

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

RICHARD ALLEN TAYLOR  
TX-1326295-R

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DOCKETED COMPLAINT NO.  
10-070, 10-228 & 13-113

**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 Richard Allen Taylor (the "Respondent").

In order to conclude this matter, Richard Allen Taylor 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 "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 is a Texas state certified residential real estate appraiser who holds certification number, TX-1326295-R, and was certified by the Board during all times material to the above-noted complaints.
2. Respondent appraised real property (collectively, "the properties") located at:
  - a. Lot 17, Block 10, Section 4, Benders Landing, Spring, Texas 77386 (the "Lot 17 property"), on or about April 19, 2007;
  - b. Lot 2, Block 6, Section 7, Grand Lake Estates, Montgomery, Texas 77316 (the "Lot 2 property"), on or about July 6, 2006;
  - c. Lot 6, Block 3, Section 7, Grand Lake Estates, Montgomery, Texas 77316 (the "Lot 6 property"), on or about June 20, 2006;
  - d. Lot 5, Block 1, Section 9, Grand Lake Estates, Montgomery, Texas 77316 (the "Lot 5 property"), on or about December 13, 2006; and
  - e. Lot 2, Block 5, Section 7, Grand Lake Estates, Montgomery, Texas 77316 (the "Block 5 property"), on or about March 23, 2006.
3. Thereafter, Board staff, based on referrals from the Texas Department of Insurance or other investigation, initiated the above-noted complaints. 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 and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules"). The Board has no other appraisals performed by Respondent currently under investigation and is aware of no other appraisals that any complainant or Board staff member contends do not comport with applicable standards.

4. Thereafter 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 (the "Act"), notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaint. Respondent was also requested to provide certain documentation to the Board.

5. As a result of the Board's investigation, the Board contends that Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3)<sup>1</sup> 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 following flaws are alleged to have been found in one or more of the Reports:

- a) USPAP Ethics Rule -- Respondent violated the Ethics Rule because he communicated assignment results in a negligent manner;
- b) USPAP Standards 1-2(e)(i) and 2-2(b)(iii) – Respondent failed to identify and report the site description adequately or negligently misstated the lot size;
- c) USPAP Standards 1-4(f) and 2-2(b)(viii) – Respondent inaccurately reported public and private improvements on the site;
- d) USPAP Standards 1-2(e)(iv) and 2-2(b)(viii) – Respondent failed to identify and report the specific zoning classification;
- e) USPAP Standards 1-3(a) and 2-2(b)(viii); 1-1(b) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand, and market area trends), negligently analyzed the one-unit housing price range, and failed to provide supporting documentation and a summary of his reasoning in support of these required analyses, conclusions and determinations which are necessary to reach a credible and reliable market value determination;
- f) USPAP Standards 1-3(b) and 2-2(b)(ix) – Respondent failed to properly develop his opinion of highest and best use;
- g) USPAP Standards 1-4(a) and 2-2(b)(viii); 1-1(a) and 1-4(a) – Respondent 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. Respondent did not provide appropriate supporting documentation nor his reasoning and a summary of his analysis of the sales comparison approach. Respondent also failed to make appropriate adjustments or made inappropriate adjustments to the sales he did use, and did not disclose his analysis and reasoning behind the adjustments he made or elected not to make;
- h) USPAP Standards 1-5(a) and 2-2(b)(viii); 1-1(b); 1-6(a), 1-6(b) and 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile significant and material information regarding the properties' listing history, failed to disclose and analyze

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<sup>1</sup> Effective December 27th, 2010, this rule was renumbered without substantive changes.

the contracts of sale and reconcile that information and data and failed to provide a summary of his supporting reasoning and analysis of all of this information and reconciliation;

- i) USPAP Standards 1-5(b) and 2-2(b)(viii); 1-1(b); 1-6(a), 1-6(b) and 2-2(b)(viii) – Respondent negligently omitted material facts concerning a prior sale of certain properties and failed to disclose, analyze and reconcile this significant and material information (including summarizing any reasoning supporting any analyses, opinions and conclusions he may have made and failing to provide work file documentation in support of any analyses, opinions and conclusions he may have made) within the 3 years prior to the effect date of each of the appraisal reports Respondent prepared for the properties; and
  - j) USPAP Standards 1-1(a), 1-1(b), 1-1(c), 2-1(a) and 2-1(b) – For the reasons detailed above, Respondent produced appraisal reports for the properties that contained several substantial errors of omission or commission by not employing correct methods and techniques.
6. Respondent made negligent misrepresentations and omissions of material fact with respect to his appraisal of the properties as detailed above.

