

**BEFORE THE REAL ESTATE APPRAISER BOARD  
STATE OF OKLAHOMA**

In the Matter of DANNY FAIR            )     Complaint #17-004  
Respondent.                                )

**CONSENT ORDER**

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent DANNY FAIR thru his attorney of record Steve Olson, and enter into this Consent Order pursuant to Oklahoma Statutes Title 59 §858-700, et seq. and Oklahoma Administrative Code 600:10-1-1, et seq. All sections of this order are incorporated together.

**FINDINGS OF FACT**

1. In December of 2016, Respondent was hired by Nations Value Services (the “client”) to complete an appraisal (the “subject appraisal”) for a property located at 4124 East 46<sup>th</sup> Street, Tulsa, Oklahoma (the “subject”). Respondent completed and transmitted the appraisal with an effective date of December 19, 2016. Respondent committed the following errors in the report leading to a misleading and non-credible report.

2. This is a grievance filed against a State Licensed Appraiser ("SLA") by homeowners following receipt of an appraisal prepared as part of a refinance transaction. The homeowners do not believe that the appraisal was accurate and

that the chosen comparables were not truly comparable. They state that homes in their neighborhood sell for \$124 - \$155 per square foot and their home was value at \$95 a foot.

3. Respondent filed a very brief response to the original grievance and included a minimal work file. He stated he performed the original appraisal on December 19, 2016. He was asked to reconsider the comparables that he utilized and on January 16, 2017 he revised the appraisal report as he was in agreement that the comparables first utilized did not accurately reflect the subject. He stated he does not count laundry rooms, open dining areas or rooms unless they are separated by walls from the other rooms.

4. Respondent was negligent by not realizing he utilized the wrong comparables on the first version of his appraisal.

5. Respondent provides no support for the site value.

6. Respondent utilized \$30 per square foot ("psf") adjustments on comparables that sold for \$120 psf.

7. His original appraisal report came to a value conclusion of \$209,000 and the revised appraisal was for \$250,000, yet the summary of sales comparison approach remained the same.

### **CONCLUSIONS OF LAW**

1. That Respondent has violated 59 O.S. § 858-723(C)(6) through 59 O.S.

§858- 726, in that Respondents violated:

- A) The Conduct Section of the Uniform Standards of Professional Appraisal Practice Ethics Rule;
- B) The Competency Rule of the Uniform Standards of Professional Appraisal Practice;
- C) The Scope of Work Rule of the Uniform Standards of Professional Appraisal Practice;
- D) Standard 1, Standards Rules 1-1, 1-2, 1-4, and 1-6; Standard 2, Standards Rules and 2-1 of the Uniform Standards of Professional Appraisal Practice. These include the subsections of the referenced rules; and

2. That Respondent has violated 59 O.S. § 858-723(C)(8): "Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal."

3. That Respondent has violated 59 O.S. § 858-723(C)(9): "Willfully disregarding or violating any of the provisions of the Oklahoma Certified Real Estate Appraisers Act."

4. That Respondent has violated 59 O.S. § 858-723(C)(13) in that Respondent violated 59 O.S. § 858-732(A)(1): "An appraiser must perform competently and not engage in conduct that is unlawful, or improper."

## CONSENT AGREEMENT

The Respondent, by affixing his signature hereto, acknowledges:

1. That Respondent has been advised to seek the advice of counsel prior to signing this document.
2. That Respondent possesses the following rights among others:
  - a. the right to a formal fact finding hearing before a disciplinary panel of the Board;
  - b. the right to a reasonable notice of said hearing;
  - c. the right to be represented by counsel;
  - d. the right to compel the testimony of witnesses;
  - e. the right to cross-examine witnesses against him; and
  - f. the right to obtain judicial review of the final decision of the Board.
3. The Respondent stipulates to the facts as set forth above and specifically waives his right to contest these findings in any subsequent proceedings before the Board and to appeal this matter to the District Court.
4. The Respondent consents to the entry of this Order affecting his professional practice of real estate appraising in the State of Oklahoma.
5. The Respondent agrees and consents that this Consent Order shall not be used by him for purposes of defending any other action initiated by the Board regardless of the date of the appraisal.
6. All other original allegations in this matter are dismissed.
7. Respondent acknowledges this will be placed on the Board's agenda for its next monthly meeting after receipt of the executed Order from Respondent,

and notice for the Order's placement on that agenda is accepted.<sup>1</sup>

### **CONSENT ORDER TO BE ACCEPTED OR REJECTED BY THE BOARD**

The Oklahoma Real Estate Appraiser Board will not submit this Consent Order for the Board's consideration until its agreement and execution by the Respondent(s). It is hereby agreed between the parties that this Consent Order shall be presented to the Board with recommendation for approval of the Board at the next scheduled meeting of the Board. The Respondent understands that the Board is free to accept or reject this Consent Order and, if rejected by the Board, a formal hearing on the complaint may be held. If the Board does not accept the Consent Order, it shall be regarded as null and void. Admissions by Respondent in the rejected Consent Order will not be regarded as evidence against him/her at the subsequent disciplinary hearing. Respondent will be free to defend himself and no inferences will be made from his willingness to have entered this agreement. It is agreed that neither the presentation of the Consent Order nor the Board's consideration of the Consent Order will be deemed to have unfairly or illegally prejudiced the Board or its individual members and therefore will not be grounds for precluding the Board or any individual Board member from further participation in proceedings related to the matters set forth in the Consent Order.

---

<sup>1</sup> Currently the 2018 Board meetings are scheduled for 9:30 a.m. for: January 10, February 7, March 7, April 4, May 2, June 6, July 11, August 1, September 5, October 3, November 7, December 5.

