

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

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vs.

DOCKETED COMPLAINT NO.
14-022

RANDY RAY ELLISOR
TX-1334529-R

AGREED FINAL ORDER

On the 20 day of Feb, 2015, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of Randy Ray Ellisor (the "Respondent").

In order to conclude this matter, Respondent neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order (the "Agreed Final Order"). The Board makes the following findings of fact and conclusions of law and enters this Agreed Final Order in accordance with TEX. OCC. CODE § 1103.458.

FINDINGS OF FACT

1. Respondent is a Texas state certified residential real estate appraiser who holds certification number TX-1334529-R and was certified by the Board during all times material to the above-noted complaint.
2. Respondent appraised residential real property located at 1104 North 17th Street, Nederland, TX 77627 (the "Property"), on or about April 12, 2012.
3. Thereafter, the complaint, numbered 14-022, was filed with the Board by Donna Chabot, an employee of TSI Appraisal, on or about September 19, 2013. The Board investigated the complaint to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CHPT. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").
4. The Board, in accordance with the mandate of TEX.GOV'T CODE ANN. CHPT. 2001, the Administrative Procedure Act (the "APA"), and the Act, notified Respondent of the nature of the accusations involved, on or about September 23, 2013. Respondent was afforded an opportunity to respond to the accusations in the complaint and was also requested to provide certain documentation to the Board. Thereafter, the Respondent responded with documentation, on or about November 1, 2013.
5. As a result of the Board's investigation, the Board finds that Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(6) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal of the Property:

- a. USPAP Record Keeping Rule – Respondent failed to maintain all the documentation necessary to support his analyses, opinions and conclusions;
 - b. USPAP Competency Rule – Respondent was not competent to perform the assignment and did not acquire the necessary competency to appraise the Property;
 - c. USPAP Scope of Work Rule – Respondent failed to support his work with the relevant evidence and logic required to obtain credible assignment results;
 - d. USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site and improvement(s) description for the Property adequately;
 - e. USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) – Respondent failed to consider and report the Property's zoning;
 - f. USPAP Standard 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze the effect on use and value of existing land use regulations, economic supply and demand, physical adaptability of the real estate and market area trends, including the Property's presence in downtown Nederland and its presence in the 100-year flood zone;
 - g. USPAP Standards 1-4(b)(i); 1-4(b)(ii), 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to employ recognized methods and techniques to develop a site value determination, failed to collect, verify, analyze and reconcile the cost new of improvements and accrued depreciation. Respondent failed to employ recognized methods and techniques in the cost approach in general;
 - h. USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a) -- Respondent failed to collect, verify, analyze and reconcile comparable sales data adequately and did not employ recognized methods and techniques in the sales comparison approach;
 - i. USPAP Standard 2-2(viii) – Respondent failed to explain and support his exclusion of the income approach;
 - j. USPAP Standards 1-6(a), 1-6(b) & 2-2(viii) – Respondent failed to reconcile the quality and quantity of the data within the approaches used, and the applicability or suitability of the approaches; and,
 - k. USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – Respondent did not employ recognized methods and techniques, made substantial errors of omission or commission, rendered appraisal services in a careless or negligent matter and produced a misleading appraisal report for the Property.
6. Respondent made material misrepresentations and material omissions of material fact with respect to the appraisal of the Property as detailed above.

7. In order to reach an expeditious resolution of this matter and avoid the time and expense of litigation, the parties enter into this Agreed Final Order in accordance with TEX. OCC. CODE § 1103.458.

CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Act.
2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(6).
3. Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(12) by making material misrepresentations and material omissions of material fact.
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with TEX. OCC. CODE § 1103.458.

ORDER

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that Respondent's Texas state certification (TX-1334529-R) is hereby suspended for nine (9) months, with this suspension being fully probated, beginning at 5:00 p.m. on February 20, 2015 and ending at 5:00 p.m. on November 20, 2015, under the following terms and conditions:

1. **EDUCATION.** On or before November 12, 2015, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Agreed Final Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance. If the class requires an exam, Respondent must receive a passing grade on the exam. None of the required class hours will count toward Respondent's continuing education requirements for licensure. Respondent is solely responsible for locating and scheduling classes to timely satisfy this Agreed Final Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion of the course in the event of course cancellation or rescheduling by the course provider.
 - a. A minimum, 15 hour classroom course in USPAP;
2. **MENTORSHIP.** On or before August 12, 2015, Respondent shall complete sixteen (16) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board in accordance with the schedule and topics set out below. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor and a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees on or before the due date listed for each mentorship requirement. Respondent is solely responsible for locating and scheduling an approved mentor to timely

satisfy this Agreed Final Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.

