

General

3. The analysis of agreements of sale, options, or listings of subject property current as of the effective date of appraisal and sales that occurred within three years prior were not adequately summarized. Respondent did not analyze the prior sale nor the current sale. Under the analysis of prior sale or transfer history of the subject property and comparable sales, Respondent reports "N/A".

Neighborhood

4. Factors that affect marketability were not adequately and reasonably described.

5. Neighborhood boundaries were not adequately and reasonably defined.

6. Market area trends were not adequately and reasonably discussed and analyzed.

7. The neighborhood boundaries are too large. The boundaries on the appraisal are more than six miles and include part of Oklahoma State University property. Using the boundaries described on the appraisal, there are approximately 124 sales. The low price is \$1,250, the high is \$725,000 and the average is \$150,108. Using the subdivision boundaries (since the Respondent reports this is a subdivision with small lots) upon investigation, 6 sales with a low price of \$121,000 and a high of \$141,500 were found. One of the homes was built in 2005 and another was built in 2003. The others were built in the 1980's. Respondent reports that this is typically a mostly rental market with improvements in average condition. The condition of the properties is not a neighborhood description. The neighborhood should describe what amenities are nearby, possibly the school district, etc.

Improvements

8. Relevant characteristics of improvements and any effect they have on value were not adequately described.

9. Relevant conditions or depreciation (physical, functional or external) factors that affect the improvements were not reported and analyzed.

10. Respondent reports the kitchen was updated one to five years, bathrooms updated one to five years, but does not go into detail on the updates. According to the MLS listing sheet, the kitchen has subway tile backsplash, granite countertops and stainless-steel appliances. The MLS listing also states the subject has tray ceilings, faux-wood tile flooring, energy-efficient smart-technology Nest Thermostat, high-tech security camera system. These items do not appear to be mentioned in the appraisal nor on the grid.

Cost Approach

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

12. The cost estimates were not analyzed and supported.

13. Respondent did not identify and correctly analyze depreciation items (physical, functional, external).

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

15. Respondent has a site value in the report, but there is no explanation where the site value came from. According to the URAR form, there must be support in the appraisal for the site value. If lot sales are used, then a summary of the lots sales should be included in the report. If the Allocation Method is used, it should be included in the report. The comments in the cost approach section appear to be "canned" comments that would go in any report. The report

mentions both the allocation method and lot sales, but doesn't describe either one adequately. There is no book/page or date for the Marshall & Swift Cost estimate. The cost approach directions on the form state: the lender/client has to be able to replicate the cost figures.

Sales Comparison Approach

16. Respondent did not analyze comparable sales data and use appropriate appraisal methods and techniques that support the conclusions.

17. Adequate reasoning was not provided for adjustments, analysis, opinions and conclusions.

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

19. The report contained no heading discussing the sales selected and the reasoning for the adjustments. The appraisal states "See Addendum Pages", but does not tell on what page the discussion is found. The only discussion on the sales adjustments is found under Neighborhood Market Conditions.

20. There should be a heading (if necessary to go to another page) and a page number directing the reader to the correct page. The garage adjustment is 1ga 2dw for Comp #1 -\$1,500, and 2ga 2dw for Comp 3 -\$1,500. There is no explanation for the adjustment. There are no adjustments for the subject's extra features.

Income Approach

21. Respondent did not adequately collect, verify, and report comparable rental data.

22. Reasonable support for income, expenses, and vacancy were not provided.

23. Reasonable support for capitalization rate or GRM was not provided.

24. Projections of future rent and expenses were not based on reasonably clear and appropriate market evidence.

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

26. Exclusion of the Income Approach was not supported.

27. Respondent reports on Page 1 that the "market area is older style frame structures with mostly a rental market". But in the Income Approach section it states the income approach was not utilized due to being an owner-occupied market with inadequate data to establish an income stream. Stillwater is a "college" town with several rental properties.

