

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

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vs.

DOCKETED COMPLAINT NO.  
13-292 & 15-113

RICHARD THOMAS JONES  
TX-1331973-R

**AGREED FINAL ORDER**

On the 15 day of May, 2015, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of Richard Thomas Jones (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-1331973-R and was certified by the Board during all times material to the above-noted complaint.
2. Respondent appraised residential real property located at 855 Greenwood Cut Off, Weatherford, Texas (the "Weatherford Property"), on or about July 23, 2013.
3. Respondent appraised residential property located at 1392 Rabbit Ridge Road, Rockwall, Texas ("the Rockwall Property") on or about August 17, 2014.
4. Thereafter, complaints, numbered 13-292 and 15-113, were filed with the Board by real estate agents and an appraisal management company, on or about August 2, 2013 and December 12, 2014, respectively. The Board investigated the complaints to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CHPT. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").
5. The Board, in accordance with the mandate of TEX.GOV'T CODE ANN. CHPT. 2001, the Administrative Procedure Act (the "APA"), and the Act, notified Respondent of the nature of the accusations involved, on or about August 5, 2013 and December 12, 2014. Respondent was afforded an opportunity to respond to the accusations in the complaints and was also requested to provide certain documentation to the Board. Thereafter, the Respondent responded with documentation, on or about October 15, 2013 and January 30, 2015.

6. As a result of the Board's investigation, 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 Weatherford Property:

- a. USPAP Record Keeping Rule – Respondent failed to maintain a work file containing the documentation necessary to support his analyses, opinions and conclusions;
- b. USPAP Competency Rule – Respondent did not perform the appraisal for the Weatherford Property competently and failed to acquire the necessary competency before performing the assignment;
- c. USPAP Scope of Work Rule; 1-2(h) & 2-2(b)(vii) – Respondent failed to develop and employ a scope of work sufficient to produce credible assignment results;
- d. USPAP Standards 1-2(f), 1-2(g), 2-1(c) & 2-2(b)(x) – Respondent failed to disclose extraordinary assumptions he used in his appraisal of the Weatherford property;
- e. USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and describe adequately the improvement(s) and site for the Weatherford property;
- f. USPAP Standards 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix) – Respondent failed to identify, consider and describe any known easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances or other items of a similar nature, did not identify and analyze the effect on use and value of existing land use regulations and did not employ recognized methods and techniques in developing a highest and best use determination, including not providing any supporting rationale for this determination;
- g. USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) – Respondent failed to employ recognized methods and techniques in his cost approach, and did not provide any supporting rationale for his site value, cost new of improvements and depreciation determinations;
- h. USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a) – Respondent failed to collect, verify, analyze and reconcile comparable sales data and did not employ recognized methods and techniques in his sales comparison approach; and,
- i. USPAP Standards 1-1(b); 1-1(c); and, 2-1(a) – Respondent produced an inaccurate appraisal report for the Weatherford Property which contained substantial errors of omission or commission.

7. As a result of the Board's investigation, 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 Rockwall Property:

- a. USPAP Record Keeping Rule – Respondent failed to maintain a work file containing the documentation necessary to support his analyses, opinions and conclusions;
  - b. USPAP Competency Rule – Respondent did not perform the appraisal for the Rockwall Property competently and failed to acquire the necessary competency before performing the assignment;
  - c. USPAP Scope of Work Rule; 1-2(h) & 2-2(a)(vii) – Respondent failed to develop and employ a scope of work sufficient to produce credible assignment results;
  - d. USPAP Standards 1-2(f), 1-2(g), 2-1(c) & 2-2(a)(xi) – Respondent failed to disclose extraordinary assumptions he used in his appraisal of the Weatherford property;
  - e. USPAP Standards 1-2(e)(i) & 2-2(a)(iii) – Respondent failed to identify and describe adequately the improvement(s) and site for the Weatherford property;
  - f. USPAP Standards 1-2(e)(iv) & 2-2(a)(viii); 1-3(a) & 2-2(a)(viii); 1-3(b) & 2-2(a)(ix) – Respondent failed to identify, consider and describe any known easements, restrictions, encumbrances, leases, reservations, covenants, contracts declarations, special assessments, ordinances or other items of a similar nature, did not identify and analyze the effect on use and value of existing land use regulations and did not employ recognized methods and techniques in developing a highest and best use determination, including not providing any supporting rationale for this determination;
  - g. USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) – Respondent failed to employ recognized methods and techniques in his cost approach, and did not provide any supporting rationale for his site value, cost new of improvements and depreciation determinations;
  - h. USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a) – Respondent failed to collect, verify, analyze and reconcile comparable sales data and did not employ recognized methods and techniques in his sales comparison approach; and,
  - i. USPAP Standards 1-1(b); 1-1(c); and, 2-1(a) – Respondent produced an inaccurate appraisal report for the Weatherford Property which contained substantial errors of omission or commission.
8. Respondent made omissions of material fact with respect to the appraisal of the Weatherford Property and Rockwall Property as detailed above.

