

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

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vs.

DOCKETED COMPLAINT NO.  
07-038

DARYL BERNARD PETITT  
TX-1325276-G

**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 Daryl Bernard Petitt, (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 Bernard Petitt is a Texas state certified general real estate appraiser, holds certification number TX-1325276-G, 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 June 23<sup>rd</sup>, 2004, Respondent appraised real property located at 639 Oak Ridge Drive, Spring Branch, Texas 78070 ("the property").
4. On or about October 27<sup>th</sup>, 2006, the Complainant, Colleen Fallon Strickland, the Mortgage Operations Quality Assurance Manager in the Risk Management Department of RBC Centura Bank, filed a complaint with the Board. The complaint claimed that the Respondent produced an inflated appraisal report on the property that contained various violations of the Uniform Standards of Professional Appraisal Practice.
5. On or about November 14<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 failed to maintain records evidencing collection, verification and analysis of supporting data and documentation related to his site value determination and cost of improvements analysis in his cost approach and his selection of comparable sales data in his sales comparison approach;
  - b) 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;
  - c) Respondent failed to analyze and reconcile sales comparison data properly, failed to make adjustments or comment regarding the lack of adjustments, failed to analyze and discuss neighborhood and market area trends of import, and generally used improper methods and techniques in his sales comparison approach;
  - d) Respondent inappropriately used assemblage sales in his sales comparison approach and failed to then disclose and analyze the effect this had on value;
  - e) Respondent's report contained substantial errors of commission or omission with respect to the sales comparison, 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 Ethics Rule (record keeping provisions); USPAP Standards Rules: 1-4(b)(i) and 2-2(b)(ix); 1-4(b)(ii) and 2-2(b)(ix); 1-1(a) and 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) and 1-4(a); 1-4(e) and 2-2(a)(ix); 1-1(a); and 1-1(b).
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 Residential Case Studies;

- c. Pay to the Board an administrative penalty of \$1,000.00; 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 8 day of February, 2008.

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 DARYL BERNARD PETITT

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 8th day of February, 2008, by DARYL BERNARD PETITT, to certify which, witness my hand and official seal.

*Mary Jean Stanuga*  
Notary Public Signature



*Mary Jean Stanuga*  
Notary Public's Printed Name

Signed by the Commissioner this 28<sup>th</sup> day of February, 2008.

*[Handwritten Signature]*

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

Approved by the Board and Signed this 29<sup>th</sup> day of FEBRUARY, 2008.

*[Handwritten Signature]*

Larry Kokel, Chairperson  
Texas Appraiser Licensing and Certification Board

*Larry P. Kokel*