

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

In the Matter of MICHAEL D. FLESHER, )	Complaint #17-002, 17-
Respondent. )	005, and 17-019
)	

**CONSENT ORDER FOR RESPONDENT MICHAEL D. FLESHER**

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent MICHAEL D. FLESHER, and enters 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.

**COMPLAINT 17-002 - INTRODUCTION**

On March 22, 2016 the Board issued Board Order #16-004, in a previous matter, in which this respondent was placed on probation for a period of six months beginning on September 1, 2016. As part of that probation, the respondent is required to submit monthly work logs for all appraisal assignments performed during the month prior. From each work log, appraisal assignments may be randomly requested for review. On January 6, 2017, pursuant to a request from Board staff, the Respondent submitted his appraisal report for 3708 Presidio Circle in Norman, which was listed on his work log for appraisal assignments completed during the month of December. This report was submitted to a member of the Board’s Standards and Disciplinary Procedures Committee for review.

Pursuant to Board Order #16-005, the respondent completed Basic Appraisal Procedures, Residential Site Valuation and Cost Approach and Residential Sales Comparison and Income

Approach between May and August of 2016. However, the findings of the reviewer are much the same as the identified problems in the originating complaint and the Findings of Fact and Conclusions of Law in Board Order #16-004.

**AGREED FINDINGS OF FACT 17-002**

1. In September of 2016, Respondent was hired by First United Bank Mortgage (the “client”) to complete an appraisal (the “appraisal”) for a property located at 20170 108<sup>th</sup> Street, Lexington, Oklahoma (the “subject”). Respondent completed and transmitted the appraisal with an effective date of September 8, 2016. The appraisal’s intended use was for a “Purchase Transaction.”

2. Respondent committed a series of errors in the report which led to a misleading, confusing, and non-credible report.

**Neighborhood Section**

3. The factors that affect marketability are not adequately and reasonably described.

4. The neighborhood boundaries are not adequately and reasonably defined.

5. Market area trends are not adequately and reasonably discussed and analyzed.

6. The neighborhood is defined in a very broad sense, including other counties. No specific area was defined as the subject’s immediate neighborhood. Respondent states there are support facilities that are in close proximity to the subject, but doesn’t say how far away. This section is vague.

7. The market trends are not set out. List to sales ratio is not mentioned in the report, nor are current rates and types of mortgages available. The OKC MLS has portions that delineate

these types of things, but no mention was made of them in the report, so I don't know what the data was for the subject area.

8. There is no mention of market trends outlined as to what other land uses are, and the one-unit housing range shown on page 1 is not supportable.

**Site/Highest & Best Use (when value opinion developed is Market Value)**

9. The site has not been adequately identified/defined by Respondent.

10. Easements, restrictions or other items of a similar nature have not been adequately reported and considered by Respondent.

11. No site dimensions were calculated. Dimensions were stated to be "unknown". The tract is an irregular rectangle per legal description and is composed of 2 tracts. Zoning shows to be legal, but the box for "no zoning" is not checked. Report says there are no easements, etc., that would affect the property, but since this is a rural tract, there are always statutory roadway easements, perhaps utility easements & sometimes oil & gas leases, but the report does not exclude any of those nor does it tell about them. If Respondent did not know the dimensions of the site, then it would have been advisable for him to state why he didn't know so that the client could decide whether or not a survey was needed.

**Description of Improvements**

12. Relevant characteristics of improvements and any effect they have on value have not been adequately described.

13. The specification sheet from the builder were included. It does not set out any specifics about the actual construction. Page 1 filled in by Respondent sets out interior and exterior finish. No comments were provided as to whether the information for finish was from the owner or builder. The plans indicate a half story over level 1. Viewing the elevation photos

provided, it appears that there is a possibility that the upper level side walls may be sloped. No reference is made as to whether upper level side walls will be sloped and whether or not that would affect the actual square footage of the house.

14. County records indicate there had been some sort of structure previously on the property. No comments were made regarding this fact or whether or not the well & septic were the original ones on the property or if they are new like the construction.

#### **Cost Approach**

15. The site value was not developed by an appropriate appraisal method or technique.

16. The cost estimates were not analyzed and supported.

17. Respondent did not identify and correctly analyze depreciation items (physical, functional, external).

18. Respondent has not correctly employed recognized methods and techniques.

19. The cost approach requires the appraiser to provide adequate information for the client to replicate the cost figures. It asks for support of the opinion of site value. Respondent states the estimated site value is determined from extraction method, but there is no explanation of that method. Although page 3 does outline some references to how much per acre the comparables were adjusted, there is no basis for that adjustment. The only way to determine a market adjustment for the various sites versus the subject would be to determine the actual value of the subject site by its own comparables and then do the same for the sites of the comparable sales.

