

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

In the Matter of Frank Hendrickson and Mindi L.)
Morgan,) Complaint #08-081
)
Respondents.)

CONSENT ORDER FOR RESPONDENT MINDI L. MORGAN

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent MINDI L. MORGAN, represented herself, and enter into this Consent Order in lieu of a formal administrative hearing 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 MINDI L. MORGAN (“Respondent” or “MORGAN”) is a state licensed appraiser in the State of Oklahoma, holding certificate number 12835 and was first licensed with the Oklahoma Real Estate Appraiser Board on June 17, 2002.

2. In the year 2006, Respondents were hired by Green Country Mortgage (the client”) to appraise a parcel of property located at 818 North Street, Muskogee, Oklahoma (the “subject property”).

3. On or about May 15, 2006, Respondents completed an appraisal of the subject property (the “appraisal”). The appraisal’s date of appraised value was reported as May 15, 2006. Respondents reported a final estimate of value as Sixty-Eight Thousand Dollars and 00/100 (\$68,000.00). The report was submitted to the client.

4. Said appraisal states in the appraiser’s signed certification that the appraisers’ analyses, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (“USPAP”).

5. Mindi Morgan signed the report as the appraiser; Frank Hendrickson signed the report as the supervisory appraiser. Hendrickson states in the report that he inspected the interior and exterior of the subject property and the exterior of the comparables.

6. The neighborhood boundaries were expanded beyond what is a natural neighborhood to encompass an expanded area to allow for a broader area for comparable searches. The neighborhood boundaries include one active railroad track running north and south as well as one business district running east and west, either one of which would be natural neighborhood boundaries. The neighborhood description and the market condition description is not sufficiently descriptive.

7. The carport is a metal shed placed on the ground with tie downs or anchor bolts similar to manufactured home tie downs and should be considered personal property. The physical description and description of physical depreciation is not accurate and Respondents failed to adequately address or report on the property's condition.

8. The subject is in a different census tract than the comparables selected. The demographics show the comparables are from a slightly better income group with an average income 16% more than in the subject neighborhood. The comparables neighborhoods are superior to the subject neighborhood.

9. The report contained no discussion of quality rating, how the depreciation was derived, the lack of cost for the garage that was worth \$1,500 in the market approach, or how the Value of Site improvements was developed. The report failed to state how the gross rent multiplier ("GRM") was applied and without explanation as to how that GRM was developed.

10. Respondents make representations in the report that make the house seem superior than what it truly is.

11. Respondents failed to make appropriate adjustments for location.

12. Respondents' comparables were superior to the subject property and Respondent ignored and failed to analyze adequate sales within the subject market area. The comparables were inaccurately described.

13. Within the subject subdivision, in the 12 months prior of the effective date of the appraisal, the highest selling house was \$47,000. To achieve the purchase price of \$68,000 it was necessary to go outside the neighborhood to superior neighborhoods for comparables.

14. Respondents failed to make appropriate adjustments to the comparables.

15. Respondents ignored available comparable sales within the subject neighborhood.

16. Respondents failed to adequately develop the cost approach.

AGREED CONCLUSIONS OF LAW

1. That Respondent has violated 59 O.S. § 858-723(A)(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."

2. That Respondent has violated 59 O.S. § 858-723(A)(6) through 59 O.S. §858-726, in that Respondents violated:

A) The Conduct and Management 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) Standards Rules 1, 1-1, 1-2, 1-3, 1-4, 1-5, 1-6, 2, 2-1, 2-2 and 2-3 of the Uniform Standards of Professional Appraisal Practice.

3. That Respondent has violated 59 O.S. § 858-723(A)(6): "Violation of any of the standards for the development or communication of real estate appraisals as provided in the Oklahoma Real Estate Appraisers Act."

4. That Respondent has violated 59 O.S. § 858-723(A)(7): "Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal."

5. That Respondent has violated 59 O.S. § 858-723(A)(8): "Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal."

6. That Respondent has violated 59 O.S. § 858-723(A)(9): "Willfully disregarding or violating any of the provisions of the Oklahoma Certified Real Estate Appraisers Act or the regulations of the Board for the administration and enforcement of the provisions of the Oklahoma Certified Real Estate Appraisers Act."

7. That Respondent has violated 59 O.S. § 858-723(A)(10): "Accepting an appraisal assignment when the employment itself is contingent upon the appraiser reporting a predetermined estimate, analysis or opinion, or where the fee to be paid is contingent upon the opinion, conclusion or valuation reached, or upon the consequences resulting from the appraisal assignment."

