

The agency exists to safeguard the public interest and protect consumers of real estate services. In accord with state and federal laws the agency oversees real estate brokerage, appraisal, inspection, home warranty and timeshare interest providers. Through education, licensing and regulation, the agency ensures the availability of qualified and ethical service providers, thereby facilitating economic growth and opportunity in Texas.

TEXAS REAL ESTATE COMMISSION

Meeting Highlights

TREC meeting minutes can be found on the TREC web site at www.trec.state.tx.us



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The TRECAdvisor (ISSN 1047-4579) is published by the Texas Real Estate Commission (TREC) as an educational service to licensees in the state of Texas. The purpose of the newsletter is to promote a better understanding of the Real Estate License Act and to inform all licensees of changes affecting laws and practices in the real estate industry. The TRECAdvisor is funded through legislative appropriations and subscriptions collected from TREC licensees. The official text of TREC rules is filed with the Office of the Secretary of State, Texas Register. TREC encourages reproduction of this newsletter with the appropriate acknowledgments. Subscriptions are available for \$4.00 for two years. Single issues are \$1.00. To order a subscription or a single issue write to TRECAdvisor, Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188. For information regarding TREC, contact:

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TREC and TALCB 5% Budget Reduction Brings Changes

*Agency staff, licensees, and the public will be affected by necessary changes to meet the required 5% budget reduction from state leadership—most notably the **disconnection of the toll-free telephone lines***

In their May meetings, members of the Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing & Certification Board (TALCB) approved the agency's 5% budget reduction plan as presented by agency staff. The plan includes a 15-point list of budget reductions, all of which are necessary to meet the cutback as requested by state leadership due to projected revenue shortfalls across state government. Reductions include:

- (1) Planned building remodel eliminated
- (2) Planned bandwidth increase eliminated
- (3) Furniture/equipment for unfilled staff positions eliminated
- (4) Information network "Controlled Penetration Study" eliminated
- (5) New and renewal licenses to be delivered electronically
- (6) License renewal notices to be delivered electronically
- (7) Additional miscellaneous postage reduction
- (8) Complaint status letters to be delivered electronically
- (9) Contract computer programmer salary eliminated
- (10) Information & Technology Services staff training eliminated
- (11) Computer equipment refresh schedule reduced
- (12) Agency travel funds reduced
- (13) Salary lapses dues to staff turnover
- (14) Salary savings from reduction in staff
- (15) Toll-free telephone lines eliminated

Three items are anticipated to be of most impact to agency stakeholders. Numbers 5 and 6 are already being implemented in carefully tested stages, with technical success and glowing reviews, as the agency continues to push forward its paperless services agenda.

Number 15 will be a change for licensees, especially those who have had the 1-800 numbers memorized or programmed into their telephones for years. The toll free telephone lines will be disconnected on Friday, **June 4, 2010**. Please use **512-459-6544** to contact TREC and **512-459-2232** to contact TALCB. Or, the agency can also be contacted via email at information@trec.state.tx.us and information@talcb.state.tx.us, respectively.

While the impacts of any budget reduction are always tough, the agency underwent a careful review to determine specific ways to meet the reduction requirement without jeopardizing core services to license holders and the general public. The widely popular use of mobile phones will greatly reduce the impact of this change for most users.

...from the Chairman



John D. Eckstrum, Chairman

Those who attended May's Commission meeting know that, without exaggeration, it was a busy one! We had the genuine pleasure of honoring past Commissioners Mary Frances Burleson, Bill Flores, and Elizabeth Leal for their service to the agency over the years. We also recognized a number of license holders who have been continuously licensed with the Texas Real Estate Commission for 50 years. What a dedicated bunch! These leaders who preceded us set the standards that we rely on, and build upon, as we continue to find new ways to assist Texans and help foster economic growth in this great state.

The Commission also heard progress reports from the Broker Responsibility Working Group, Education Working Group, Texas Real Estate Inspector Committee and the Broker-Lawyer Committee. Each of these groups is moving forward rapidly with their assigned tasks and we look forward to reports at future meetings. We're very pleased to welcome Ms. Linda Robicheaux and Ms. Nancy Schriedel to the Texas Real Estate Inspector Committee. Both will begin serving as new public members and their first official

meeting will be the June 7, 2010 Inspector Education Forum. We welcome them to the agency and thank them for their service! I continue to be in awe of everyone who serves this agency as a volunteer. It is because of their time and hard work that the agency continues to move forward and reach new levels of success!

Also at the meeting, Commissioners Avis Wukasch and Joanne Justice were appointed to join Commissioner Chris Day as members of the TREC Disciplinary Panel. Defined in the Texas Occupations Code, Section 1101.662, the panel is to "...determine whether a person's license to practice under this chapter should be temporarily suspended." We see this as a valuable "tool in the toolbox" to strengthen timely enforcement, protect Texas families from patterns of harm, and maintain the honesty, integrity and trustworthiness of our license holders. This effort clearly benefits all of us!

Updates on the agency's 5% Budget Reduction Plan, 2011-2015 Strategic Plan, Customer Service Survey results and Future Workforce Plan were presented by the Administrator. Each of these plans will be finalized over the next two months. It is hard to express how much work goes into these important planning documents. The staff team is to be highly commended for its diligence and innovation in addressing each of these major challenges.

Lastly, I'd like to mention that the agency is continuing its move to paperless services and increasing transparency with the recent addition of electronic meeting materials posted on its website. Now, licensees and the public can go online and access the same back-up documents that the Commissioners use to deliberate and make decisions. One more step ahead in the agency's push for efficiency. I encourage you all to check it out.

We look forward to our August meeting and more progress. Wishing you safe vacations and travels until then!

TREC has proposed rules that allow individuals to file an application for a real estate broker, salesperson or inspector license without filing a separate education evaluation request. Applicants may complete the required education and submit an application with course completion documents. The application will be processed, the education evaluated, and the applicant notified if the application is incomplete or if additional education is required. The application will be valid for six months from date of receipt.

TREC Honors 50 Year License Holders

TREC honors those real estate service providers who have been licensed with agency for fifty consecutive years

TREC has a position open in the Standards & Enforcement Division for an Investigator IV. For more information go to <http://www.trec.state.tx.us/agencyinfo/employment/employment.asp>

The 51st Legislature established the Texas Real Estate Commission (TREC) as a licensing and regulatory agency for real estate industry service providers in Texas. In 1999 the agency held a 50th anniversary celebration, and as part of that celebration, began honoring and paying tribute to those Texans who have held real estate licenses for fifty consecutive years. In continuing that tradition, the Commission adopted resolutions honoring 167 deserving licensees. A copy of the resolution will be sent to each honoree.

"Fifty years in any profession is a true accomplishment," Chairman John D. Eckstrum commented, "and we are very pleased to recognize these folks and honor this monumental achievement. Beyond that, and on behalf of the Commission, we thank them for their unwavering dedication to serve the people of Texas."

When the agency celebrated its 50th Anniversary in 1999, the Administrator developed a process to recognize those licensees who had first been licensed with the agency's inception in 1949. The recognition of these licensees was accomplished along with other events that the agency planned to commemorate the milestone anniversary. Since then, the tradition of honoring licensees who have held a TREC license for 50 consecutive years has continued. However, due to Sunset Review and other events, no licensees have been honored since 2007. The list of honorees for 2010 includes all TREC licensees that have been continually licensed beginning in 1957, 1958, 1959, 1960, in addition to some who were inadvertently left off of previous year's lists.

TREC is proud to honor the following individuals:

- | | | |
|-------|--|---|
| 1952: | Conrad Bering of Houston | Harry Hilgers of Austin |
| 1953: | Daniel Cutbirth of Wichita Falls | |
| 1955: | Jack Fisk of El Campo
David Lewis of Houston
Wilber Isham of Premont | Dorothy Rolater of Frisco
Robert Dawson of Houston |
| 1956: | John Cuiper of Corpus Christi
James Lester Julian, III of Houston | Antonio Rivas of Los Fresnos |
| 1957: | Betty Arnold of Andrews
Evelyn Malone of Baytown
Jesse Baker of Boerne
Arno Schwethelm of Comfort
David Tindle of Dallas
Tony Apodaca of El Paso
Albert Love of Hondo
Fontaine Weems of Houston
Elizabeth McCoy of Kingwood
Edward Jones of Livingston
Billy Evans of Lubbock
Peggy Parvin of Midland
John Hendry of San Antonio
Orville McKenzie of Wichita Falls | Shirley O'Farrell of Angelton
Jimmie Cokinos of Beaumont
William Bell of Brownwood
Ruth Jaubert of Dallas
Dorsey Boyd of Denton
Edwin Neumann of Galveston
Marcelline Williams of Houston
Thomas Bousquet of Houston
William Glaw of League City
Gerda Pool of Lubbock
Martin Meissner of Midland
James Patton of Sachse
Laverne Pick of Temple |
| 1958: | YF Snodgrass of Abernathy
Sam Smith of Beaumont
Donald Johnson of Brownwood
Ted Akin of Dallas
J. Melanson of El Campo
William Minelli of Fort Worth
Frank Tompkins of Georgetown
Roice Ballenger of Henderson
Robert Tresch of Houston
Jerry Dominy of Houston
Robert Chuoke of Houston
Bernard Perlmutter of Houston
Jack McQueen of Lubbock
Robert Dickens of Meadowlakes
Valera Gatewood of Pecos
Milton Currey of Rockdale
Alfred Rohde of San Antonio
Hazel Klutts of Smithville
Ben Fitzgerald of Tyler | Robert Buford of Austin
Robert McDonald of Big Spring
Peggy Holder of Dallas
Danny Matise of Dallas
Travis Carrington of Etoile
Bobby Dalton of Fort Worth
Grover Gibbs of Glen Rose
Robert Creel of Highlands
James Shindler of Houston
William Carl of Houston
Robert Lewis of Houston
Robert Haynes of Laredo
Roy Middleton of Lubbock
Willie Butler of Morton
Joseph Richard of Port Arthur
Thelma McMurtrey of San Angelo
Albert Jones of San Antonio
Frank Green of Stephenville
Roy Davis of Weslaco |

