

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

In the Matter of ANGELIA MICHELLE LANDERS,)
Respondent.) Complaint #16-005

CONSENT ORDER FOR RESPONDENT ANGELIA MICHELLE LANDERS

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent ANGELIA MICHELLE LANDERS, represented by Fourth Scoufos, 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.

AGREED FINDINGS OF FACT

1. In June of 2015, Respondent was hired to complete an appraisal (the “appraisal”) for a property located at 304 Carlton Way, Muskogee, Oklahoma (the “subject”). The client was American Southwest Mortgage Corporation. Respondent completed and transmitted the appraisal with an effective date of June 29, 2015. The report was for a refinance transaction.

2. Respondent does not dispute that she committed a series of errors in the report which led to a misleading and non-credible report. These errors include, but are not limited to, the following.

NEIGHBORHOOD SECTION

3. The information in the Neighborhood section is not accurate. Respondent has two west boundaries. The correct neighborhood boundary should be Hancock on the North, Gullick on the East, Peak Boulevard on the South, and Cherokee Street on the West.

4. Using Multi Listing Service and the appropriate boundaries, the lowest sale was \$43,000, the highest sale was \$132,000 and the predominant price was \$84,900. This conflicts

with what was reported by Respondent, who reported that the lowest sale was \$20,000, the highest sale was \$160,000 and the predominant price was \$90,000.

IMPROVEMENTS SECTION

5. The information in the Improvements section is not accurate. The subject property appears to have an addition (family room), thus making it larger than most of the 3 bedroom homes with 1.1 baths. The majority of sales with similar square footage have two full baths and two car garages. The Respondent did not comment on the family room addition – such as when it was built and if the heat/air is adequate (if the family room has heat/air ducts). The Respondent does not comment on if this is a functional issue.

SALES COMPARISON APPROACH

6. The Comparable sales for this Appraisal are not locationally, physically or functionally similar to the subject property.

7. Sale Number 1: The Respondent should have made a larger bath adjustment since this sale has 2 baths. This sale has a screened-in patio which was not disclosed, analyzed, nor adjusted for in the report. The days on market are not correct. The days on market should be 133 days, and not 160 days. The financing was cash and not conventional.

8. Sale No. 2: MLS states the seller paid \$4,429 in sales concessions. Since the sale price is over the list price, Respondent should have deducted for the sales concessions. This sale has more remodeling than the subject (based on MLS comments – new appliances, bathroom fixtures, insulated windows, patio door, etc.). The Respondent should have made a negative condition adjustment on this sale. The Respondent should have made a larger bathroom adjustment since this sale has two baths. The days on market is not correct. The days on market

should be 128 days not 156 days. The picture used in the appraisal is an old assessor photo. The financing is a FHA loan; and not conventional as reported in the report.

9. Sale No. 3: This sale has a 25x30 foot shop that the Respondent should have mentioned in her report. The property was listed for 15 days on a current listing, and a total of 378 days, not the reported 51 days. The Respondent should have made a larger negative bathroom adjustment since this sale has two baths; and should have made an adjustment for the shop. The picture used in the Appraisal is an old assessor card picture. The financing is cash, not conventional as reported in the report.

10. Sale No. 4: This sale has a converted garage. Respondent used an old assessor picture that does not show the garage conversion. The square footage on the Report is not accurate, because it does not include the garage conversion. MLS states the square footage is 1,443 per the Report. MLS states the buyer paid \$2,982 in sales concessions, which is not listed on the Report. The Respondent should have used this sale as one of the first three sales since it has the same number of baths as the subject. The dates on market should be 71 days not the reported 148 days. The property sold as a FHA loan, not conventional.

11. Sale No. 5: This sale was not listed for sale in MLS. Respondent should have verified the sale with the buyer or seller, but no mention of the verification with the buyer or seller is listed in the Report. This sale sold as a FHA loan, not conventional. No days on market were reported on the report. The picture on the Appraisal is from an old assessor picture.

12. Listing No. 1: The reported gross living area of 1,655 square feet conflicts with the gross living area reported on MLS, which was 1,677 square feet. The County Assessor has the square footage as 1,189 square feet. This is an Real Estate Owned ("REO") HUD sale and the Respondent did not comment on the C3 rating for an REO property. The property ended up

selling for \$94,000 – after being listed for sale at \$100,800.00. Respondent provided no analysis about this price discrepancy.

13. Listing No. 2: This listing had the list price reduced to \$94,900 (7/4/2015) from \$99,000 and sold for \$90,000. The Respondent adjusted the gross living area at \$12.00/sq.ft. This number is inadequate.

COST APPROACH

14. There is no support for the site value. According to the directions on the form, there has to be support for the site value. The cost information is not adequate. Respondent should have quoted the Marshall & Swift page and book number or have a cost estimate attached from a builder. There should be information for the reader to replicate the cost approach.

OTHER ISSUES

15. The subject reportedly sold on March 12, 2014, for a reported price of \$90,000. Respondent is required to analyze the sale. This is not attempted nor completed in the Report. Respondent should have asked the owner for the details of the sale, since the property was not listed for sale in the MLS. It may not have been an “arms-length sale”.

16. The Respondent states she received the MLS sheets “from her best friend.” Additionally, the Respondent states she could not provide the type of financing because it was not listed on the MLS Sheet, which is simply unacceptable; her neighborhood boundaries are off; her very specific size adjustments are questionable; she adjusted at \$12.00 per SF without explanation or support; she missed the Florida Room on Comparable #1; she missed the shop on Comparable #3; she did not identify the converted garage on Comparable #4; she did not identify the previous sale of the subject and failed to adjust for seller concessions on Comparable #2 or explain why she did not.

