

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

In the Matter of ANNEMIEKE E. ROELL)	
)	Complaints 14-019, 14-029, 14-030
Respondent.)	14-034, 14-045, 15-001, 15-004, 15-011, 15-021
)	

CONSENT ORDER FOR RESPONDENT ANNEMIEKE E. ROELL

COMES NOW the Oklahoma Real Estate Appraiser Board ("OREAB" or "Board"), by and thru the Prosecuting Attorney, Stephen McCaleb, and the Respondent ANNEMIEKE E. ROELL, by and thru her attorney Robert Morgan, 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.

PROCEDURAL BACKGROUND

On March 5, 2014, the OREAB entered Board Order #14-003 in a matter concerning the Respondent. As part of the OREAB's Final Order, the OREAB imposed a one-year probation in which Respondent is to submit monthly work logs for all of the work she performed. The appraisal reports in this matter ~~was~~ ^{were} randomly chosen from Respondent's work log, for review.
~~This report~~ ^{These} ~~was~~ ^{were} completed after the OREAB entered its March 5, 2014, Final Order.

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COMPLAINT 14-019 - AGREED FACTS

1. Upon information and belief, in May of 2014, Christian Bernard, Esquire, (the "client"), hired Respondent to complete an appraisal (the "appraisal") for 30 acres of vacant land located at County Road E1330, Lamar, Oklahoma (the "subject").
2. Respondent completed the appraisal and transmitted the appraisal to the client, with an effective date of May 11, 2014.

3. Overall, Respondent provides insufficient data in her report and insufficient comments for a user to have an ideal of what the property is or how or from where the sales/comparables were located. She provides no explanations for her adjustments and the lack of information and series of errors led to a misleading report.

The Neighborhood Section

4. Respondent did not adequately complete the Neighborhood section.

5. Respondent did not report factors that affect marketability of the subject property. She reported only that the subject land is being used for “deer hunting only.”

6. Respondent did not report any sort of boundaries and she made did not report on any market area trends.

Site/Highest & Best Use

7. Respondent did not adequately identify/define the subject site.

8. Respondent does not report anything in the comments area.

Sales Comparison Approach

8. Respondent ignored two sales that were closer and more similar to the subject property

9. Respondent failed to report that the sales used did not all have access from a public road.

10. Respondent made a \$5,000 adjustment to sales one and two, but also reports that sale two is in a superior location.

11. Respondent failed to explain how her adjustments were made and therefore did not provide any reasoning for her adjustments.

Final Reconciliation

12. Respondent's comments in the final reconciliation section did not pertain to a final reconciliation. Accordingly, there was no reconciliation.

COMPLAINT 14-029 – AGREED FACTS

13. Upon information and belief, in July of 2014, Gateway Mortgage Group, LLC, (the "client"), hired Respondent to complete an appraisal (the "appraisal") for a property located at 2441 NW 195th Street, Edmond, Oklahoma (the "subject").

14. Respondent completed the appraisal and transmitted the appraisal to the client, with an effective date of July 11, 2014.

Neighborhood Section

15. The subject property is located in a relatively new and developing subdivision. Respondent reports that there were 28 sales within the past year, yet makes a comment on her Market Conditions Addendum that "due to lack of comparable sales in the subject neighborhood there is insufficient data to track trends with any accuracy". This is a generic comment that is not germane to this subject property or neighborhood. This exact same comment was discovered on review of another appraisal performed by this appraiser and is known to be a "canned comment". Data presented throughout the form regarding market conditions, number of sales, number of listings, is inconsistent between the Market Conditions Addendum, 1004 form and additional comments made in the document. This information is presented in a manner that is confusing and does not enable an intended user to understand the report properly.

Site/Highest & Best Use:

16. Additional site comments are non-existent on the appraisal. Site dimensions and site size are not accurate. Respondent simply copied the County Assessors 60x114.75

dimensions which is not correct. The recorded plat, available free on-line, indicates this corner site to have the following dimensions: 35x35.36x95x60x120. Respondent failed to mention the rear 10' utility easement. Simply checking the box "yes" does not quite provide sufficient analysis of Highest and Best Use. However, when the highest and best use box is checked on the form as in the case here, the appraiser has effectively rendered an opinion of highest and best use and is thereby bound to SR 2-2(a)(x) and must summarize the support and rationale for that opinion. Because there is no explanation of Respondent's opinion of highest and best use, a violation of SR 2-2(a)(x) has occurred. Respondent reported the incorrect zoning classification. Subject property is actually located in the Oklahoma City limits and is zoned as a PUD-1185. Respondent used an Edmond zoning description which is really non-existent for a property outside Edmond City limits.