- 1959: Eugene Scott of Amarillo
Lawrence Barnett of Austin
John Singleton of Corsicana
Morton Rachofsky of Dallas
Lloyd Harris of El Paso
Janie Grayson of Fort Worth
Earle Almy of Granbury
Donald Farmer of Horseshoe Bay
Robert Reed of Houston
Gerard Robins of Houston
Donald McGregor of Houston
Charles Benton of Houston
Vernon Laywell of Houston
Willie Yeary of Jasper
William Coleman of Kemp
Willis Allen of Lampasas
Willard Brownlee of Lubbock
Charles Cass of Merkel
Rachel Lofton of Nederland
Roy Hranicky of Orange Grove
Spencer Garsee of Port Arthur
David Hawkins of Rockwall
Ralph Armstrong of San Antonio
Leo Foshee of Victoria
- 1960: Kenneth Brown of Amarillo
Dorothy Darden of Bandera
William Bloys of Brady
CM Hudson of Claude
Joseph Cottrell of Dallas
Jill Sherer of Dallas
Jane Angel of DeSoto
Claude Neal of Fairfield
John Maddux of Fort Worth
Leonard Briscoe of Forth Worth
Freddie Brabbin of Garland
William Brown of Grapeland
Betty James of Houston
Robert Fleming of Houston
Marguerite Hillegeist of Houston
George Yancey of Houston
Robin Jones of Kerrville
Charlie Jones of Livingston
Joseph Paschall of McGregor
Pace McDonald of Palestine
Willard Moses of Ralls
Donald Starkweather of San Antonio
William Proctor of Temple
Robert Halbert of Tyler
- William Doctorman of Austin
Henry Uffen of Columbus
Doris Plunk of Dallas
Ralph Black of Dallas
Frank Mena of El Paso
Gary Greene of Galveston
Jewell Sweet of Grand Prairie
Horace Tollett of Houston
Rodney Bolin of Houston
Sidney Aron of Houston
Herbert Peebles of Houston
James Woodson of Houston
Wanda Hunter of Iowa Park
Patricia Althaus of Johnson City
Gus Lindemann of LaGrange
Kenneth Flagg of Lubbock
Claude McClennahan of Marble Falls
Horace Savant of Mesquite
Curtis Bremer of New Braunfels
Cecil Ghormley of Pasadena
Henry Nemeck of Richmond
BJ Wimberly of San Angelo
Joseph Dilworth of Sandia
David Toney of West Columbia
- Benny McMahan of Austin
William Bell of Bay City
Gary Caywood of Cedar Park
Thomas Morey of Dallas
James Christon of Dallas
Edward Hamilton of Dallas
Luis Telles of El Paso
Grady Shropshire of Forth Worth
M. Dunn of Forth Worth
Ruth Dearing of Frankston
Billy Hardy of Garland
C. Walker of Greenville
Robert Pullen of Houston
William Blythe of Houston
Jerry Jordan of Houston
Russell Simon of Kemah
Kenneth Kirkpatrick of Killeen
Billy York of Lubbock
James Pope of Montgomery
Pansy Johnson of Plano
Ben Parks of Rockwall
Burt Cohen of Sugar Land
John Warren of Tomball

McMahan Honored for 50 Years of Licensure

Benny McMahan of Austin was recognized at the May 17, 2010 meeting of the Texas Real Estate Commission for being continuously licensed for 50 years.

Members of the Texas Association of Realtors are very familiar with Mr. McMahan. McMahan was named President/CEO of the Texas Association of Realtors in 1990. During his term as CEO, the Texas Association of Realtors membership base grew from 35,000 to more than 90,000 members statewide.



Coming Soon ... One Step Up in Broker Standards

The Commission has always recognized that brokers are the key to consumer protection in this industry. The statutory Broker-Lawyer Committee is constantly looking at ways to manage or reduce risks in our contract forms while assuring appropriate broker responsibilities to clients during real estate transactions. An Advisory Committee in 2009 began reviewing industry practices and identifying areas of potential risk to clients. In early 2010 the Commission appointed an expanded Broker Responsibility Working Group to look at current standards for brokers and to suggest policies that enhance broker authority and accountability. When the agency traveled around the state conducting Strategic Planning Input Sessions, broker responsibility was one of the four key topics for which we received hundreds of comments and suggestions.

Starting on September 1, 2010, the successful passing score for brokers taking a licensing exam in Texas will be raised. Currently both brokers and salespersons taking the real estate exam for license issuance have to correctly answer 70% of the questions in order to be eligible to receive a license from TREC. Beginning this fall, brokers will be required to correctly answer 75% of the exam questions in order to pass successfully.

This step should not be viewed as an unfair standard aimed at a dedicated group of professionals who pay higher fees to maintain their licenses. TREC holds brokers in high regard; as these license holders are the true focus for consumer protection by the training they provide to agents who work with them to deliver professional representation to the broker's clients. By providing better prepared and more qualified brokers in the field, the agency better fulfills its responsibility for ensuring Texas families receive a high level of service and protection. Brokers carry more liability, they supervise salespersons that rely on them to learn and maintain a real estate practice, and they are the leaders of an industry too often viewed as besieged with loopholes and sharks.

Along with professional organizations like the Texas Association of REALTORS®, TREC is committed to raising the bar for broker competency. Increasing the passing score on broker examinations is just one step forward toward this higher standard. As TREC ensures brokers are better educated and more qualified for the responsibilities they assume, we know that many brokers will eagerly accept the challenge to be the best!

Brokers should be held to a higher standard. They carry more liability, they are supervising salespersons who, without a sponsoring broker would not be able to have a real estate practice, and they are the leaders of an industry bogged down with too many loop holes and sharks. As TREC begins to hold brokers to a higher standard and ensure that they are better educated and more qualified for their assumed responsibility, we know that industry brokers will rise to the occasion and accept the challenge!

F . A . Q . H I G H L I G H T

Property Management

Q: Does a property manager have to be licensed?

A: It depends on what the property manager is doing for the property owner. Collecting rent and seeing to the upkeep of the property do not currently require a real estate license. If the duties include showing or leasing the property for the owner for which the manager gets paid, a license would be required. See Rule 535.13(b).

Q: I have a property management company and engage in leasing activity. May I have some of my unlicensed employees solicit business for me?

A: No. Rule 535.13(c) states that rental agents soliciting prospects by telephone must be licensed.

Q: I will be holding the security deposit for an owner whose property I am managing. In what type of account should these security deposits be placed?

A: You are prohibited from commingling these funds with your own funds. [TRELA §1101.652(b)(10)] The funds should be deposited in a trust or an escrow account where other funds from the managed property or properties are kept. The security deposits can also be deposited in an account separate from the trust or escrow account, but this is not a requirement. [Rule 535.159(g)] Please know that the Commission can take disciplinary action against you if you fail within a reasonable time to properly account for or remit money that you receive on behalf of another person. [TRELA §1101.652(b)(9)] Further, paying operating expenses or making withdrawals from a broker's trust account for any purpose other than proper disbursement of money held in trust is prima facie evidence of commingling. [Rule 535.146(h)]

Q: Can a salesperson be the owner of a property management company?

A: Yes. A salesperson may own the firm but the business must be conducted through the salesperson's sponsoring broker.

Q: I signed a Property Management Agreement and do not understand some of the terms. Can you explain them to me?

A: No. A Property Management Agreement is a private contract and TREC is unable to advise you in private contractual matters. You should discuss the terms of the agreement with a private attorney.

RULE ACTIONS FROM MAY 17, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
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22 TAC §531.18	08/09/2010	TREC proposes an amendment to 22 TAC §531.18 regarding the Consumer Information Form 1-1. The amendment would add a reference to the TREC website to download the form.
22 TAC §533.1, §533.3-.4, §533.8, §533.20, §533.31 & §533.64	08/09/2010	<p>TREC proposes amendments to 22 TAC §533.1 Definitions; §533.3 Filing and Notice; §533.4 Failure to Answer, Failure to Attend Hearing and Default; §533.8 Final Orders, Motions for Rehearing, and Emergency Orders; §533.20 Informal Proceedings; §533.31 Referral of Contested Matter for Alternative Dispute Resolution Procedures; and §533.34 Commencement of ADR.</p> <ul style="list-style-type: none"> • The proposed amendment to §533.1 adds the definition of "last known mailing address" to the list of definitions. • The proposed amendment to §533.3 clarifies that the Notice of Alleged Violation required by Texas Occupations Code §1101.703 will be mailed to the respondent's last known mailing address, corrects typographical errors, and makes conforming changes to the rule. • The proposed amendment to §533.4 corrects typographical errors and makes conforming changes to the rule. • The proposed amendment to §533.8 provides a procedure for motions for rehearing before the commission, and provides that a person appealing a decision of the commission is responsible for paying for the costs of preparation of an original or certified copy of the transcript of the proceedings required by a reviewing court. • The proposed amendments to §533.20 and §533.31 make conforming changes. • The proposed amendments to §533.34 delete the procedures for alternative dispute resolution of employment matters as those matters are provided for in the TREC employee handbook.
22 TAC §535.51	08/09/2010	<p>TREC proposes amendments to 22 TAC §535.51 concerning General Requirements for a License. The proposed amendments:</p> <ul style="list-style-type: none"> • delete the requirement that an applicant must submit an education evaluation and receive a notice from the commission that the applicant has satisfied all education requirements for a license prior to submitting an application for a license; • deletes the signature requirement; • changes from 60 to 20 days the time in which an applicant must submit a payment after the commission has requested such payment • deletes the adoption by reference of all application forms
22 TAC §535.101	08/09/2010	<p>TREC proposes amendments to 22 TAC §535.101 concerning Fees. The proposed amendments</p> <ul style="list-style-type: none"> • delete the reference to a specific fee for an education evaluation, • add the fee to the relevant application fees, and • add an additional fee of \$20 to submit a paper form in cases where the commission has established an online process for submitting the same form.
22 TAC §535.208, §535.210	08/09/2010	<p>TREC proposes amendments to 22 TAC §§535.208 concerning Application for a License and 535.210 concerning Fees. The proposed amendments</p> <ul style="list-style-type: none"> • to §535.208 delete (1) the requirement that an applicant must submit an education evaluation and receive a notice from the commission that the applicant has satisfied all education requirements for a license prior to submitting an application for a license, (2) delete the signature requirement, change from 60 to 20 days the time in which an applicant must submit a payment after the commission has requested such payment, and (3) deletes the adoption by reference of all application forms. • to §535.210 (1) delete the reference to a specific fee for an education evaluation, (2) add the fee to the relevant application fees, and (3) add an additional fee of \$20 to submit a paper form in cases where the commission has established an online process for submitting the same form.
22 TAC §537.11	08/09/2010	TREC proposes amendments to 22 TAC §537.11 concerning Professional Agreements and Standard Contracts. The proposed amendments are no substantive and break down existing paragraphs into subsections to provide structure to each subsection for readability and clarity.

