

1256-1264

TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

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vs.

DOCKETED COMPLAINT NO. 06-078, 06-126 AND 07-096

CLIFFORD P. DODSON, JR. TX-1327432-R

AGREED FINAL ORDER

On this the 8th day of MAY, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Clifford P. Dodson Jr. (Respondent). 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 Clifford P. Dodson, Jr. is a Texas state certified residential real estate appraiser, holds certification number TX-1327432-R, and has been certified by the Board during all times material to the above-noted complaint cases.
2. Respondent is subject to the jurisdiction of the Board, the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq. (the Act), the Rules of the Board, 22 TEX. ADMIN. CODE §§153, 155, 157 (the Rules), and the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the appraisal.
3. On or about December 19th, 2005, December 23rd, 2005, January 29th, 2005, and June 19th, 2004 Respondent appraised real property located at 200-208 and 201-207 E. Franklin Street, Hillsboro, Texas ("the Franklin property"), 214 County Road 1900, Yantis, Wood County, Texas ("the Yantis property"), 6627 Missy Drive, Dallas, Texas ("the Missy property"), and 1108 Brandy Station Road, Grand Prairie, Texas 75052 ("the Brandy property").
4. Subsequently Barbara Leetun filed a complaint with the Board claiming that Respondent's Franklin property appraisal report used incorrect techniques and reached in erroneous valuation. Mickey Stevens, a certified residential real estate appraiser, filed a complaint against Respondent regarding the Yantis property claiming that his appraisal report contained various deficiencies. Deloris Kraft-Longoria filed a staff-initiated complaint against Respondent for his work on the Missy and Brandy property appraisal reports. This complaint was based upon information submitted by the Texas Department of Savings and Mortgage Lending and alleged violations of USPAP.
5. 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 each of the complaints. Respondent's response to each complaint was received.

6. Respondent violated TEX. OCC. CODE § 1103.405, and 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 properties.

- a) Respondent was retained to perform a residential appraisal of the Yantis property with residential financing for the purchase of the appraised property. However, in providing a residential appraisal, the Respondent did not adequately address the highest and best use of the property as potential commercial property as required by the Competency Rule.
- b) Scope of work was not adequately addressed.
- c) Respondent, did not adequately address super-adequacy and functional obsolescence issues in regards to the Yantis property, and did not accurately document the zoning classification for the Yantis Property. In regards to the Franklin Property, Respondent did not adequately report assessments and prior sales information and data.
- d) Respondent did not provide a thorough and expansive analysis of his determination of the Franklin, Yantis, Brandy and Missy property's highest and best use;
- e) Generally, Respondent did not employ complete and recognized methods and techniques in his cost approach analysis in the Yantis and Franklin appraisals. The Yantis property appraisal contained cost analysis discrepancies between the two prepared Yantis reports. Respondent did not properly reconcile for the cost of improvements for the Yantis property.
- f) Generally, Respondent did not adequately employ proper methods and techniques in his sales comparison approach, including not analyzing and reconciling sales comparison data through the use of appropriate comparable sales for the Brandy property when such sales were available in the area, not making appropriate adjustments for site and improvements for the Yantis property. For the Yantis property, Respondent did not adequately describe or distinguish reported gross living area in regards to constructed walkways and did not adjust for the enclosed walkway area that presents a super-adequacy issue and functional obsolescence issue.
- g) Respondent did no report and analyze a prior sale of the Franklin property within 3 years prior to the effective date of the appraisal.
- h) Respondent's Franklin, Yantis, Missy and Brandy property appraisal reports contained errors of omission and commission as noted above;

- i) Respondent made omissions of material facts in his four appraisal reports as noted above.
- j) Respondent performed an appraisal report on the Yantis property , which involved commercial real property issues and Respondent did not adequately address the highest and best use of the property pursuant to USPAP rules.
- k) Respondent submitted an initial appraisal report for the Franklin property without identifying it was a draft report and this report lacked the signature of a certified general real estate appraiser. A subsequent report was eventually submitted with the signature of a general appraiser.

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 Competency Rule and USPAP Standards Rules: 1-2(b) & 2-2(b)(ii); 1-2(f) & 2-2(b)(vii); 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(iv) & 2-2(b)(ix); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); and, 1-1(a) & 1-4(a).
3. Respondent violated the scope of practice provisions contained in 22 TEX. ADMIN. CODE § 153.8(b).

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

- a. Have his certification suspended for 18 months with this suspension being fully probated under the following conditions:
 - i. During the entire probated, eighteen month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting that the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of his period of probation within twenty days of notice of any such request; and,

- ii. Fully and timely comply with all of the provisions of this Agreed Final Order.
 - b. Attend and complete a minimum, 15 classroom-hour course in USPAP;
 - c. Attend and complete a minimum, 15 classroom-hour course in Highest and Best Use;
 - d. Attend and complete a minimum, 15 classroom-hour course in either Residential Case Studies or the Sales Comparison Approach and,
 - e. 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 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.

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.

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.

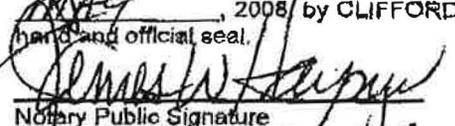
THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

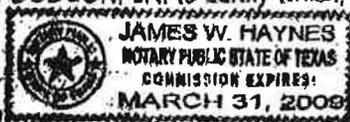
Signed this 6 day of MAY, 2008.


CLIFFORD P. DODSON, JR.

F. MATTHEW O'NEIL, ATTORNEY FOR RESPONDENT

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 6 day of MAY, 2008, by CLIFFORD P. DODSON, JR. to certify which, witness my hand and official seal.


Notary Public Signature



JAMES W HAYNES
Notary Public's Printed Name

Signed by the Commissioner this 7th day of MAY, 2008.


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

Approved by the Board and Signed this 9th day of MAY, 2008.


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