Cost Approach:

17. The report fails to provide a sufficient explanation of the Scope of Work as to why a cost approach was not performed on a new home.

18. If a cost approach is not specifically excluded with adequate explanation the "expectations of parties who are regularly intended users for similar assignments" or "what an appraisers peers actions would be in performing a similar assignment" are not satisfied and the appraiser's scope of work has failed which diminishes the credibility to the extent the report is misleading.

Sales Comparison Approach:

19. Respondent's process regarding the "square footage adjustment" is difficult to understand and appears inconsistent although the Respondent recognizes and comments on the inconsistency. Any adjustment process this complicated should be substantiated with an

illustration of the process because this square footage adjustment does not appear to be a recognized method or technique. While an explanation is attempted, it is poorly explained. For example, both Sales 2 & 3 have the same gross living area of 1719 square feet and logically should compare equally to the subject with a similar gross living area adjustment. Yet there is a \$200.00 difference between Sale 2 and Sale 3 having the same GLA which appears inconsistent on its face. Both Sales 2 & 3 are new construction and part of the explanation begins with “based on the depreciated price per/sf being adjusted”. There should be no depreciation on these comparables.

Income Approach:

20. The income approach was not utilized on this report. However, there is no explanation in the appraisal or in any identified Scope of Work as to why the income approach was omitted.

COMPLAINT 14-030 – AGREED FACTS

21. Upon information and belief, in June/July of 2014, Quicken Loans, Inc., (the “client”), hired Respondent to complete an appraisal (the “appraisal”) for a property located at 3105 SE 14th Street, Oklahoma City, Oklahoma (the “subject”).

22. Respondent completed the appraisal and transmitted the appraisal to the client, with an effective date of July 2, 2014.

Site/Highest & Best Use

23. Respondent failed to mention the rear 10’ utility easement or front building line easement in her report. Respondent failed to summarize the support and rationale for her highest and best use opinion.

Description of Improvements

24. Respondent reports that the subject has a 20 year effective age. This does not seem likely on a 51 year old property in average condition and this becomes evident in the depreciation estimate of Respondent's cost approach.

Cost Approach

25. Respondent's site value is not appropriately supported nor explained in the report. Cost estimates from Marshall of \$72.29 per square foot do not appear accurate or market oriented. Market research for purposes of this review revealed numerous new construction homes in the 1350-1450 square foot range with a cost to build significantly higher than what appears on this report. The cost approach initial price per square foot is too low and it appears the comment made indicating that cost approach was also based on "local contractors, investors and market information" is misleading and not credible. The depreciation estimates is based upon an unrealistic effective age of 20 years. Consequently, the physical depreciation is too low. Appraiser referenced reliance on local contractors in the preparation of the cost approach yet there is no specific cost analysis from any contractor.

Sale Comparison Approach

26. Sale 1 had about a two 2 ½ half month break between listings and the cumulative days on market is actually 235 not 19 as reported. Sale 1 is reported as a DT1 (one story) when in fact it is a DT2 (two story) home. MLS reports condition of sale 1 as updated, new paint, fixtures and carpet. The condition adjustment made is unsupportable. Sale 2 is also reported by appraiser to have similar, C-4 condition and the adjustment made for condition is not supported. Respondent indicates Sale 3 as C-5 condition which means "obvious deferred maintenance in need of some significant repairs, rehabilitation or updating". MLS describes Sale 3 as "well

maintained, kitchen and bath updated, carpet, tile and counter tops replaced". The explanation on the appraisal regarding the condition adjustment is complicated and not believable. There is no evidence in the report nor reason to believe that the comparable sales site values were actually developed through allocation and extracted as implied in this complicated process to develop a condition adjustment. Any adjustment process this complicated should be substantiated with an illustration of the process. Also, the allocation method is based on sale data, not property tax records. The condition adjustment is skewed, unsupported, poorly explained and misleading. As reported on the appraisal, the subjects condition (C-4) as well as sales 1 & 2 (both C-4) are the same. Sale 3 condition of C-5 appears false based upon MLS data. Likewise, the age of the subject is 51 years and comps being 50, 54 and 53. Absent any supporting documentation in the appraiser work-file showing the research and analysis (time dated to this file), calculations for allocation of site values and analysis as well as any "weighted average" analysis, there is insufficient information to draw any credible conclusion from Respondent's methodology.

Income Approach

27. There is no explanation in the appraisal or in any identified Scope of Work as to why the income approach was omitted.

