the Institute, and the public shall portray courtesy, respect, and good faith.

Ethics Standard Rule 4.2.2 It is unethical for a Member to knowingly engage in conduct that would prejudice their professional status, the reputation of the Institute, CUSPAP, or any other Member;

Ethics Standard Comment 5.1 Conduct

5.1.3 A Member must not circumvent CUSPAP by doing indirectly what they cannot do directly.

Ethics Standard Rule 4.2.10 It is unethical for a Member to disclose the results of an Assignment to anyone but the Client, except with the Client's permission;

Ethics Standard Comment 5.8 Disclosure

5.8.2 A Member must not disclose the analyses, opinions, or conclusions in an Assignment to anyone other than:

5.8.2.i the Client and those parties specifically authorized by the Member and Client to receive such information.

5.8.6 A Member is strongly cautioned on the use of confidential and/or personal information and must obtain meaningful consent from an occupant before taking photographs of a property.

5.8.6.i Meaningful consent must state its purpose in such a manner that the occupant can reasonably understand how the information will be used or disclosed.

Agreed Discipline:

1. **Section 5.35.4:** Fine: a fine in the amount of \$2,500, to be paid within thirty days of the date of implementation of the Sanction Consent Agreement.

Costs (Section 5.38):

No costs were sought.