#### **Sales Comparison Approach**

20. Respondent has not analyzed comparable sales data and used appropriate appraisal methods and techniques that support the conclusions.

21. No adequate reasoning was provided for adjustments, analysis, opinions and conclusions.

22. Respondent did not correctly employ recognized methods and techniques.

23. There is a lack of explanation of the adjustments to comparable sales. Only vague comments were made. Adjusting a 5 acre site with house sale to one with over 79 acres requires more explanation. Both sales 1 & 2 were approximately 5 acre tracts while sale 3 was 80 acres, more like the size of the subject tract. Sale 3, however, as reported by OKC MLS sold for \$376,000. Respondent states loan type was unknown, however, in this sale was financed as an agricultural loan, with a loan in excess of the sales price of the property. No mention was made regarding this fact and whether or not there was any equipment or fixtures included in the sale. Respondent did not list any specific differences as to equipment such as appliances for the comparables or the subject. The vast difference in distance from the comparables to the subject ranges from 10.92 miles to 72.22 miles. When going outside the subject area, an appraiser should be sure to fully explain why the area was expanded and what methods were used to assure those areas were similar to subject.

#### **Income Approach**

24. The exclusion of the Income Approach is not supported.

25. Respondent did not fully explain the area where subject was located so it is not known whether there are other houses or other structures anywhere nearby. Therefore, there was no mention of whether or not the subject house, as proposed, would be in an area where rentals were or were not located.

### **Final Reconciliation**

26. The quality and quantity of data available and analyzed within the approaches used was not adequately reconciled.

27. The reconciliation section states that the value was based on the comps being weighted, but no explanation of how this was determined, which was that sale 1 was at 30%, sale 2 at 30% and sale 3 at 20%.

28. The value reported is shown as “subject to completion per plans and specs” however, no “as is” value is set out anywhere in the report other than the site valuation on page 2, which has no mention of well, septic. Also description of improvements lists pipe fencing, but that is not mentioned in the cost approach, nor are any other site improvements. For these reasons, it is difficult to determine whether or not these facts were considered in the valuation of the tract and thus in the final reconciliation. There does need to be an “as is” stated value for the property as it was found on the date of Respondent’s last inspection.

### **General Revisited**

29. The appraisal results conveyed were misleading.

30. The appraisal report does not contain sufficient information to enable the client to understand it properly.

31. The salient and factual data reported and analyzed was not in a consistent manner throughout the assignment.

### **COMPLAINT 17-005 - INTRODUCTION**

On March 22, 2016 the Board issued Board Order #16-004, in a previous matter, in which this respondent was placed on probation for a period of six months beginning on

September 1, 2016. As part of that probation, the respondent is required to submit monthly work logs for all appraisal assignments performed during the month prior. From each work log, appraisal assignments may be randomly requested for review. On January 6, 2017, pursuant to a request from Board staff, the Respondent submitted his appraisal report for 3708 Presidio Circle, Norman, Oklahoma, which was listed on his work log for appraisal assignments completed during the month of December. This report was submitted to a member of the Board's Standards and Disciplinary Procedures Committee for review.

Pursuant to Board Order #16-005, the respondent completed Basic Appraisal Procedures, Residential Site Valuation and Cost Approach and Residential Sales Comparison and Income Approach between May and August of 2016. However, the findings of the reviewer are much the same as the identified problems in the originating complaint and the Findings of Fact and Conclusions of Law in Board Order #16-004.

#### **AGREED FINDINGS OF FACT 17-005**

32. Upon information and belief, in November of 2016, Respondent was hired by F&M Bank (the "client") to complete an appraisal (the "appraisal") for a property located at 3708 Presidio Circle, Norman, Oklahoma (the "subject"). Respondent completed and transmitted the appraisal with an effective date of December 2, 2016. The appraisal's intended use was for a "Pre Construction Speculative Construction."

33. Respondent committed a series of errors in the report which led to a misleading, confusing, and non-credible report.

34. The subject is located in a Planned Unit Development (“PUD”) with homeowners’ association (“HOA”) dues. Respondent does not have the PUD box in the report marked and there is no amount in the HOA blank.

