

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

vs.

JAMES HAROLD PARHMS
TX-1338782-R

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DOCKETED COMPLAINT NO.
10-281, 10-295, 10-315, AND 12-120

AGREED FINAL ORDER

On the 16 day of Aug, 2013, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of James Harold Parhms (the "Respondent").

In order to conclude this matter, Respondent 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 in order to avoid the costs of litigation.

FINDINGS OF FACT

1. Respondent is a Texas state certified residential real estate appraiser who holds certification number TX-1338782-R, and was certified by the Board during all times material to the above-noted complaints.

2. Respondent appraised real property located at:

a. 4224 Koehler Street, Houston, Texas 77007 ("the 4224 Koehler property") with a report date of May 21st, 2008 and an effective date of value of May 20th, 2008;

b. 4217 Koehler Street, Houston, Texas 77007 ("the 4217 Koehler property") with a report date of June 19th, 2008 and an effective date of value of June 11th, 2008;

c. 7545 Highmeadow Drive, Houston, Texas 77063 ("the Highmeadow property") with a report date of March 26th, 2008 and an effective date of March 25th, 2008; and,

d. 214 West 3rd Street, League City, Texas 77573 ("the League City property") with a report date of October 18th, 2011 and an effective date of October 12th, 2011.

3. Thereafter 4 different complaints were filed by: (a) Jim Hollasch, SR, Director / Valuation & Review Management for MetLife Bank; (b) JP Morgan Chase Bank, NA; and (c) 2 staff-initiated complaints based on referrals from the Fraud Unit of the Texas Department of Insurance. The complaints alleged that the Respondent produced appraisal reports for the properties that did not conform to 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").

4. Thereafter the Board notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaints. Respondent was also requested to provide certain documentation to the Board, which he submitted to the Board.

5. 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 reports for the properties:

The 4224 Koehler Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by giving an incorrect / incomplete legal description, misrepresenting that the property was a detached structure, misrepresenting the property's gross living area, and failing to indicate the common driveway;
- d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented the property's zoning as "A1", when it actually does not have any zoning classification;
- e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including identifying the property's neighborhood boundaries correctly and the neighborhood's one-unit housing price range and did not summarize his rationale for the determinations he made in his report;
- f) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property's highest and best use;
- g) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property's site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report. Lot sales available at the time indicated

a significantly lower value than Respondent indicated in his report;

- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data, which revealed a significantly lower price per square foot than Respondent used in his report;
- i) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. He did so, in part, using sales provided by seller of the property based upon partial HUD-1 settlement statements obtained from the seller. Instead, Respondent should have used market-tested data that was readily available from those who did not have a financial interest in the transaction. Respondent also misrepresented the size of the sales he used as comparables, and failed to disclose, analyze and address sales concessions for those sales, and their prior listing histories;
- j) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- k) USPAP Standards 1-5(a) & 2-2(b)(viii); 1-1(b) and 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile a prior listing of the property, which was significantly lower than his appraised value and did not provide his supporting reasoning for his reconciliation of this market data to his value conclusion. Respondent also failed to include a copy of the contract of sale in his work file and did not disclose its terms or analyze its contents and did not provide a brief summary of his supportive reasoning for his conclusions about the contract. Respondent also failed to analyze and fully disclose some \$12,000 in closing costs and summarize his analysis of this significant provision;
- l) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

The 4217 Koehler Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as

required by the record keeping provisions;

- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by giving an incorrect / incomplete legal description, misrepresenting that the property was a detached structure, misrepresenting the property's gross living area, and failing to indicate the common driveway;
- d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented the property's zoning as "A1", when it actually does not have any zoning classification;
- e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including identifying the property's neighborhood boundaries correctly and the neighborhood's one-unit housing price range and did not summarize his rationale for the determinations he made in his report;
- f) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property's highest and best use;
- g) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property's site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report. Lot sales available at the time indicated a significantly lower value than Respondent indicated in his report;
- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data, which revealed a significantly lower price per square foot than Respondent used in his report;
- i) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. He did so, in part, using sales provided by

seller of the property based upon partial HUD-1 settlement statements obtained from the seller. Instead, Respondent should have used market-tested data that was readily available from those who did not have a financial interest in the transaction. Respondent also misrepresented the size of the sales he used as comparables, and failed to disclose, analyze and address sales concessions for those sales, and their prior listing histories;

- j) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- k) USPAP Standards 1-5(a) & 2-2(b)(viii); 1-1(b) and 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile a prior listing of the property, which was significantly lower than his appraised value and did not provide his supporting reasoning for his reconciliation of this market data to his value conclusion. Respondent also failed to include a copy of the contract of sale in his work file and did not disclose its terms or analyze its contents and did not provide a brief summary of his supportive reasoning for his conclusions about the contract. Respondent also failed to analyze and fully disclose some \$12,000 in closing costs and summarize his analysis of this significant provision;
- l) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

