

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

vs.

ROBERT A. PITTS
TX-1336457-R

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DOCKETED COMPLAINT NO. 09-096

AGREED FINAL ORDER

On this the 4 day of August, 2010, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Robert A. Pitts (Respondent). The Board makes the following findings of fact and conclusions of law and enters this Order:

In order to conclude this matter Robert A. Pitts 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, Robert A. Pitts, is a state certified residential real estate appraiser, holds certification number TX-1336457-R, and has been certified by the Board during all times material to this complaint.
2. Respondent is subject to the jurisdiction of the Board, the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE Chapter 1103 (Vernon 2007) (the Act), the Rules of the Board, 22 TEX. ADMIN. CODE §§153, 155, 157 (West 2007) (the Rules), and the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the appraisal.
3. On or about October 11th, 2006, the Respondent appraised real property located at Lots 10 and 11, Lake of the Hills, Canyon Lake, Comal County, Texas ("the property").
4. On or about January 29th, 2009, the Complainant, Maria Askar, filed a complaint with the Board based on allegations that the Respondent had produced an appraisal report that contained violations of USPAP.
5. On or about January 30th, 2009, the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. Chapter 2001, notified Respondent of the nature and accusations involved and Respondent was afforded

an opportunity to respond to the accusations alleged by the Complainant. Respondent's response to the complaint was received.

6. 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 identify the date of the report and failed to provide a brief summary of his basis and underlying rationale for his determination of the property's highest and best use;
- b) Respondent failed to provide a brief summary of his basis and underlying rationale for the exclusion of the cost approach;
- c) Respondent failed to collect, verify, analyze and reconcile comparable sales data adequately and failed to employ recognized methods and techniques in his sales comparison approach;
- d) Respondent failed to analyze all agreements of sale, options or listings of the subject property current as of the effective date of the appraisal; and,
- e) Respondent's report contains substantial errors of commission or omission as detailed above which resulted in a misleading appraisal report for the property.

7. Respondent omitted material facts in his appraisal report as detailed above.

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 §§ 1103.451-1103.5535.

2. 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: 2-2(b)(vi); 1-3(b) & 2-2(b)(ix); 2-2(b)(viii); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(a) & 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 from his appraisal report.

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, 7 classroom-hour course in Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans;

i. No examination shall be required for this course;

c. Attend and complete a minimum, 7 classroom-hour course in Mortgage Fraud;

i. No examination shall be required for this course;

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 **TWELVE 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 twelve-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 certification.

Failure to comply with any of the terms of this Agreed Final Order within the time allotted shall result in **IMMEDIATE SUSPENSION** of the Respondent's certification pursuant to notice to the Respondent from the Board indicating that the Respondent has not fulfilled the requirements of this Agreed Final Order.

ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS. Respondent shall be notified of any such suspension or lifting of probation by certified mail, return receipt requested, to the last known address as provided to the Board. If Respondent's certification is suspended on such a basis, the suspension shall remain in effect until such time as Respondent pays the Administrative Penalty or takes and passes the required educational courses and provides adequate documentation of same to the Board.

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 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 4 day of August, 2010.

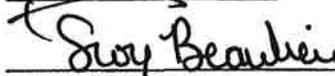

ROBERT A. PITTS

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 4th day of August, 2010, by ROBERT A. PITTS, to certify which, witness my hand and official seal.


Notary Public Signature

LINDA M. REYS
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 19th day of AUGUST, 2010.


Troy Beaulieu, TALCB Staff Attorney

Signed by the Commissioner this 20 day of Aug, 2010.


Douglas Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 20 day of Aug, 2010.


James B. Ratliff, Chairperson
Texas Appraiser Licensing and Certification Board

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FINAL ORDER

On this ____ day of _____, 2010, the Board considered the above-noted matter, in which an Agreed Final Order was previously entered by the Board.

The Texas Appraiser Licensing and Certification Board, after review and due consideration of Respondent's request for modification of the previously entered Agreed Final Order, attached as Exhibit A hereto, now enters this Final Order modifying the previously entered Agreed Final Order.

NOW, THEREFORE, IT IS ORDERED by the Texas Appraiser Licensing and Certification Board that Robert A. Pitts is granted permission to substitute the 7 hour Valuation By Comparison course in lieu of a 7 hour course in Mortgage Fraud to satisfy the remedial education requirements contained in the Agreed Final Order.

Approved by the Board and Signed this 20th day of May, 2010.



Luis De La Garza, Chairperson
Texas Appraiser Licensing and Certification Board