

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

In the Matter of LARRY D. PUYEAR,)
Respondent.) Complaint #19-029B

CONSENT ORDER

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and the Respondent LARRY D. PUYEAR (Respondent), 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. This resolves complaint 19-029B.

AGREED FINDINGS OF FACT

1. In May of 2019, Respondent was hired to complete an appraisal (the “appraisal”) for a property located at 10404 N. 143rd East Court, Owasso, OK 73107 (the “subject”). Respondent completed the appraisal with an effective date of May 13, 2019. The appraisal was performed in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice.

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

SITE/HIGHEST AND BEST USE

3. The zoning was not adequately and accurately reported. SR 1-2 (e)(i).

4. The report states the subject site is zoned RT. According to the INCOG zoning site, the Subject is zoned R-3 and PUD-18. The appraiser states the opinion of highest and best use as “present use,” but does not explain the reasoning.

COST APPROACH

5. The site value was not developed by an appropriate appraisal method or technique.

6. The cost estimates were not analyzed and supported.

7. Respondent did not correctly employ recognized methods and techniques.

8. Respondent did not provide adequate information for replication of the cost figures and calculations in the cost approach. If the site is market oriented, there needs to be a short summary of the sales.

9. The appraiser states that the cost approach is done using the Extraction Method from the TULSA county assessor records, but there is no data and no support documentation in the cost approach. If the approach is used, the appraiser should put a summary in the report, so the reader can understand where the site value came from.

SALES COMPARISON APPROACH

10. As described further below, appraiser did not analyze comparable sales data and use appropriate appraisal methods and techniques that support the conclusions; the appraiser did not adequately collect, verify, and report comparable sales; adequate reasoning was not provided for adjustments, analysis, opinions and conclusions; and the appraiser did not correctly employ recognized methods and techniques.

11. The Respondent did not adequately explain the adjustments, rather gave a “blanket”

statement as to the adjustments.

12. Respondent chose two sales from outside of the subject's subdivision. The investigation of the Board found several sales in the subdivision that could have been used in the sales comparison approach. The appraiser states that Sales No. 2 and No. 3 were suggested by the client. In the narrative at the back of the report, Respondent reports why these two sales should not be used, but then uses them in the report. The CMA information in the Sales Comparison Approach does not match the CMA on the Supplemental Addendum Page.

13. The two sales outside of the subject's subdivision are in subdivisions that are superior to the Subject's subdivision in minimum, average and maximum sales prices.

14. The square footage adjustments of \$50 per square foot appear high based on the sold price per square foot for the sales. A \$30 per square foot adjustment would seem more appropriate.

15. Based upon the interior pictures of Sale No. 1, a \$30,500 adjustment does not appear warranted.

16. Respondent reported the site size of sale number three as 1,226 square feet, but then reported the GLA as 2,937 square feet. The site size is incorrect.

17. Respondent should have used comparables from the subject's subdivision.

INCOME APPROACH

18. The exclusion of the income approach was not properly supported.

19. The statement "The Income approach is not used due to a lack of rental properties" is not sufficient. If the approach is not used, then the appraiser should have a statement in the

scope of the work that the development of the approach was not necessary in order to arrive at a credible market value.

20. Respondent reports the income approach was not used due to the absence of sold, rented comparable properties. This may be a misleading statement. There may be rental properties that have sold. Respondent does not state if he researched rental properties.

FINAL RECONCILIATION

21. The quality and quantity of data available and analyzed within the approaches used was not adequately reconciled.

22. The applicability and suitability of the approaches used to arrive at the value conclusions were not adequately reconciled.

23. The quality and quantity of the data utilized was not adequately reconciled. Respondent states the cost approach was used to reproduce a cost new, but there is no data in the cost approach. The site value is not supported.

GENERAL REVISITED

24. The appraisal results were not conveyed in an appropriate manner and were misleading.

25. It does not appear Respondent understands the appraisal process.

26. Respondent's report does not contain sufficient information to enable the client and intended user who receive or rely on the report to understand it properly.

27. The salient and factual data reported were not analyzed in a consistent manner

throughout the assignment.

28. Respondent went outside the Subject's immediate area for comparable sales, when there were a number of sales that could have been used in the immediate area.

29. Respondent has conflicting information on the Supplemental Addendum and the Sales Comparison Approach.

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 Ethics Rule and the Conduct Section 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, 1-3, 1-4, and 1-6; and 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)(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 his signature hereto, acknowledges:

1. That Respondent has been advised to seek the advice of counsel prior to signing this document.

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.

