

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

JOHN ROBERT HOLLOWELL  
TX-1329681-T

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DOCKETED COMPLAINT NO.  
08-017

**AGREED FINAL ORDER**

On this the 17<sup>th</sup> day of October, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the authorization of John Robert Hollowell (Respondent).

In order to conclude this matter, John Robert Hollowell 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 Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

**FINDINGS OF FACT**

1. Respondent John Robert Hollowell was a Texas authorized real estate appraiser trainee, held authorization number TX-1329681-T, and was authorized by the Board during all times material to the above-noted complaint case.
2. On or about September 5<sup>th</sup>, 2006, Respondent appraised real property located at: 2109 Lea Crest Drive, Dallas, Texas ("the property").
3. On or about September 24<sup>th</sup>, 2007, Mark Loftus, filed a staff-initiated complaint with the Board. The complaint alleged that Respondent's appraisal report for the property had an inflated value.
4. On or about December 17<sup>th</sup>, 2007 the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103, notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaint. Respondent's response to the complaint was received.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property.
  - a) Respondent failed to comply with the Record Keeping provisions of USPAP's Ethics Rule;

- b) Respondent failed to identify and report the improvement(s) and site description adequately;
- c) Respondent failed to analyze and report the effect on use and value of economic supply and demand and market area trends adequately;
- d) Respondent failed to use an appropriate method or technique to develop an opinion of site value, failed to collect, verify, analyze, reconcile and report the cost new of improvements and accrued depreciations, and did not employ recognized methods and techniques in his cost approach;
- e) Respondent failed to analyze, reconcile and report sales comparison data properly and generally did not employ recognized methods and techniques in his sales comparison approach;
- f) Respondent failed to explain and support his contradictory claims of inclusion and exclusion of an income approach analysis;
- g) Respondent failed to collect, verify, analyze, reconcile and report comparable rental data, potential earnings capacity, or comparable operating expenses and fails to base his projections of future rent or income potential on reasonable, clear and appropriate evidence. Generally, Respondent did not employ recognized methods and techniques in his income approach analysis;
- h) Respondent failed to analyze and report the agreement of sale for the property;
- i) Respondent failed to reconcile the quality and quantity of the data within the approaches used and the applicability or suitability of the approaches;
- j) Respondent was negligent and did not produce a credible appraisal report due to the problems noted above; and,
- k) Respondent's report for the property contains substantial errors of commission or omission as detailed above which resulted in a misleading appraisal report for the property.

## **CONCLUSIONS OF LAW**

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq.
2. Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record keeping provisions) USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(viii); 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-

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); 1-5(a) & 2-2(b)(viii); 1-6(a) & 1-6(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a).

3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that the Respondent shall:

- a. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- b. Attend and complete a minimum, 15 classroom-hour course in Residential Report Writing;
- c. Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach;
- d. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future, or be subjected to further disciplinary action.

**ALL CLASSES** required by this Agreed Final Order must be classes approved by the Board and must be completed within **EIGHTEEN MONTHS** of the date of this Order and documentation of attendance and successful completion of the educational requirements of this Order shall be delivered to the Board on or before the end of the eighteen-month period indicated. None of the classes or seminars required by this Order may be taken through correspondence courses. Unless otherwise noted above, all classes must be in-class, have an exam, and Respondent must have a passing grade on the exam given in each class. None of these required classes will count toward Respondent's continuing education requirements for authorization.

Failure to timely comply with any of the terms of this Final Agreed Order shall result in initiation of a contested case proceeding against Respondent and after opportunity for a hearing, possible imposition of disciplinary sanctions against Respondent as provided for by TEX. OCC. CODE § 1103.518.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published in the Board's newsletter and/or on the Board's web site.

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.

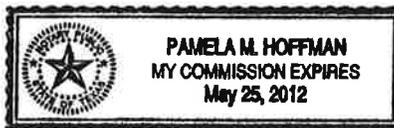
Signed this 9<sup>th</sup> day of October, 2008.

John Robert Hollowell  
JOHN ROBERT HOLLOWELL

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 9th day of October, 2008, by JOHN ROBERT HOLLOWELL, to certify which, witness my hand and official seal.

Pamela M. Hoffman  
Notary Public Signature

PAMELA M. HOFFMAN  
Notary Public's Printed Name



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Signed by the Commissioner this 17th day of OCTOBER, 2008.

[Signature]  
Timothy K. Irvine, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 17th day of OCTOBER, 2008.

[Signature]  
Clinton P. Sayers, Chairperson  
Texas Appraiser Licensing and Certification Board