22 TAC §541.1, §541.2 08/09/2010 TREC proposes amendments to 22 TAC §541.1 concerning Criminal Offense Guidelines and new 22 TAC §541.2 concerning Criminal History Evaluation Letters. The proposed amendments and new rule clarify license eligibility for persons with criminal histories, and outline the process by which a person may request and receive a criminal history evaluation letter under Chapter 53.

The proposed amendments to §541.1 clarify that the commission considers convictions and deferred adjudications of the offenses listed in the rule to be directly related to the duties and responsibilities of the licenses issued by the commission for the reasons articulated in the rule. The amendments clarify that the commission has determined that multiple violations which evidence a disregard for or inability to comply with the law and felony offenses involving driving while intoxicated or under the influence directly relate to the duties and responsibilities of a license issued by the commission.

The proposed new rule implements new statutory requirements under Occupations Code Chapter 53. The new statutory provisions require the Commission to establish a process that will allow a person to submit a request for a criminal history evaluation. Under §1101, §1101.353 the commission is already authorized to issue a moral character determination of an applicant. Under the proposed rule, the commission will review the person's criminal history under Chapter 53 using the same process it currently uses to conduct a moral character determination under Chapter 1101. The intent of both statutes is to provide information about potential license ineligibility based on criminal history before a person spends time and money pursuing an education or training, taking an examination, or applying for a particular license. New §541.2 clarifies that a person may request an eligibility letter from the commission under Chapter 53 using the same form and paying the same fee required of persons applying for a moral character determination under §1101.353.

RULE NO.	EFFECTIVE DATE	SUMMARY OF RULES ADOPTED
<i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>		
22 TAC §539.61	9/1/2010	TREC adopted amendments to Subchapter G, §539.61 concerning Application and Licensing. The rule adopts by reference a revised application form. revised form is streamlined and changed to provide consistency with other TREC forms. The adopted form was changed from the one proposed to allow the form to be filled out electronically.
22 TAC §539.71	5/17/2010	TREC adopted amendments to Subchapter H, §539.71 concerning Miscellaneous Forms. The rule adopts by reference a revised Residential Service Company Bond form and Application to Approve Evidence of Coverage/Schedule of Charges form. The forms are revised to maintain consistency with other TREC forms. The adopted forms were changed from the one proposed to allow the form to be filled out electronically.
22 TAC §539.91	9/1/2010	TREC adopted amendments to Subchapter J, §539.91 concerning Annual Report. Among other things, the form is changed to detail payments to real estate brokers, insurance agents, mobile home dealers or non-RSC employees for selling, advertising, inspection, or processing of residential service contracts. The adopted form was changed from the one proposed to allow the form to be filled out electronically.
22 TAC §539.137	9/1/2010	TREC adopted amendments to Subchapter N, §539.137 concerning Mid-year Report. The rule adopts by reference a revised mid-year report form. Among other things, the form is changed to detail payments to real estate brokers, insurance agents, mobile home dealers or non-RSC employees for selling, advertising, inspection, or processing of residential service contracts. The adopted form was changed from the one proposed to allow the form to be filled out electronically.
22 TAC §534.1, §534.4, §534.5	6/14/2010	TREC adopted amendments to §534.1 concerning Charges for Copies of Public Information, §534.4 concerning Historically Underutilized Businesses Program, and §534.5 concerning Bid Opening and Tabulation. The adopted amendments update the references to the rules promulgated by other state agencies that are adopted by reference by the commission.
22 TAC §539.41	9/1/2010	TREC adopted a new title for 22 TAC Chapter 539, new Subchapter E, concerning Disclosures, and new §539.4 concerning Disclosures. The new rule requires a licensed residential service company to include a disclosure in its residential service contracts if the company pays persons other than a residential service company employee for the sale, advertising, inspection or processing of a residential service contract.
22 TAC §539.51	9/1/2010	TREC adopted amendments to Chapter 539, Subchapter F, §539.51 concerning "Employed by" Defined. The adopted amendment corrects typographical errors in the existing rule to better reflect the statutory reference.

TREC Disciplinary Actions

April 2010



Escobar, Monica (Fort Worth); License #N/A

Assessment of an administrative penalty of \$30,000.00 and ordered to cease and desist all unlicensed real estate brokerage activities, entered April 29, 2010. On August 17, 2006, Escobar, as owner, filed and obtained a real estate broker license for a corporation for Brokerage Services Solutions, Inc., d/b/a/ Superior Real Estate Solutions (SRES). On November 9, 2007, SRES's real estate broker license for a corporation changed its status to not active and it remained not active until the license expired on August 31, 2009. On dates unknown and specifically in February, May, and August 2008, Escobar advertised that she was the leasing agent for properties owned by others in Tarrant county, Texas. In August 2008, SRES through Escobar advertised for lease a property owned by another in Denton County. Escobar engaged in initial lease negotiations and accepted a lease application and a security deposit. SRES through Escobar negotiated the security deposit and refused to refund the money although no lease was signed. On August 18, 2008, Escobar as owner of SRES advertised that she was a provider of real estate brokerage services. Based on her conduct, Escobar acted, engaged in, and represented that she was a real estate broker or salesperson without first holding a license issued by the Texas Real Estate Commission in violation of Tex. Occ. Code §1101.351(a).

Misczak, Matthew Lawrence (Fort Worth); License #0501161

Assessment of an administrative penalty of \$20,000.00 and ordered to cease and desist all unlicensed real estate brokerage activities, entered April 29, 2010; acting, engaging in and representing that respondent was a real estate broker or salesperson without first holding a license issued by the Texas Real Estate Commission in violation of Tex. Occ. Code §1101.351(a) by continuing to advertise that he was a real estate licensee and engage in the business of property management and leasing after his license was revoked.

Parker, Mary A. (Houston); License #465899

Agreed surrender of salesperson license, effective April 20, 2010; Ordered that respondent not file an application to obtain any license or certificate issued by the Commission on or before March 31, 2011, entered April 20, 2010 acting negligently or incompetently in failing to maintain adequate records of receipts and disbursements in a property management accounting on behalf of the client, in violation of Tex. Occ. Code §1101.652(b)(1); and commingling money that belongs to another person with the license holder's own money, in violation of Tex. Occ. Code §1101.652(b)(9).

Matulnes, Patricia Ann (Magnolia); License #449396

Agreed administrative penalty of \$3,000.00 and completion of a 3 hour course in legal update, entered April 12, 2010; failing to obtain the written consent from each party to act as an intermediary in the transaction and failing to state the source of any expected compensation to the broker in the consent, in violation of Tex. Occ. Code §1101.559(a); and failing to make clear to all parties to a real estate transaction the party for whom the license holder is acting, in violation of Tex. Occ. Code §1101.652(b)(7).

Maroon, Ginger Kay (Austin); License #534340

Agreed 1 year suspension of salesperson license fully probated for 1 year, effective April 10, 2010; Agreed administrative penalty of \$1,000, entered April 10, 2010; acting negligently in failing to obtain option fee check from client as well as permission to reuse earnest money check and a copy of power of attorney for client's representative and not keeping client informed, in violation of Tex. Occ. Code §1101.652(b)(1); failing without just cause to provide client documentation and uncashed option check in agent's possession despite requests in violation of Tex. Occ. Code §1101.652(a)(7); and, failing to provide copies of documentation executed by client despite requests in violation of Tex. Occ. Code §1101.652(b)(28).

Altizer, Elizabeth Tava (Mansfield); License #588597

Agreed 2 year suspension of salesperson license, effective April 1, 2010, beginning October 1, 2010; remaining term of suspension probated for 18 months; Agreed administrative penalty of \$3,000, entered April 1, 2010. On April 12, 2010, the Respondent by an Agreed Amended Order surrendered the real estate salesperson license pursuant to an Order of the Court in United States of America v. Elizabeth Altizer; Cause No. 4:10CR57; in the United States District Court, Eastern District of Texas. The order of surrender by the criminal court is to be until such time as Respondent is released by the criminal courts with permission by the criminal courts to engage in real estate brokerage activities requiring a real estate license, and upon the Respondent's satisfaction of the Texas Real Estate Commission's requirements in reapplying for licensure. entering a plea of guilty or nolo contendere to or is convicted of a felony of criminal offense involving fraud, and the time for appeal has elapsed or the judgment or conviction has been affirmed on appeal, without regard to an order granting community supervision in State of Texas v. Elizabeth Altizer; Cause No. 366-81248-08; in the 366th Judicial District Court of Collin County, Texas, in violation of Tex. Occ. Code §1101.652(a)(1), procuring a license by fraud, misrepresentation, or deceit or by making a material

As of June 4, 2010, the toll free lines for TREC/TALCB will no longer be operational.
Call TREC at 512-459-6544
Call TALCB at 512-459-2223
or go online at www.trec.state.tx.us
www.talcb.state.tx.us

misstatement of fact in an application by Respondent for failing to disclose to the Commission disciplinary hearings or investigations pending against Respondent's professional or occupational appraiser license, in violation of Tex. Occ. Code §1101.652(a)(2); and failing to notify the Commission, not later than the 30th day after the date of a final conviction or the entry of a plea of guilty, that the licensee has been convicted of or entered a plea of guilty to a felony or a criminal offense involving fraud, in violation of Tex. Occ. Code §1101.652(a)(9).

