

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

In the Matter of ANN HILL) Complaint #16-041
Respondent.)

CONSENT ORDER FOR RESPONDENT ANN HILL

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent ANN HILL, represented through her Counsel of Record, Ben Curtis, 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. That Respondent ANN HILL is a certified residential appraiser (“CRA”) in the State of Oklahoma, holding certificate number 11168CRA and was first licensed with the Oklahoma Real Estate Appraiser Board on January 31, 1994.

2. In August of 2016, Respondent was hired by James M. Fobber and Coretta Fobber (the “clients”) to complete an appraisal (the “appraisal”) for a property located at 30453 Highway # 31, Kinta, Oklahoma (the “subject”). Respondent completed and transmitted the appraisal with an effective date of June 16, 2016. The appraisal’s intended use was for an estimate of market value.

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

4. The Respondent prepared a report and the subject appraisal came in at \$442,500. The bank refused to accept the appraisal. The grievant (buyer) cancelled the contract. The

grievant states he has been a loan officer for 10 years and has never before seen such a biased appraisal. The grievant believes the CRA purposely worked the numbers to come up with this inflated value.

5. The Respondent filed a written response and provided a copy of her work file as requested. She states she has held a license since 1995 and has never had a complaint filed against her and would never do anything purposefully to jeopardize her livelihood. She reviewed the original appraisal done by the CGA and thought it was a very impressive appraisal report. She acknowledges that she should have performed a narrative report so she could break down the different amenities, but this is a more expensive type of report and she does not recall if she offered this option to the homeowner. She took the word of the homeowner as to the amount spent on the pipe metal fencing, barns, and pens. She estimated the barn at \$25.00 per square foot. She came to this determination from other appraisal reports she had completed which had shop buildings and barns similar to the subject. Swift Estimator indicates \$34.73 per square foot for a similarly constructed facility.

6. The report was a negligent report. It is confusing, difficult to follow or recreate, and it is obvious the Respondent did not perform the needed due diligence in preparing this appraisal report.

7. Respondent was trying to back into the value. Given the appraised value of the subject, Respondent places a \$190 per square foot value, which is not reasonable. 9.

8. Respondent places a \$1,000 per acre value on the 20.67 acre subject site (\$20,200), but adjusts the comparables at a much different rate with no explanation. Comparables one thru three all were on smaller acreages (according to the report). Comparable #1 was adjusted negative \$11,200 for an approximately 5 acre difference; comparable #2 was

adjusted a positive \$2,000 for an approximately 11 acre difference; and comparable #3 was adjusted negative \$20,425 for an approximately 4 acre difference.

9. Respondent reports that the house was not under contract, but in her response to the grievance she acknowledges that it was.

10. Respondent failed to comment on or adjust for an apartment and barn on comparable #1; she also incorrectly adjusted gross living area at \$30 per square foot on comparable #1 with no explanation.

11. Comparables were available closer to the subject and there was no need to go as far away as she did. Comparable #1 was 43.27 miles away; comparable #2 was 15.56 miles away; and Comparable #3 was 31.84 miles away

12. Respondent's cost approach does not support her value.

AGREED 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 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 Respondent, by affixing her 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. The Respondent ANN HILL shall successfully complete corrective education as follows:

A. The **FIFTEEN (15) HOUR** Course Number 60F: Residential Sales Comparison and Income Approach. Credit for hours allowed.

The course must be completed with copies of certificates of course completion transmitted to the administrative office of the Board within **NINETY (90) DAYS** from the date of the Board Order plus a period of thirty (30) days after the Respondent Ann Hill is notified of the final agency order either personally or by Certified Mail, Return Receipt Requested. The course may be taken live or online. The course may be counted toward continuing education credit by the Respondent.

B. The **FIFTEEN (15) HOUR** Course Number 600: National USPAP Course.

The course must be completed with copies of certificates of course completion transmitted to the administrative office of the Board within **NINETY (90) DAYS** from the date of the Board Order plus a period of thirty (30) days after the Respondent Ann Hill is notified of the final agency order either personally or by Certified Mail, Return Receipt Requested. The course must be tested and must be a live course, attended in person by the Respondent (not distance and/or correspondence and/or online course). The course shall **not** be counted toward continuing education credit by the Respondent.

C. The **FIFTEEN (15) HOUR** Course Number 60G: Residential Report Writing and Case Studies.

The course must be completed with copies of certificates of course completion transmitted to the administrative office of the Board within **NINETY (90) DAYS** from the date of the Board Order plus a period of thirty (30) days after the Respondent Ann Hill is notified of the final agency order either personally or by Certified Mail, Return Receipt Requested. The course may be taken live or online. The course may be counted toward continuing education credit by the Respondent.

3. Respondent Ann Hill shall be placed on **PROBATION** for a period of **NINETY (90) DAYS** beginning immediately upon the date **NINETY ONE (91) DAYS** from the date of the Board Order plus a period of thirty (30) days after the Respondent ANN HILL is notified of the final agency order either personally or by Certified Mail, Return Receipt Requested. During the period of probation, Respondent ANN HILL shall provide an appraisal log on REA Form 3 to the administrative office of the Board no later than the fifth (5th) 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 these appraisal logs be sent for review.

4. Failure by Respondent ANN HILL to comply with any requirement of this order shall result in his appraisal credential being suspended instanter, with notification forwarded immediately to Respondent by Certified Mail, Return Receipt Requested.

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:

Ann Hill
ANN HILL

7-13-2017
DATE

[Signature]
Ben Curtis,
Counsel for Respondent

7-13-17
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 Prosectuor
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma 73112

DATE

IT IS SO ORDERED on this 4th day of October, 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, Christine McEntire, hereby certify that on the 6th day of November, 2017 a true and correct copy of the above and foregoing Consent Order for Respondent Ann Hill was placed in the U.S. Mail, with postage pre-paid, by certified mail, return receipt requested to:


Benjamin J. Curtis
900 N. Broadway, Suite 3
P.O. Box 767
Poteau, Oklahoma 74953
Attorney for Respondent – Ann Hill

7016 3010 0000 2706 6834

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


Christine McEntire



OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

ATTORNEY GENERAL OPINION
2017-768A

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

November 3, 2017

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 consent agreement in regard to Complaint #16-041. In preparing a property appraisal for an estimate of market value, the licensee committed errors that led to a misleading, confusing, and non-credible report, which was refused by the bank and led to cancellation of the contract. The Board proposes to require additional education courses followed by probation for 90 days.

The Oklahoma Certified Real Estate Appraisers Act authorizes the Oklahoma Real Estate Appraiser Board to discipline licensees who “[v]iolat[e] of any of the standards for the development or communication of real estate appraisals,” “[f]ail[] or refus[e] without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal,” are “[n]egligen[t] or incompeten[t] in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal,” or “[v]iolat[e] any of the provisions in the code of ethics set forth in [the] Act.” 59 O.S.Supp.2016, § 858-723(C)(6)-(8), (13). The Act also 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

RYAN CHAFFIN
DEPUTY CHIEF – ASSISTANT ATTORNEY GENERAL