General Revisited

28. It appears the sales utilized on the report were selected from a slightly superior neighborhood and those from the immediate neighborhood were ignored. Subject's value opinion of \$90,000 equates to \$64.67 per square foot which is higher than both market areas. Considering the unsupported positive condition adjustments and the lack of a negative location adjustment, the appraisal presents misleading conclusions regarding the value opinion and neither the cost approach or sales comparisons produce credible results.

COMPLAINT 14-034 – AGREED FACTS

29. Upon information and belief, in July/August of 2014, First Mortgage Company (the “client”), hired Respondent to complete an appraisal (the “appraisal”) for a property located at 4625 Windham Circle, Edmond, Oklahoma (the “subject”).

30. Respondent completed the appraisal and transmitted the appraisal to the client, with an effective date of August 2, 2014.

31. Respondent failed to report that a warranty deed was filed of record on the subject property on November 25, 2013, which was available on the Oklahoma County Assessor Web Site.

Neighborhood Section

32. The neighborhood boundaries do not include all of the comparable sales.

Site / Highest & Best Use

33. Per City of Edmond, zoning is R-1 Rural Estate Dwelling District. Respondent reports states that zoning is unknown and she made an assumption that it was SFR, information is readily available.

Description of Improvements

34. Respondent did not provide any comments on the amenities of the house. The reported dimensions are incorrect. Respondent reports that the roads are public but, per MLS the subject addition is a gated community which would result in private roads.

Cost Approach Section

35. Respondent did not explain why the Cost Approach and Income Approach was not included in the report. The subject property is a new house therefore the Cost Approach is relevant and should be completed.

Sale Comparison Approach Section

36. Information reported on comps is mostly correct, however, when pulling sales of similar size in the Edmond area, there appear that there may have been some of more similar size to include. Comp 2 & 3 are very inferior in size (665 sf & 784 sf). SF adjustments appear high which there is an explanation, however, very confusing & not understandable. The comps are adjusted at 88, 89 & 90% of sold SF prices. The zip code for comp 1 is reported incorrectly. Also there are previous transfers noted for comp 1 & 3 that are not reported by appraiser.

Income Approach Section

37. Respondent did not explain why the income approach was not completed.

General Comments

38. Comments in the report are limited and the appraised value is approximately \$100,000 over the sales price with no explanation. The subject sold for \$146 per square foot and the comparable sales range from \$162 to \$175 per square foot. The report was not easy to read and follow. Although the value may be reasonable, the report contains numerous errors that lead to questions of reliability and misleading.

COMPLAINT 14-045 – AGREED FACTS

39. Upon information and belief, in September of 2014, Bank of Oklahoma (the “client”), hired Respondent to complete an appraisal (the “appraisal”) for a property located at 187 East 6th Street, Jennings, Oklahoma (the “subject”).

40. Respondent completed the appraisal and transmitted the appraisal to the client, with an effective date of September 21, 2014.

41. The Respondent mentions the prior sale of the subject property, but does not analyze the sale. The subject property sold on 6/12/2012 for \$47,000 with the seller paying

\$6,000.00 in closing costs. The closing costs were added to the list price of \$47,000 to arrive at a sale price of \$53,000. The property was for sale for 120 days with two price reductions. The Respondent does not report the Sheriff's Sale Deed on the subject, which occurred on August 6, 2014. Sale No. 1 had a "Deed in Lieu" dated April 17, 2014. This is not mentioned in the report. All transfers must be reported and not just past sales. Respondent mentions on an addendum page that an extraordinary assumption is used, but does not mention it on Page 2 of the appraisal or on the Supplemental Real Estate Owned Appraisal Addendum.

Neighborhood Section

42. Respondent does not go into any detail on the property's location in the small town of Jennings, Oklahoma. Jennings has very few amenities (employment, shopping, etc.). There are very few employment centers in the town. There are typically very few listings and sales each year.

Site/Highest & Best Use

43. The Highest and Best Use box is marked, but per USPAP there has to be an explanation as to the Highest and Best Use.

Description of Improvements

44. Respondent reports that the walls, floors, trim, etc., are all in good condition, but reports that the total Estimated Cost of Recommended Repairs are \$20,200 on the Supplemental Real Estate Owned Appraisal Addendum Page. Typically, a property needing over \$20,000 in repairs would not be rated a "C-4". According to the listing agent, there is no heat/air for the upstairs and there is only one heater downstairs. The appliances have been removed. There are damaged ceilings. Respondent should make a list of all items that either are not finished or need to be repaired (wiring, plumbing, etc.). Respondent does not mention that the kitchen sink has

been removed. The subject sold in 2012 for a cash equivalent sales price of \$47,000 with appliances, heating and minimal repairs. Respondent appraised the property as a Real Estate Owned property and derived a value of \$55,000. Typically, if a property has gone up in price, the owners would have sold the property instead of letting it go back to the bank. No explanation was reported explaining why the property went up in price.

