

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

vs.

SCOTT GERARD PYKA
TX-1334636-R

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DOCKETED COMPLAINT NO.
07-069

AGREED FINAL ORDER

On this the 20 day of June, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Scott Gerard Pyka (Respondent).

In order to conclude this matter, Scott Gerard Pyka neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order. 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 Scott Gerard Pyka is a Texas state certified residential real estate appraiser, holds certification number TX-1334636-R, and has been certified by the Board during all times material to the above-noted complaint case.
2. On or about December 4th, 2006, Respondent appraised real property located at 425 Sandy Lane, Royse, Texas 75189 ("the property").
3. On or about January 10th, 2007, the Complainant, Teresa Biggers, filed a complaint with the Board. The complaint alleged that the appraisal report contained various deficiencies with respect to analysis and methodology.
4. On or about January 24th, 2007 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.
5. Respondent violated TEX. OCC. CODE § 1103.405 and 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 did not provide a summary of his reasoning behind his highest and best use determination for the property being appraised;
- b) Respondent used inappropriate methods or techniques in his cost approach analysis to determine site value and cost new of improvements;
- c) Respondent failed to collect, verify, analyze and reconcile sales comparison data properly and did not employ recognized methods and techniques in his sales comparison approach;
- d) Respondent failed to disclose and analyze a prior sale of the property;
- e) Respondent failed to reconcile the quality and quantity of the data within the approaches used, and the applicability or suitability of the approaches; and,
- f) Respondent's report contained substantial errors of commission or omission with respect to the sales comparison and sales history analysis as noted above which resulted in an appraisal report that was not credible, misleading and performed negligently.

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 TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards Rules: 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(vii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(b) & 2-2(b)(viii); 1-6(a) & 1-6(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a).
3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making 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. Pay to the Board an administrative penalty of \$500.00; 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. 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.

Payment of the **ADMINISTRATIVE PENALTY** must be by certified funds, and must be tendered within **TWENTY DAYS** of the date of this Agreed Final Order.

Failure to timely 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 as provided for by TEX. OCC. CODE § 1103.518.

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.

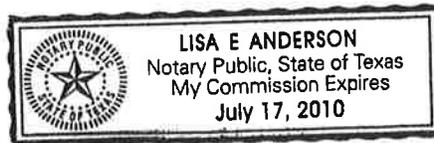
Signed this 20 day of June, 2008.


SCOTT GERARD PYKA

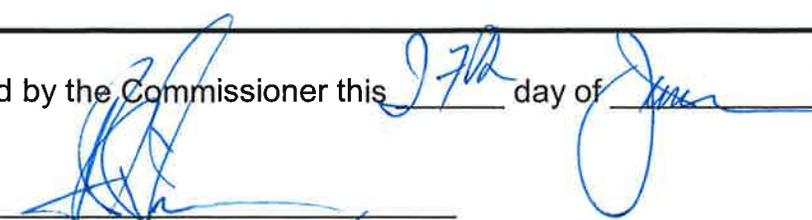
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 20 day of June, 2008, by SCOTT GERARD PYKA, to certify which, witness my hand and official seal.


Notary Public Signature

LISA E. ANDERSON
Notary Public's Printed Name

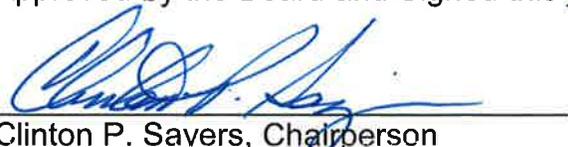


Signed by the Commissioner this 27th day of June, 2008.



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

Approved by the Board and Signed this 27th day of June, 2008.



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