

**BEFORE THE MISSISSIPPI REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD**

**MISSISSIPPI REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD**

**COMPLAINANT**

**VS.**

**NO. 09-2005**

**JOHNNY GALE SMITH (LICENSE NO. LA-946)**

**RESPONDENT**

**CONSENT ORDER**

THIS matter came before the Mississippi Real Estate Appraiser Licensing and Certification Board ("Board") for entry of a Consent Order regarding the Respondent, JOHNNY GALE SMITH who has been issued Mississippi Real Estate Appraiser License No. LA-946. This action is before the Board as the result of Respondent's appraisal of real property located at 3826 Country Club Blvd., Meridian, Mississippi. By entering into this Consent Order, Respondent Smith waives his right to an administrative hearing before the Board with full due process and the right to appeal any adverse decision that may result from that hearing. Further, as evidenced by Respondent's agreement and signature as described and set forth herein below, Respondent waives any challenge he may have regarding the Board taking this matter up preliminary for consideration of approval of this Consent Order. Having reached an agreement by consent in this matter, the Board issues its Findings of Fact, Conclusions of Law and Disciplinary Order as follows:

**FINDINGS OF FACT**

I.

The Mississippi Real Estate Appraiser Licensing and Certification Board is charged by law with the regulation of the practice of real estate appraisal in Mississippi including matters relating to real estate appraiser standards, qualifications and licensing, and disciplinary functions pursuant

to Miss. Code Ann. §§73-34-1, *et seq.*, as amended. The Board, pursuant to this authority, has full, complete and proper jurisdiction over the parties and of the subject matter herein.

II.

Respondent, Johnny Gale Smith (sometimes hereinafter “Respondent” or “Smith”) is an adult resident of Mississippi whose last address of record with the Board is 4933 Skyview Drive, Meridian, Mississippi 39301. Respondent is the holder of a real estate appraiser’s license, No. LA-946, issued by the Board pursuant to Miss. Code Ann. §§73-34-1, *et seq.*, as amended, and, as such, he is subject to all of the provisions, rules, regulations and statutes governing the appraisal of real property and licensing of real estate appraisers under Mississippi law.

III.

On or about March 26, 2020, Respondent submitted an appraisal report for a real property appraisal assignment performed by Respondent of property located at 3826 Country Club Blvd., Meridian, Mississippi 39305, with an effective date of March 24, 2020 (sometimes hereinafter “Appraisal Report” or “Report”).

IV.

On or about May 26, 2020 the Board received a written, sworn complaint from Valerie McClain, an officer of the appraisal management company that had engaged Respondent Smith, Clear Capital (AMC-040), sometimes hereinafter “Complainant,” “AMC,” or “Clear Capital.” The complaint from Clear Capital referenced and included two (2) appraisal reports prepared by Respondent Smith, one dated March 25, 2020 and the other dated March 26, 2020, and both reflecting an effective date of March 24, 2020. The referenced appraisal was conducted on the real property located at 3826 Country Club Blvd., Meridian, Mississippi 39305. Clear Capital’s lender customer was Wells Fargo.

V.

The engagement documentation between Respondent Smith and his AMC client Clear Capital reflected the purpose of the appraisal assignment was a refinance and that the borrowers were Roy Lamar and Lou Ann Lamar, and referenced borrower access information for Mr. Lamar to include an email address for Mr. Lamar's employer Wells Fargo.

VI.

Clear Capital stated that a request for additional information/clarification was presented to Respondent Smith on March 26, 2020 following receipt of Smith's original Report dated March 25, 2020. Smith submitted a final Report to Clear Capital later the same day, March 26. Subsequently, on or about April 14, 2020, Clear Capital received information from its customer Wells Fargo requesting Clear Capital investigate an allegation of inappropriate contact between the borrower, Lamar, and the appraiser, Respondent Smith. The borrower, Lamar, is also an employee of Wells Fargo.

VII.

Clear Capital alleged that in an April 15, 2020 interview of Respondent Smith by a Clear Capital Compliance Team Member, Smith admitted he had been contacted by the borrower Lamar with a request to review additional comparables and that he had done so at the borrower Lamar's request. At the further direction of the borrower, Respondent Smith admittedly sent a revised Appraisal Report directly to the borrower Lamar. The revised Appraisal Report submitted to the borrower by Smith reflected a concluded value increase from \$345,000 to \$475,000 (an increase of \$130,000 or an approximately 38% increase). Respondent Smith did not submit the revised report (provided to borrower Lamar) to his client Clear Capital.