

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

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vs.

DOCKETED COMPLAINT NOS.
14-209 and 15-162

SIDNEY JACK CRAWFORD
TX-1337551-R

AGREED FINAL ORDER

On the 14th day of August, 2015, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of Sidney Jack Crawford (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. Respondent 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-1337551-R and was certified by the Board during all times material to the above-noted complaint.
2. Respondent appraised residential real property located at 4504 North County Road 25, Big Spring, Texas 79720 (the "Big Spring Property"), on or about April 25, 2014.
3. Thereafter, complaint number 14-209 was filed with the Board by the homeowner on or about May 6, 2014. The Board investigated the complaint to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CH. 1103 (the "Act") and 22 TEX. ADMIN. CODE CH. 153 and 155 (the "Rules").
4. Respondent appraised residential real property located at 441 West Chambers, Garden City, Texas 79739, Texas (the "Garden City Property") on or about October 1, 2014.
5. Thereafter, complaint number 15-162 was filed with the Board by an Appraiser Management Company on or about February 12, 2015. The Board investigated the complaint to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CH. 1103 (the "Act") and 22 TEX. ADMIN. CODE CH. 153 and 155 (the "Rules").

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6. The Board, in accordance with the mandate of TEX. GOVT. CODE ANN. CH. 2001, the Administrative Procedure Act (the "APA"), and the Act, notified Respondent of the nature of the accusations involved in these complaints, on or about May 29, 2014 and March 31, 2015, respectively. Respondent was afforded an opportunity to respond to the accusations in both complaints and was also requested to provide certain documentation to the Board. Thereafter, the Respondent provided the documentation, on or about June 19, 2014 and May 26, 2015, respectively.

7. As a result of the Board's investigation into complaint 14-209, the Board finds that Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(6) and 155.1 by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal of the Big Spring Property:

- a. USPAP Record Keeping Rule – Respondent failed to maintain a work file containing all documentation necessary to support his analyses, opinions and conclusions;
- b. USPAP Competency Rule – Respondent failed to perform competently when completing the assignment by misapplication of recognized methods and techniques throughout the appraisal and statements in the appraisal report that demonstrate a lack of competence;
- c. USPAP Scope of Work Rule; 1-2(h) and 2-2(a)(vii) – Respondent failed to perform the scope of work necessary to develop credible assignment results;
- d. USPAP Standards 1-2(f), 1-2(g), and 2-2(a)(xi) -Respondent failed to identify and describe the improvement(s) adequately and did not identify extraordinary assumptions or hypothetical conditions he relied on;
- e. USPAP Standards 1-2(e)(i) and 2-2(a)(iii) - Respondent failed to identify the property's location, and physical, legal and economic attributes accurately or to state sufficient information to identify the property;
- f. USPAP Standards 1-2(e)(iv) and 2-2 (a)(viii)– Respondent failed to identify any known easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of similar nature;
- g. USPAP Standards 1-3(a) and 2-2(a)(viii); 1-3(b) and 2-2(a)(ix) – Respondent failed to identify and analyze the effect on the use and value of existing land regulations, modifications of such land use regulations, economic supply and demand, and the physical adaptability of the real estate and the market area trends. Respondent did not provide support for his highest and best use determination for the property;