#### **Neighborhood Section**

35. The Market area trends were not adequately and reasonably discussed and analyzed.

36. The neighborhood description is not unique to the subject neighborhood. The comments are too general. There are no comments that are unique to the subject’s immediate area. Respondent should also discuss the development of the subdivision – such as marketing time. Respondent writes that there is an over supply, but has the marketing time as less than six months. The marketing time on the two of the sales used in the report are over six months and they are both new construction. The pre-owned home sold in less time than the new construction.

#### **Description of Improvements**

37. Relevant characteristics of improvement and any effect they have on value were not adequately described.

38. The subject is new construction. Respondent reports the quality is Q4. The sales are also Q4, but MLS data sheets state the sales have granite counter tops, tile floors, stainless steel appliances, etc. These are all elements of upgrades and not typically found in Q4 construction.



39. Respondent did not mention any upgrades on the subject. Sales built by the same builder state the builder gave \$5,000 in upgrades, closing costs, blinds, fence, etc. Respondent does not mention any upgrades or extras provided by the builder.

#### **Cost Approach**

40. The site value was not developed by an appropriate appraisal method or technique.

41. Cost estimates were not analyzed and supported.

42. Respondent did not correctly employ recognized methods and techniques.

43. Respondent did not put any “proof” of the site value in the report. It is stated on the report that support for the site value must be in the report. Respondent stated he used Building-Cost.net for the cost estimate. He did not attach the building cost estimate to the report.

#### **Sales Comparison Approach**

44. Respondent did not analyze comparable sales data and use appropriate appraisal methods and techniques that support the conclusions.

45. Respondent has not adequately collected, verify, and report comparable sales.

46. There was not adequate reasoning provided for adjustments, analysis, opinions and conclusions.

47. Respondent did not correctly employ recognized methods and techniques.

48. Respondent has comments on the sales approach on three different pages and the comments in two places are “canned comments” and not unique to the subject property.

49. Respondent’s deductions should be “market driven” rather than abstracted. Sale No. 1 has extensive upgrades – Italian marble counter tops, wood fence allowance and \$3,000 in

builder special pre-pays and upgrades. There are no adjustments made for these items. This sale was listed a total time of 464 days.

50. For sale Number 2, Respondent should have deducted the sales concessions on Sale No. 2 because the sale price is the same as the list price and therefore the sales concessions appear to have affected the sales price. This sale has several upgrades. But without knowing what upgrades the subject has, the reader is not sure if a quality adjustment should be made.

51. Sale No. 3 has a hot tub, sprinkler system, pergola, covered patio, stained and cased windows.

52. Listing No. 1 is built by the same builder and is listed at less than the market value of the subject. This listing is very similar to the subject and the adjusted value was \$217,120. The listing has since expired after being on the market for 285 days.

53. Listing No. 2 has upgrades and has also had the list price reduced since the appraisal was completed. The appraiser should look at the listings and give them some consideration, since the subject is new construction and will be competing with the listings.

#### **Income Approach**

54. Respondent has not correctly employed recognized methods and techniques.

55. Exclusion of the Income Approach was not supported.

56. There is no explanation for why the income approach was not used.

#### **Final Reconciliation**

57. The quality and quantity of data available and analyzed within the approaches used has not been adequately reconciled.

58. The applicability and suitability of the approaches used to arrive at the value conclusions has not been adequately reconciled.

59. Since the subject is “to be built”, Respondent should look carefully at listings and if there is an oversupply then a negative marketing adjustment may need to be made. If Respondent had relied more on Listing No. 1 (built by the same builder as the subject), the market value would have been different. The report is mis-leading to the client based on the number of days on the market for the new construction home sales and listings.

#### **General Revisited**

60. The appraisal results were not conveyed in an appropriate manner.
61. It does not appear that Respondent understands the appraisal process.
62. The report does not contain sufficient information to enable the client and intended user who receive or rely on the report to understand it properly.
63. The salient and factual data reported and analyzed was not in a consistent manner throughout the assignment.
64. Respondent should put more detail into the description of the subject property. There is no basis on the information in the report to determine if the subject’s quality of construction is Q3 or Q4. In fact, there is no mention of any upgrade or special features of the subject.

#### **COMPLAINT 17-019 - INTRODUCTION**

On March 22, 2016 the Board issued Board Order #16-004, in a previous matter, in which this respondent was placed on probation for a period of six months beginning on September 1, 2016. As part of that probation, the respondent is required to submit monthly work logs for all appraisal assignments performed during the month prior. From each work log, appraisal assignments may be randomly requested for review. On February 7, 2017, pursuant to a

request from Board staff, the Respondent submitted his appraisal report for 7801 Lewis Road, Lexington, Oklahoma, which was listed on his work log for appraisal assignments completed during the month of December. This report was submitted to a member of the Board's Standards and Disciplinary Procedures Committee for review.