Sitterly, Pamela E.
(Magnolia); License #494839

Agreed administrative penalty of \$3,000.00 and completion of a 3 hour course in legal update, entered April 6, 2010; acting negligently or incompetently in the advertisement of a property for sale by failing to include a verifiable source of information regarding the total acreage of the property, in violation of Tex. Occ. Code §1101.652(b)(1); and publishing an advertisement including total acreage without a verifiable source of the information that tends to create a misleading impression, in violation of Tex. Occ. Code §1101.652(b)(23).

Gardner, Barbara Briggs
(Magnolia); License #256981

Agreed administrative penalty of \$1,500.00, entered April 6, 2010; failing to obtain the written consent from each party to act as an intermediary in the transaction and failing to state the source of any expected compensation to the broker in the consent, in violation of Tex. Occ. Code §1101.559(a); failing to make clear to all parties to a real estate transaction the party for whom the license holder is acting, in violation of Tex. Occ. Code §1101.652(b)(7); and publishing an advertisement including total acreage without a verifiable source of the information that tends to create a misleading impression, in violation of Tex. Occ. Code §1101.652(b)(23).

Olde Homestead Properties of Texas LLC
(Magnolia); License #507441

Agreed administrative penalty of \$2,500.00, entered April 6, 2010; failing to obtain the written consent from each party to act as an intermediary in the transaction and failing to state the source of any expected compensation to the broker in the consent, in violation of Tex. Occ. Code §1101.559(a); failing to make clear to all parties to a real estate transaction the party for whom the license holder is acting, in violation of Tex. Occ. Code §1101.652(b)(7); and publishing an advertisement including total acreage without a verifiable source of the information that tends to create a misleading impression, in violation of Tex. Occ. Code §1101.652(b)(23).

Davis, Talbert L.
(Houston); License #542613

Agreed 3 year suspension of salesperson license fully probated for 3 years, effective April 1, 2010; failing within a reasonable time to properly account for or remit money that is received by the license holder and that belongs to another person, in violation of Tex. Occ. Code §1101.652(b)(9).

Mesa Realty Group, LLC
(Austin); License #517949

Agreed revocation of broker license fully probated for 3 years and 6 months, effective April 23, 2010; payment of \$13,169.68 made from the Real Estate Recovery Trust Account toward satisfaction of a judgment as authorized by Tex. Occ. Code §1101.655(a)

Claiborne, Christopher Alan
(Austin); License #471811

Agreed revocation of broker license fully probated for 3 years and 6 months, effective April 23, 2010 payment of \$13,169.68 made from the Real Estate Recovery Trust Account toward satisfaction of a judgment as authorized by Tex. Occ. Code §1101.655(a)

Marinez, David Thomas Charles
(San Antonio); License #368538

Revocation of broker license, effective April 6, 2010; payment of \$18,963.00 made from the Real Estate Recovery Trust Account toward satisfaction of a judgment as authorized by Tex. Occ. Code §1101.655(a)

Wages, Jeremy Scott
(Allen); License #604593

Agreed probationary salesperson license issued, fully probated for 1 year, effective April 28, 2010; commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated that Applicant possesses the requisite honesty, trustworthiness, and integrity to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354 (2).

Dettmer, Olga Marie
(Addison); License #398000

Agreed probationary salesperson license issued, fully probated for 2 years, effective April 26, 2010 ;commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated evidence that Applicant possesses the requisite honesty, integrity and trustworthiness to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354(2)

REMINDER

Licensees who choose to renew active but do not complete the education or pay the deferral fee within 60 days are no longer referred to Standards and Enforcement Services for disciplinary action. The license will go inactive. Any salespeople sponsored by an inactive broker will also go inactive. To reactivate the license, the licensee will be required to complete the required MCE, pay the \$200 deferral fee, an additional \$250 late reporting fee and \$20 to reactivate the license by filing a return to active status form for a broker or a salesperson sponsorship form for a salesperson.

New TREC Website Features Advance Agency Goals

During April 2010, the TREC website was improved and expanded with new (1) Education providers' pass rates, (2) Exam topic analysis, (3) Updated FAQs, and (4) Electronic delivery of licenses.

As part of the agency's push towards better licensee and public education, transparency, and paper reduction, four major projects were completed over the last week on the Texas Real Estate Commission (TREC) website: www.trec.state.tx.us.

(1) Education Providers' Pass Rates

www.trec.state.tx.us/education/examination/exam_pass_rates.asp

How do schools know if their course offerings are fully preparing students for success on exams? How can students know if one school's program is more successful than another? Now both can see online what percentage of graduates from which education programs pass the broker, salesperson, and inspector examinations. These statistics are crucial for schools to assess their program's strengths and weaknesses. In order to renew its accreditation under state law, at least 55% of a TREC Approved Proprietary School's graduates must pass the licensing exam the first time the exam is taken. This information is also helpful for those considering a career in real estate in Texas; it allows prospective students to compare success rates across many different education providers.

(2) Real Estate Exam Topic Analysis

www.trec.state.tx.us/education/examination/ExamTopicReports.asp

Each required real estate license exam covers a wide variety of necessary topic areas. An analysis of each exam topic for the broker, salesperson, and inspector exams can now be found on the TREC website. This can be an extremely helpful tool for all participants in the real estate service provider industry as it showcases the areas where test takers and potential licensees are well versed in the laws, ethics, subject matter, and procedures, and those where they need more work. For test takers, this can be used as a study tool to better prepare for a profession in the real estate field. For educators this offers a guide to areas where students need better information or the subject needs more attention in teaching. Lastly, for those seasoned professionals already in the industry, this is great information to identify those areas where training and mentoring of these newly minted professionals needs more focused leadership, expertise, and on-the-job experience.

(3) TREC Standards & Enforcement Frequently Asked Questions (FAQs)

www.trec.state.tx.us/questions/faq-enf.asp

The TREC Standards and Enforcement Services Division has updated its FAQs on the website. They feature a new menu of topics for both licensees and consumers alike and a more comprehensive explanation of those enforcement and legal questions that are most frequently posed to agency staff. New stand-alone topics include: Applications/MCDs, Branch Offices, Broker Supervision, Buyer Representation Agreements, Commissions, Corporation/LLC/DBA, Disclosure of Agency, Inspectors, Intermediary, Option Periods/Option Fees, Rebates, and Residential Service Companies. Not only are all questions answered more thoroughly, but rule and statute citations are also given so further information can be located with just the click of the mouse. A highly utilized "word search" tool is also available for easier navigation to a specific topic.

(4) Electronic Delivery of Licenses

The agency has begun primarily delivering licenses through an email message with an embedded link. As part of an agency paper reduction initiative and the directive from state officials to cut costs, licenses are now being emailed instead of mailed via the United States Postal Service. For brokers sponsoring a salesperson, a copy of the salesperson's license will be sent via email as well. This means that it is imperative that all license holders ensure that the agency has their current primary email address on file. You can do this online at www.trec.state.tx.us/permaddress.asp. Your license will be emailed to you and can be printed, framed, and hung for display, or just saved to the licensee's hard drive for future use. The electronic file is an official state license.

Calendar of Events

**Inspector Committee
Meeting**
June 7, 2010
10:00 a.m.
(Austin)

**Broker-Lawyer
Committee Meeting**
June 30, 2010
(Austin)

**Commission
Meeting**
August 9, 2010
At 10:00 a.m.
(Austin)

Web site:
<http://www.trec.state.tx.us>

Phone

(512) 459-6544

The Broker Lawyer Committee is in the process of reviewing and recommending changes to various TREC contracts, addenda and notices. The Committee and the Commission appreciate your input on the first draft of the contract forms in this preliminary review. Please take a moment to look at the drafts at <http://www.trec.state.tx.us/formslawscontracts/forms/forms-drafts.asp> and then send your comments to general.counsel@trec.state.tx.us by June 25, 2010. The Committee will meet again at the end of June to review the comments and possibly make additional changes to the draft forms. The Committee will then forward its final recommendations on the forms to the Commission for possible proposal and adoption through the rulemaking process beginning at the August 2010 Commission meeting.

04-29-2010



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)
ONE TO FOUR FAMILY RESIDENTIAL CONTRACT (RESALE)
 NOTICE: Not For Use For Condominium Transactions

1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY:

A. LAND: Lot _____ Block _____, _____ Addition, City of _____ Texas, known as _____, or as described on attached exhibit.

B. IMPROVEMENTS: The house, garage and all other fixtures and improvements attached to the above-described real property, including without limitation, the following **permanently installed and built-in items**, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas and satellite dish system and equipment, heating and air-conditioning units, security and fire detection equipment, wiring, plumbing and lighting fixtures, chandeliers, water softener system, kitchen equipment, garage door openers, cleaning equipment, shrubbery, landscaping, outdoor cooking equipment, and all other property owned by Seller and attached to the above described real property.

C. ACCESSORIES: The following described related accessories, if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, controls for satellite dish system, controls for garage door openers, entry gate controls, door keys, mailbox keys, above ground pool, swimming pool equipment and maintenance accessories, and artificial fireplace logs, and controls for: (i) satellite dish system, (ii) garage, (iii) entry gate, and (iv) other improvements and accessories.

D. EXCLUSIONS: The following improvements and accessories will be retained by Seller and must be removed prior to delivery of possession: _____

The land, improvements and accessories are collectively referred to as the "Property".

