

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

MISTY DAWN HUGHES  
TX-1333267-R

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DOCKETED COMPLAINT NO.  
06-184

**AGREED FINAL ORDER**

On this the 29<sup>th</sup> day of FEBRUARY, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Misty Dawn Hughes, (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 Misty Dawn Hughes was a Texas state certified residential real estate appraiser, previously held certification number TX-1333267-R, and was certified by the Board during all times material to the above-noted complaint case.
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. Since the time of this complaint, Respondent's state certification as a real estate appraiser has expired and Respondent no longer desires to hold a license, certification, authorization or registration from the Board. Respondent acknowledges that her state certification has lapsed and she is hereby agreeing not to seek renewal of the certification, nor to apply for any authorization, license, certification or registration with the Board in the future.
4. On or about June 19<sup>th</sup>, 2005 Respondent appraised real property located at 2028 Sleepy Hollow Trail, Frisco, Denton County, Texas ("the property) for the client, Quote Me A Rate.com.
5. On or about September 11<sup>th</sup>, 2006, the Complainant, Mark Liley of Flagstar Bank, filed a complaint with the Board. The Complainant asserted that the Respondent had produced an inflated appraisal report for the property.
6. The Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. § 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 complaint. Respondent's response to the complaint was received.

7. 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 report for the property:

- a. Respondent communicated a misleading appraisal report for the property;
- b. Respondent failed to maintain records evidencing collection, verification and analysis of sales and cost data for use in her appraisal report;
- c. Respondent failed to report specific zoning for the property as required by USPAP;
- d. Respondent failed to provide a brief summary of her determination of the property's highest and best use;
- e. Respondent used inappropriate methods or techniques in her cost approach analysis, including her site value determination, and cost of improvements analysis;
- f. Respondent failed to analyze and reconcile sales comparison data properly, failed to analyze sales concessions, selected inappropriate comparable sales when more appropriate sales were readily available in the area, did not make appropriate adjustments, and generally used improper methods and techniques;
- g. Respondent did not properly disclose and analyze the agreement of sale for the property, including disclosure the prior listing history of the property at a significantly lower value;
- h. Respondent's report for the property contained substantial errors of omission or commission that significantly impacted the credibility of the ultimate work product produced by Respondent;

8. Respondent made material misrepresentations or omissions of material facts as noted above for the appraisal report on the property.

## **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 USPAP provisions as prohibited by 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a): The record keeping provisions of USPAP's Ethics Rule and USPAP Standards Rules: 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(ix); 1-1(a); 1-1(b); and, 2-1(a).
3. Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(9) by making material misrepresentations and omissions of material facts.

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

1. Shall not seek renewal of her certification, nor apply to the Board for any authorization, license, certification or registration in the future.

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.

Signed this 11 day of February, 2008.

  
MISTY DAWN HUGHES

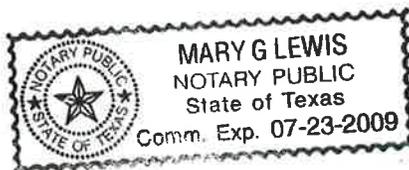
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 11 day of February, 2008, by MISTY DAWN HUGHES, to certify which, witness my hand and official seal.

Mary G. Lewis

Notary Public Signature

MARY G. Lewis

Notary Public's Printed Name



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Signed by the Commissioner this 11th day of FEBRUARY, 2008.

[Signature]

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

Approved by the Board and Signed this 29th day of FEBRUARY, 2008.

[Signature]

Larry Kekel, Chairperson  
Texas Appraiser Licensing and Certification Board

Clinton P. Sayers