Pursuant to Board Order #16-005, the respondent completed Basic Appraisal Procedures, Residential Site Valuation and Cost Approach and Residential Sales Comparison and Income Approach between May and August of 2016. However, the findings of the reviewer are much the same as the identified problems in the originating complaint and the Findings of Fact and Conclusions of Law in Board Order #16-004.

**AGREED FINDINGS OF FACT 17-019**

65. In January of 2017, Respondent was hired by First United Bank Mortgage (the "client") to complete an appraisal (the "appraisal") for a property located at 7801 Lewis Road, Lexington, Oklahoma (the "subject"). Respondent completed and transmitted the appraisal with an effective date of January 9, 2017. The appraisal's intended use was for a refinance transaction

66. Respondent committed a series of errors in the report which led to a misleading, confusing, and non-credible report.

#### **Neighborhood Section**

67. The factors that affect marketability are not adequately and reasonably described.
68. The neighborhood boundaries were not adequately and reasonably defined.
69. The market area trends are not adequately and reasonably discussed and analyzed.
70. The neighborhood boundaries are incomplete. The appraiser states the price range in the neighborhood is from \$5,000 to \$565,000; however, the appraiser had to go from 29.15 to 43.59 miles to locate sales. This indicates that the neighborhood description is incorrect.
71. The information found in the Market Conditions section of the neighborhood is not supported and provides no information as to prevailing rates or what type loans are available or at what rates. No MLS statistics are provided.

#### **Site Section**

72. Easements, restrictions or other items of a similar nature have not been adequately reported and considered.
73. The report states that the only easements affecting the subject property are utility easements. Since this is a rural property located on a country roadway, there is most likely a roadway easement. There could also be oil/gas leases that cross the property. It is unclear whether the appraiser checked for oil/gas leases and he made no mention of the statutory roadway easement or whether or not a survey had been reviewed.

#### **Improvements Section**

74. Relevant conditions or depreciation (physical, functional or external) factors that affect the improvements have not been reported and analyzed.

75. The improvements section where an appraiser is asked to list or check the items such as range/oven, dishwasher, etc. is blank. The line for "other" has "new cont" listed on t that line. This does not tell the reader anything about the house's equipment.

76. In the last section of page 1 the report states or checks "yes" that the property generally conforms to the neighborhood, but the MLS provided statistics show from 1/16 through 1/17 the average sales price was from \$171,702 to \$192,335 and the median sales price was from \$149,250 to \$161,000. These statistics show that most likely the subject has improvements that exceed those of other properties in Lexington. No mention was made as to whether subject improvements are super adequate for the area.

#### **Cost Approach**

77. The site value developed was not an appropriate appraisal method or technique.

78. The cost estimates are not analyzed and supported.

79. The report did not identify and correctly analyze depreciation items (physical, functional, external).

80. The appraiser has not correctly employed recognized methods and techniques.

81. Report states that the estimated site value is determined from the subject land use. This is not an accepted method of valuing the subject site. No data was provided showing land sales in the area of subject or those of the comparable sales. No mention was made of physical or other types of depreciation.

82. Source of cost data is shown as "builder provided plans". This is not a verifiable data source.

83. The cost approach section shows the size of the garage is 858 Square feet ("SF") while the plans and builder statements provided indicated 1,200 SF.

### **Sales Comparison Approach**

84. The report did not contain quality comparable sales data nor use appropriate appraisal methods and techniques that support its conclusions.

85. Adequate reasoning was not provided for adjustments, analysis, opinions and conclusions.

86. The appraiser did not correctly employ recognized methods and techniques.

87. The report indicates that there have been 13 comparable properties offered in the subject neighborhood of from \$375,000-\$950,000. It also says there were 9 comparable sales in the subject neighborhood within the past 12 months of from \$355,000-\$765,000. The MLS stats do not verify these statements.

88. Regarding adjustments, sale 2, which was 10 years old had no age adjustment. A \$48,000 condition adjustment was applied to sale 2, but no explanation was provided as to what made up that adjustment. Sale 3 which was 3 years old had no adjustment. The amenities of barns on sales 1 & 2 were given large dollar adjustments, but no narrative was provided to describe those adjustments.

89. Although the sales are all located at least 29.15 miles away from subject, no data was provided showing the prices of similar sized tracts in those areas. This information would be needed to determine whether or not there was a location adjustment warranted. Site/location adjustments should be based on the market and not the price of subject land.

