

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

In the Matter of RYAN BAKER,) Complaint #15-042
Respondent.)

CONSENT ORDER FOR RESPONDENT RYAN BAKER

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent RYAN BAKER, 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. Upon information and belief, in August of 2015, Respondent was hired to complete an appraisal (the “appraisal”) for a property located at 2716 SW 125th Street, Oklahoma City, Oklahoma (the “subject”). The client was “BOKF, NA dba Bank of Oklahoma (“client”). The Respondent completed and transmitted the appraisal with an effective date of August 11, 2015, and was for a purchase transaction.
2. Respondent 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 in paragraphs 10-15.
3. On a fourteen year old property, Respondent reported that there were no updates to the property in the past fifteen years.
4. \$150,000 in remodeling, modifications, upgrades, and improvements were completed. Respondent did not report or analyze these updates. Typically, Respondent will seek

information from the homeowner to identify improvements made to the subject property; in this instance, Respondent failed to do so.

5. Respondent reports that he utilized "County Record" as a data source. The square footage he reports is inconsistent with the County records and a prior appraisal. Respondent fails to explain the difference with his reported square footage and what was reported by the County.

6. Respondent failed to discuss needed upgrades and improvements within the report.

7. The report contained numerous canned comments and nothing unique was included regarding the subject or the subject neighborhood.

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) 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."

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 him 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.

ORDER

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

1. Respondent successfully completes the following continuing education courses, for which he will receive continuing education credit, within six (6) months of the date of this order:

- a. 613 – Residential Sales Comparison & Income Approach – 30 hours; and
- b. 614 – Residential Report Writing & Case Studies – 15 hours; and

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).

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.

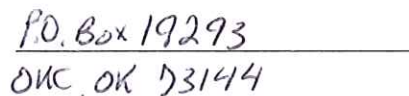
FUTURE VIOLATIONS

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

RESPONDENT:



RYAN BAKER



P.O. Box 19293
OKC, OK 73144

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

DATE

IT IS SO ORDERED on this 30th ~~27th~~ day of August ~~July~~, 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 9th day of September, 2016 a true and correct copy of the above and foregoing Consent Order was placed in the U.S. Mail, with postage pre-paid, by certified mail, return receipt requested to:

Ryan C. Baker
P.O. Box 19293
Oklahoma City, OK 73144

7015 1520 0003 4174 4622

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

Pamela K Fegley, Hearing Panel Officer
2263 S. Rockford Avenue
Tulsa, OK 74114

Bryan Neal, Assistant Attorney General
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313 N.E. 21st Street
Oklahoma City, OK 73105

Albert A. Wooldridge, Hearing Panel Officer
1707 W Broadway
Altus, OK 73521

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

Kelly R. Bridges, Hearing Panel Officer
PO Box 602
Elgin, OK 73538


Sherry Ainsworth



OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

RECEIVED
OKLAHOMA INSURANCE DEPT.

SEP 06 2016

Real Estate Appraiser Board

ATTORNEY GENERAL OPINION
2016-533A

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

September 6, 2016

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 license 12362SLA. The proposed action is to fine the licensee \$500 and require successful completion of corrective education courses on the valuation process including "residential sales comparison and income approach" and "residential report writing and case studies." The licensee produced an unreliable appraisal report of a lakefront property and demonstrated a lack of understanding of the appraisal process by failing to use similar lakefront sales as comparable properties. Instead, the licensee stated that there was no difference between properties with lake views and those without. The licensee also neglected to include needed upgrades and improvements in the appraisal report.

The Oklahoma Certified Real Estate Appraisers Act, 59 O.S.2011 & Supp.2015, §§ 858-700-858-732, authorizes the Oklahoma Real Estate Appraiser Board to discipline licensees based on "[f]ailure . . . to exercise reasonable diligence in developing an appraisal [or] preparing an appraisal report" and based on "[n]egligence or incompetence," 59 O.S.Supp.2015, § 858-723(C)(7), (8). 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 2014-2015 edition. USPAP's Standards Rule 1-1(b) prohibits appraisers from committing substantial errors, while 1-1(c) prohibits appraisers from rendering appraisal services in a careless or negligent manner. USPAP U-16. Because the licensee did not properly account for significant property features in developing the appraisal report and failed to fully address needed upgrades and improvements, the Board may reasonably believe that fining the licensee and imposing educational requirements is necessary to ensure that no compromised valuations are issued by this licensee in the future.

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 ensure that real estate appraisals meet standards of credibility and accuracy.

A handwritten signature in black ink, appearing to read "Scott Pruitt", with a long horizontal line extending to the right from the end of the signature.

E. SCOTT PRUITT
ATTORNEY GENERAL OF OKLAHOMA