3. SALES PRICE:

A. Cash portion of Sales Price payable by Buyer at closing..... \$ _____

B. Sum of all financing described below (excluding any loan funding fee or mortgage insurance premium)..... \$ _____

C. Sales Price (Sum of A and B)..... \$ _____

If Buyer is concerned about the appraised value of the Property, Buyer is urged to have the appraisal completed during the Option Period.

4. FINANCING: The portion of Sales Price not payable in cash will be paid as follows: (Check applicable boxes below)

A. THIRD PARTY FINANCING: One or more third party mortgage loans in the total amount of \$ _____ (excluding any loan funding fee or mortgage insurance premium).

(1) Property Approval: If the Property does not satisfy the lenders' underwriting requirements for the loan(s) Buyer may give written notice to Seller prior to the Closing Date and this contract will terminate and the earnest money will be refunded to Buyer. Buyer authorizes any lender to furnish to Seller or Buyer or their representatives information related to the Property satisfying the lender's underwriting requirements.

(2) Financing Approval: (Check one box only)

(a) This contract is subject to Buyer being approved for the financing described in the attached Third Party Financing Condition Addendum.

(b) This contract is not subject to Buyer being approved for financing and does not involve FHA or VA financing.

B. ASSUMPTION: The assumption of the unpaid principal balance of one or more promissory notes described in the attached TREC Loan Assumption Addendum.

C. SELLER FINANCING: A Buyer to Seller of \$ _____, secured by vendor's and deed of trust liens, and containing the terms and conditions described in the attached TREC Seller Financing Addendum. If an owner policy of title insurance is furnished, Buyer shall furnish Seller with a mortgagee policy of title insurance.

Initialed for identification by Buyer _____ and Seller _____ TREC NO. 20-9 [18]

Deleted language is bracketed in [RED].
 New language is underlined in BLUE.



Inspector Insight

Texas Real Estate Commission * Volume 1, Number 1 * June 2010

Texas Real Estate Commission

Volume 1, Number 1
June 2010

Committee Members:

Larry J. Foster
Chairman
AUSTIN

Brian P. Murphy
Vice-Chair
ARLINGTON

Jill Frankel
Secretary
TEMPLE

Ray Armendariz
EL PASO

Curtis Carr
BEAUMONT

Brad R. Phillips
TEMPLE

Linda S. Robicheaux
HOUSTON

Nancy J. Schriedel
PLANO

Fred Willcox
HOUSTON

Inside this issue...

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...from the Chairman

Larry J. Foster
Chairman
Texas Real Estate
Inspector Committee

Welcome to the Inspector Insight! This is the inaugural issue and I am pleased to announce that every future issue of the TREC Advisor will include this section dedicated to Texas inspectors. The Texas Real Estate Inspector Committee is very active and constantly working to improve our regulatory matters. I look forward to this newsletter being a place where I can update the community on important events in our industry.

On June 7, the Committee will host an Education Forum at TREC headquarters in Austin. This town-hall type meeting will focus specifically on inspector education issues and comments will be solicited on the following topics: (1) pre-licensure education, (2) examination requirements, and (3) continuing education. Education providers have been invited to attend, and I would welcome anyone in the inspector community to come and give feedback on these very important issues. The meeting will begin at 10am.

Also at this meeting the Committee will welcome two new Committee members. Ms. Linda Robicheaux and Ms. Nancy Schriedel who will both sit as public members on the Committee. We are very excited to have two new public members to join our existing public member, Ms. Jill Frankel. They volunteer their time to serve consumers and an industry which they are not members of, and for that we are very thankful! Without volunteers we would not be able to make the strides that are currently making in the inspector community and I want to personally thank all of those who dedicate their time.

To that end, I would be remiss not to mention that many, many volunteers from the various inspector associations have been working together on issues affecting all Texas inspectors. The Lone Star Chapter of the American Society of Home Inspectors (ASHI), the Texas members of the International Association of Certified Home Inspectors (INACHI), the Texas Association of Real Estate Inspectors (TAREI), and the Texas Professional Real Estate Inspectors Association (TPREIA) have taken preliminary steps to cooperate together in the Texas Inspectors Trade Association Council (TITAC). TITAC will collaborate on common inspector issues to try and build consensus so that, when appropriate, the industry can speak with one voice to the Inspector Committee, the agency, lawmakers, and to the public. This is a formidable undertaking and these organizations should be commended for their efforts!

Looking forward to seeing everyone on June 7th!

Two New Faces on the Inspector Committee

TREC welcomes two new public members to the Texas Real Estate Inspector Committee. These two members were selected out of a strong pool of candidates at the May Commission meeting.

Linda Robicheaux has 25 years of field experience as a closer, underwriter, processor, mortgage broker and proprietary school owner. Ms. Robicheaux became an underwriter for Prime Mortgage Corporation in 1989 and taught real estate courses at Spencer School of Real Estate and Sierra School of Real Estate. In 1999 Sierra Schools, Inc. piloted the mortgage license training program for the Texas Savings and Loan Department. In 2001 Ms. Robicheaux became a mortgage broker and opened her own Prime Mortgage USA. She ran Prime Mortgage USA until 2007 when she became the sole owner of Sierra Schools, Inc, which merged with Spencer Training and Testing Development, Inc. in 2009. With her significant experience in direct consumer service to Texas residents, the Inspector Committee welcomes Ms. Robicheaux to a term ending in February 2011.

Nancy Schriedel is a Texas real estate attorney currently working as in-house counsel for a title company in Plano, Texas. She received her B.A. from Michigan State University in 1987, and later earned her law degree (J.D.) with honors from the Thomas M. Cooley School of Law in Lansing, Michigan. Thereafter, she earned an advanced law degree (LL.M.) from Georgetown University Law Center in Washington, D.C., specializing in tax law. Ms. Schriedel began her career in real estate and mortgage lending law in 1998 at the Dallas office of Akin, Gump, Strauss, Hauer & Feld, LLP, and has since worked in a number of capacities to gain knowledge and experience in all areas affecting residential settlement service providers. Ms. Schriedel is excited to have been appointed to the Inspector Committee and looks forward to bringing a unique perspective to help the committee better protect and serve our Texas residents. Ms. Schriedel's term ends in February 2015.

FAQ highlight

Q: Does TREC have rules that apply to inspectors who are asked to or want to pay referral fees or pay for inclusion on a list of "preferred providers," etc.?

A: Yes. While TREC does not prohibit anyone from referring a professional based on factors like experience and quality, inspectors should not be referred based on the payment or expectation of a fee or other compensation. With very limited exceptions, Section 535.220(e)(3) of the agency Rules prohibits inspectors from paying (or receiving) fees or other valuable consideration in exchange for the referral of inspections or for inclusion on inspector lists, preferred provider relationships, or other similar types of arrangements. If an arrangement requires an inspector to pay for the opportunity to be included on a "select list" of inspectors used to refer inspectors to buyers or sellers, then this rule would prohibit the inspector from participating in the arrangement. However, if the payment is actually for some sort of advertisement (such as inclusion in a page of ads on a broker's website or in a magazine and is open to any inspector for purchase), then the rule would not prohibit the payment as long as the fee was appropriate (i.e., at a market rate) for the advertisement. The determination of whether a payment or arrangement violates Section 535.220 is very fact-specific, and there may be many variations on these types of arrangements. If TREC received a complaint alleging an improper payment from an inspector to an agent, the Standards and Enforcement Services Division would gather all of the facts in order to determine whether the payment or arrangement was for advertising (and was therefore permissible) or was for referrals (and therefore impermissible). This determination depends on factors such as how the list is compiled, how it is distributed, how it is used, what fees apply, and whether the arrangement is misleading to consumers.

Further, you should be aware that the federal Real Estate Settlement Procedures Act (RESPA) also prohibits most referral fees in real estate transactions. RESPA is enforced by the federal Department of Housing and Urban Development, the Texas Office of the Attorney General, and the Texas Department of Insurance.

TREC ENCOURAGES COMMENTS AND SUGGESTIONS

The Texas Real Estate Inspector Committee has begun the process of reviewing the Standards of Practice for real estate inspectors, last updated in October 2008. The Committee invites all interested persons to submit comments and suggestions for change to the Standards of Practice. Comments may be submitted by e-mail to sop-comments@trec.state.tx.us.

Standards of Practice Commentary drafts available for review and comments.

Amendments to 22 TAC §535.208 and §535.210 have been proposed by TREC. These rule amendments can be viewed on the TREC website at www.trec.state.tx.us on the Rules, Contracts and Laws tab. Comments may be submitted to general.counsel@trec.state.tx.us.



TALCB Bulletin

Texas Appraiser Licensing and Certification Board * Volume 1, Number 4 * June 2010

Appraisal Subcommittee Visits TALCB to Audit Operations

In May, TALCB welcomed the Appraisal Subcommittee (ASC) for their biennial visit to review and audit the Texas program, most importantly the Standards & Enforcement Services Division. ASC Appraisal Policy Managers Neal Fenochietti and Jenny Tidwell spent three days meeting with staff, reading files, and reviewing policies, rules and statutes, culminating with an oral report to the Board at the May 21 TALCB meeting.

While the draft written report will be sent to the Board in late June and finalized by the end of the summer, the informal report was positive and recognized the staff's hard work! Neal Fenochietti opened his remarks to the Board with a statement to this effect, "I would like to recognize your staff. We've run them around the track a few times while we've been here and in preparation for this review, and I just want to let you know what a great staff they are to work with, and how impeccable their work is, and how dedicated they are to the program. And I want to commend the Commissioner for the priority he has given to protecting the resources of the Board in a challenging budget environment. The Board is fortunate to have someone at the helm who really understands how important this work is."

And he continued, "You will see again in this year's report that the resolution process for complaints open for more than one year will remain an area of noncompliance. However, I think it is really important for us to note at this point the amazing progress that the Board has made; it is unbelievable. **We could not think of a single recommendation that would assist you in using the staff and the resources you have in a way that would help you handle the process better.** It seems that everything that is being done is great work, and it has improved the program immensely. I think our numbers show that since the last review, you've had approximately 802 complaints filed and, even with the increase of complaints coming in, the number of aged complaints has fallen from 91 at the last review to 69. The pending complaints that are RFAs and covert complaints, we are taking out of the formula as a "special documented circumstance" so that it reflects more exactly the work that the Board is doing and the progress that the Board is making."

