

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

**FILED**  
AUG 05 2022  
Real Estate Appraiser Board  
State of Oklahoma

In the Matter of DIANA VEREL,                            )  
  )  
Respondent.    )             Complaint No. 21-043

**CONSENT ORDER**

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and Diana Verel (“Respondent”), by and through her attorney of record, Rachel Lawrence Mor, 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.

**BACKGROUND**

On April 9, 2021, the Board issued a Consent Order in Complaint No. 20-003, in the Matter of Diana Verel (“Verel”). Under the terms of this Consent Order, Verel successfully completed the following corrective education courses within 60 days: Course #611, Residential Market Analysis and Highest & Best Use; and Course #613, Residential Report Writing and Case Studies. In addition, Respondent paid a fine of \$500.00 and an attorney prosecution cost of \$2,500.00.

Immediately upon completion of the corrective education courses, Verel was placed on a sixty (60) day period of probation. During probation, Verel was required to submit work logs identifying all appraisal assignments completed during the month prior. From each work log, appraisal assignments are randomly selected for review.

On September 7, 2021, pursuant to a request from Board staff, Verel submitted the subject appraisal report, which was listed on her work log for appraisal assignments completed during the month of August 2021. This report was submitted to one of the Board’s Appraiser Examiners for a USPAP-compliant work product review. On a scale of 4 to 20, the reviewer scored this appraisal report a “9.” The bar for a passing score is “12.” Verel scored a “2” in the categories of “Appraisal Practices and Procedures,” “Logic and Reasoning,” and “Comparables.” A “2” is the rating for “unacceptable.”

**AGREED FINDINGS OF FACT**

1. In August of 2021, Respondent was hired to complete an appraisal (the “Appraisal”) for a property located at 3112 SW 38<sup>th</sup> Street, Oklahoma City, OK 73119 (the

“Subject”). The Lender/Client was Weokie Federal Credit Union. Respondent completed the Appraisal with an effective date of August 13, 2021. The assignment type was for a purchase transaction. The appraisal was purportedly performed in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice.

### **Neighborhood**

2. Respondent presented the sales that make up the 1004MC, but these do not appear to have been considered by the Review Appraiser, perhaps because it was not in a CMA format. Market area trends were not adequately and reasonably discussed and analyzed.

3. Respondent reported the market to be stable while the Board Investigation showed that there was an increase in the market.

### **Site, Highest and Best Use**

4. The Letter of Engagement required the Appraiser to include a plat map, however the Appraisal lacked a plat map, even though it was available from OK County Assessor and OKC Zoning websites.

5. With respect to the opinion on Highest and Best Use, the Respondent agrees that she should have expanded her comments and given a summary to support her rationale for the opinion.

### **Improvements**

6. Relevant conditions or depreciation (physical, functional, or external) factors that affect the improvements were not reported and analyzed. Reference to the possible presence of lead paint was not made in the report. Respondent did provide that the Subject property was built prior to 1978, when lead paint was common. Upon her observation of the Subject property, she did not discuss or require an inspection for environmental hazards because, in her opinion, the condition of the property did not warrant such inspections.

### **Cost Approach**

7. The Respondent stated that the cost approach was not developed, but she should have provided some explanation of why it was excluded.

### **Sales Comparison Approach**

8. Respondent did not adequately collect, verify, and report comparable sales. The Appraisal lacked Sales from the Subject's immediate area. Page 3 of 6 of the Appraisal Form reported that, due to the limited number of comparables sales within the past 12 months from the

Subject's subdivision and with similar GLA, it was necessary to utilize Sale 4, over 1 mile away. However, Board investigation found the following MLS sale from within the Subject's subdivision, with similar GLA, which was neither utilized nor properly eliminated from use:

3040 SW 39th Street, Oklahoma City, OK, 73119, Stanford Homes 2<sup>nd</sup>,  
2 bedrooms, 1 bath, 901 sf, built: 1952, which sold for \$71,000 in 09/2020

9. The Sales verification source reported in the Appraisal for the utilized Sales is okcountyassessor. However, OK County Assessor by itself is not a sufficient Sale verification source without additional information such as the document number where the Reader would be able to locate the Sale. Other forms of acceptable verification might be HUD-1 Statement, Interviews with Involved Parties (and their phone numbers), etcetera. Peers commonly cite Assessor and Book/Page number. Sale 4 was apparently utilized in order to bracket Subject's site area; however, it is much younger in age, when there was at least one MLS Sale, of similar age, with a larger site area available: 1424 Williams, which has a site area of 8712 sf.

10. Adequate language was not provided to support the reasoning for adjustments, analysis, opinions, and conclusions.

#### **Income Approach**

11. Respondent excluded the Income Approach and agrees that she should have provided more discussion on the Subject and the reasons for the exclusion.

