

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

MICHAEL KEVIN MORRIS  
TX-1322073-R

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DOCKETED COMPLAINT NO.  
09-308 & 10-343

**AGREED FINAL ORDER**

On the 18<sup>th</sup> day of May, 2012, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Michael Kevin Morris (Respondent).

Respecting the referenced Complaints, Respondent disputes and denies all material allegations, opinions and conclusions of all investigative reports and review appraisals, and certain Findings of Fact and Conclusions of Law in Sections 1-3, recited below. Respondent has consented to this Agreed Final Order for the purpose of avoiding further expenses, and to put an end to the referenced Complaints. 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, Michael Kevin Morris, is a certified residential appraiser who currently holds TX-1322073-R and held that certification number during all times material to the above-noted complaint cases.
2. Respondent appraised 103 Lowrey Circle, Springtown, TX 76082 (the "Lowrey property") on or about June 29, 2009.
3. Respondent appraised 7008 Greenview Circle North, Fort Worth, TX 76120 (the "Greenview property") on or about April 2, 2007.
4. Thereafter, complaints relating to these real estate appraisal reports were filed with the Board. The complaints alleged that Respondent's appraisals were deficient, in violation of the Uniform Standards of Professional Appraisal Practice ("USPAP") and not completed properly.
5. After receipt of the 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 response to the complaints was received.

6. 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 Lowrey property:
- a) USPAP Ethics Rule – Respondent failed to comply with the USPAP ethics rule by failing to maintain a complete work file containing all data and documentation necessary to support the appraiser's opinions and conclusions. Though there are no findings made that Respondent acted with any intent to deceive or to mislead any person, Respondent's inadvertent omission of material data, and accidental commission of significant errors resulted in certain assignment results being communicated in an unintentional, but misleading manner;
  - b) USPAP Scope of Work Rule – Respondent failed to support his work with all relevant evidence as required by this rule to obtain credible assignment results;
  - c) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to report the neighborhood boundaries correctly;
  - d) USPAP Standards 1-3(b) & 2-2(b)(ix) -- Respondent failed to provide all of his supporting data for his determination of the property's highest and best use;
  - e) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); and 1-1(a) & 1-4(b) -- Though the subject appraisal expressly stated Respondent's opinion of market value was based on the Sales Comparison Approach, Respondent failed to maintain in his work file all necessary documentation and calculations for the cost of new improvements and accrued depreciations;
  - f) USPAP Standards 1-4(a) & 2-2(b)(viii) and 1-1(a) & 1-4(a) -- Respondent inadvertently failed to collect, verify, analyze and reconcile all comparable sales data; and, did not correctly employ recognized methods and techniques in the Sales Comparison Approach; and,
  - g) USPAP Standards 1-1(a), 1-1(b), 1-1(c); and, 2-1(a) – Though unintentional, Respondent's inadvertent omissions of material data, and accidental commission of significant errors, resulted in an appraisal report which was misleading.
7. 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 Greenview property:
- a) USPAP Ethics Rule – Respondent failed to comply with the USPAP ethics rule by failing to maintain a complete work file containing all data and documentation necessary to support the appraiser's opinions and conclusions. Though there are no findings made that Respondent acted with any intent to deceive or mislead any person, Respondent's inadvertent omission of material data, and accidental

commission of significant errors resulted in certain assignment results being communicated in an unintentional, but misleading manner;

- b) USPAP Scope of Work Rule and Standard 1-2(h) – Respondent failed to support his work with all relevant evidence as required by this rule to obtain credible assignment results;
- c) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent failed to accurately report the zoning;
- d) USPAP Standards 1-3(a) & 2-2(b)(viii) -- Respondent inadvertently failed to identify and analyze economic supply and demand or market area trends;
- e) USPAP Standards 1-3(b) & 2-2(b)(ix) -- Respondent failed to provide all of his supporting data for his determination of the property's highest and best use;
- f) 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); and, 1-1(a) & 1-4(b) – Though the subject appraisal expressly stated Respondent's opinion of market value was based on the Sales Comparison Approach, Respondent failed to maintain in his work file all necessary documentation and calculations for the cost of new improvements and accrued depreciations, and failed to reconcile the cost of new improvements and accrued depreciations, thereby failing to correctly employ recognized methods or techniques for the Cost Approach;
- g) USPAP Standards 1-4(a) & 2-2(b)(viii) and 1-1(a) & 1-4(a) -- Respondent inadvertently failed to collect, verify, analyze and reconcile all comparable sales data; and did not correctly employ recognized methods and techniques in the Sales Comparison Approach; and,
- h) USPAP Standards 1-1(a), 1-1(b), 1-1(c); 2-1(a); and, 2-1(b) – Though unintentional, Respondent's inadvertent omissions of material data, and accidental commission of significant errors, resulted in Respondent incorrectly analyzing and reconciling significant and material information, and producing an appraisal report which was misleading.

8. The parties enter into the following consent order in accordance WITH TEX. OCC. CODE § 1103.458.

#### **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 above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3).
3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with TEX. OCC. CODE §1103.458.

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

- a. During a one (1) year review period, beginning on the effective date of this order, Respondent shall submit to the Board, within seven (7) days of completion of six (6) months, an appraisal experience log on a form prescribed by the Board. The log shall be submitted every six (6) months for a one (1) year period and shall detail all real estate appraisal activities he has conducted during the previous six (6) month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate;
  - i. 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 review within the twenty (20) days of notice of any such request;
- b. Within six (6) months of the effective date of this order, Respondent shall complete five (5) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board. Upon completion of the requisite mentorship hours, and, within six (6) months of the effective date of this order, Respondent shall submit on a form provided by the Board, a signed, notarized affidavit attested by the certified USPAP instructor confirming completion of the mentorship hours;
- c. Attend and complete a minimum, fifteen (15) classroom-hour course in USPAP;
- d. Attend and complete a minimum, fifteen (15) classroom-hour course in appraiser report writing;
- e. Attend and complete a minimum, seven (7) classroom-hour course in the cost approach;
- f. Fully and timely comply with all of the provisions of this Agreed Final Order;

and,

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 **TWELVE (12) 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.

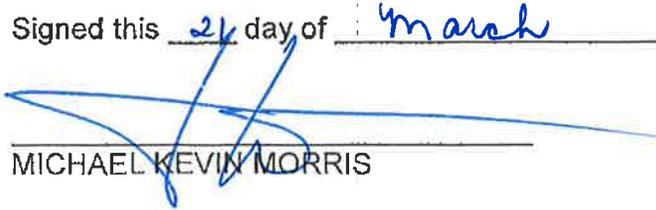
Failure to comply with any of the terms of this Agreed Final Order within the time allotted shall result in **IMMEDIATE SUSPENSION** of the Respondent's certification pursuant to notice to the Respondent from the Board indicating that the Respondent has not fulfilled the requirements of this Agreed Final 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 suspension shall remain in effect until such time as Respondent complies with the terms of this order and provides adequate documentation of same to the Board.

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 21 day of March, 2012.

  
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MICHAEL KEVIN MORRIS

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 21 day of March, 2012, by MICHAEL KEVIN MORRIS, to certify which, witness my hand and official seal.

Bobbie Dunnavent  
Notary Public Signature



Bobbie Dunnavent  
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 30th day of March, 2012.

[Signature]  
Kyle Wolfe, TALCB Staff Attorney

Signed by the Commissioner this 18 day of May, 2012.

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

Approved by the Board and Signed this 18 day of May, 2012.

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