Those in the industry and close to the agency know that the TALCB staff has been working diligently to resolve the older cases and try to keep up with the new ones. Neal also commented that, "the complaint files that we reviewed are among the most complete files we've seen. The Peer Review reports, the notes, the documents and the evidence, and the way the files are assembled ... like I said, they are among the best files that I've ever looked at."

The ASC summed up their comments by saying, "it is important to note the increase, again, in numbers of complaints. I don't think I've seen an increase this large in any other states over the course of a couple years." Because of the increasing volume of complaints, the Board has also posted a position to hire another Appraiser/Investigator. While we await the formal ASC report, the Board, its staff and the appraisal industry in Texas can take great pride in the enormous advances we have made this past year.

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Texas Appraiser Licensing and Certification Board
TALCB Bulletin

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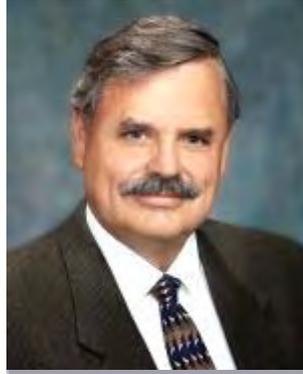
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<http://www.talcb.state.tx.us>



James B. Ratliff,
Chairman

...from the Chairman

Over the last several months, interest for the May TALCB meeting had been growing. With the Appraisal Subcommittee's (ASC) review on the schedule, Board members, staff and many in the appraiser community have been eagerly awaiting their visit, and their findings. Two staff members from the ASC spent three days at headquarters going through files, interviewing staff, and preparing their report. I am very pleased to say that they reported what so many of us already know,

the TALCB staff is exemplary. The first remarks from the ASC to the Board were about our team, their professionalism and thoroughness. The ASC was not only impressed by the depth and clarity of the licensing, education and investigators' work, but also with the way the files were organized and presented. They commended the success of the Texas program and its overall effectiveness. It was a great honor for the Board to hear this federal agency recognize our staff for a job well done! I'd like to echo that sentiment and thank the staff for their hard work and dedication to appraiser education, licensing and enforcement in Texas. We expect the ASC's final report by the end of summer and will post it then.

As always, there were a number of enforcement cases that were approved at this meeting along with reports by the Commissioner on the agency's 2011-2015 Strategic Plan, the required 5% Budget Reduction, Customer Service Survey, Future Workforce Plan and updated Memorandum of Understanding with the Texas Real Estate Commission. The Board approved a two-year extension of the current contract for appraiser examination services with PSI Services, LLC. In addition, the Commissioner informed the Board that a new appraiser investigator will be hired to help handle the massive workload that continues to pour in. Watch the website to see that posting, and if you know of any highly qualified and trustworthy appraiser investigators, please encourage them to apply.

TALCB General Counsel is looking at our current reciprocity agreements with other states and will bring us a proposal in the future for better ways to partner with other states to make transitions for appraisers simple and fair. While states are not required to have reciprocity, with so much of appraiser qualification standards controlled by federal laws, there is a need to clarify the recognition of identical standards where they exist. Texas currently has reciprocity agreements with 22 other states, but these were adopted under earlier standards, so it is a good time to review them. Such recognition is a great benefit to individual appraisers, and to many clients, especially in today's mobile society, and we welcome the review and recommendations from General Counsel.

Lastly, just a reminder that the agency's rules are currently open for review. We want your comments and recommendations for ways to improve our rules to make them fair, simple and effective. Our mission requires us to safeguard the public interest and ensure qualified and ethical appraisers are available in Texas to serve consumers and facilitate economic growth and opportunity. We welcome your ideas as we fulfill that mission.

The next TALCB meeting will be Friday, August 20 - until then stay cool and enjoy the hot Texas summer!

Calendar of Events

Board Meetings

August 20, 2010
At 10:00 a.m.
(Austin)

Web site:

<http://www.talcb.state.tx.us>

Phone

(512) 459-2232

RULE ACTIONS FROM MAY 21, 2010 MEETING OF THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULE
22 TAC §153.1, §153.3, §153.5, §153.7, §§153.8-153.11, §153.13, §153.15, §§153.16-153.18	8/21/2010	<p>TALCB proposes amendments to 22 T.A.C. Chapter 153, Rules Relating to Provisions of the Texas Licensing and Certification Act. The proposed amendments result from the Board's rule review process and reflect both substantive and non-substantive changes.</p> <p>The proposed amendments to §153.1, Definitions, add definitions of "ACE" (appraiser continuing education), "administrative law judge," "complex appraisal," "pleading," and "rule." The amendments to this section also repeal the definition of "appraisal," which is in conflict with the statutory definition, and clarify the definitions of "contested case," "federally-related transaction," and "person." Amendments in this section and elsewhere in the rules replace the term "non-resident temporary registration" to "temporary out of state appraiser" to be more consistent with the statutory language.</p> <p>The proposed amendments to §153.3, The Board, eliminate those subsections that are duplicative of statutory provisions and clarify that members shall continue to serve after their terms are finished until their successors are qualified to serve.</p> <p>The proposed amendments to §153.5, Fees, combine the application and education evaluation fees for all license types that are currently required to submit an education evaluation and fee before submitting an application, as these processes and fees are being proposed to be combined into a single application process (see §153.9, below). Individual online fee provisions are also combined into a single reference to Department of Information Resources online fees, and the National Registry fee is restated as a reference to the fee charged by the Appraisal Subcommittee (ASC). The amendments would further implement a new \$20 fee for filing non-electronic documents that could be filed online, as well as increased renewal fees for late renewals at a rate of 1.5 times the regular fee for renewals up to 90 days late and two times for renewals from 91 days to one year after expiration, which replace a \$100 fee required for late renewals that has been eliminated through process changes. Last, a number of non-substantive revisions are proposed to improve readability.</p> <p>The repeal of §153.7, Categories of Appraiser Certification and Licensing, is proposed because its provisions have been incorporated into Chapter 1103 of the Texas Occupations Code (the Texas Appraiser Licensing and Certification Act).</p> <p>The proposed amendments to §153.8, Scope of Practice, consolidate the requirement that all license types comply with USPAP, and establish specific provisions regarding a disabled appraiser's use of an unlicensed assistant.</p> <p>The proposed amendments to §153.9, Applications, combine the education evaluation and application processes, allowing applicants to submit an application for license or certification before or concurrently with submitting documentation of their coursework. In addition to streamlining the process for the agency and to better implement the new licensing database, this will allow prospective licensees to apply for licensure or certification without first submitting a request for education evaluation and waiting for their education to be approved. These amendments would also repeal the promulgated application and application-related forms, allowing the Board to approve (rather than adopt) forms and better respond to process changes and new requirements.</p> <p>Other changes better accommodate online application, renewal, and notification processes or reflect non-substantive changes to improve readability.</p> <p>Proposed amendments to §153.10, Date of Licensure, clarify that licenses and certifications are valid for two years, while a trainee approval is valid for one year and registration as a temporary out-of-state appraiser is valid for no longer than six months, and that a license, certification, approval, or registration is not effective until it is issued by the board.</p>

(CONT. ON PAGE 4)

TALCB has a position open in the Standards & Enforcement Division for an Appraiser II. For more information go to <http://www.trec.state.tx.us/agencyinfo/employment/employment.asp>

RULE ACTIONS FROM MAY 21, 2010 MEETING OF THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULE <i>For text of the rules as they were filed with the Texas Register, go to the web site www.talcb.state.tx.us</i>
22 TAC §153.1, §153.3, §153.5, §153.7, §§153.8- 153.11 §153.13, §153.15, §§153.16- 153.18	8/21/2010	<p><i>(CONT. FROM PAGE 3)</i></p> <p>Proposed amendments to §153.11, Examinations, are primarily a non-substantive update of the examination requirements, including a clarification that while calculators are allowed, cellular phones may not be used as calculators. In accordance with the Appraisal Qualifications Board's (AOB) Real Property Appraiser Qualification Criteria, the amendments also clarify that successful completion of the examination is valid for 24 months.</p> <p>Proposed amendments to §153.13, Educational Requirements, eliminate provisions regarding changes that became effective on November 1, 2007, as all applicants are now subject to the new requirements, and clarify the AOB requirements regarding distance education courses. The amendments also introduce non-substantive changes to the section.</p> <p>Proposed amendments to §153.15, Experience Required for Certification or Licensing, implement the federal requirement that the board audit the experience of 100% of applicants for certification.</p> <p>The proposed amendments further clarify the experience audit process.</p> <p>Proposed amendments to §153.16, Provisional License, reorganize the section for readability and constitute a non-substantive rewrite of the requirements for provisional licenses.</p> <p>Proposed amendments to §153.17, Renewal or Extension of Certification and License or Renewal of Trainee Approval, consolidate the general renewal requirements into a new subsection (a) and clarify that a renewal is timely if it is complete and mailed or filed online by the expiration date. The proposed amendments also clarify the process for reapplying for a license after expiration and make other non-substantive changes to improve readability.</p> <p>Proposed amendments to §153.18, Appraiser Continuing Education, eliminate provisions regarding changes to trainee education requirements that became effective on March 1, 2006, as the distinction in the rules is no longer necessary. The proposed amendments also clarify that only the 7-hour national USPAP update course or its equivalent, taught by an AOB-certified USPAP instructor who is also a certified appraiser, qualifies for USPAP update course credit, and make other non-substantive changes to improve readability.</p>

RULE NO.	EFFECTIVE DATE	SUMMARY OF ADOPTED RULE <i>For text of the rules as they were filed with the Texas Register, go to the web site www.talcb.state.tx.us</i>
22 TAC §157.1, §157.2.4, §157.4, §157.6, §157.7, §157.8	6/15/2010	<p>Adopts new §157.1, Definitions, and the proposed amendments to §157.2.4, Object of Rules, §157.4, Computation of Time, §157.6, Request for Advisory Opinions, §157.7, Denial of a License, and §157.8, Suspension and Revocation of a License, without changes to the proposed text.</p> <p>The proposed amendments result from the Board's rule review process and reflect both substantive and non-substantive changes. New §157.1 adopts by reference the definitions outlined in 22 T.A.C. §153.1. The amendment to §157.2 is non-substantive. The amendments to §157.4 clarify that, throughout the chapter, time periods relating to mailing should be calculated with the addition of three days for mailing time. The amendments to §157.6 clarify that advisory opinions issued under this section must be requested in writing and may only be given in accordance with the Texas Open Meetings Act (Chapter 551, Texas Government Code). The amendments to §157.7 outline the notice to be given by the Board when it proposes to deny a license or issue an adverse criminal history evaluation letter. The amendments to §157.8 outline the notice to be given by the Board when it proposes to take adverse action against a licensee and also clarify that a licensee may waive the opportunity for a hearing in a subsequent matter by agreeing in writing to suspension or revocation for failure to comply with the terms of an agreed order in connection with an application or a previous disciplinary matter.</p>

TALCB Disciplinary Actions April-May 2010

AMERSON, Kyle Brooks
Lic. # TX-1336799-R; Frisco

Board Action Taken: Based on the above findings of fact and conclusions of law, the Board ORDERS that Respondent's certification shall be and is hereby REVOKED.