7. Respondent acknowledges this will be placed on the Board's agenda for its next monthly meeting after receipt of the executed Order from Respondent, and notice for the Order's placement on that agenda is accepted.¹

8. All parties to this Consent Order have been represented by counsel.

9. This Consent Order may be executed in one or more counterparts, but all of such counterparts, taken together, shall constitute only one Consent Order. When delivered to the other party, facsimile and visual digital reproductions of original signatures shall be effective the same as if they were the originals.

¹ Currently the next Board meeting is scheduled for 9:30 a.m. on February 5, 2021.

10. This Consent Order shall be governed by the internal laws of the State of Oklahoma without regard to the conflict of law principles.

11. This Consent Order contains the entire agreement between the parties hereto and all provisions of this Consent Order are contractual and not a mere recital. The Parties acknowledge that no presentation or promise not expressly set forth in this Consent Order has been made by any of the Parties hereto or any of their agents, employees, representatives, or attorneys. No modification of, or amendment to, this Consent Order shall be valid unless it is in writing and signed by the Parties. In the event any portion of this Consent Order shall be declared illegal or unenforceable as a matter of law, the remainder of the Consent Order shall remain in full force and effect.

12. This Consent Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understanding, discussions, negotiations, and commitments (written or oral). This Consent Order may not be altered, amended, modified, supplemented or otherwise changed except by a writing executed by an authorized representative of each of the parties.

13. The undersigned Respondent agrees that presentation of this Consent Order to the OREAB without the undersigned Respondent being present shall not constitute an improper *ex parte* communication between the OREAB and its counsel.

14. The Parties represent and warrant to one another that each party has authority to enter into this binding Consent Order. The OREAB represents and warrants that the undersigned have full authority to execute this Consent Order on behalf of the OREAB and bind the OREAB to the terms set forth herein.

15. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Consent Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.

16. The parties acknowledge that they understand the provisions of this Consent Order.

CONSENT ORDER TO BE ACCEPTED OR REJECTED BY THE BOARD

The Oklahoma Real Estate Appraiser Board will not submit this Consent Order for the Board's consideration until its agreement and execution by the Respondent(s). 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 rejected Consent Order will not be regarded as evidence against him at the subsequent disciplinary hearing. Respondent will be free to defend himself and no inferences will be made from his 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 take the following corrective education courses:
 - a) 611: Residential Market Analysis and Highest and Best Use – 15 hours;
 - b) 612: Residential Site Valuation and Cost Approach – 15 hours;
 - c) 613: Residential Sales Comparison and Income Approach – 30 hours.
2. Respondent agrees that he will successfully complete, pass the test, and

provide proof of completion and passing of the tests to the Board's office for the courses completed. These courses shall be completed within NINETY (90) days after the Board approves this Order. Failure to complete and pass the courses in a timely matter will result in suspension until the courses are passed and completed with proof of completion and passing of the tests to the Board's office.

3. Respondent shall be placed on **PROBATION** for a period of **THREE (3) MONTHS** beginning immediately upon the date he timely completes the three courses listed in paragraph one of this section. During the period of probation, Respondent 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 to comply with the preceding paragraphs in a timely manner will result in an instant suspension of Respondent's license. For good cause, an extension may be granted by the Board. An application for an Extension of Time should be filed at least five business days in advance of the Board meeting to be placed on a Board meeting agenda in advance of the deadline to comply with this Consent Order.

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.

RESPONDENT:




LARRY D. PUYEAR

1-18-2021

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 Prosecutor
400 NE 50th Street
Oklahoma City, Oklahoma 73105

2-3-21

DATE

IT IS SO ORDERED on this 5th day of February, 2021.

Jenelle LePoint
Jenelle LePoint, Board Secretary
Oklahoma Real Estate Appraiser Board



**OKLAHOMA REAL ESTATE
APPRAISER BOARD**

By: Bryan Neal
BRYAN NEAL, OBA #6590
Assistant Attorney General
Attorney for the Board
313 NE 21st Street
Oklahoma City, Oklahoma 73105

CERTIFICATE OF MAILING

I, Jenelle LePoint hereby certify that on the 12th day of February, 2021 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:

Larry D. Puyear
16408 E 48th Street
Tulsa, OK 74134

9214 8902 0982 7500 0346 38

and by First Class Mail to:

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


JENELLE LEPOINT