Final Reconciliation

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

29. The applicability and suitability of the approaches used to arrive at the value conclusion was not adequately reconciled.

30. Respondent did not develop the income approach and there is no explanation in the sales approach for the adjustments or lack of adjustments. There is no lot sales summary in the cost approach and no book/page data for the cost analysis from Marshall & Swift.

General Revisited

31. The appraisal results were misleading.

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

33. The appraisal report does not contain sufficient information to enable the client(s) and intended user(s) who receive or rely on the report to understand it properly.

34. The salient and factual data reported and analyzed were not in a consistent manner throughout the assignment.

35. Respondent did not analyze the current sale of the subject other than quoting the list price. The subject sold in February of 2018, which is within three years of the effective date. Respondent did not analyze the prior sale and states there are prior sales, but puts "N/A" in the area for analysis. The subject's previous sales price is listed on the grid, but no explanation.

36. There are many places in the report that has misleading or inaccurate information, thus leading to the entire report being misleading.

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, 1-5, 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.

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

¹ Currently the next Board meeting is scheduled for 9:30 a.m. on January 7, 2022.

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 pay an administrative fine of three thousand dollars (\$3,000) to be paid within thirty (30) days of notification to Respondent of the order of the Board imposing the administrative fine, pursuant to 59 O.S §858-723(B)(2).

2. Respondent agrees he will pay the costs of prosecution pursuant to 59 O.S §858-723(A)(9), to be paid within ninety (90) days of notification to Respondent of the order of the Board.

3. 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:



WILLIAM MOWAT

12-2-2021
DATE

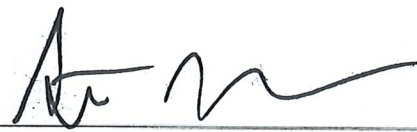


DANIEL J. GAMINO,
Counsel for Respondent

12-27-2021
DATE

**CERTIFICATE OF BOARD PROSECUTING
ATTORNEY**

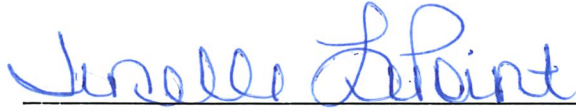
I believe this Consent Order to be in the best interests of the Oklahoma Real Estate Appraiser Board, the State of Oklahoma, and the Respondent with regard to the violations alleged in the formal Complaint.



STEPHEN MCCALED, OBA #15649
Board
Prosecutor 400
NE 50th Street
Oklahoma City, Oklahoma 73105

01/04/2022
DATE

IT IS SO ORDERED on this 7 day of January, 2022.



JENELLE LEPOINT, 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 Street

Oklahoma City, Oklahoma 73105

CERTIFICATE OF MAILING

I, Kelly Reynolds, hereby certify that on the 10th day of January 2022 a true and correct copy of the above and foregoing Consent Order was placed in the U.S. Mail, with postage prepaid, by certified mail, return receipt requested to:

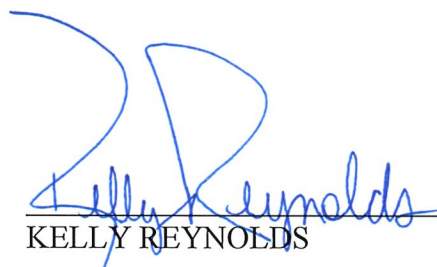
Daniel J. Gamino, Esq.
James Town Office Park North
3035 NW 63rd St., Ste 214
Oklahoma City, OK 73116-3643

9214 8902 0982 7500 0423 43

And by First Class Mail to:

Bryan Neal, Assistant Attorney General
OFFICE OF THE ATTORNEY GENERAL
313 NE 21st Street
Oklahoma City, OK 73105

Stephen L. McCaleb
DERRYBERRY & NAIFEH, LLP
4800 North Lincoln Blvd.
Oklahoma City, OK 73105


KELLY REYNOLDS