#### **Final Reconciliation**

12. The Appraisal report does not contain sufficient discussion and support for Respondent's opinions and determinations, such as: a) Highest and Best Use lacked analysis; b) The Letter of Engagement required the Cost Approach or an explanation of its exclusion; and c) The exclusion of an Income Approach was not consistent with USPAP requirements.

#### **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 Scope of Work Rule of the Uniform Standards of Professional Appraisal Practice; and
- b. 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)(8): "in communicating an appraisal."

3. 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 her 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 her; 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 both her right to contest these findings in any subsequent proceedings before the Board and her right to appeal this matter to the District Court.

4. The Respondent consents to the entry of this Order affecting her 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 her 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.<sup>1</sup>

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

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<sup>1</sup> Currently, the next Board meeting is scheduled for August 5, 2022, at 9:30 a.m.

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 as effective 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 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. 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, it shall be regarded as null and void. Admissions by Respondent in the rejected Consent Order will not be regarded as evidence against her at the subsequent disciplinary hearing. Respondent will be free to defend herself and no inferences will be made from her willingness to have entered into 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 that:

1. Respondent shall take the following corrective education:

a.	705	Basic Appraisal Procedures (No Credit)	28 Hours
b.	631	General Appraiser Market Analysis & HBU	30 Hours
c.	614	Residential Report Writing and Case Studies	15 Hours
  
2. The corrective education may be taken remotely and/or online. Respondent agrees that she will successfully complete, pass the tests, and provide proof of completion and passing of the course tests to the Board's office for the courses completed, within one-hundred twenty (120) 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 in the amount of twenty-five hundred dollars (\$2,500), to be paid within thirty (30) days of notification of Respondent of the Board's Order imposing the administrative fine, pursuant to 59 O.S. §858-723.

4. Respondent shall be placed on Probation for a period thirty (30) days beginning immediately upon the date she timely completes the three (3) courses listed in paragraph one of this section. During the thirty (30) day 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 (5<sup>th</sup>) day of the month, detailing all of her appraisal activity during the preceding month. The Board may select and require samples of work product from these appraisal logs be sent for review.

5. The Respondent shall obtain another certified appraiser to review her work for a period of ninety (90) days.

6. 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, which shall include, but not be limited to, Respondent's potential recall to active military duty. An application for an Extension of Time should be filed at least five (5) 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 through §24-A.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:



DIANA VEREL

8/4/2022

DATE



RACHEL LAWRENCE MOR, OBA NO. 11409

Counsel for Respondent

August 4, 2022

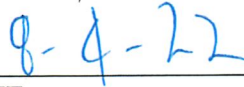
DATE

**CERTIFICATE OF BOARD'S 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.

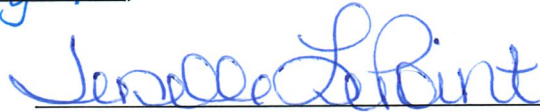


STEPHEN L. MCCALED, OBA NO. 15649  
Board Prosecutor  
400 NE 50<sup>th</sup> St.  
Oklahoma City, OK 73105



DATE

IT IS SO ORDERED on this 5<sup>th</sup> day of August, 2022.



JENELLE LEPOINT, Board Secretary  
Oklahoma Real Estate Appraiser Board



**OKLAHOMA REAL ESTATE  
APPRAISER BOARD:**

By:



BRYAN NEAL, OBA NO. 6590  
Assistant Attorney General  
Attorney for the Board  
313 NE 21<sup>st</sup> St  
Oklahoma City, OK 73105



**CERTIFICATE OF MAILING**

I, Kelly Ann Reynolds, hereby certify that on the 5th day of August, 2022, a true and correct copy of the above and foregoing Consent Order was sent via first-class U.S. Mail, certified and return-receipt requested, with proper postage prepaid thereon, to the following:

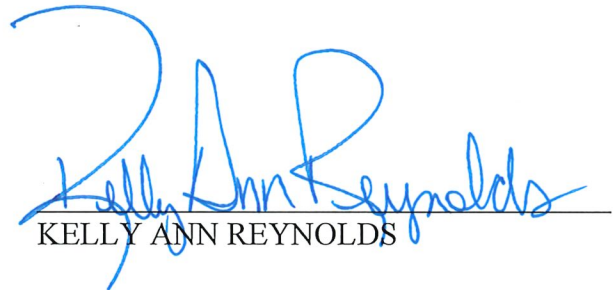
Rachel Lawrence Mor, Esq.  
Landmark Towers West, Suite 1000  
3555 NW 58<sup>th</sup> St  
Oklahoma City, OK 73112

9214 8902 0982 7500 0484 20

and by first-class U.S. Mail to:

Bryan Neal, Assistant Attorney General  
Office of the Attorney General  
of the State of Oklahoma  
313 NE 21<sup>st</sup> St  
Oklahoma City, OK 73105

Stephen L. McCaleb, Esq.  
Derryberry & Naifeh, LLP  
4800 N. Lincoln Blvd  
Oklahoma City, OK 73105

  
KELLY ANN REYNOLDS