

TEXAS APPRAISER LICENSING §  
AND CERTIFICATION BOARD

vs.

DARYL K. MORRIS  
TX-1321480-R

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DOCKETED COMPLAINT NO.  
07-002

AGREED FINAL ORDER

On this the 8<sup>TH</sup> day of MAY, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Daryl K. Morris, (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 Daryl K. Morris is a Texas state certified residential real estate appraiser, holds certification number TX-1321480-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 November 2<sup>nd</sup>, 2004, Respondent appraised real property located at 4663 Voyager Drive, Frisco, Texas 75034 ("the property").
4. On or about September 8<sup>th</sup>, 2006, the Complainant, Jack McComb, filed a staff-initiated complaint with the Board. The complaint was based upon information submitted by Peter G. Kopperman, Vice President, Single-Family Mortgage Business for Fannie Mae ("FM"). FM claimed that the Respondent produced an appraisal report on the property that contained various violations of the Uniform Standards of Professional Appraisal Practice.
5. On or about September 11<sup>th</sup>, 2006 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 complaint. Respondent's response to the complaint was received.
6. 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 data related to his site value determination and cost of improvements analysis in his cost approach;
- c) Respondent did not provide a summary of his reasoning behind his highest and best use determination for the property being appraised;
- d) Respondent used inappropriate methods or techniques in his cost approach analysis, including failing to indicate or provide in his work file the data supporting his site value determination and cost of improvements analysis;
- e) Respondent failed to analyze and reconcile sales comparison data properly, failed to select appropriate comparable sales that were available in the immediate neighborhood, did not make appropriate adjustments, and generally used improper methods and techniques;
- f) Respondent failed to correctly employ recognized methods and techniques in his income approach including failing to properly analyze and reconcile comparable operating expenses, comparable rental data and the potential earning capacity of the property, did not properly develop and support his determination of the gross rent multiplier, and did not develop his future rent or income potential and expenses projections based on reasonable, clear and appropriate evidence;
- g) Respondent failed to address a previous sale of the property that was significantly lower than the market value determination reached by Respondent despite noting in his report that property values were stable;
- h) Respondent's report contained substantial errors of commission or omission with respect to the sales comparison, income and cost approach analyses as noted above;

7. Respondent made material misrepresentations and omissions of material facts 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 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards Rules: 1-3(b) and 2-2(b)(x); 1-1(b); 1-2(c)(iv); 1-4(b)(i), 1-4(b)(ii), 1-4(b)(iii) and 2-2(b)(ix); 1-4(c)i, 1-4(c)(ii), 1-4(c)(iii), 1-4(c)(iv) and 2-2(b)(ix), 1-5(b), 1-1(b), 1-1(c), 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 shall:

- a. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- b. Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach;
- c. Attend and complete a minimum, 15 classroom-hour course in the Cost Approach; and,
- d. 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.

Signed this 11<sup>th</sup> day of MARCH, 2008.

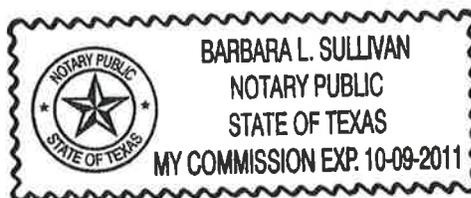


DARYL K. MORRIS

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 11<sup>th</sup> day of March, 2008, by DARYL K. MORRIS, to certify which, witness my hand and official seal.

  
Notary Public Signature

BARBARA L. SULLIVAN  
Notary Public's Printed Name



Signed by the Commissioner this 29<sup>TH</sup> day of APRIL, 2008.

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

Approved by the Board and Signed this 8<sup>th</sup> day of MAY, 2008.

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