Complaint No.: 09-002 & 09-003. *Reason for Complaint:* Allegations that the failed to comply with the Uniform Standards of Professional Appraisal Practice ("USPAP") in his completion of these reports.

WRIGHT, Jared Lynn
Lic. # TX-1331620-R

Board Action Taken: NOW, THEREFORE, IT IS ORDERED that certification number TX-1331620-R hereto issued to JARED LYNN WRIGHT, to practice real property appraisal in the State of Texas, be permanently revoked without formal charges, notice of hearing, or a formal hearing.

Complaint No.: 09-019

WHISENHUNT, Mark Allen
Lic. # TX-1330207-R; Dallas

Board Action Taken: Based on the above findings of fact and conclusions of law, the Board ORDERS that Respondent shall not seek renewal of his license, nor apply to the Board for any authorization, license, certification or registration in the future.

Complaint No.: 06-136, 07-161, & 09-001. *Reason for Complaint:* Allegations that Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

WALDEN, William Keith
Lic. # TX-1334180-R

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in the Highest and Best Use; (3) Pay an administrative penalty of \$2,500.00, of which \$2,000.00 shall be fully probated under the condition that Respondent timely complies with all other terms of this Agreed Final Order

Complaint No.: 09-078; *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a) (3): USPAP Scope of Work Rule; USPAP Ethics Rule (record keeping provisions); USPAP Competency Rule; USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(e)(i) & 2-2(b)(iii); 1-4(f) & 2-2(b)(viii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 2-2(b)(viii); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 2-2(b)(vii); 1-4(e) & 2-2(b)(vii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

VAUGHAN, Casey Lynn
Lic. # TX-1336527-R

Board Action Taken: NOW, THEREFORE, IT IS ORDERED by the Texas Appraiser Licensing and Certification Board that the certification of Casey Lynn Vaughan in this matter is hereby REVOKED, effective twenty days after the date Casey Lynn Vaughan is notified of this Final Order.

Complaint No.: 10-039.

Summary of Violations Found: 22.TAC §§ 153.20(a)(2) and 153.24

TYNES, Thomas Fredrick
Lic. # TX-1335138-L; Mansfield

Board Action Taken: (1) Have his certification suspended for twenty-four months with his certification fully suspended for the first three months and the remaining twenty-one months of the suspension fully probated under the following conditions: (i) During the entire twenty-four month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request; (ii) No trainees shall be sponsored during the entirety of the suspension; (iii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Attend and complete a minimum, 15 classroom-hour course in USPAP; (3) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (4) Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals: Risky Appraisals = Risky Loans; (i) No examination shall be required for this course; and (5) Pay to the Board an administrative penalty of \$3,000.00 (i) Payment of the administrative penalty shall be made in twenty equal, and monthly \$150.00 installments, with the first payment being due on or before June 1st, 2010, and the remaining



Respondent

As of June 4, 2010, the toll free lines for TREC/TALCB will no longer be operational. Call TREC at 512-459-6544 Call TALCB at 512-459-2223 or go online at www.trec.state.tx.us www.talcb.state.tx.us

payments being due on the first of each month thereafter until paid in full

Complaint No.: 08-147. *Reason for Complaint:* Allegations that the Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (conduct and record-keeping provisions); USPAP Scope of Work Rule; USPAP Standards Rules: 1-2(h) & 2-2(b)(vii); 1-2(c) & 2-2(b)(v); 1-2(e)(i) & 2-2(b)(iii); 1-2(f) or 1-2(g) and 2-1(c); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and, 2-3 & 2-2(b)(xii). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

TRAN, Tu Quoc

Lic. # TX-1331622-G; Houston

Board Action Taken: (1) During the entire probated, twelve month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request; (i) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; (2) Pay to the Board an administrative penalty of \$220.00.

Complaint No.: 10-167.

Reason for Complaint: Allegations that the Respondent failed to comply with a prior order.

Summary of Violations Found: Respondent violated Sec. 1103.459 by not fulfilling the terms of the previous Agreed Order.

TADLOCK, Craig Clayton

Lic. # TX-1336984-L; Fort Worth

Board Action Taken: (1) Have his license suspended for 18 months. The entire 18 month suspension shall be fully probated under the condition that Respondent fully and timely comply with the terms and conditions of this agreed final order; (i) During the entire period in which the suspension is probated, Respondent shall submit on a form prescribed by the Board, an appraisal experience log to the Board every three months. The log shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Craig Clayton Tadlock and contain a notarized affidavit attesting that the log is true, complete and fully accurate. Upon request from the Board, Craig Clayton Tadlock shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during this time period within twenty days of notice of any such request; (ii) Respondent shall sponsor no appraiser trainees during the entire period of probation; (2) Attend and complete a minimum, 15 classroom-hour course in USPAP; (3) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (4) Attend and complete a minimum, 15 classroom-hour course in Cost Approach; and (5) Attend and complete a minimum, 15 classroom-hour course in Residential Report Writing

Complaint No.: 08-100. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record-keeping and conduct provisions); USPAP Supplemental Standards Rule; USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(viii); 1-5(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations in and omitting material facts from his appraisal report.

STRAACH, Gary Eugene

Lic. # TX-1334813-R; Keller

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in the Cost Approach; and (3) Attend and complete a minimum, 15 classroom-hour course in the Income Approach

Complaint No.: 08-189 & 08-248. *Reason for Complaint:* Allegations that the Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

Summary of Violations Found:(1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (conduct and record-keeping provisions); USPAP Supplemental Standards Rule; USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(ix); 1-4(b)(iv) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-4(c)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(c); 1-5(a) & 2-2(b)(viii); 1-5(a) & 2-2(b)(ix); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

SHEARER, James E.

Lic. # TX-1327322-R; Colorado City

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies or Sales Comparison Approach (3) Attend and complete a minimum, 7 classroom-hour course in Valuation by Comparison: Residential Analysis and Logic (i) No examination shall be required for this course. (4) Attend and complete a minimum, 7 classroom-hour course in Appraising the Tough Ones; (ii) No examination shall be required for this course

Complaint No.: 09-066. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Scope of Work Rule; USPAP Ethics Rule (record-keeping provisions); Supplemental Standards Rule; USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)

(viii); 1-1(a) & 1-4(a); 1-5(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts from his appraisal report.

SCOTT, Elliott Jr.

Lic. # TX-1336977-L; McKinney

Board Action Taken: Based on the above findings of fact and conclusions of law, the Board ORDERS that the Elliott Scott, Jr.'s license be REVOKED and that he shall not be entitled to apply for reinstatement

Complaint No.: 09-247. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report for the property that contained potential violations of USPAP.

SCORZA, Gregory Michael

Lic. # TX-1331108-R; Dallas

Board Action Taken: (1) Have his certification revoked for twenty-four months with this revocation being fully probated under the following conditions: (i) During the entire probated, twenty-four month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request; (ii) No trainees shall be sponsored during the entirety of the probation period; (iii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Sit for and receive a passing grade on the same examination taken by those applying for their residential certification:

(i) Respondent shall submit examination results reflecting he has passed the examination no later than one year from the date this order is approved; (3) Attend and complete a minimum, 15 classroom-hour course in USPAP; (4) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (5) Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach; (6) Attend and complete a minimum, 15 classroom-hour course in the Cost Approach; (7) Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals: Risky Appraisals = Risky Loans; (i) No examination shall be required for this course; and (8) Pay to the Board an administrative penalty of \$1,500.00;

(i) Payment of the ad

Complaint No.: 08-107 & 09-023. *Reason for Complaint:* Allegations that the Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (conduct and record-keeping provisions); USPAP Supplemental Standards Rule; USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(viii); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(ix); & 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(ix); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(ix); 1-5(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts in his appraisal reports.

