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Real Estate Appraiser Board
State of Oklahoma

Complaint No. 21-059

CONSENT ORDER

COMES NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and Chris M. Streich (“Respondent”), by and through his counsel 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.

AGREED FINDINGS OF FACT

1. In 2017 the subject property located at 12749 S. 4th Place, Jenks, Tulsa County, Oklahoma 74037, sold for \$558,000 with a loan from Fannie Mae.
2. In 2020, Respondent was hired to appraise the property for a refinance transaction. The lender/client was Supreme Lending and the loan was made by Fannie Mae.
3. Respondent completed the appraisal with the appraised value of \$570,000 and the effective date was August 28, 2020. The appraisal was purportedly performed in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice.
4. On September 16, 2021, Fannie Mae sent a “buy back” letter to the lender and the Respondent revised the Appraisal Report to address the issues raised in the letter.
5. Fannie Mae filed a grievance with the Oklahoma Real Estate Appraisal Board (“Board”) based on the first Appraisal Report only.
6. In May 2022, the subject property sold for \$670,000 and Fannie Mae made the loan.
7. The Appraisal contained several errors.

General

8. The scope of Work was not sufficiently summarized to disclose to the clients the level of work used to develop the Appraisal.

9. Respondent reports that Appraiser Assistant Brenda Bruner assisted in data entry.

10. Respondent submitted a Revised Appraisal Report which was received and accepted by Fannie Mae. He sent the Revised Appraisal Report, which is part of the appraisers digital work file to the Board but the Board Investigator did not acknowledge it as such.

Neighborhood

11. The subject property is located in Jenks but lies within the Bixby school district. The school districts are one of the biggest drivers of market value and marketability.

12. The Subject property is located west of the Arkansas River and its neighborhood boundaries do not include any part of the River.

13. The market trends were not adequately discussed and analyzed.

14. The neighborhood comments are vague and not unique to the Subject neighborhood. There is no mention of the community pool, walking trails, and homeowners' association.

15. The reserve areas are still in the name of Shelby At Yorktown LLC c/o Beacon HOA Management, but this fact was not reported.

Site, Highest and Best Use

16. Respondent checked the "yes" box for highest and best use included a statement that "no other use is legally permissible." The Board investigator states that Subject property has limited depreciation and, therefore, the highest and best use is as developed.

Improvements

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

18. Respondent states that the Subject is "high end" construction but there is no mention of the quality of construction features in the report. The Appraisal included twenty-one (21) photos of the improvements and the reader could see all the special features of the Subject property; however, there was not a narrative.

Cost Approach

19. The Appraisal Report stated the Assessors land value was \$112,500, which is a statement of fact and not an opinion.

Sales Comparison Approach

20. All three of the sales cited in the Appraisal report are new construction. They may be one or two years old, but they were all sold by the builders. Sale No. 1 is located in the Subject's immediate area. This sale adjusts to \$522,550, but the appraiser's market value is \$570,000. Respondent should have submitted at least two pre-owned home sales in the immediate area.

21. The Reserve at Addison Creek (Sales No. 2 and No. 3) had 8 sales: \$420,000; \$439,000; \$468,486; \$490,000; \$500,000; \$544,000; \$575,000; and \$593,776, for an average of \$503,783.

22. The Subject's immediate area, Shelby at Yorktown, had 8 sales: \$299,950; \$334,000; \$450,000; \$450,000; \$500,000; \$500,000; \$599,000; and \$600,000, for an average of \$466,619.

23. There appraisal should have included an explanation of the adjustments between the Subject and the sales.

Final Reconciliation

24. The market trends were not adequately discussed and analyzed.

25. The neighborhood comments are vague and not unique to the Subject neighborhood.

26. There is not enough explanation in the report on the use of adjustments and their support.

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;
- B. The Competency Rule of the Uniform Standards of Professional Appraisal Practice; and
- C. Standard 1, Standards Rules 1-6, Standard 2, 2-1, of the Uniform Standards of Professional Appraisal Practice. These include the sub-sections of the referenced rules.

Respondent did not adequately communicate and explain certain portions of the appraisal as required by 59 O.S. § 858-723(C)(8).

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 hereinabove, and specifically waives both his right to contest these findings in any subsequent proceedings before the Board and his right 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.

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 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 have 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 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 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:

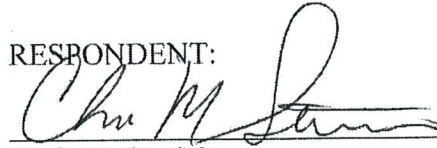
1. Respondent shall take the following corrective education and receive CREDIT:

A.	611	Residential Market Analysis & HBU	15 Hours
B.	612	Residential Site Valuation & Cost Approach	15 Hours
C.	613	Residential Sales Comparison & Income Approach	15 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, within ninety (90) days from the date the Board approves this Order. Respondent shall receive credit for the courses referenced in paragraph 1 (A-C), hereinabove.
3. Respondent shall pay an administrative fine in the amount of five-hundred dollars (\$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. Failure to comply with the preceding paragraphs in a timely manner will result in an *instant* suspension of Respondent's license until compliance is completed.
5. For good cause, an extension may be granted by the Board. 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

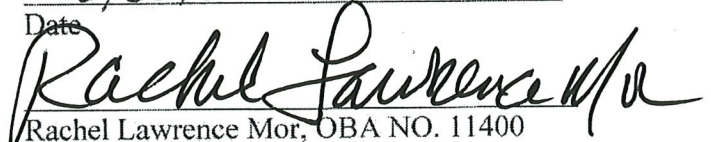
Pursuant to the Oklahoma Open Records Act, 51 O.S. §24-A.1 through §24-A.21, the signed original of this Consent Order shall remain in the custody of the Board as a public record and shall be made available for public inspection and copying upon request.

RESPONDENT:



Chris M. Streich


3/30/2023
Date


Rachel Lawrence Mor, OBA NO. 11400
Counsel for Respondent

3/30/2023
Date

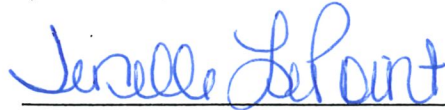
CERTIFICATE OF BOARD'S PROSECUTING ATTORNEY

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 50th St.
Oklahoma City, OK 73105

3-31-23
Date

IT IS SO ORDERED on this 31st day of March, 2023.



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 21st St
Oklahoma City, OK 73105

CERTIFICATE OF MAILING

I, Kelly Ann Reynolds, hereby certify that on the 3rd day of April 2023, 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 to:

Chris M. Streich
1421 E 13th St
Tulsa, OK 74120

9214 8902 0982 7500 0529 91

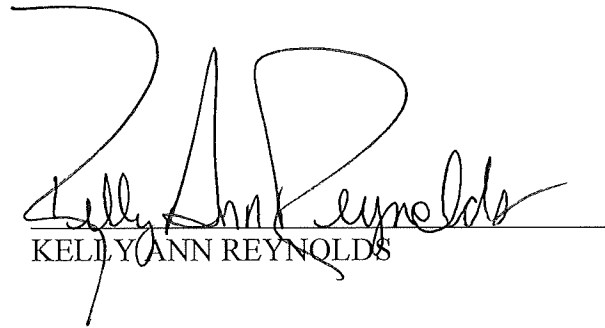
Rachel Lawrence Mor
RACHEL LAWRENCE MOR, P.C.
Landmark Towers West, Ste. 1000
3555 N.W. 58th Street
Oklahoma City, OK 73112

9214 8902 0982 7500 0529 84

by First Class Mail to:

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

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


KELLY ANN REYNOLDS