8. That Respondent has violated 59 O.S. § 858-723(A)(13), in that Respondents 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."

9. That Respondent has violated 59 O.S. § 858-723(A)(6) through 59 O.S. §858-719(B).

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 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.

ORDER

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

1. Respondent, MINDI L. MORGAN, agrees to complete sixty (60) hours of corrective education, particularly the classes titled: Course 612: 15-Hour Residential Site Valuation 1205; Course 613: Residential Sales Comp & Income Approaches 1205; and Course 614: Residential Report Writing & Case Studies. The parties agree that the classes should be taken with a sponsoring organization of the foundation. Proof of completion of said course shall be received by the office of the Oklahoma Real Estate Appraiser Board within one hundred eighty (180) of receipt of this executed order.

Failure to comply with the provisions of this Order will cause Respondent's license to be suspended instanter until compliance occurs.

DISCLOSURE

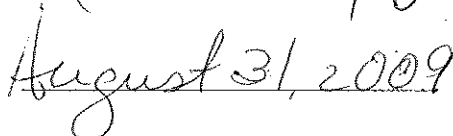
Pursuant to the Oklahoma Open Records Act, 51 O.S. §§24-A.1 – 24A.21, the signed original of this Consent Order shall remain in the custody of the Board as a public record and shall be made available for public inspection and copying upon request.

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.

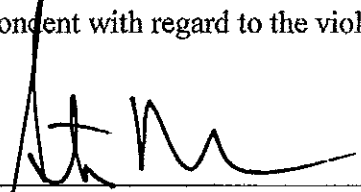
RESPONDENT:


MINDI L. MORGAN


August 31, 2009

CERTIFICATE OF BOARD PROSECUTING ATTORNEY

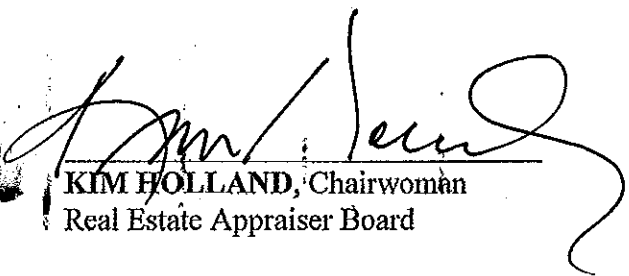
I believe this Consent Order to be in the best interests of the Oklahoma Real Estate Appraiser Board, the State of Oklahoma and the Respondent with regard to the violations alleged in the formal Complaint.


STEPHEN MCCALED, OBA #15649
Board Prosecutor
2401 NW 23rd Street, Suite 28
Oklahoma City, Oklahoma 73152

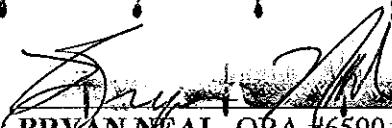
9-9-09
DATE

IT IS SO ORDERED on this 2nd day of October, 2009.




KIM HOLLAND, Chairwoman
Real Estate Appraiser Board

**OKLAHOMA REAL ESTATE
APPRAISER BOARD**

By: 
BRYAN NEAL, OBA #6590
Assistant Attorney General
Attorney for the Board
2401 NW 23rd Street, Suite 28
Oklahoma City, Oklahoma 73152

CERTIFICATE OF MAILING

I, Christine McEntire, hereby certify that a true and correct copy of the above and foregoing Consent Order for Respondent Mindi L. Morgan was mailed postage prepaid by certified mail with return receipt requested on this 6 day of October, 2009 to:

Mindi L. Morgan
3520 Bonavilla Drive
Muskogee, Oklahoma 74403

7008 3230 0000 8455 3318

and that copies were mailed to:

OFFICE OF THE ATTORNEY GENERAL

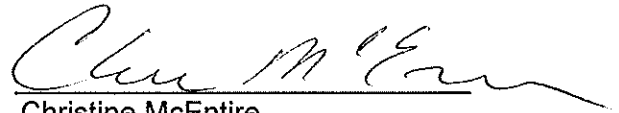
Attn: Bryan Neal
313 N.E. 21st Street
Oklahoma City, OK 73105

DERRYBERRY & NAIFEH, LLP

Attn: Stephen McCaleb
4800 North Lincoln Blvd.
Oklahoma City, Oklahoma 73105

Frank J. Hendrickson

1403 Maxey Drive
Muskogee, Oklahoma 74403


Christine McEntire