

CODE OF ETHICS

Introduction:

The Association of Texas Appraisers (ATA) is an association of individual professional appraisers who have been admitted to membership in the Association after meeting the qualifications for such membership and completing the application process as set forth by the Association and its Board of Directors.

The courts have ruled that if membership in a professional association has a substantial effect on the “relevant market,” the association must adopt both admission and disciplinary procedures that conform to the requirements of “due process”. The essential elements of due process of law are “proper notice” and the “opportunity to be heard.”

The Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Ethics of ATA in effect at the time of a member’s or associate member’s conduct govern whether such conduct is unethical or fails to meet minimum standards. The procedural rules for handling a particular complaint will be those which are in effect at the time the alleged violation is filed, not those which were in effect at the time of the conduct under investigation.

Furthermore, the procedural rules do not provide members or associates with guidance as to ethical and competent professional conduct; rather they govern only the means of processing complaints about past conduct.

Preamble:

Recognizing the importance of ethical obligations while fulfilling the role of the professional real estate appraiser, the ATA has adopted this Code of Ethics. Every member and associate of the ATA is required to conduct his or her professional activities in accordance with the requirements of the Code of Ethics, as adopted by the Board of Directors, and with the Uniform Standards of Professional Appraisal Practice, as adopted by the Governing Board of Directors.

Every member and associate member is asked to report any significant factual information they may possess which can reasonably point to the failure of a member or associate member to observe the requirements of the ATA Code of Ethics or the USPAP.

For the purpose and intended use of the ATA Code of Ethics, the terms appraisal and appraisal assignment will be the same definition as used in the USPAP.

Principles:

Principle 1 – Each member or associate of the ATA must avoid and refrain from conduct detrimental to the ATA or the real property appraisal profession or that would cause injury to the public's trust in the ATA and its members or associate members.

Principle 2 – Each member or associate must assist the ATA in performing its ethical obligations to the intended users who rely on appraisal services performed by ATA members or associates.

Principle 3 – During the performance of an appraisal assignment, every member or associate shall perform each analysis and opinion without bias and without the accommodation to the member's or associate member's personal interest.

Principle 4 – It is the responsibility of the individual appraiser to contract for appraisal work only within the areas of his or her professional competence and expertise in accordance with the USPAP Competency Rule. Every appraiser must sign and certify his or her appraisal. In the event that an appraiser discovers, after contracting for an appraisal, that he or she is not qualified to carry out the full appraisal, he or she must follow the rules set forth in USPAP Ethics, Competency and Scope of Work Rules and in keeping with the policies governing Texas State Real Estate Appraisal Licensing and Certification regulations.

Principle 5 – During the performance of an appraisal assignment, every member or associate member will accept his or her obligation to remain objective in accordance with USPAP.

Principle 6 – An ATA member or associate member must not violate the confidential nature of the appraiser-client relationship

Principle 7 – During any member or associate member's promotion of an appraisal practice and in the solicitation of appraisal assignments, care must be taken to avoid advertising or soliciting any business under false or misleading pretenses which are contrary to the public trust or to the best interest of the public or the intended users of the appraisal services

Principle 8 – Each member or associate must comply with the current USPAP at the time of the acceptance of an appraisal assignment and will not knowingly fail to observe the requirements of USPAP as promulgated by The Appraisal Foundation and its appointed Appraisal Standards Board

In addition to the previously stated Principles, every member and associate member further agrees to:

- always conduct himself/herself in a responsible and professional manner and utilize fair and equitable business practices when dealing with his/her employer, colleagues, clients and associates, and when performing appraisals or rendering appraisal services;
- encourage and promote the highest level of ethical and professional conduct within the appraisal profession;

- recognize and discharge his/her responsibility to uphold all laws and regulations governing the policies and activities of the appraisal profession;
- perform appraisal services in conformance with the Uniform Standard of Professional Appraisal Practice;
- render opinions of value on factual information known at the time of the appraisal, and offer only opinions which are objective, impartial and independent;
- decline those appraisal assignments in which issues exist where assignment results are misleading or otherwise violations of USPAP;
- refrain from making unjustified statements or performing unethical acts which would discredit the ATA or any of its members or associate members;
- comply with the provisions of this CODE OF ETHICS.

The following procedures will be followed when complaints of possible violations of this Code are reported to the ATA Professional Standards Committee.

Ethics Complaint Procedures:

A charge of violating the law or State or TALCB appraisal/appraiser regulations should not be brought to the ATA. However, if such a complaint is brought to the ATA, the Association has an obligation to forward the complaint to the proper authorities.

Complaints made to the ATA must be filed within one hundred eighty (180) days of the time that the alleged offense and relating facts could have been known by the complainant in the exercise of reasonable diligence.

Complainant sends complaint to Executive Director. Complaint should include a written explanation that includes the facts on which the alleged violation(s) is based, citing the appropriate Principle, and including any other appropriate documentation.

Executive Director processes the complaint, appoints three members from the Professional Standards Committee to serve on the Grievance Hearing Panel, and forwards the complaint file to the Panel for review. The Executive Director will serve as secretary for the Panel and will maintain a complete, confidential file on each complaint.

The Panel will select a chairman before proceeding. The Panel may, if deemed appropriate, send a copy of the ethics complaint to the respondent for a written response, allowing the respondent a minimum of 15 days in which to respond.

At the end of the required response time, the Panel will then review the complaint and the response, if any, and determine whether or not a hearing is warranted. That is, if the facts alleged in the complaint were taken as true, is it possible that a violation of the Code of Ethics occurred.

If the Panel determines that a hearing is not warranted, the parties will be advised why the matter has been dismissed and the complainant will be notified of the right to appeal the Panel's dismissal to the Board of Directors.

If the dismissal is appealed by the complainant and the Board determines that the complaint was improperly dismissed, they will refer the complaint to a new Hearing Panel for a hearing.

If, however, the Panel determines that there are sufficient grounds for a hearing, they will advise the parties of the date, time and place of the hearing. Prior to the hearing, the parties will have up to 15 days to challenge any of the hearing panelists for cause. If a hearing panel member is challenged, the Executive Director will appoint a replacement Panel member and will advise the parties of the replacement member.

During the hearing, the parties will have the opportunity to present their positions. Parties may exercise their right to bring witnesses and/or attorneys to the hearing. The standard of proof in an ethics complaint is clear, strong, and convincing evidence.

The Panel's decision, including proposed disciplinary action, will be conveyed to the parties, at which time either party may file an appeal, within 15 days, with the President of the Board of Directors. However, the complainant may only appeal on a procedural basis.

The Board of Directors, either on an appeal or after the appeal period has expired, will render its final decision, which will be sent to the parties.

Approved at Board of Directors Meeting
August 8, 2009