

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

In the Matter of PATSY J. SPRAY,)
Respondent.)

Complaint #15-008

CONSENT ORDER FOR RESPONDENT PATSY J. SPRAY

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent PATSY J. SPRAY, who appears with her attorney Clint Claypole, and enter into this Consent Order pursuant to Oklahoma Statutes Title 59 O.S. §858-700, et seq. and Oklahoma Administrative Code 600:10-1-1, et seq. All sections of this order are incorporated together.

AGREED FINDINGS OF FACT

1. On March 7, 2014, Respondent was hired to complete an appraisal (the “appraisal”) for a property located at 3613 Last Chance, Enid, Oklahoma (the “subject”). Respondent completed and transmitted the appraisal to Rels Valuation (the “client”) with an effective date of March 17, 2014. The appraisal’s intended use was for a “Refinance Transaction.”

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

THE NEIGHBORHOOD SECTION

3. The information in the neighborhood section is not complete and accurate. Based on research of data for the neighborhood boundaries defined, Present Land Use is inaccurately presented, there are alternative housing types available as well as commercial businesses.

4. Under One-Unit Housing Trends, Property Values are marked Stable. However, appraiser states in comments, the Market is stable and values are increasing. Values are currently stable.

5. The West Boundary is stated to be Garland Road, but should be Imo Road, as Comparable 1 and 4 are West of this boundary.

6. The South Boundary is stated to be Willow Road, but should be Chestnut, as Comp 2 is South of this boundary.

7. Comparables 3 and 4 are outside of the original described boundaries.

CHOSEN COMPARABLES

8. The comparable scales selected locationally, physically, and functionally are not the most similar to the subject property.

9. Based on neighborhood boundaries defined in the neighborhood section of the report, Comparables, 1, 2 and 4 are outside of the defined boundaries.

10. MLS search of the boundaries indicated, for the one year prior to the effective date of the report, yielded 26 results with search parameters of 2500-4000 square foot and 9 results with similar square footage, but limiting age from 0-20 years.

11. Two similar and competing neighborhoods lie just outside the defined boundaries. Research indicates 7 additional competing comparables were available in these neighborhoods and 32 properties overall with expanded boundaries.

12. Comparable 1 is considered superior in site and amenities.

13. Comparables 2 and 3 are within City limits and offer city water, sewer, and street maintenance.

THE SALES COMPARISON APPROACH

14. The data and analysis (including the individual adjustments) presented in the sales comparison approach are not complete and accurate.

15. Based on MLS data, days on the market for Comp 2 shows to be 196 not 139.

16. Site size is adjusted on 2 of the 4 Comparables with no explanation.

17. Comparable 2 is adjusted for location with no explanation.

18. Comparable 1 is adjusted for age with no explanation.

19. Square footage adjustments are calculated at \$25/sf. Adjustments are typically done at a higher rate in this quality of home.

20. MLS and County Assessor data shows Comparable 1 to have additional out-buildings and amenities not listed in report.

21. MLS data shows Comparable 2 to have 3 full baths and 2 half baths. Report lists it at 4 baths instead of 3.2.

22. For Comparable. 3, the picture included in the report is not of this property. Comp. 3 is a white brick home.

INCOME AND COST APPROACH

23. The data and analysis presented in the income and cost approaches are not complete and accurate.

24. Cost approach quality rating from Cost Service is listed as Average. In Improvement section of report, Appraiser shows several aspects of the materials and conditions to be good. This is contradictory. While this rating is somewhat subjective, the Quality of home in consideration should be good.

25. Report states Site value is \$35,000. Based on MLS research several competing sites in neighborhood were listed for \$25,000. Based on MLS research of average quality homes, the cost per square foot appears to be high.

OPINION OF MARKET VALUE

26. The opinion of market value in the appraisal report is not accurate as of the effective date of the appraisal report.