The League City Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by misrepresenting the improvements description and characteristics, including omitting discussion and analysis of the renovations Respondent claims were made to the property's improvements, and characterizing the property as a contemporary design property when it is actually a ranch style construction;
- d) USPAP Scope of Work Rule; 1-2(h) & 2-2(b)(vii); USPAP Ethics Rule (conduct); 1-1(b), 2-3 and 2-1(a) – Respondent misrepresented that he personally inspected interior and exterior of the property when he did not do so even though he knew this was an FHA / HUD transaction (which meant he was required to

inspect the property personally). Instead he sent an appraiser trainee to conduct the inspection, affirmatively misrepresented this fact and then further failed to disclose the significant professional assistance provided by the appraiser trainee. Respondent also failed to support his appraisal with objective research, relevant evidence and logic necessary to obtain credible assignment results;

- e) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented that the property did not have any zoning when it actually did have zoning, which needed to be disclosed analyzed, but was not;
- f) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including identifying the property’s neighborhood boundaries correctly and the neighborhood’s one-unit housing price range and did not summarize his rationale for these determinations he made in his report;
- g) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property’s highest and best use, especially since he misrepresented the property was not zoned when in fact it was;
- h) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property’s site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report;
- i) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data;
- j) USPAP Standards 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to collect, verify, analyze and reconcile accrued depreciation and did not provide documentation in his work file, and did not provide a brief summary of his supporting reasoning for his conclusions regarding accrued depreciation;
- k) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. He did so, in part, by selecting properties which were dissimilar in location, view, utility, permitted use, site size, age, quality of construction, number of bedrooms and condition. In general, objective

market data which was ignored and not analyzed by Respondent, if employed as required, would have significantly impacted his assignment results;

- l) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- m) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

The Highmeadow Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size and failing to disclose, analyze and reconcile the property's location adjacent and in proximity to commercial properties and summarize his reasoning related to this required analysis;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by misrepresenting the improvements description and characteristics, such as the number of bedrooms and the type of flooring found in the property;
- d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented the property's zoning as "A1", when it actually does not have any zoning classification;
- e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including misrepresenting that the property's location is urban, when it is actually suburban, indicating property values for single-family houses are increasing when it was actually a stable market, failing to disclose and analyze a 22% foreclosure / REO rate among homes in the subject's market area; failing to report and analyze the neighborhood's one-unit housing price range, the age ranges of properties in the neighborhood, misrepresenting the percentage of land use for the area; and omitting the neighborhood / area name. Respondent also did not summarize his rationale for the determinations he made in his report;
- f) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property's

highest and best use, especially since he misrepresented the property was zoned when in fact it was not;

- g) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property's site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report. Lot sales available at the time indicated a significantly lower value than Respondent indicated in his report;
- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data;
- i) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the market area and should have been used. He did so, in part, by selecting properties which were dissimilar in location, view, size, age, date of sale and other salient characteristics;
- j) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- k) USPAP Standards 1-5(a) & 2-2(b)(viii); 1-1(b) and 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile a prior listing of the property, which was significantly lower than his appraised value and did not provide his supporting reasoning for his reconciliation of this market data to his value conclusion. Respondent did not disclose the terms of the contract or analyze its contents and did not provide a brief summary of his supportive reasoning for his conclusions about the contract. Respondent also failed to analyze and misrepresented the existence of sales concessions when there were some \$6,000 in concessions being paid. Further, Respondent did not summarize his analysis of this significant provision; and,
- l) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

6. Respondent made material misrepresentations and omissions of material fact with respect to his appraisals of the properties as detailed above.

7. The parties enter into this consent order ("Order") in accordance with TEX. OCC. CODE § 1103.458.

CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103.

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)(6).

3. Respondent made material misrepresentations and omissions of material facts as prohibited by 22 TEX. ADMIN. CODE § 153.20(a)(12)

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** that Respondent's Texas appraiser state certification (TX-1338782-R) is **REVOKED**, effective **5:00 p.m., August 16th, 2013**.

IT IS FURTHER ORDERED that beginning **5:00 p.m., August 16th, 2013**, the revocation is to be **FULLY PROBATED** for 36 months ending **August 16th, 2016**, subject to timely and full compliance with the following terms and conditions.