9. 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

1. The Board has jurisdiction over this matter pursuant to the Act.
2. Respondent has voluntarily waived a formal hearing on these findings and further voluntarily waives future judicial review of this Order. **Respondent neither admits nor denies the Findings of Fact outlined above**, but voluntarily agrees to this Order to resolve such findings set forth above 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).
3. Respondent has voluntarily waived a formal hearing on these findings and further voluntarily waives future judicial review of this Order. **Respondent neither admits nor denies the Findings of Fact outlined above**, but voluntarily agrees to this Order to resolve such findings that Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(12) by making material misrepresentations and material omissions of material fact.
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with TEX. OCC. CODE § 1103.458.

### ORDER

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

1. **EDUCATION.** On or before May 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 completion of the course in the event of course cancellation or rescheduling by the course provider.
  - a. A minimum, 15 classroom hour course in USPAP.
2. **MENTORSHIP.** On or before November 14, 2015, Respondent shall complete sixteen (16) 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

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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. 4 hours of mentorship in the sales comparison approach;
  - b. 4 hours of mentorship addressing making, analyzing and supporting adjustments in the sales comparison approach;
  - c. 4 hours of mentorship in the cost approach, including addressing depreciation;
  - d. 2 hours of mentorship in residential report writing; and,
  - e. 2 hours of mentorship addressing the work file obligations under USPAP.
3. **ADMINISTRATIVE PENALTY.** On or before June 4, 2015, Respondent shall pay to the Board an administrative penalty of one thousand, (\$1,000.00), by cashier's check or money order.
  4. **TRAINEES.** Respondent shall not sponsor any trainees until such time as all provisions of this Agreed Final Order are completed satisfactorily.
  5. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and
  6. 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. Payment of any administrative penalties due must be in the form of a cashier's check or money order made payable to the "Texas Appraiser Licensing and Certification Board" and delivered via certified mail, return receipt requested. Respondent shall retain documentation (reply email, fax confirmation, return receipt, etc.) confirming timely receipt 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](mailto: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 & Certification Board, Stephen F. Austin Building, 1700 N. Congress Ave., Suite 400, Austin, TX 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.

has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

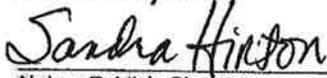
**RESPONDENT**

Signed this 4 day of May, 2015.



RICHARD THOMAS JONES

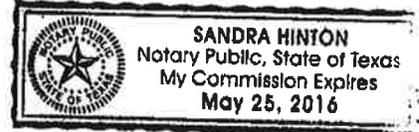
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on the 4 day of May, 2015, by RICHARD THOMAS JONES, to certify which witness my hand and official seal.



Notary Public's Signature

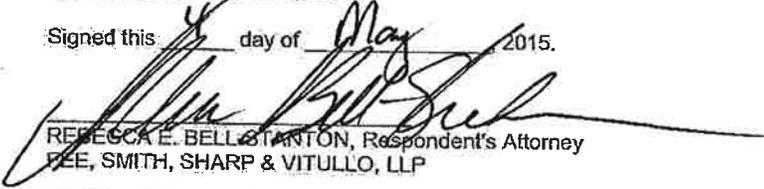
Sandra Hinton

Notary Public's Printed Name



**RESPONDENT'S ATTORNEY**

Signed this 4 day of May, 2015.



REBECCA E. BELL STANTON, Respondent's Attorney  
FEE, SMITH, SHARP & VITULLO, LLP

**STANDARDS AND ENFORCEMENT SERVICES DIVISION**

Signed by the Standards and Enforcement Services Division this 4TH day of MAY, 2015.



Troy Beaulieu, Staff Attorney  
Texas Appraiser Licensing and Certification Board

**COMMISSIONER**

Signed by the Commissioner this 4 day of May, 2015.

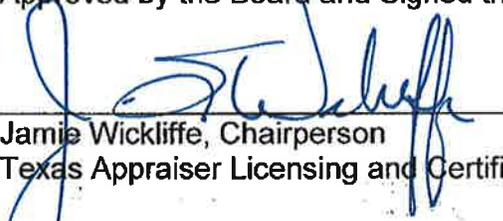
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Signed by the Commissioner this 4 day of May, 2015.

  
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Douglas Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

**CHAIRPERSON**

Approved by the Board and Signed this 15 day of May, 2015.

  
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Jamie Wickliffe, Chairperson  
Texas Appraiser Licensing and Certification Board