- **THIS CONSENT ORDER IS NOT EFFECTIVE UNTIL ITS APPROVAL BY A MAJORITY OF THE BOARD AND THE APPROVED ORDER RECEIVES A SUBSEQUENT ENDORSEMENT (“SIGNATURE”) BY A REPRESENTATIVE OF THE BOARD. THE EXECUTED ORDER IS THEN SUBJECT TO A WRITTEN ANALYSIS BY THE BY THE OKLAHOMA ATTORNEY GENERAL’S OFFICE.**

**ORDER**

WHEREFORE, on the basis of the foregoing Agreed Findings of Fact and Agreed Conclusions of Law, it is ordered and that:

1. Respondent agrees that he will successfully complete, pass the test, and provide proof of completion and passing of the test to the Board’s office for the following corrective education course within 60 days from the date the Consent Order is approved by the Oklahoma Attorney General. The course to be taken is:

- a) 602 - 30 Hours – Basic Appraisal Procedures;

2. Respondent further agrees that prior to February of 2019, he will successfully complete, pass the test, and provide proof of completion and passing of the test to the Board’s office for the following corrective education course:

- a) 613 – 30 Hours – Residential Sales Comparison & Income Approaches.

3. Failure to comply the preceding paragraph in a timely manner will result in an instanter suspension of Respondent's license. For good cause, an extension may be granted by the Board. An application for an Extension of Time should be filed in sufficient time to be placed on a Board meeting agenda in advance of the deadline.

**DISCLOSURE**

Pursuant to the Oklahoma Open Records Act, 51 O.S. §§24-A.1 – 24A.21, the signed original of this Consent Order shall remain in the custody of the Board as a public record and shall be made available for public inspection and copying upon request.

RESPONDENT:

Danny Fair  
DANNY FAIR

12-15-17  
DATE

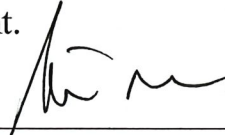
Steve Olson  
STEVE OLSON  
Counsel for Respondent

12/21/17  
DATE



**CERTIFICATE OF BOARD PROSECUTING ATTORNEY**

I believe this Consent Order to be in the best interests of the Oklahoma Real Estate Appraiser Board, the State of Oklahoma and the Respondent with regard to the violations alleged in the formal Complaint.



STEPHEN MCCALED, OBA #15649  
Board Prosecutor  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, Oklahoma 73112



DATE

IT IS SO ORDERED on this 10<sup>th</sup> day of January, 2018



ERIC SCHOEN, Board Secretary  
Oklahoma Real Estate Appraiser Board



**OKLAHOMA REAL ESTATE  
APPRAISER BOARD**

By:  \_\_\_\_\_

**BRYAN NEAL, OBA #6590**

Assistant Attorney General

Attorney for the Board

313 NE 21<sup>st</sup> Street

Oklahoma City, Oklahoma 73105

**CERTIFICATE OF MAILING**

I, Sherry Ainsworth, hereby certify that a true and correct copy of the above and foregoing instrument was mailed postage prepaid by certified mail with return receipt requested on this 26<sup>th</sup> day of January, 2018 to:

**Stephen L. Olson**

PIERCE COUCH HENDRICKSON BAYSINGER & GREEN

P.O. Box 26350

Oklahoma City, OK 73126

*Attorney for the Respondent*

**9214 8902 0982 7500 0049 69**

and that copies were forwarded by first class mail to the following:

**Bryan Neal, Assistant Attorney General**

OFFICE OF THE ATTORNEY GENERAL

313 N.E. 21<sup>st</sup> Street

Oklahoma City, OK 73105

**Stephen L. McCaleb**

DERRYBERRY & NAIFEH

4800 N. Lincoln Boulevard

Oklahoma City, OK 73105

*Board Prosecutor*



SHERRY AINSWORTH



RECEIVED  
OKLAHOMA INSURANCE DEPT.

JAN 25 2018

Real Estate Appraiser Board

OFFICE OF ATTORNEY GENERAL  
STATE OF OKLAHOMA

ATTORNEY GENERAL OPINION  
2018-14A

Christine McEntire, Director  
Oklahoma Real Estate Appraiser Board  
3625 N.W. 56th St., Ste. 100  
Oklahoma City, OK 73112

January 25, 2018

Dear Director McEntire:

This office has received your request for a written Attorney General Opinion regarding action that the Oklahoma Real Estate Appraiser Board intends to take pursuant to a consent order with licensee 12577SLA in case 17-004. The licensee failed to comply with the Uniform Standards of Professional Appraisal Practice when preparing an appraisal. The Board proposes to require the licensee to complete two corrective courses, the first is to be completed within 60 days and the second within 1 year.

The Oklahoma Certified Real Estate Appraisers Act authorizes the Board “[t]o censure, suspend and revoke certificates pursuant to the disciplinary proceedings provided in [the Act,]” *see* 59 O.S.Supp.2017, § 858-706(7), and to require payment of fines and costs and the completion of educational programs. *Id.* § 858-723(A)(7)-(9). The Board may discipline licensees who “[v]iolat[e] any of the provisions in the code of ethics set forth in [the] Act.” *Id.* § 858-723(C)(13). The Act requires adherence to the Uniform Standards of Professional Appraisal Practice, which contains professional requirements pertaining to ethics, competency, and scope of work. 59 O.S.2011, § 858-726. The Board may reasonably believe that the proposed action is necessary to prevent future violations.

It is, therefore, the official opinion of the Attorney General that the Oklahoma Real Estate Appraiser Board has adequate support for the conclusion that this action advances the State’s policy to uphold standards of competency and professionalism among real estate appraisers

MIKE HUNTER  
ATTORNEY GENERAL OF OKLAHOMA

AMANDA OTIS  
ASSISTANT ATTORNEY GENERAL