BEFORE THE REAL ESTATE APPRAISER BOARD STATE OF OKLAHOMA

In the Matter of JOHN M, MEYER Respondent.)	
)	Complaint #12-042
)	

CONSENT ORDER FOR RESPONDENT JOHN M. MEYER

COMES NOW the Oklahoma Real Estate Appraiser Board ("OREAB"), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent JOHN M. MEYER, 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 December of 2007, Quicken Loans, Inc. (the "client") hired Respondent to complete an appraisal (the "appraisal") for a property located at 109 Bush Creek Drive, Shawnee, Oklahoma (the "subject"). Respondent acknowledges that Shawnee is not a geographical area where he practices. Respondent has proactively advised the Prosecutor that the experience with this appraisal has led him to decide to only practice appraising in the Oklahoma City Metro area.
- 2. Respondent completed the appraisal and transmitted the appraisal to the client.

 The appraisal was for a refinance transaction.
- 3. Respondent committed a series of errors in the report which led to a misleading report.
- 4. The comparable sales selected were not physically, and functionally the most similar to the subject, and were superior to the subject. Predominant values within a 5 mile radius of the subject indicated values from about Seventy Five Thousand Dollars and no/100

Cents (\$75,000) to about One Hundred Thirty Six Thousand Dollars and no/100 cents (\$136,000). The mean value during the twelve (12) months prior to the effective date indicated a value of about One Hundred Five Thousand Five Hundred Dollars and no/100 cents (\$105,500). Comparable one was found to be expired as of 09/02/07 within the Multi Listing Services data and had a reported 20 foot by 40 foot shop building, an above ground pool, a covered patio (all not reported by Respondent), and is more advantageously located. Respondent failed to report that comparable two was a complete remodel. Comparable three also appears to have a superior location with respect to commercial services. Respondent failed to report these amenities.

- 5. The data and analysis (including the individual adjustments) presented in the sales comparison approach were not complete and accurate. Regarding comparable one, Respondent did not report its amenities and therefore the 20 foot by 40 foot shop building, covered patio and above ground pool wee not analyzed. Regarding comparable two, MLS data and the MLS number included in the report indicates 4.00 acres for the site size and not the 1.00 acre MOL reported by Respondent. Accordingly, the comparable would have a negative effect on value rather than a positive for lot size, as reported by Respondent. Regarding comparable three, MLS data and the MLS number included within the report indicates 1,500 square feet of gross living area, not the 1,241 square feet reported by Respondent. Court Data concerning comparable two indicates a Tecumseh address rather than the Shawnee address as reported by Respondent.
- 6. The Cost approach appears overvalued by as much as \$20.00 per square foot with respect to the 1,627 square feet reported, or about \$32,000, more or less, and indicates Forty Thousand Dollars and no/100 (\$40,000) in site improvements. Other than a dirt/gravel

driveway and some limited fencing, no other site amenities existed. The Cost Approach does not appear to have been completed in a competent manner. Respondent, in light of this matter, has updated his Marshall & Swift book and has shown satisfactory proof of this.

- Respondent reported that the subject was zoned as Rural Residential when in fact it was not zoned.
- 8. More similar sales were available as of the effective date of the report. These sales were more similar in lot sizes, condition, and comparable quality. Had Respondent used the better sales, his valuation may have been reduced as much as 31% of his estimated market value.¹
- 9. Respondent's reported gross living area of the subject conflicts with that reported by the data sources he utilized. Respondent provides no explanation for this.
 - 10. The Respondent's work file did not provide adequate data to support his report.
 - 11. The subject foreclosed after the refinance transaction was funded.
- 12. Respondent's appraisal report states, in the Appraiser's Certification, that the appraisal was developed and the report prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

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 Rule and the Conduct Section of the Uniform Standards of Professional Appraisal Practice Ethics Rule;

¹ "Financial loss or the lack thereof is not an element in determining whether there is a USPAP violation; the extent of such loss, however, should be a factor in determining the appropriate level of discipline." Appraisal Subcommittee Policy Statement X.

- B) The Competency Rule of the Uniform Standards of Professional Appraisal Practice;
- C) 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."

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 her; and
 - f. the right to obtain judicial review of the final decision of the Board.
- 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. 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:

- Respondent successfully completes corrective education as follows:
 TWENTY (20) HOURS 656; Mastering Unique and Complex Property Appraisal;
 and
- Respondent pay an administrative fine in the amount of One Thousand Dollars (\$1,000).
 Said fine is pursuant to 59 O.S. §858-723

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 immediately until said terms and conditions are met.

RESPONDENT:

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 MCCALEB, OBA #15649

Board Prosectuor

3625 NW 56th Street, Suite 100

Oklahoma City, Oklahoma 73112

IT IS SO ORDERED on this _________, 2013.

ENC SCHOEN BOARd Secretary

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 St

Oklahoma City, OK 73105

CERTIFICATE OF MAILING

I, Rebecca Keesee, hereby certify that on the 20th day of May, 2013 a true and correct copy of the above and foregoing Consent Order for Respondent John M. Meyer was placed in the U.S. Mail by certified mail, return receipt requested to:

John M. Meyer

7012 2210 0000 8959 6121

6919 Avondale Ct. Oklahoma City, OK 73116

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

8