### **Summary**

90. The appraisal report results were conveyed in a misleading manner.

91. Respondent does not understand the appraisal process.

92. The report does not contain sufficient information to enable the client and intended user who receive or rely on the report to understand it properly.

93. Although the plans indicate there are 2 covered rear patios/porches and a covered front porch, those items are not shown in the cost approach.

**AGREED VIOLATIONS OF LAW FOR ALL THREE MATTERS**

1. That Respondent has violated 59 O.S. § 858-723(C)(6) through 59 O.S. §858- 726, in that Respondents violated:

- A) The Ethics, and Conduct Sections 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 2-1, and 2-2 of the Uniform Standards of Professional Appraisal Practice. These include the sub sections of the referenced rules; and

2. That Respondent has violated 59 O.S. § 858-723(C)(7): "Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal."

3. 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."



4. 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."

5. 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 ethically and competently and not engage in conduct that is unlawful, unethical or improper. An appraiser who could reasonably be perceived to act as a disinterested third party in rendering an unbiased real property valuation must perform assignments with impartiality, objectivity and independence and without accommodation of personal interests."

6. That Respondent has violated 59 O.S. § 858-723(C)(5): "An act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the certificate holder or another person or with the intent to substantially injure another person."

7. That Respondent has violated 59 O.S. § 858-723(C)(6): "Violation of any of the standards for the development or communication of real estate appraisals as provided in the Oklahoma Certified Real Estate Appraisers Act."

#### **CONSENT AGREEMENT**

The Respondents, by affixing their signature hereto, acknowledges:

1. That Respondents have been advised to seek the advice of counsel prior to signing this document,

2. That Respondents 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 Respondents stipulate to the facts as set forth above and specifically waives their right to contest these findings in any subsequent proceedings before the Board and to appeal this matter to the District Court.

4. The Respondents consent to the entry of this Order affecting their professional practices of real estate appraising in the State of Oklahoma.

5. The Respondents agree and consent that this Consent Order shall not be used by either of them 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.

### **ORDER**

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

1. Respondent agrees that he will successfully complete and provide proof of completion to the Board's office to the following corrective live education courses (tested and passed) within six (6) months from the date the Consent Order is finalized and signed by the Oklahoma Attorney General's office. The courses to be taken are:

- |    |   |          |
|----|---|----------|
| a) | Basic Appraisal Principles                  | 30 Hours |
| b) | Residential Market Analysis and HBU         | 15 Hours |
| c) | Residential Report Writing and Case Studies | 15 Hours |

2. An administrative fine in the amount of Two Thousand Dollars (\$2,000), to be paid in accordance with 59 O.S. §858-723(B)(2) and;

3. Respondent, after completion of the courses listed in paragraph 1 of the Order, shall be on probation for six (6) months. Respondent shall provide an appraisal log on REA Form 3 to the administrative office of the Board no later than the fifth working day of each

month detailing all his appraisal activity during the preceding month. The Board may select and require samples of work product from the appraisal logs be sent for review.

**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. If any of the requirements under

**FUTURE VIOLATIONS**

In the event the Respondent fails to comply with any of the terms and conditions of this Consent Order, Respondent will be suspended instanter until proof of compliance is provided to the offices of the OREAB.

RESPONDENT:



MICHAEL D. FLESHER

1-8-2018  
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 7<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 30<sup>th</sup> day of January, 2018 to:

**Michael D Flesher**  
3712 Millers Creek Ln  
Mustang, Oklahoma 73064 9225

9214 8902 0982 7500 0050 03

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

  
SHERRY AINSWORTH



RECEIVED  
OKLAHOMA INSURANCE DEPT.

JAN 25 2018

Real Estate Appraiser Board

OFFICE OF ATTORNEY GENERAL  
STATE OF OKLAHOMA

ATTORNEY GENERAL OPINION  
2018-15A

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 with respect to licensee 13015CRA in cases 17-002, 17-005, and 17-019. The licensee failed to comply with the Uniform Standards of Professional Appraisal Practice when preparing several appraisals. The Board proposes to require the licensee to complete three corrective education courses, pay a fine of \$2,000, and submit to six months of probation.

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

A handwritten signature in black ink, appearing to read "Mike Hunter".

MIKE HUNTER  
ATTORNEY GENERAL OF OKLAHOMA

A handwritten signature in black ink, appearing to read "Amanda Otis".

AMANDA OTIS  
ASSISTANT ATTORNEY GENERAL