

TEXAS APPRAISER LICENSING§  
AND CERTIFICATION BOARD

vs.

DON LESLIE GRIMES  
TX-1323549-R

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DOCKETED COMPLAINT NO.  
08-107, 09-023 & 10-232

**AGREED FINAL ORDER**

On this the \_\_\_\_\_ day of \_\_\_\_\_, 2011, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Don Leslie Grimes (Respondent).

In order to conclude this matter Don Leslie Grimes neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein but 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 Don Leslie Grimes is a Texas state certified residential real estate appraiser, holds certification number TX-1323549-R, and has been certified by the Board during all times material to the above-noted complaint case.
2. Respondent appraised 1913 Belshire Court, Fort Worth, Texas 76140 ("the Belshire property") on or about June 12<sup>th</sup>, 2007.
3. Respondent appraised 5919 Wisdom Creek Drive, Dallas, Dallas County, Texas 75249 ("the Wisdom Creek property") on or about December 22, 2005.
4. Respondent appraised 4748 Old Bent Tree Road, Units 302, 406, 704, 705, 1705 and 1706 Dallas, Texas 75287 ("the Old Bent Tree property") on or about during the time period of 2005 and 2006.
5. Thereafter complaints relating to each of these real estate appraisal reports were filed with the Board. The complaints alleged that Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.
6. After receipt of each complaint, 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 complaints. Respondent's responses were received.

7. Respondent was previously disciplined in 2003, under complaint #02-058, and received an agreed final order requiring remedial education and payment of an administrative penalty.

8. 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 Belshire property:

- a) Respondent failed to comply with the record-keeping provisions of the Ethics Rule and failed to comply with the Supplemental Standards Rule;
- b) Respondent failed to identify and report the site and improvement(s) description adequately;
- c) Respondent failed to identify and analyze the effect on use and value of existing land use regulations, economic supply & demand, physical adaptability of the real estate and market area trends;
- d) Respondent failed to provide a summary of his supporting reasoning behind his highest and best use determination;
- e) Respondent failed to use appropriate methods and techniques to develop an opinion of site value and failed to provide support for his site value determination;
- f) Respondent failed to collect, verify, analyze and reconcile the cost new of improvements and failed to employ recognized methods and techniques in his cost approach;
- g) Respondent failed to collect, verify, analyze and reconcile sales comparison data adequately and failed to use improper methods and techniques correctly in his sales comparison approach;
- h) Respondent failed to analyze all sales of the subject within three (3) years prior to the effective date of the appraisal;
- i) Respondent's report contained substantial errors of commission or omission which resulted in a misleading and unreliable appraisal report.

9. 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 Wisdom Creek property:

- a) Respondent failed to comply with the record-keeping provisions of the Ethics Rule;
- b) Respondent failed to identify and report the site description adequately;

- c) Respondent failed to identify and analyze the effect on use and value of existing land use regulations, economic supply and demand, physical adaptability of the real estate and market area trends and did not provide a summary of his supporting reasoning behind his highest and best use determination;
- d) Respondent did not use appropriate methods and techniques to develop his site value determination and failed to provide support for his site value determination, has not collected, verified, analyzed and reconciled cost new of improvements and accrued depreciations, and has failed to employ recognized methods and techniques in his cost approach;
- e) Respondent failed to analyze, collect, verify and reconcile sales comparison data adequately and failed to employ recognized methods and techniques in his sales comparison approach;
- f) Respondent failed to analyze all agreements of sale, options or listings of the subject property current as of the effective date of the appraisal;
- g) Respondent's report contained substantial errors of commission or omission as detailed above, all of which resulted in a misleading and unreliable appraisal report.

10. 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 Old Bent Tree property:

- a) Respondent failed to comply with the record-keeping provisions of the Ethics Rule;
- b) Respondent failed to consider and report easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances or other items of a similar nature;
- c) Respondent failed to identify and analyze the effect on use and value of economic supply and demand and market area trends;
- d) 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 correctly;
- e) Respondent failed to employ recognized methods and techniques in the income approach, and failed to use reasonable, clear and/or appropriate evidence for rental analysis;
- f) Respondent failed to analyze the listing of the property current as of the effective date of the report;

- g) Respondent failed to report and analyze prior transfers of the property within the previous 3 years; and,
- h) Respondent's report contains substantial errors of commission or omission as detailed above which resulted in a misleading appraisal report for the property.

11. Respondent omitted material facts and made material misrepresentations and omitted material facts in the appraisal reports 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 et. seq.

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 Ethics Rule (record-keeping provisions); USPAP Supplemental Standards Rule; USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(viii); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(ix); & 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(viii); 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)(viii); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-4(c)(i) & 2-2(b)(ix); 1-4(c)(iv) & 2-2(b)(ix); 1-1(a) & 1-4(c); 1-5(a) & 2-2(b)(ix); 1-5(b) & 2-2(b)(viii); 1-5(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 making material misrepresentations and omitting material facts in his appraisal reports.

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

- a. Have his certification revoked for thirty-six months with this suspension being fully probated under the following conditions:
  - i. During the entire probated, thirty-six 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 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 this period of probation within the twenty days of notice of any such request;
  - ii. No trainees shall be sponsored during the entirety of the probation period;

- iii. Respondent shall 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 in the Sales Comparison Approach or Residential Case Studies;
  - d. Attend and complete a minimum, 7 classroom-hour course in Small Income Producing Properties;
  - e. Attend and complete a minimum, 15 classroom-hour course in Residential Report Writing
  - f. Attend and complete a minimum, 7 classroom-hour course in Quality Assurance in Residential Appraisals;
    - i. No examination shall be required for this course; and
  - f. Pay to the Board an administrative penalty of \$3,000.00;
  - g. Comply with all future 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 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. Respondent is solely responsible for locating and scheduling classes to timely satisfy the terms of this agreement.

Payment of the **ADMINISTRATIVE PENALTY** must be by certified funds, and must be tendered within 20 days of the effective date of this Agreed Final Order.

Failure to comply with any of the terms 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 required terms 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**

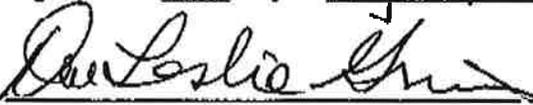
APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.

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 probation shall be revoked and the suspension shall become effective immediately.

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 8<sup>th</sup> day of August, 2011.



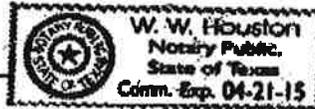
DON LESLIE GRIMES



TED WHITMER, ATTORNEY  
FOR RESPONDENT

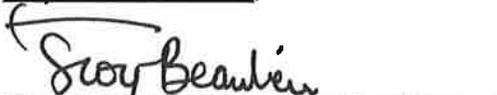
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 8 day of AUGUST, 2011, by DON LESLIE GRIMES, to certify which, witness my hand and official seal.

  
Notary Public Signature



Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 14<sup>th</sup> day of AUGUST, 2011.

  
Troy Beaulieu, TALCB Staff Attorney

Signed by the Commissioner this 19<sup>th</sup> day of August, 2011.

  
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Douglas E. Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 19<sup>th</sup> day of August, 2011.

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

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**FINAL ORDER**

On this 19th day of August, 2011, 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 Don Grimes is granted a retroactive modification of the requirements contained in the Agreed Final Order as follows: Payment shall not be due within 20 days of the effective date of the August 19, 2011, order, but shall be payable in 20 equal and monthly \$150.00 installments. The first payment is due 30 days from the effective date of this order.

Approved by the Board and signed this 13 day of JAN, 2012.

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