

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

vs.

CHARLES V. QUARTARO
TX-1323978-G

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DOCKETED COMPLAINT NO. 08-223

AGREED FINAL ORDER

On this the 21st day of May, 2010, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Charles V. Quartaro, (Respondent). The Board makes the following findings of fact and conclusions of law and enters this Order:

In order to conclude this matter Charles V. Quartaro 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 Charles V. Quartaro is a state certified general real estate appraiser, holds certification number TX-1323978-G, and has been certified by the Board during all times material to this complaint.
2. Respondent is subject to the jurisdiction of the Board, the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE Chapter 1103 (Vernon 2007) (the Act), the Rules of the Board, 22 TEX. ADMIN. CODE §§153, 155, 157 (West 2007) (the Rules), and the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the appraisal.
3. On or about June 24th, 2008 Respondent appraised property located at 7220 Hirsch Road, Houston, Texas 77016 ("the property").
3. On or about July 23rd, 2008, the Complainant, Danny Tolan, filed a complaint with the Board based on allegations that the Respondent had produced an appraisal report for the property that did not comply with the USPAP.
4. On or about July 25th, 2008, the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. Chapter 2007, notified Respondent of the nature and accusations involved and Respondent was afforded an opportunity to respond to the accusations alleged by the Complainant. Respondent's response to the complaint was received.

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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 report for the property:

- a. Respondent failed to identify and analyze the effect on use and value of existing land use regulations, economic supply and demand, physical adaptability of the real estate and market area trends;
- b. Respondent failed to collect, verify, analyze and reconcile accrued depreciations;
- c. Respondent failed to employ recognized methods and techniques in his sales comparison approach;
- d. Respondent failed to provide a brief summary of his basis and underlying rationale for his exclusion of the income capitalization approach and failed to collect, verify, analyze and reconcile comparable rental data for subject rent and/or the potential earnings capacity of the property to estimate the gross income potential of the subject;
- e. Respondent failed to collect, verify, analyze, and reconcile comparable operating expenses and comparable data to estimate capitalization and/or discount rates;
- f. Respondent failed to base projections of future rent or income potential and expenses on reasonable, clear and appropriate evidence and failed to employ recognized methods and techniques in his income capitalization approach;
- g. Respondent failed to reconcile the quality and quantity of the data within the approaches used, and the applicability or suitability of the approaches;
- h. Respondent failed to appraise proposed improvements only after examining and retaining plans and specifications, evidence of probable time of completion and appropriate support for cost, anticipated earnings, occupancy and anticipated competition at the time of completion;
- i. Respondent's report contains substantial errors of commission or omission as detailed above which resulted in a misleading appraisal report for the property.

7. Respondent omitted 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 §§ 1103.451-1103.5535.

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: 1-3(a) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-4(c)(i) & 2-2(b)(viii); 1-4(c)(ii) & 2-2(b)(viii); 1-4(c)(iii) & 2-2(b)(viii); 1-4(c)(iv) & 2-2(b)(viii); 1-1(a) & 1-4(c); 1-6(a) & (b) and 2-2(b)(viii); 1-2(e), 2-2(b)(viii) & 1-4(c)(iv); 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 omitting 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 Income Approach;
- c. Pay an administrative penalty of \$750.00; 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. Respondent is solely responsible for locating and scheduling classes to timely satisfy the terms of this agreement.

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 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 satisfies that portion of the Agreed

Final Order which he has defaulted on 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 12 day of MAY, 2010.



CHARLES V. QUARTARO

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 12 day of May, 2010, by CHARLES V. QUARTARO, to certify which, witness my hand and official seal.



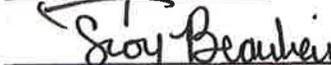
Notary Public Signature



Patricia L. Bell

Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 25th day of May, 2010.



Troy Beaulieu, TALCB Staff Attorney

Signed by the Commissioner this 21 day of May, 2010.



Douglas Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 21st day of May, 2010.



James B. Ratliff, Chairperson
Texas Appraiser Licensing and Certification Board

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DOCKETED COMPLAINT NO.
08-223

FINAL ORDER

On this 20th day of May, 2011, the Board considered the above-noted matter, in which an Agreed Final Order was previously entered by the Board.

The Texas Appraiser Licensing and Certification Board, after review and due consideration of Respondent's request for modification of the previously entered Agreed Final Order, attached as Exhibit A hereto, now enters this Final Order modifying the previously entered Agreed Final Order.

NOW, THEREFORE, IT IS ORDERED by the Texas Appraiser Licensing and Certification Board that Charles V. Quartaro is granted an extension to December 31, 2011 to satisfy the remedial education requirements contained in the Agreed Final Order.

Approved by the Board and Signed this 20th day of May, 2011.



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