

General

3. The Scope of Work was not sufficiently summarized to disclose to the clients the level of work used to develop the appraisal. Respondent did not explain the exclusion of the income and cost approach.

4. Hypothetical conditions in conjunction with each opinion or conclusion affected were not clearly and conspicuously reported.

5. The Appraisal should have made clear to the Reader of the Report or otherwise invoked an Extraordinary assumption that the Appraisal was made on three individual parcel numbers (3 connected parcels – “an assemblage”) and that these parcels will not be severed, and that in the event the parcels are severed, the value will be affected, and the Appraisal becomes Null and Void.

Neighborhood

6. Market area trends were not adequately and reasonably discussed and analyzed. The Neighborhood Present Land Use of 30-percent "Other" was not explained.

Site Highest and Best Use

7. The site was not adequately identified/defined. The City location reported in the appraisal for the Subject property is Newalla, however, the Subject is actually located in the City of Norman. As previously alleged, the Appraisal should have made clear to the Reader of the Report or otherwise invoked an Extraordinary assumption that the Appraisal was made on three individual parcel numbers (3 connected parcels – “an assemblage”) and that these parcels will not be severed, and that in the event the parcels are severed, the value will be affected, and the Appraisal becomes Null and Void.

8. The zoning was not adequately and accurately reported. The zoning reported in the appraisal for the Subject property is "No Zoning", however, The City of Norman indicates the property is zoned A2 Rural Agricultural.

9. The Subject is located on a main East/West thoroughfare; however, the appraisal lacked any such disclosure and analysis of any affect this may have on marketability.

Improvements

10. Relevant characteristics of improvements and any effect they have on value were not adequately described. The Appraisal failed to report and explain the gross living area discrepancy. County records indicates the Subject GLA is 896 sf, while the Appraisal indicates 928 sf.

Cost Approach

11. Exclusion of the cost approach was not supported. The Appraisal failed to determine the scope of work necessary to produce credible assignment results in accordance with the Scope of Work Rule. Stating the reasons for excluding the cost approach was not developed. The Appraisal only stated that the Cost Approach was not considered necessary due to Subject's age. Per USPAP, this is not considered adequate or appropriate reasoning for the Exclusion of a Valuation Approach.

Sales Comparison Approach

12. Respondent did not adequately collect, verify, and report comparable sales. The Sale verification for the utilized Sales was reported to be "Agent/Clerk records"; however, this is not considered valid verification. Acceptable methods of verification would include Book/Page of the instrument; HUD1 Statements; Interviews with Seller/Agent/Buyer including phone

numbers. If the Reader is intended to believe the Appraiser contacted the Agent to verify the sale, he/she should have provided the phone number and name of the Agent, as there is typically more than one name on an MLS printout.

13. Adequate reasoning was not provided for adjustments, analysis, opinions and conclusions. The Subject property is on a main E/W thoroughfare, and the appraisal is indicating this is a neutral influence. However, the appraisal lacks appropriate disclosure and analysis in order that the Intended User can understand. Board investigation revealed evidence of possible adverse influence in that Sale 1 and Sale 3 are situated on similar main streets as the Subject, and their adjusted values are lower than Sale 2, which is not located on a main thoroughfare. Perhaps a downward view adjustment to Sale 2 would have been warranted, or explanation provided as to why no adjustment was needed.

Income Approach

14. Exclusion of the Income Approach was not supported, as it failed to: A). Determine the scope of work necessary to produce credible assignment results in accordance with the Scope of Work Rule. B). Stating the reasons for excluding the income approach has not been developed: Simply stating that an approach was not developed does not meet the USPAP requirement to state the reasons why it was not developed. Stating an approach was not necessary, without providing some basis for that opinion, also fails to meet the requirement. The report must give some explanation of why an excluded approach is not necessary for credible results. The USPAP requirement to state the reasons for the exclusion of an approach to value from the analysis is necessary to provide the client and other intended users with insight into why the analysis was not performed.

15. The Appraisal only indicated the Income Approach was not developed due to location in an owner-occupied area which does not dictate the use of the Income Approach. However, further rationale is required per USPAP.

Final Reconciliation

16. Quality and quantity of data available and analyzed within the approaches used has been adequately reconciled. The sales verification sources were not adequate. Subject's main street influence was not adequately analyzed.

17. The value was not appropriately identified. The Appraisal should have made clear to the Reader of the Report or otherwise invoked an Extraordinary assumption that the Appraisal was made on three individual parcel numbers (3 connected parcels – “an assemblage”) and that these parcels will not be severed, and that in the event the parcels are severed, the value will be affected, and the Appraisal becomes Null and Void.

General Revisited

18. The salient and factual data reported and analyzed were not in a consistent manner throughout the assignment. 01). The Subject's gross living area discrepancy was not reported and explained. 02). The Subject's external site influence was not disclosed or analyzed. 03). The reported city location of Newalla is incorrect, as the Subject is located in Norman. 04). The zoning reported in the appraisal is incorrect. 05). Extraordinary assumption should have been invoked for Subject's 3 parcel site.

19. Standards Rule 1-1 (c): Appraiser must not render appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal, in the aggregate affects the credibility of those

results.

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)(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.

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

¹ Currently the next Board meeting is scheduled for 9:30 a.m. on March 4, 2022.

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 within ninety (90) days:
 - 1) 15 Hour USPAP Course;
 - 2) 611 – Residential Market Analysis and HBU; and
 - 3) 613 – Residential Sales Comparison and Income Approach.

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, within ninety (90) days from the date 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 pay an administrative fine of five hundred dollars (\$500) 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.

4. Respondent shall be placed on PROBATION for a period of NINETY (90)

DAYS beginning immediately upon the date he timely completes the three (3) courses listed in paragraph 1 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) 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 submitted for review.

5. 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:

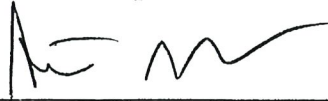

GARRETT DUTY

1/27/2022
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.

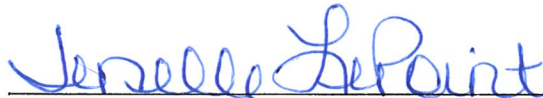


STEPHEN MCCALED, OBA #15649
Board Prosecutor
400 NE 50th Street
Oklahoma City, Oklahoma 73105

2-28-22

DATE

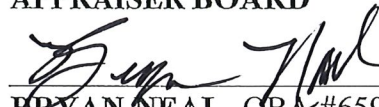
IT IS SO ORDERED on this 4th day of March, 2022.



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 4th day of March 2022, a true and correct copy of the above and foregoing Notice of Disciplinary Proceedings and Appointment of Hearing Panel was placed in the U.S. Mail, with postage pre-paid, by Certified Mail to:

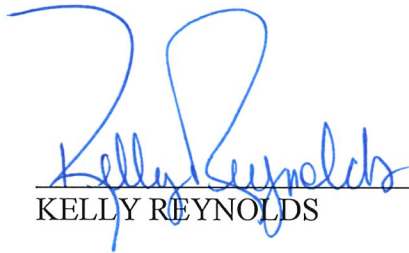
Garrett A. Duty
11204 NW 8th St
Yukon, OK 73099

9214 8902 0982 7500 0444 08

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