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- h. USPAP Standards 1-4(b)(i) and (b)(ii) and 2-2(a)(viii)- Respondent failed to provide data, information, or documentation necessary in support of his opinion of site value, failed to analyze such comparable cost data as are available to estimate the cost of new improvements and to estimate depreciation and failed to utilize recognized methods or techniques in his development of the cost approach;
- i. USPAP Standards 1-4(a) and 2-2(a)(viii)- Respondent failed to collect, verify, analyze and reconcile comparable sales data and did not employ recognized methods and techniques in the sales comparison approach;
- j. USPAP Standards 1-4(c), and 2-2(a)(viii)- Respondent failed to reconcile or discuss his decision to not develop the income approach;
- k. USPAP Standards 1-5(a) and 2-2(a)(viii)- Respondent failed to analyze the agreements of sale for the subject property current as of the effective date of the appraisal;
- l. USPAP Standards 1-6(a) and (b), and 2-2(a)(viii)- Respondent failed to reconcile the quality and quantity of data available and analyzed within the approaches used or to reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value conclusions;
- m. USPAP Standards 1-1(a)-(c)- Respondent failed to employ recognized methods and techniques correctly to produce a credible appraisal, Respondent made numerous and substantial errors of omission or commission that significantly affected the appraisal, and he made a series of careless and negligent errors that affected the credibility of his results;
- n. USPAP Standards 2-1(a)-(b)- Respondent failed to set forth the appraisal clearly and accurately in a manner that was not misleading, and failed to provide sufficient information to enable intended users to understand the report.

8. Respondent made material misrepresentations and omitted material facts with respect to the appraisal of the Big Spring Property as detailed above.

9. As a result of the Board's investigation into complaint 15-162, the Board finds that Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(6) and 155.1 by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal of the Garden City Property:

- a. USPAP Record Keeping Rule — Respondent failed to maintain a work file containing all documentation necessary to support his analyses, opinions and conclusions;

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- b. USPAP Scope of Work Rule and USPAP Standards 1-2(h) and 2-2(a)(vii) - Respondent failed to develop a scope of work that produced credible assignment results;
- c. USPAP Standards 1-2(c) and 2-2(a)(v)- Respondent provided two different definitions of market value within his report;
- d. USPAP Standards 1-2(f), 1-2(g), and 2-2(a)(xi)- Respondent failed to identify and disclose any extraordinary assumptions or hypothetical conditions and limiting conditions used in the assignment and how their use might have affected the assignment results;
- e. USPAP Standards 1-2(e) and 2-2(a)(iii) and 1-2(e)(iv) and 2-2(a)(iii) and 1-3(a) and 2-2(a)(viii) and 1-3(b) and 2-2(a)(ix)- Respondent misidentified several salient characteristics of the property's site, including zoning, utilities, surrounding land uses and easements and did not identify the improvements adequately. He also mischaracterized the property as being subject to residential zoning when it was not. He also did not provide any supporting explanation for his highest and best use conclusions, which is problematic because the property's characteristics and proximity to commercial property suggest at least some analysis was necessary for credible assignment results;
- f. USPAP Standards 1-4(b)(i)--(b)(iii), 1-1(a), and 2-2(a)(viii)- Respondent failed to provide data, information, or documentation necessary in support of his opinion of site value, failed to analyze such comparable cost data as are available to estimate the cost of new improvements, did not estimate accrued depreciation and failed to utilize recognized methods or techniques in his development of site cost approach;
- g. USPAP Standards 1-4(a), 1-1(a), and 2-2(a)(viii)- Respondent failed to collect, verify, analyze and reconcile comparable sales data and did not employ recognized methods and techniques in the sales comparison approach;
- h. USPAP Standards 1-4(c), and 2-2(a)(viii)- Respondent failed to reconcile or discuss his decision to not develop the income approach;
- i. USPAP Standards 1-5(a)-(b) and 2-2(a)(viii)- Respondent failed to analyze all agreements of sale, options, and listings of the property current as of the effective date of the appraisal and to analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal;
- j. USPAP Standards 1-6(a)-(b) and 2-2(a)(viii)- Respondent failed to reconcile the quality and quantity of data available and analyze within the approaches used; Respondent failed to reconcile the applicability and relevance of the approaches;

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methods and techniques used to arrive at the value conclusions;

- k. USPAP Standards 1-1(a)-(c) and 2-1(a)- Respondent failed to employ recognized methods and techniques correctly to produce a credible appraisal, committed substantial errors that significantly affected the appraisal and rendered appraisal services in a careless or negligent manner. This impacted the credibility of the assignment and resulted in an appraisal report that was misleading; and
- l. USPAP Standards 2-2(a)(xii) and 2-3- Respondent failed to include a signed certification for the appraisal report.

