

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

In the Matter of **GREGORY K. WARD** and            )  
                  **BOBBI L. MILLEA,**                                )  
  )  
                  Respondents.                                )  
Complaint #09-110

**BOARD'S DECISION ON  
DISCIPLINARY HEARING PANEL RECOMMENDATION**

ON THE 10th day of September, 2010, the above numbered and entitled cause came on for hearing before the Oklahoma Real Estate Appraiser Board (the "Board"). The Board was represented by a Disciplinary Hearing Panel consisting of three members, Dana L. Norton, Frank E. Priegel Jr., and James A. Pratt. Dana L. Norton was elected and served as Hearing Panel Chairman. Said panel was represented by the Board's attorney, Assistant Attorney General Bryan Neal. The case was prosecuted by the Board's prosecutor, Stephen L. McCaleb. The Respondent, Bobbi L. Millea, appeared represented by counsel, Neal E. Stauffer and the Respondent Gregory K. Ward appeared pro se, after having been mailed a copy of the Notice of Disciplinary Proceedings and Appointment of Hearing Panel by certified mail with return receipt requested pursuant to the Oklahoma Certified Real Estate Appraiser Act, 59 O.S. § 858-718, and the Oklahoma Administrative Procedures Act, 75 O.S. §§250-323. Gregory K. Ward was in attendance at the Board's September 10, 2010 meeting, along with newly appointed counsel, Vaughn Iskanian. Both Mr. Iskanian and the Board's prosecutor, Stephen McCaleb offered oral argument before the Board. Bobbi L. Millea appeared not.

The Board, being fully advised in the matter, makes the following Order adopting the Panel's Recommendation

**JURISDICTION**

1. That the Oklahoma Real Estate Appraiser Board has jurisdiction of this cause, pursuant to the provisions of the Oklahoma Certified Real Estate Appraiser Act, 59 O.S. § 858-700 *et seq.*

2. That the proceedings were conducted in accordance with the Oklahoma Certified Real Estate Appraiser Act, 59 O.S. § 858-700 *et seq.*, and the Oklahoma Administrative Procedures Act, 75 O.S., § 301-323.

3. That Respondent GREGORY K. WARD is a certified residential appraiser in the State of Oklahoma, holding certificate number 12096CRA and was first credentialed with the Oklahoma Real Estate Appraiser Board on August 24, 1999.

4. That Respondent BOBBI L. MILLEA is a trainee appraiser in the State of Oklahoma, holding certificate number 90849TRA and was first credentialed with the Oklahoma Real Estate Appraiser Board on July 10, 2006.

### **FINDINGS OF FACT**

#### **WITH RESPECT TO RESPONDENT WARD**

The Board adopts in full the finding of the hearing panel that the following facts were proved by clear and convincing evidence:

1. Upon information and belief, in March of 2008, JP Morgan Chase Bank (the "client") hired the Respondent Gregory K. Ward to complete an appraisal on the subject property (the "appraisal") for a parcel of property located at 3122 East 70<sup>th</sup> Street, Tulsa, Oklahoma (the "subject property").

2. The appraisal's date of appraised value was reported as March 10, 2008. Respondent Ward reported a final estimate of value as Four Hundred Twenty Five Thousand Dollars and 00/100 (\$425,000.00). The report was submitted to the client. Said report was authenticated by the signature of Respondent Gregory K. Ward. The assignment type was for a refinance transaction with the current owners being Horace and Mary Noe.

3. Respondent Ward, at the time of the appraisal, was the supervisor for Respondent Bobbi L. Millea. Previous to that time, Respondents Ward and Millea were married and further that said marriage was dissolved by divorce decree on October 31, 2007.

4. On or about August 19, 2009, Respondent Ward was issued a subpoena duces tecum requesting his work file for the appraisal.

5. Upon receipt, Respondent Ward notified the office of the Oklahoma Real Estate Appraiser Board that he did not have a work file for the appraisal. He further stated that he drove by the subject property and did not recall inspecting the property. No work file was ever produced by the Respondent Ward.

6. With respect to the quality of the appraisal, Respondent Ward admitted in his opening statement that the appraisal itself was "pathetic"; that it was overvalued by one hundred twenty five thousand dollars (\$125,000); and that he could find better comparables closer than the two (2) miles from the subject property as were used in the report. Other than Respondent Ward's statements in his opening statement there was no other evidence presented as to the quality of the appraisal report.

7. Respondents Ward and Millea each testified that at the time of the dissolution of their marriage, he kept his desktop computer and Millea kept her laptop computer. Both Respondents, Ward and Millea, testified that Respondent Ward's electronic signature was not on Respondent Millea's laptop computer, but was only on Respondent Ward's desktop computer, and the panel finds that Respondent Ward did in fact maintain control of his electronic signature.

8. Respondent Ward testified that the owner of the subject property, Horace "Vic" Noe and his wife, Mary Noe, now deceased, were his close personal friends. He further testified that if he received an appraisal assignment involving property belonging to any of his friends, or near his "backyard" or that were complex assignments; i.e., one and one-half story such as the subject property, or complex based on his definition of complex, he developed and reported the assignment personally.