Cost Approach

45. Respondent did not provide support for the cost approach in the report. The report contained no adequate information for the client to duplicate the cost approach. There is no summary of the site sales.

Sale Comparison Approach Section

46. Respondent chose three comparable sales from Cleveland, Oklahoma. Cleveland is a much larger town with more amenities and is a superior location compared to the subject's location in Jennings. Respondent's Net Adjustment of \$31,800 is excessive. Adjustments for REO properties should be market driven. Respondent should have made a location adjustment for the sales being located in Cleveland.

Income Approach

47. Respondent did not explain why the income approach was not completed.

General Comments

48. Respondent only comments in one place about an extraordinary assumption. It should be listed on Page 2 of the report and on the Supplemental Real Estate Owned Appraisal Addendum.

ADDITIONAL COMPLAINTS

49. In addition to these five complaints, Respondent also has complaints 15-001, 15-004, 15-011, 15-021 pending against her. These additional complaints have similar factual and legal issues resulting in unacceptable work product. These additional complaints are incorporated as apart of this Consent Order.

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 Competency Rule of the Uniform Standards of Professional Appraisal Practice;

B) The Scope of Work Rule of the Uniform Standards of Professional Appraisal Practice;

C) 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 her; 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 his 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.

CONSENT ORDER TO BE ACCEPTED OR REJECTED BY THE BOARD

It is hereby agreed between the parties that this Consent Order shall be presented to the Board with recommendation for approval of the Board at the next scheduled meeting of the Board. The Respondent understands that the Board is free to accept or reject this Consent Order and, if rejected by the Board, a formal hearing on the complaint may be held. If the Board does not accept the Consent Order, it shall be regarded as null and void. Admissions by Respondent in the Consent Order will not be regarded as evidence against him/her at the subsequent disciplinary hearing. Respondent will be free to defend himself/herself and no inferences will be made from their willingness to have entered this agreement. It is agreed that neither the presentation of the Consent Order nor the Board's consideration of the Consent Order will be deemed to have unfairly or illegally prejudiced the Board or its individual members and therefore will not be grounds for precluding the Board or any individual Board member from further participation in proceedings related to the matters set forth in the Consent Order.

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 complete all qualifying education otherwise known as the "core curriculum" which totals 200 hours of education, as currently required of an appraiser applicant for the Certified Residential appraiser credential under the Appraiser Qualification Criteria, within a twelve (12) month period. Respondent has already completed courses 600, 613, and 614, pursuant to this Board's Order 14-004, and she need not take these three courses again in order to satisfy the requirements of this Consent Order. Respondent will need to keep the Board's staff apprised, via written communication, of her progress on a monthly basis and must

complete half of the hours within the first six months after the Board approves the Consent Order; and

2. Respondent is placed on probation for a period of thirty (30) months from the date this Consent Order is approved by the Board. Commencing six (6) months after this Consent Order is approved by the Board, Respondent shall provide an appraisal log on REA Form 3 to the administrative office of the Board no later than the fifth day of each month, 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. Respondent may make application with the Board after one (1) year of submitting the REA Form 3 requesting modification to the remaining period of the probation should Respondent establish good cause for doing so based on her quality of appraising work.

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.

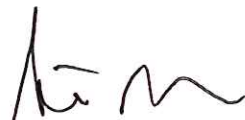
RESPONDENT:


ANNEMIEKE E. ROELL


ROBERT MORGAN, Attorney for Roell

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

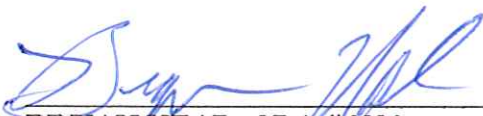
7-1-15
DATE

IT IS SO ORDERED on this 1st day of July, 2015.




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

CERTIFICATE OF MAILING

I, Ashley Snider, hereby certify that on the 1st day of July, 2015 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:

Robert F. Morgan, Jr.
WHEELER, MORGAN, & BROWN
1900 NW Expressway, Suite 450
Oklahoma City, Oklahoma 73118

7013 2250 0000 5046 2728

Annemieke E. Roell
PO Box 83
Terlton, Oklahoma 74081

7013 2250 0000 5046 2735

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
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ASHLEY SNIDER