10. Respondent made material misrepresentations and material omissions of material fact with respect to the appraisal of the Garden City Property as detailed above.

11. 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

12. The Board has jurisdiction over this matter pursuant to the Act.

13. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1 and 153.20(a)(6).

14. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(12) by making material misrepresentations and omissions of material fact.

15. The parties are authorized to resolve their dispute by means of a consent order in accordance with TEX. OCC. CODE § 1103.458.

ORDER

16. Based on the above findings of fact and conclusions of law, the Board **ORDERS:**

1. **EDUCATION.** On or before February 14, 2016, 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

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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;
- b. A minimum, 15 hour classroom course in the sales comparison approach;
- c. A minimum, 15 hour classroom course in the cost approach;
- d. A minimum 7 hour classroom course in appraisal report writing (no examination shall be required for this course); and
- e. A minimum 7 hour classroom course in highest and best use of property (no examination shall be required for this course).

2. **MENTORSHIP.** On or before February 14, 2016, Respondent shall complete twelve (12) 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. Three (3) hours of mentorship concerning scope of work;
- b. Three (3) hours of mentorship concerning highest and best Use;
- c. Three (3) hours of mentorship concerning sales comparison approach (adjustment support and comparable selection); and
- d. Three (3) hours of mentorship concerning cost approach (site valuation and market derived depreciation).

3. 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

IF RESPONDENT FAILS TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE, RESPONDENT SHALL BE ASSESSED A \$1,000 ADMINISTRATIVE PENALTY AND RESPONDENT'S LICENSE, CERTIFICATION, AUTHORIZATION OR REGISTRATION SHALL BE SUSPENDED, UNTIL RESPONDENT IS IN FULL COMPLIANCE WITH THE TERMS OF THIS ORDER AND THE \$1,000 ADMINISTRATIVE PENALTY HAS BEEN RECEIVED BY THE BOARD.

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. Respondent shall retain documentation (reply email, fax confirmation, return receipt, etc.) confirming timely receipt

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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 and Certification Board, Stephen F. Austin Building, 1700 N. Congress Ave., Suite 400, Austin, Texas 78701.

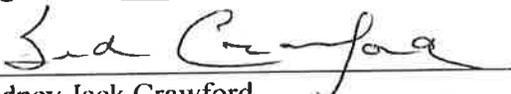
EXECUTION

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.

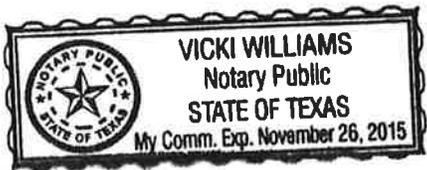
RESPONDENT

Signed this 23 day of July, 2015.


Sidney Jack Crawford

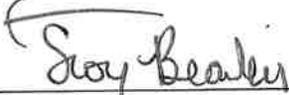
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on the 23rd day of July, 2015, by Sidney Jack Crawford, witnessed by my hand and official seal.


Notary Public's Signature



STANDARDS AND ENFORCEMENT SERVICES DIVISION

Signed this the 29th day of July, 2015.



Troy Beaulieu
Director, Standards and Enforcement Services Division
Texas Appraiser Licensing and Certification Board

COMMISSIONER

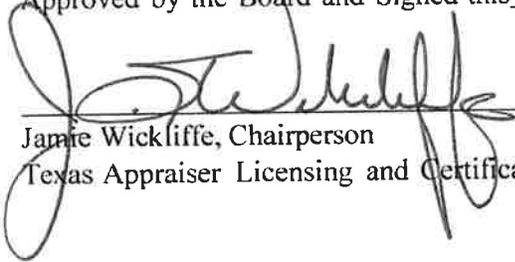
Signed by the Commissioner this 30th day of July, 2015.



for Douglas L. Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

CHAIRPERSON

Approved by the Board and Signed this 14 day of August, 2015.



Jamie Wickliffe, Chairperson
Texas Appraiser Licensing and Certification Board

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