IT IS FURTHER ORDERED that Respondent's Texas state certification (TX-1338782-R) is also hereby **SUSPENDED effective 5:00 p.m., August 16th, 2013 and continuing until such time as he submits documentation demonstrating completion of items 1 (education), 2 (mentorship) and 3 (re-examination) outlined below**. Until this suspension is lifted Respondent is completely barred from conducting any real estate appraisal activities.

1. **EDUCATION.** On or before **November 15th, 2013**, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance and have an exam. Respondent must receive a passing grade on the exam given in each class. None of the required classes will count toward Respondent's continuing education requirements for certification. **Respondent is solely responsible for locating and scheduling classes to timely satisfy this 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 7 classroom-hour course in the sales comparison approach;
 - B. A minimum 7 classroom-hour course in market analysis and highest and best use;
 - C. A minimum 7 classroom-hour course in the cost approach; and,
 - D. A minimum 15 classroom-hour course in USPAP.
2. **MENTORSHIP.** On or before **November 15th, 2013**, Respondent shall complete 20 hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board in accordance with the deadlines and schedule of topics set out below. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor on or before the due date listed for the mentorship requirement. Respondent shall also submit a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees form on or before the due date listed for the mentorship requirement. **Respondent is solely responsible for locating and scheduling an approved mentor to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.**
- a. 4 hours in highest and best use and market data analysis;
 - b. 4 hours in the sales comparison approach;
 - c. 4 hours in the cost approach;
 - d. 4 hours in report writing and appropriate analysis in a residential report writing context; and,
 - e. 4 hours in listing history and sales history reporting, analysis, and reconciliation.
3. **RE-EXAMINATION.** On or before **December 16th, 2013**, Respondent shall retake, successfully pass and submit documentation of successful completion of the examination for residential certification to the Board.
4. **LOGS.** On or before **July 1st, 2015**, Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board for the period of **February 15th, 2015 to June 15th, 2015**. The log shall detail *all* real estate appraisal activities Respondent has conducted during that 4 month period. This log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and accurate. Upon written request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments Respondent performs during the course of this period of probation within twenty days of receiving any such written request.

5. **NO TRAINEES.** Respondent is prohibited from sponsoring, employing or relying upon any appraiser trainees in his real estate appraisal activities during the entire period of his 3 year probated revocation. On or before **August 27th, 2013**, Respondent shall terminate any current trainee sponsorship by filing the appropriate paperwork with the Board.
6. **ADMINISTRATIVE PENALTY.** On or before **September 5th, 2013**, Respondent shall pay an administrative penalty to the Board in the amount of **\$4,000**.
7. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and,
8. 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.

RESPONDENT'S FAILURE TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE SHALL RESULT IN THE AUTOMATIC REVOCATION OF PROBATION AND THE REVOCATION IMPOSED IN THIS AGREED FINAL ORDER SHALL BE EFFECTIVE COMMENCING ON THE EFFECTIVE DATE OF THE REVOCATION OF PROBATION. ANY SUCH REVOCATION 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, 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. 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.

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. RESPONDENT SHALL RETAIN DOCUMENTATION (REPLY EMAIL, FAX CONFIRMATION, RETURN RECEIPT, ETC.) CONFIRMING RECEIPT BY THE BOARD OF ALL THE NECESSARY DOCUMENTS.

RESPONDENT SHALL SEND ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE BY: (1) EMAIL TO 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.

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. 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, SUCH AS PAYMENT OF A FEE, COMPLETION OF COURSEWORK OR FAILURE TO PROVIDE LOGS.

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.

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.

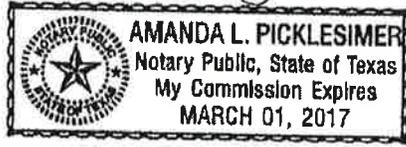
Signed this 28 day of MAY, 2013.

[Signature]
JAMES HAROLD PARHMS

[Signature] 05.28.2013
TREVOR YOUNG, ATTORNEY FOR
JAMES HAROLD PARHMS

State of Texas
County of Travis

This Instrument was acknowledged before me on May 28, 2013
By Trevor Young
NOTARY [Signature]



SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 28th day of May, 2013, by JAMES HAROLD PARHMS, to certify which, witness my hand and official seal.

[Signature]
Notary Public Signature

NICOLE M JENNINGS
Notary Public's Printed Name



Signed by the Standards and Enforcement Services Division this 29th day of MAY, 2013.

Troy Beaulieu
Troy Beaulieu, TALCB Staff Attorney

Signed by the Commissioner this 16 day of Aug, 2013.

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

Approved by the Board and Signed this 16 day of Aug, 2013.

Walker Beard
Walker Beard, Chairperson
Texas Appraiser Licensing and Certification Board