VIOLATIONS OF LAW

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) The Record Keeping Rule of the Uniform Standards of Professional Appraisal Practice;
- E) Standard 1, Standards Rules 1-1, 1-2, 1-3, 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.

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 Respondent ANGELIA MICHELLE LANDERS:

1. shall complete the following courses, which can be taken in person or on-line, said education shall be completed within sixty (60) days after the approval of this Order: Course #60M: Online General Appraiser Report Writing and CS: 1703; and 952: Online Data Verification Methods: 1804; Respondent shall provide the OREAB office proof of completion of the courses within sixty (60) days of this Order's effective date (which will begin upon receipt of the Order's approval from the Oklahoma Attorney General's Office).

2. An administrative fine in the amount of Five Hundred Dollars (\$500), to be paid in accordance with 59 O.S. §858-723(B)(2) and;

3. Respondent, after completion of the two courses listed in paragraph 1 of the Order, shall be on probation for ninety (90) days. 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 her 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.

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~~suspended for her-his failure to comply which could result in additional penalties. Said suspension shall continue until Respondent provides proof to the Board of completing her requirements in this Order.

RESPONDENT:

Angelica Michelle Landers
ANGELIA MICHELLE LANDERS

2/24/17

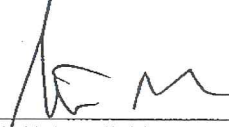
DATE

Fourth Scoufos
FOURTH SCOUFOS, COUNSEL FOR
RESPONDENT

2/24/2017
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 56th Street, Suite 100
Oklahoma City, Oklahoma 73112

2-27-17

DATE

IT IS SO ORDERED on this 1st day of March, 2017.



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 a true and correct copy of the above and foregoing instrument was mailed postage prepaid by certified mail with return receipt requested on this 28th day of March, 2017 to:

Fourth Scoufos

7016 3010 0000 2706 6728

SCOUFOS LAW OFFICE, P.C.
Corner of Creek and Elm
P.O. Box 787
Sallisaw, OK 74955
Attorney for Respondent Angelia M. Landers

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. 21st Street
Oklahoma City, OK 73105

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


SHERRY AINSWORTH

MAR 27 2017

Real Estate Appraiser Board



OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

ATTORNEY GENERAL OPINION
2017-207A

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

March 27, 2017

Dear Director McEntire:

This office has received your request for a written Attorney General Opinion regarding agency action that the Oklahoma Real Estate Appraiser Board intends to take pursuant to a consent agreement with respect to licensee 12562CRA. The proposed action is to impose a \$500 fine and require the licensee to complete courses in general appraisal report writing and data verification methods. In addition, the license will be placed on probation for ninety days, during which time the licensee must provide the Board with monthly appraisal logs and submit such work product for review as requested.

The Board received a complaint from a local review appraiser alleging the licensee produced a misleading appraisal report. Specifically, the appraisal did not include accurate neighborhood boundaries; certain details of the comparables; identification of previous sale of subject; or an explanation for failure to adjust for seller comparables and contained questionable size adjustments and a square foot adjustment without explanation or support.

The Oklahoma Certified Real Estate Appraisers Act, 59 O.S.2011 & Supp.2016, §§ 858-700–858-732, authorizes the Oklahoma Real Estate Appraiser Board to discipline licensees based on “[a]n 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,” “[v]iolation of any of the standards for the development or communication of real estate appraisals,” “[f]ailure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal,” “[n]egligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal,” “[w]illfully disregarding or violating any of the provisions of the...Act or the regulations of the Board for the administration and enforcement of the provisions of the...Act,” or “[v]iolati[on] of any of the provisions in the code of ethics set forth in [the Act],” 59 O.S.Supp.2016, § 858-723(C)(5)-(9), (13). The Act requires adherence to the “current edition of” the Uniform Standards of Professional Appraisal Practice (“USPAP”), 59 O.S.2011, § 858-726, which is the 2016-2017 edition.

The USPAP contains professional requirements pertaining to ethics, record keeping, competency, and scope of work. See ETHICS RULE, USPAP-8 (requiring compliance with USPAP standards); RECORDKEEPING RULE, USPAP-11 (requiring preparation of a workfile prior to the issuance of a report); COMPETENCY RULE, USPAP-12 (requiring appraisers to be competent to perform assignment or acquire necessary competency); and SCOPE OF WORK RULE, USPAP-14 (requiring appraiser to perform scope of work necessary to develop credible results and disclose such information in the appraisal report). USPAP also contains standards such as Standard 1, which requires the appraiser to “complete research and analyses necessary to produce a credible appraisal.” USPAP-17. Components of Standard 1 clarify that this means the appraiser must employ proper valuation techniques, identify relevant characteristics of the property, avoid making unsupported assumptions when developing a market value opinion, analyze relevant factors, and reconcile data and approaches used to arrive at a value conclusion. USPAP-17, 18, 19, 20, 21. Further, Standard 2 requires that appraisal reports communicate all analyses, opinions, and conclusions clearly and accurately and to summarize the information sufficient to identify the real estate involved in the appraisal. USPAP-22.

The action seeks to enforce requirements of professionalism embodied in the Act and in the USPAP. The Board may reasonably believe that the disciplinary 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 of Oklahoma’s policy to uphold standards of competency and professionalism among real estate appraisers.



MIKE HUNTER
ATTORNEY GENERAL OF OKLAHOMA



SHELLY PERKINS
ASSISTANT ATTORNEY GENERAL