- a. Four (4) hours of mentorship concerning the sales comparison approach;
 - b. Four (4) hours of mentorship concerning the cost approach;
 - c. Four (4) hours of mentorship concerning residential report writing;
 - d. Two (2) hours of mentorship concerning the sales and listing history of the property being appraised; and,
 - e. Two (2) hours of mentorship concerning external obsolescence;
3. **ADMINISTRATIVE PENALTY.** On or before March 12, 2015, Respondent shall pay to the Board an administrative penalty of two thousand dollars (\$2,000.00), by cashier's check or money order.
 4. **EXAMINATION.** On or before November 12, 2015, Respondent shall submit to a reexamination for his residential certification, receive a passing grade on such reexamination and submit satisfactory evidence of successfully passing the reexamination.
 5. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and
 6. Respondent shall comply with all provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

ACKNOWLEDGMENT AND WAIVER

Respondent's failure to timely comply with any term in this Agreed Final Order, which has a specific, stated due date shall result in the automatic revocation of probation and the suspension imposed in this Agreed Final Order shall be effective for the full term commencing on the effective date of the revocation of probation. If Respondent fails to timely comply with any terms in this Agreed Final Order, which has a specific, stated due date, the Respondent shall be immediately assessed a \$1,000 administrative penalty.

Any such suspension shall be effective without the need for a hearing or other administrative due process under the Act or the APA, and Respondent specifically waives any such hearing or due process.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing, any motion for rehearing, and any right to seek judicial review of this Agreed Final Order or to bring any civil suit in state or federal court regarding the validity or enforcement of this Agreed Final Order, regardless of the claims asserted. This

Agreed Final Order, the findings of fact and the conclusions of law contained in it have been fully and fairly litigated or the parties had an opportunity to so litigate. This matter has been finally adjudicated and resolved via this Agreed Final Order. This Agreed Final Order shall be treated as res judicata, precluding any re-litigation of those claims and extinguishing the right to bring suit on the matter by the parties or those in privity with them. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's website.

I have read and reviewed this entire Agreed Final Order fully and am entering into it of my own free will to avoid the expense of litigation and to reach an expeditious resolution of the matter. I neither admit nor deny that the findings of fact and conclusions of law contained herein are correct. I understand all of my compliance obligations under this Agreed Final Order and the consequences for failing to comply with those obligations.

I understand that the Board and its staff cannot provide me with legal advice and I am aware of my right to be represented by an attorney of my own choosing. I am aware of my right to a hearing, and hereby waive a hearing and also waive any right to seek judicial review of this Agreed Final Order, including for any subsequent action resulting from my failure to timely comply with an administrative requirement of this Agreed Final Order (e.g. payment of a penalty, completion of remedial education, or failure to provide logs).

DELIVERY OF DOCUMENTS AND PAYMENTS FOR COMPLIANCE

Respondent is solely responsible for timely delivery to the Board of all documents and payments necessary for compliance of this Agreed Final Order. Payment of any administrative penalties due must be in the form of a cashier's check or money order made payable to the "Texas Appraiser Licensing and Certification Board" and delivered via certified mail, return receipt requested. Respondent shall retain documentation (reply email, fax confirmation, return receipt, etc.) confirming timely receipt by the Board of all the documents necessary for compliance of this Agreed Final Order.

Respondent shall send all documents and payments necessary for compliance by: (1) email to: compliance.talcb@talcb.texas.gov; (2) fax to: (512) 936-3966, attn: Compliance; or (3) certified mail, return receipt requested, to: Standards & Enforcement Services, Texas Appraiser Licensing & Certification Board, Stephen F. Austin Building, 1700 N. Congress Ave., Suite 400, Austin, TX 78701.

EXECUTION

This agreement may be executed in one or more counterparts, in form of electronic mail, facsimile, or other written expression of agreement, each of which shall be deemed an original and together shall comprise evidence of full execution of the agreement.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson

has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

RESPONDENT

Signed this 04 day of February, 2015.

Randy Ray Ellis
RANDY RAY ELLISOR



SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on the 04 day of February, 2015, by RANDY RAY ELLISOR, to certify which witness my hand and official seal.

[Signature]
Notary Public's Signature

Tiffanie Collum
Notary Public's Printed Name

RESPONDENT'S ATTORNEY

Signed this 4 day of February, 2015.

[Signature]
Don Walden, Respondent's Attorney

STANDARDS AND ENFORCEMENT SERVICES DIVISION

Signed by the Standards and Enforcement Services Division this 9th day of February, 2015.

[Signature]
Troy Beaulieu, Staff Attorney
Texas Appraiser Licensing and Certification Board

COMMISSIONER

Signed by the Commissioner this 20 day of Feb, 2015.

[Signature]

Douglas Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

CHAIRPERSON

Approved by the Board and Signed this 20 day of February, 2015.



Jamie Wickliffe, Chairperson
Texas Appraiser Licensing and Certification Board