SCHUHMACHER, John William

Lic. # TX-1335831-L; Houston

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in Residential Report Writing; (2) Attend and complete a minimum, 7 classroom-hour course in Small Income Producing Properties; (i) No examination shall be required for this course (3) Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals; (ii) No examination shall be required for this course

Complaint No.: 08-018 & 09-033. *Reason for Complaint:* Allegations that the Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

Summary of Violations Found:

(1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record keeping provisions); USPAP Supplemental Standards Rule; USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-4(c)(ii) & 2-2(b)(viii); 1-5(a) & 2-2(b)(viii); 1-6(a) & (b) and 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

QUARTARO

Lic. # TX-1323978-G; Houston

Board Action Taken:(1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in the Income Approach; and (3) Pay an administrative penalty of \$750.00

Complaint No.: 08-223. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report for the property that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-3(a) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-4(c)(i) & 2-2(b)(viii); 1-4(c)(ii) & 2-2(b)(viii); 1-4(c)(iii) & 2-2(b)(viii); 1-4(c)(iv) & 2-2(b)(viii); 1-1(a) & 1-4(c); 1-6(a) & (b) and 2-2(b)(viii); 1-2(e), 2-2(b)(viii) & 1-4(c)(iv); 1-1(a); 1-1(b); 1-1(c); and 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

PRUETT, Sammy Jay

Lic. # TX-1335600-L; Leander

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Sales Comparison Analysis or Residential Case Studies; and (3) Attend and complete a minimum, 15 classroom-hour course in Cost Approach *Complaint No.:* 08-103 & 08-168

Reason for Complaint: Allegations that the Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record keeping provisions); USPAP Standards Rules: 2-2(b)(viii); 1-4(a); 1-4(b); 1-2(f); 2-1(c); 1-1(a); 1-1(b); and, 1-1(c). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

PALACIOS, Gregorio

Lic. # TX-1331075-L; Weslaco

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (2) Attend and complete a minimum, 15 classroom-hour course in Sales Comparison Approach; and (3) Attend and complete a minimum, 15 classroom-hour course in Cost Approach

Complaint No.: 10-108. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record-keeping provisions); USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(e)(i) & 2-2(b)(viii); 1-3(a) & 2-2(viii); 1-3(b) & 2-2(b)(ix); 1-4(a) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-5(b) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and 2-1(b). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

OSBORNE, Alicia Samford

Lic. # TX-1330227-R

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; and (3) Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals: Risky Business = Risky Loans; (i) No examination shall be required for this course

Complaint No.: 09-184. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (conduct provisions); USPAP Standards: 1-3(b) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(viii); 1-6(a) & (b) and 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

O'DONNELL, Larry Lee

Lic. # TX-1329857-R; Dallas

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; and (2) Attend and complete a minimum, 15 classroom-hour course in Advance Residential Applications and Case Studies

Complaint No.: 09-156. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Scope of Work Rule; USPAP Standards: 1-2(h) & 2-2(b)(viii); 1-2(a) & 2-2(b)(i); 1-3(a) & 2-2(b)(viii); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) and 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and 2-1(a),

NUNNERLY, Michael J.

Lic. # TX-1333596-L; Houston

Board Action Taken: NOW, THEREFORE, IT IS ORDERED by the Texas Appraiser Licensing and Certification Board that the certification of Michael J. Nunnerly (a/k/a Michael J. Nunnerley) in this matter is hereby REVOKED, effective twenty days after the date Michael J. Nunnerly (a/k/a Michael J. Nunnerley) is notified of this Final Order.

Complaint No.: 09-097. *Reason for Complaint:* Allegations that the Respondent had been convicted of a felony.

LEA, Byron N.

Lic. # TX-1334632-G; Columbus

Board Action Taken: Shall not seek renewal of his certification, nor apply to the Board for any authorization, license, certification or registration in the future.

Complaint No.: 06-187. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

LANGHENRY

Lic. # TX-1321891-R; Highland Village

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; and (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies

Complaint No.: 09-047; *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-4(f) & 2-2(b)(ix); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts from the appraisal report for the property.

KUJAN, Sheri G.

Lic. # TX-1336916-R

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach; (3) Attend and complete a minimum, 7 classroom-hour course in Evaluation by Comparison: Residential Analysis and Logic; (i) No examination shall be required for this course; and (4) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies

Complaint No.: 09-081. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE §

1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Scope of Work Rule; USPAP Ethics Rule (record keeping provisions); USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and 2-1(b). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

HOLLAND, Darrell Lynn

Lic. # TX-1327726-G; Brownsville

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals: Risky Appraisals = Risky Loans; (i) No examination shall be required for this course; and (3) Pay to the Board an administrative penalty of \$500.00

Complaint No.: 10-079. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record-keeping and conduct provisions); USPAP Standards: 1-2(b) & 2-2(b)(ii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts from his appraisal report.

HANSEN, K. Norman

Lic. # TX-1324540-G; Dallas

Board Action Taken: NOW, THEREFORE, IT IS ORDERED that certification number TX-1324540-G hereto issued to K. NORMAN HANSEN, to practice real property appraisal in the State of Texas, be permanently revoked without formal charges, notice of hearing, or a formal hearing.

Complaint No.: 09-058, 09-077, & 09-120:

GALLAGHER, Kelly P.

Lic. # TX-1331696-L; Fort Worth

Board Action Taken: NOW, THEREFORE, IT IS ORDERED that license number TX-1331696-L hereto issued to KELLY P.

GALLAGHER, to practice real property appraisal in the State of Texas, be permanently revoked without formal charges, notice of hearing, or a formal hearing.

Complaint No.: 08-158.

FOSTER, Bradley Keith

Lic. # TX-1325021-R; Highland Village

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; and (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies

Complaint No.: 09-047. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-4(f) & 2-2(b)(ix); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations in and omitting material facts from his appraisal report.

DARLING, Elizabeth Ann

Lic. # TX-1331169-G; Hillsboro

Board Action Taken: (1) Have her certification suspended for twenty-four months with the suspension fully probated under the following terms and conditions: (i) During the entire twenty-four month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities she has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of her appraisal reports and work files for any appraisal assignments she performs during the course of this period of probation within the twenty days of notice of any such request; (ii) No trainees shall be sponsored during the entirety of the twenty-four month suspension; (iii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Attend and complete a minimum, 15 classroom-hour course in USPAP; and (3) Pay an administrative penalty of \$2,500.00 i. Payment of the administrative penalty shall be made in 20 monthly and equal \$125.00 installments with the first such payment being due on or before June 1st and the remainder due monthly by the first day of each month thereafter

Complaint No.: 08-141. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule; USPAP Standards: 1-2(b) & 2-2(b)(ii); 1-2(f) & 2-2(b)(vii); 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(iv) & 2-2(b)(ix); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-4(c)(i) & 2-2(b)(ix); 1-4(c)(ii) & 2-2(b)(ix); 1-4(c)(iii) & 2-2(b)(ix); 1-4(c)(iv) & 2-2(b)(ix); 1-1(a) & 1-4(c); 1-5(a) & 2-2(b)(ix); 1-5(b) & 2-2(b)(ix); 1-6(a) & (b) & 2-2(b)(ix); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

COHEN, Mark Steven

Lic. # TX-1336328-R; Fort Worth

Board Action Taken:

Attend and complete a minimum, 15 classroom-hour course in Cost Approach

Complaint No.: 09-080. *Reason for Complaint:* Alegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE §

1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(e)(iv) & 2-2(b)(viii); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) and, 2-2(b)(viii).

BOND, Douglas Ryan

Lic. # TX-1335609-R; Spicewood

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (3) Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals = Risky Loans; (i) No examination shall be required for this course; and (4) Pay an administrative penalty of \$500.00

Complaint No.: 09-013. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 2-2(b)(xi); 1-5(a) & 2-2(b)(ix); 1-1(a); 1-1(b); 1-1(c); and 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

BLANCHARD, Larry Don

Lic. # TX-1325141-R

Board Action Taken: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach or Residential Case Studies; and(3) Attend and complete a minimum, 15 classroom-hour course in Residential Site Valuation and Cost Approach

Complaint No.: 09-159. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Scope of Work Rule; USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(b) & 2-2(b)(ii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

ARNOLD, Robert Kennedy

Lic. # TX-1324236-R; Frisco

Board Action Taken: Pay to the Board an administrative penalty of \$250.00

Complaint No.: 09-126. *Reason for Complaint:* Allegations that the Respondent had failed to comply with the a previous agreed final order.

Summary of Violations Found: Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(21).

ANDERSON, Todd Rutherford

Lic. # TX-1329971-R; Dallas

Board Action Taken: (1) During the entire probated, thirty-six month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request; (i) Respondent shall sponsor no trainees during the entire suspension; (ii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Attend and complete a minimum, 15 classroom-hour course in USPAP; (3) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (4) Attend and complete a minimum, 7 classroom-hour course in Appraising the Tough Ones; (i) No examination shall be required for this course; (5) Attend and complete a minimum, 7 classroom-hour course in Sales Concessions; (i) No examination shall be required for this course; (6) Pay to the Board an administrative penalty of \$3,000.00, the payment of which shall be made in 12 equal installments of \$250.00, with the first payment being due within twenty days of the effective date of this order and the remaining installments being due on the first day of each month thereafter until paid in full.

Complaint No.: 09-046, 09-053, & 09-128. *Reason for Complaint:* Allegations that the Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE §1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Competency Rule; USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 1-4(b)(viii); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(viii); 1-5(a) & 2-2(b)(ix); 1-5(b) & 2-2(b)(ix); 1-6(a) & 2-2(b)(ix); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and, 2-3 & 2-2(b)(xii). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

OKPA, Ejike Edward

Lic. # TX-1322832-G; Denison

Board Action Taken: Based on the above findings of fact and conclusions of law, the Board ORDERS that the Respondent shall: (1) Have his certification suspended for eighteen months with this suspension being fully probated under the following conditions: (i) During the entire eighteen month period of probation Respondent shall submit on a form prescribed by the Board, an appraisal experience log to the Board every three months. The log shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting that the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of his period of probation within twenty days of notice of any such request; (ii) Respondent shall sponsor no appraiser trainees during the period of his probated suspension; and, (iii) Respondent shall timely remit payment of the administrative penalty, and timely complete all of the remedial coursework required in this Order. (2) Attend and complete a minimum, 15 classroom-hour course in USPAP; (3) Attend and complete a minimum, 15 classroom-hour course in Highest and Best Use; (4) Attend and complete a minimum 30 classroom-hour course in the Cost Approach; (5) Pay to the Board an administrative penalty of \$1,000.00; and, *Complaint No.:* 07-018. *Reason for Complaint:* Allegations that the Respondent had produced an erroneous appraisal report for the Denison property