7. The parties enter into this consent 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)(3)<sup>2</sup>.
3. Respondent violated 22 TEX. ADMIN. CODE § 153.20(9)<sup>3</sup> by making negligent misrepresentations and omissions of material fact.
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 state certification (TX-1326295-R) is hereby suspended for twenty-four (24) months, beginning on Friday, August 16<sup>th</sup>, 2013, with this suspension being fully probated under the following terms and conditions:

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<sup>2</sup> Effective December 27th, 2010, this rule was renumbered without substantive changes.

<sup>3</sup> Effective December 27th, 2010, this rule was renumbered without substantive changes.

1. **EDUCATION.** On or before August 16, 2014. 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. If the class requires an exam, Respondent must receive a passing grade on the exam. None of the required class hours will count toward Respondent's continuing education requirements for licensure. **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 classroom course in USPAP, a minimum of fifteen (15) class hours, on or before August 16, 2014.
  - b. A classroom course on the sales comparison approach, a minimum of fifteen (15) class hours, on or before August 16, 2014.
2. **MENTORSHIP.** On or before August 16, 2014. Respondent shall complete eight (8) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board in accordance with the schedule and topics set out below. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor and a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees on or before the due date listed for each 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. Eight (8) hours of mentorship concerning the above noted violations in the findings of fact, on or before August 16, 2014.
3. **EXPERIENCE LOG.** On or before February 16, 2015. Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board for the period of six (6) months starting after the due dates for the education and mentorship (from August 16, 2014 to February 16, 2015). The log shall detail *all* real estate appraisal activities Respondent has conducted during that six (6) month period. This log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and accurate. Upon 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 six (6) month period within twenty (20) days of receiving any such request.
4. **ADMINISTRATIVE PENALTY.** On or before September 5, 2013. Respondent shall pay to the Board an administrative penalty of five thousand dollars (\$5,000.00), by certified funds, within twenty (20) days of the effective date of this order (i.e. on or before September 5, 2013).

5. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and
6. 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.

**IF RESPONDENT FAILS TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE, RESPONDENT SHALL BE ASSESSED A \$1,000 ADMINISTRATIVE PENALTY AND RESPONDENT'S LICENSE, CERTIFICATION, AUTHORIZATION OR REGISTRATION SHALL BE SUSPENDED FOR THE FULL REMAINING TERM OF THE PROBATION.**

**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, 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 website.

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](mailto: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**

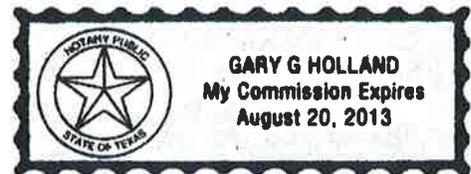
AGREED FINAL ORDER, INCLUDING FOR ANY SUBSEQUENT ACTION RESULTING FROM MY FAILURE TO TIMELY COMPLY WITH AN ADMINISTRATIVE REQUIREMENT OF THIS AGREED FINAL ORDER, SUCH AS PAYMENT OF A FEE, COMPLETION OF COURSEWORK OR FAILURE TO PROVIDE LOGS.

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.

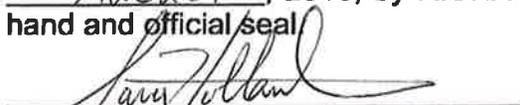
Signed this 13 day of August, 2013.

  
RICHARD ALLEN TAYLOR



  
DAVID BROWN, ATTORNEY FOR  
RICHARD ALLEN TAYLOR

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this 13<sup>TH</sup> day of AUGUST, 2013, by RICHARD ALLEN TAYLOR, to certify which, witness my hand and official seal

  
Notary Public Signature  
GARY HOLLAND  
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 12th day of August, 2013.

  
Mark J. Mrnak, TALCB Director of Enforcement

Signed by the Commissioner this 14 day of Aug, 2013.

  
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