

**TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD**

vs.

**DOCKETED COMPLAINT NO.  
05-054**

**RACHEL ELIZABETH YANCEY  
TX-1326677-R**

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**AGREED FINAL ORDER**

On this the 11<sup>th</sup> day of May, 2007, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Rachel Elizabeth Yancey, (Respondent). The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with Tex. Occ. Code § 1103.488:

**FINDINGS OF FACT**

1. Respondent Rachel Elizabeth Yancey is a Texas state certified residential real estate appraiser, holds certification number TX-1326677-R, and has been certified by the Board since April 7<sup>th</sup>, 1995.
2. Respondent is subject to the jurisdiction of the Board, the Texas Appraiser Licensing and Certification Act, Tex. Occ. Code § 1103 et. seq. (Vernon 2005) (the Act), the Rules of the Board, 22 TEX. ADMIN. CODE §§153, 155, 157 (West 2005) (the Rules), and the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the appraisal.
3. On or about November, 2003, Respondent appraised property located at: 18417 Danika Oaks Drive, Conroe, Texas; 122 Kellyn Oaks Drive, Conroe, Texas; 123 Kellyn Oaks Drive, Conroe, Texas and on or about February, 2001 property located at 1830 Jeffcote Road, Conroe, Texas and on or about February, 2004 property located at 18424 Danika Oaks Drive, Conroe, Texas ('the properties').
4. On or about November 29<sup>th</sup>, 2004, Deloris Kraft-Longoria, filed a staff-initiated complaint with the Board based upon information submitted by Jane Hall, the Director of the Processing and Underwriting Division at the United States Department of Housing and Urban Development. Her submission alleged that the Respondent had produced an appraisal report that did not comport with USPAP requirements.
5. On or about November 30<sup>th</sup>, 2004, the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), Tex. Gov't Code ANN. § 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 was received.

8. The Enforcement Division has concluded that the Respondent violated 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 reports on the properties:

- a. USPAP Standard 1-2(f) & 2-2(b)(vii) – Respondent failed to report the extent of her process of collecting, confirming and reporting data (i.e. her scope of work);
- b. USPAP Standards 1-3(b) & 2-2(b)(x) – Respondent failed to provide a summary statement of her rationale and reasoning for her determination of the properties' highest and best use;
- c. USPAP Standards 1-4(b)(ii) & 2-2(b)(ix) – Respondent has failed to collect, verify, analyze and reconcile the cost new of improvements. Respondent's cost approach figure was \$75.00 per square foot and this figure is slightly inflated when compared to Marshall and Swift and other cost data which reflects a range of \$60-\$65 per square foot;
- d. USPAP Standards 1-4(a) & 2-2(b)(ix) – Respondent failed to adequately collect, verify, analyze and reconcile comparable sales. Respondent failed to adjust for seller contributions, concessions and down payment assistance;
- e. USPAP Standards 1-5(a) & 2-2(b)(ix) – Respondent failed to analyze all agreements of sale, options or listings current as of the effective date of the appraisal. Respondent did not analyze the sales contract and failed to state the sales price; and,
- f. USPAP Standard 2-1(a) – Respondent produced appraisal reports that were misleading due to lack of adjustment for concessions.

8. The Enforcement Division has concluded that the Respondent violated 22 TEX. ADMIN. CODE §§ 153.20(a)(9) by making material misrepresentations or omissions of material fact. Respondent omitted material facts regarding sales concessions, contract terms and omitted necessary adjustments for these significant sales concessions.

### 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. (Vernon 2006).
2. Respondent violated the following USPAP provisions as prohibited by 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a): USPAP Standards Rules: 1-2(f) & 2-2(b)(vii); 1-3(b) & 2-2(b)(x); 1-4(b)(ii) & 2-2(b)(ix); 1-4(a) & 2-2(b)(ix); 1-5(a) & 2-2(b)(ix); and, 2-1(a).

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3. Respondent violated 22 Tex. ADMIN. CODE §§ 153.22 and 153.20(a)(9) by making material misrepresentations or omissions of material fact.

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

- a. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- b. Attend and complete a minimum, 30 classroom-hour course in Sales Comparison / Market Data Analysis;
- c. 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. 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 complete the education required by 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 educational 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 takes and passes the required educational courses and provides adequate documentation of same to the Board.

Respondent, by signing this Agreed Final Order, neither admits nor denies that the findings of fact and conclusions of law herein set forth are correct; however, Respondent consents to the entry of this Agreed Order to avoid the expense of litigation and to reach an expeditious resolution of this matter. Respondent also agrees to satisfactorily comply with the mandates of this Agreed Final Order in a timely manner.

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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. Any such publication shall include a specific statement indicating that Respondent neither admits nor denies the findings of fact and conclusions of law contained in this Order.

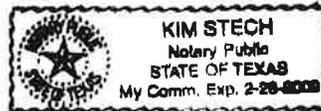
THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Final Agreed Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 8th day of May, 2007.

*Rachel Elizabeth Yancey*  
RACHEL ELIZABETH YANCEY

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 8th day of May, 2007, by RACHEL ELIZABETH YANCEY, to certify which, witness my hand and official seal.

*Kim Stech*  
Notary Public Signature  
*Kim Stech*  
Notary Public's Printed Name



Signed by the Commissioner this 16th day of May, 2007.

*Wayne Thorburn*  
Wayne Thorburn, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 11 day of May, 2007.

*Larry Kokel*  
Larry Kokel, Chairperson  
Texas Appraiser Licensing and Certification Board