

CONSENT ORDER

AGREED FINDINGS OF FACT

General

c) GLA (Gross Living Area) discrepancies not reported or analyzed:

- i. The Appraisal indicates the Subject's GLA is 2,557 square feet, while the Assessor indicates 2,210 square feet.
 - ii. The Appraisal indicates the GLA for Sale 1 is 5,097 square feet, while Assessor shows 4,418 square feet.
 - iii. The Appraisal indicates the GLA for Sale 2 is 5,695 square feet, while Assessor shows 4,467 square feet.
- d) The Appraisal indicates the Subject's lot dimensions are 'None', 'irregular rectangle'; however, the lot dimensions contained within the Metes and Bounds Legal Description indicates rectangle at 330 x 552ft (N/2 OF SE4 NE4 SE4 EX E438FT PLUS A TR BEING NE4 OF SW4 NE4 SE4).
 - e) The Neighborhood Section in the Appraisal indicates 25-75 percent built-up; however, aerial image indicates 100% built up.
 - f) The Neighborhood Section in the Appraisal indicates 100 percent one unit housing; however, aerial image reveals a variety of land uses.
 - g) The Subject site backs to D-O Suburban Office District zoned property, which was not disclosed or analyzed.
 - h) The Appraisal indicates that ANSI Standards were followed by the Appraiser in the measurement of the Subject property. However, the first Bedroom photo seems to reveal that the Appraisal sketch does not meet ANSI standards. When considering the top of window and interior door headers are normally just below 7ft in height, it does not appear that at least one-half of the ceiling in the room is at least 7ft in height.

ANSI Ceiling Height Requirements:

To be included in finished square footage calculations, finished areas must have a ceiling height of at least 7 feet (2.13 meters) except under beams, ducts, and other obstructions where the height may be 6 feet 4 inches (1.93 meters); under stairs where there is no specified height requirement; or where the ceiling is sloped. If a room's ceiling is sloped, at least one-half of the finished square footage in that room must have a vertical ceiling height of at least 7 feet (2.13 meters); no portion of the finished area that has a height of less than 5 feet (1.52 meters) may be included in finished square footage.

- i) The Neighborhood Section of the Appraisal contains commentary indicating the market is stable; however, the increasing box was checked. The 1004MC document, found in the Work File, indicates the market is in a shortage; however, the Appraisal indicates the market is in balance. The 1004MC document also indicates the median Days on Market to be 28 days; however, the Appraisal reports 3-6 months.

- j) The Sales GLA adjustment of \$50 per foot is not consistent with the Work File 'Extraction' document showing \$60 per foot. There is also another document in the Work File showing the GLA adjustment to be \$70 per foot.
- k) The Work File document labeled "Matched Pairs" contains no Search Criteria or boundary map. Therefore, the Board's investigation was unable to accurately understand the credibility of its results, as many of the properties in the list are located outside of the Subject's reported neighborhood boundaries (example 5420 Indian Hills Rd is in a different market, 3.5 miles to the NE, near Lake Arcadia and across a main highway from Subject - I-35).
- l) The Appraisal indicates the Appraiser viewed the utilized Comparable Sales from the street; however, no explanation was found in the Appraisal, which explained why MLS photos were utilized on Sales 5 and 6. USPAP does not require that live Sale photos be used, however, the expectations of Intended Users and Actions of Peers is to provide live Sale photos.

Neighborhood

4. FACTORS THAT AFFECT MARKETABILITY ARE NOT ADEQUATELY DESCRIBED:

- a) The Neighborhood Section in the Appraisal indicates 25-75 percent built up, however, aerial image indicates 100% built up.
- b) The Neighborhood Section in the Appraisal indicates 100 percent one unit housing, however, aerial image reveals a variety of land uses.
- c) Subject property is on well/septic, however, the appraisal failed to indicate if well/septic is typical for the neighborhood, especially when surrounded by subdivisions serviced by City water/sewer.

5. NEIGHBORHOOD BOUNDARIES ARE INCONSISTENT WITH COMPARABLES PROXIMITIES:

- a) The Work File document labeled "Matched Pairs" contains no Search Criteria or boundary map. Therefore, Board investigation was unable to accurately understand the credibility of its results, as many of the properties in the list are located outside of the Subject's reported neighborhood boundaries (example 5420 Indian Hills Rd is in a different market, 3.5 miles to the NE, near Lake Arcadia and across a main highway from Subject [I-35]).

6. MARKET AREA TRENDS ARE INCONSISTENT WITH FORM 1004MC (IN WORK FILE):

- a) The Neighborhood Section of the Appraisal contains commentary indicating the market is stable; however, the increasing box was checked. The 1004MC document, found in the Work File, indicates the market is in a shortage; however, the Appraisal indicates the market is in balance. The 1004MC document also indicates the median Days on Market to be 28 days; however, the Appraisal reports 3-6 months.

