

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

RICHARD STADNICK  
TX-1333610-R

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DOCKETED COMPLAINT NO.  
06-144

**AGREED FINAL ORDER**

On this the 27<sup>th</sup> day of June, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Richard Stadnick (Respondent).

In order to conclude this matter, Richard Stadnick 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 Richard Stadnick is a Texas state certified residential real estate appraiser, holds certification number TX-1333610-R, and has been certified by the Board during all times material to the above-noted complaint case.
2. During January and February, 2006, Respondent appraised real property located at:
  - a) 9223 Godstone Lane, Spring, Texas 77379 ("the Godstone property");
  - b) 12414 Lago Bend Lane, Houston, Texas 88041 ("the Lago property");
  - c) 3810 Windswept Drive, Montgomery, Texas 77356 ("the Windswept property"); and,
  - d) 639 Ramblewood, Houston, Texas 77079 ("the Ramblewood property") (collectively "the properties").
3. On or about May 31<sup>st</sup>, 2006, the Complainant, George G. Alexander, Jr., a review appraiser with Aegis Mortgage Corporation, filed a complaint with the Board. The complaint alleged that the appraisal reports involved contained various violations of the Uniform Standards of Professional Appraisal Practice ("USPAP").
4. On or about June 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.

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 reports for the properties.

- a) Respondent communicated misleading appraisal reports for the properties that contained significant omissions and misrepresentations of material facts;
- b) Respondent failed to report and analyze the properties' prior listing histories and reconcile them with his opinions of value;
- c) Respondent failed to analyze the agreements of sale for the properties and erroneously reported the owner of record;
- d) Respondent failed to provide any support in his reports or work files for the site values he reported;
- e) Respondent failed to use recognized methods and techniques in his cost approach which resulted in inflated cost per square footage determinations for improvements that were not supported by industry recognized cost data sources and publications such as Marshall and Swift; and,
- f) Respondent failed to employ recognized methods and techniques in his sales comparison approach because he utilized sales that were not comparable to the properties even though more similar sales were readily available in the area. Respondent also failed to make adequate adjustments for dissimilarities in the comparables he did use.

### **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 Ethics Rule; USPAP Standards Rules: 1-5(a) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(e); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and, 2-1(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. Have his certification revoked for thirty-six months with this revocation being fully probated under the following conditions:
  - i. During the entire thirty-six month probation period Respondent shall submit on a form prescribed by the Board, an appraisal experience log to the Board every three months. The log shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting that the log is true, complete and fully accurate. 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 his period of probation within twenty days of notice of any such request;
  - ii. Respondent shall sponsor no appraiser trainees during the period of his probated revocation;
  - iii. Respondent shall timely remit all installment payments of the administrative penalty, and timely complete all of the remedial coursework required in this Order;
- b. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- c. Pay to the Board an administrative penalty of \$3,000.00;
  - i. Payment of the administrative penalty shall be made in thirty equal, \$100.00 installments, with the first payment being due on or before August 1<sup>st</sup>, 2008 and the remaining payments being due each month thereafter until paid in full; 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 in accordance with the terms of this Final Agreed Order.

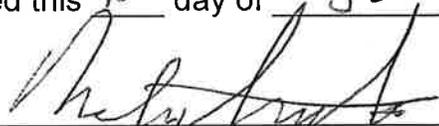
Failure to timely comply with any of the terms of this Final Agreed Order shall result in

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, including, but not limited to possible revocation of the above-noted probation.

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.

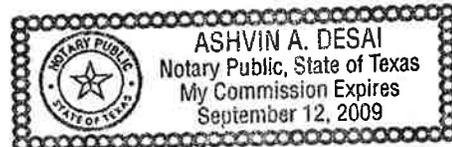
Signed this 10<sup>th</sup> day of JUNE, 2008.

  
RICHARD STADNICK 20582690

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 10<sup>th</sup> day of JUNE, 2008, by RICHARD STADNICK, to certify which, witness my hand and official seal.

  
Notary Public Signature

ASHVIN A. DESAI  
Notary Public's Printed Name



Signed by the Commissioner this 27<sup>th</sup> day of JUNE, 2008.

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

Approved by the Board and Signed this 27<sup>th</sup> day of JUNE, 2008.

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