9. The appraisal report in question discloses no assistance from any trainees.

10. Based on the above and foregoing, and the evidence admitted, and despite Respondent Ward's denial that he performed the appraisal, the panel finds that Respondent

Ward did, in fact, perform the appraisal, that he placed his electronic signature on the appraisal report, and that he transmitted the appraisal report to the client.

11. The Respondent Ward, by his own admission, admitted that he signed appraisal reports as the appraiser on properties that he never inspected, despite the written statements in the Appraiser's Certifications that he did inspect the properties.

12. An electronic mail from Respondent Ward dated October 16, 2007 was entered into evidence that was addressed to his father, family, and a business associate that said: "As all of you know I exaggerate, stretch and omit things and yes, even lie at times." See attached exhibit M-1.

13. Respondent Ward testified that he had gone to his bank to determine whether payment for the report in question was deposited to his account, and that an employee of the bank told him that it had not been deposited to his account. The prosecutor entered into evidence an electronic mail he received from Respondent Ward that stated that the deposit had been made to Millea's account. Ward provided no exhibit to support this claim. Subsequent to Respondent Ward's testimony, an exhibit was entered into evidence by Respondent Millea proving that the payment was in fact deposited to Respondent Ward's business account.

14. Respondent Ward did not maintain an adequate work file on this assignment.

#### **WITH RESPECT TO RESPONDENT MILLEA**

The Board adopts in full the finding of the hearing panel that the following facts were proved by clear and convincing evidence:

1. It is the finding of the hearing panel that based on the evidence and testimony, Respondent Millea did not participate in the development or reporting of this appraisal.

#### **CONCLUSIONS OF LAW**

#### **WITH RESPECT TO RESPONDENT WARD**

The Board adopts in full the conclusion of the Hearing Panel:

That such conduct by Respondent Ward is in violation of:

1. 59 O.S. § 858-723(C)(2) through 59 O.S. §858- 729, in that Respondent did not

retain records and provide them to the OREAB upon request.

2. 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."

3. 59 O.S. § 858-723(C)(6) through 59 O.S. §858- 726, in that Respondent violated:

A) The Conduct Section of the Uniform Standards of Professional Appraisal Practice Ethics Rule, for, amongst other items, the failure to perform this assignment ethically and competently, in accordance with USPAP;

B) The Record Keeping Rule of the Uniform Standards of Professional Appraisal Practice;

C) 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. These include the sub sections of the referenced rules.

4. 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."

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

6. 59 O.S. § 858-723(C)(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. 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."

**WITH RESPECT TO RESPONDENT MILLEA**

The Board adopts in full the conclusion of the Hearing Panel:

The Panel finds that Respondent Millea did not commit any violations of law as alleged in this matter.

**FINAL ORDER**

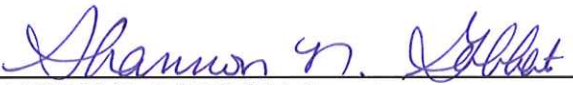
The Board, having adopted the Findings of Fact and Conclusions of Law as set forth above, sets forth the following Final Order adopting the recommendation of the Hearing Panel:

1. The complaint, as it pertains to Respondent Millea, is dismissed.
2. Respondent Ward's appraisal credential is **REVOKED**.
3. Respondent Ward is assessed costs of prosecution in the amount of two thousand dollars (\$2,000); said costs to be remitted to the Board in the manner contemplated by 59 O.S. § 858-723 (B)(2) and (4) pertaining to fines.

**THE BOARD WISHES TO ADVISE THE RESPONDENTS THAT THEY HAVE THIRTY (30) DAYS TO APPEAL THIS ORDER WITH THE APPROPRIATE DISTRICT COURT.**

**IT IS SO ORDERED** this 10th day of September, 2010



  
**SHANNON N. GABBERT**, Secretary  
Real Estate Appraiser Board

  
**BRYAN D. NEAL**, Assistant Attorney General  
Counsel to the Board

**CERTIFICATE OF MAILING**

I, Christine McEntire, hereby certify that a true and correct copy of the above and foregoing Board's Decision on Disciplinary Hearing Panel Recommendation was served via Certified Mail, Return Receipt Requested on this 12 day of September, 2010 to:

**RIGGS, ABNEY, et al.**  
Attn: Vaughn Iskanian  
502 West Sixth Street  
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**7009 2820 0001 5683 7550**

**STAUFFER & NATHAN, P.C.**  
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P.O. Box 702860  
Tulsa, Oklahoma 74170

**7009 2820 0001 5683 7567**

and that copies were mailed to:

**DERRYBERRY & NAIFEH, LLP**  
Attn: Stephen McCaleb  
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**OFFICE OF THE ATTORNEY GENERAL**  
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**Christine McEntire, Legal Secretary**