27. Comparables 1, 2, and 3 are considered superior in both Quality and Location.

28. Comparable 1 has several additional buildings and acreage.

29. Comparables 2 and 3 are in superior neighborhoods, with city amenities of water and sewer. Additional comparables were available in competing, small acreage neighborhoods, in same school district. Competing property in same neighborhood, located across the street from the subject sold 6 months prior to the effective date of this appraisal. No mention of this sale noted.

AGREED CONCLUSIONS OF LAW

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

A) The Ethics Rule and 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, 1-3, 1-4, 1-5, 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.

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 Respondent, by affixing his signature hereto, acknowledges:

1. That Respondent has been advised to seek the advice of counsel prior to signing this document, and
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 her 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 her 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 her for purposes of defending any other action initiated by the Board regardless of the date of the appraisal.
6. Respondent acknowledges that this Order must be approved by the OREAB. If it is not, Respondent understands that the matter will be reset for further hearing and that the OREAB will vote on any further recommendations or other proposals.

7. Respondent acknowledges that, pursuant to Executive Order 2015-33, this order shall not become effective until the Oklahoma Attorney General reviews and approves this order.

8. 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 and that:

1. Respondent shall pay an administrative fine of \$2,000 within thirty (30) days of receipt of the fully executed Order, in accordance with 59 O.S. §858-723(B)(2).

2. Respondent agrees to complete the following course: 613 - Residential Sales Comparison and Income Approach 30 hours. Respondent shall complete the course within four months of receipt of the filing of this Order.

3. Respondent is placed on probation for a period of six (6) months from the date she completes the 613 - Residential Sales Comparison and Income Approach class. During the period of probation, 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, starting on the 5th day following her completion of the course, detailing her appraisal activity during the preceding month. The Board may select and require samples of work product from these 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.

FUTURE VIOLATIONS

In the event the Respondent fails to comply with any of the terms and conditions of this Consent Order, Respondent will be ordered to show cause for her failure to comply which could result in additional penalties.

RESPONDENT:

Patsy J. Spray
PATSY J. SPRAY

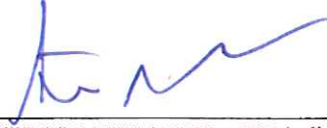
2-24-16
DATE

Clint Claypole
CLINT CLAYPOLE

2/24/2016
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 Prosectuor
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma 73112

3-1-16

DATE

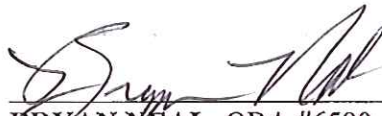
IT IS SO ORDERED on this 2nd day of March, 2016.



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 21st Street
Oklahoma City, Oklahoma 73105

CERTIFICATE OF MAILING

I, Sherry Ainsworth, hereby certify that on the 24th day of March, 2016 a true and correct copy of the above and foregoing Consent Order for Respondent Patsy J. Spray was placed in the U.S. Mail, with postage pre-paid, by certified mail, return receipt requested to:

Clint A. Claypole
FIELD, TROJAN, LONG & CLAYPOLE, P.C.
P.O. Box 5676
Enid, OK 73702-5676

7015 1520 0003 4174 3076

Patsy J. Spray
4113 Sandview Drive
Enid, Oklahoma 73703

7015 1520 0003 4174 3083

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

Brent W. Stovall, Hearing Panel Officer
PO Box 7624
Edmond, OK 73083

Bryan Neal, Assistant Attorney General
OFFICE OF THE ATTORNEY GENERAL
313 N.E. 21st Street
Oklahoma City, OK 73105

Mark C. Thompson, Hearing Panel Officer
11708 Bevonshire Road
Oklahoma City, OK 73096

Stephen L. McCaleb
DERRYBERRY & NAIFEH
4800 N. Lincoln Boulevard
Oklahoma City, OK 73105

Jevon Tresner, Hearing Panel Officer
8340 NW 105th St
Oklahoma City, OK 73162


Sherry Ainsworth