Site, Highest and Best Use

7. EASEMENTS, RESTRICTIONS OR OTHER ITEMS OF A SIMILAR NATURE HAVE NOT BEEN ADEQUATELY REPORTED AND CONSIDERED:

- a) The Subject site backs to D-O Suburban Office District zoned property, which was not disclosed or analyzed.
- b) The Subject property is on well/septic; however, the Appraisal failed to indicate if well/septic is typical for the neighborhood, especially when surrounded by subdivisions serviced by City water/sewer.
- c) The Appraisal indicates the Subject's lot dimensions are 'None', 'irregular rectangle'; however, the lot dimensions contained within the Metes and Bounds Legal Description indicates rectangle at 330 x 552ft (N/2 OF SE4 NE4 SE4 EX E438FT PLUS A TR BEING NE4 OF SW4 NE4 SE4).

Improvements

8. RELEVANT CHARACTERISTICS OF IMPROVEMENTS AND ANY EFFECT THEY HAVE ON VALUE HAVE NOT BEEN ADEQUATELY DESCRIBED:

- a) Subject property is on well/septic, however, the appraisal failed to indicate if well/septic is typical for the neighborhood, especially when surrounded by subdivisions serviced by City water/sewer.
- b) The Appraisal indicates the Subject's GLA is 2,557 square feet, while the Assessor indicates 2,210 square feet.
- c) The Appraisal indicates that ANSI Standards were followed by the Appraiser in the measurement of the Subject property. However, the first Bedroom photo seems to reveal that the appraisal sketch does not meet ANSI standards. When considering the top of window and interior door headers are normally just below 7ft in height, it does not appear that at least one half of the ceiling in the room is at least 7ft in height.

9. RELEVANT EXTERNAL DEPRECIATION CONDITION THAT MAY AFFECT VALUE HAS NOT BEEN ADEQUATELY DESCRIBED:

- a) The Subject site backs to D-O Suburban Office District zoned property, which was not disclosed or analyzed.

Cost Approach

10. THE SITE VALUE WAS NOT MARKET ORIENTED:

- a) The Appraisal indicated "the site value of the subject property was determined by using a combination of data sources which include County assessment records that indicate site values for the areas and or MLS." However, although the Board investigation researched vacant land sales, which reasonably supported the Subject's reported \$225,000 site value, the Appraisal lacked proper disclosure and analysis regarding pertinent information such as the location of the lot sales perhaps found in MLS, etc.

11. EXTERNAL CONDITIONS WERE NOT CORRECTLY ANALYZED:

- a) The Subject site backs to D-O Suburban Office District zoned property, which was not disclosed or analyzed.

12. EXCLUSION OF THE COST APPROACH NOT SUPPORTED, AS THE APPRAISAL 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 cost approach has not been developed.
- c) Simply stating that an approach was not developed does not meet the USPAP requirement to state the reasons why it was not developed. Stating that 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.
- d) 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.
- e) The Appraisal indicated that the cost approach was not calculated due to the Subject's age. However, the Appraisal lacked proper rationale, such as possible external depreciation associated with the abutting D-O zoned property.

Sales Comparison Approach

13. INADEQUATE COLLECTION AND REPORTING OF COMPARABLE SALES:

- a) Sale 1 is much larger than the Subject property in size, and it contains very elaborate interior quality, which was not disclosed or analyzed. Additionally, County Assessor shows Subject has a basement, which was not disclosed.
- b) Sale 4 is located in Oklahoma City, not Edmond. Aerial shows partial pond access, which was not disclosed.
- c) Sale 5, County Assessor shows a 30x15 Outbuilding, while the Appraisal shows none. The Appraisal indicates Sale 5 is a SHORT SALE; however, MLS only indicated that "Corporate Approval" was necessary, and that the property Seller is a Realtor. Since the market was increasing and very active with home selling above list prices at the time, why did this property sell in just 1 day on the market and above list price, if it somehow sold below market as implied in the Appraisal for it being given less weight due to being a Short Sale. There is no indication observed during MLS research of the Subject's immediate market that Sale 5 sold below market value. Short Sale normally implies that the property cannot be sold for a price above its current liens/loans; however, the Appraisal lacked any such analysis in support of this property selling below market value.
- d) Sale 6, MLS reports this property was a studs-out remodel in 2001, and that the property allows horses; however, no such disclosure and analysis was provided in the Appraisal.
- e) The Appraisal indicates the GLA for Sale 1 is 5,097 square feet, while Assessor shows 4,418 square feet.
- f) The Appraisal indicates the GLA for Sale 2 is 5,695 square feet, while the County Assessor shows 4,467 square feet.
- g) The Appraisal indicates the Appraiser viewed the utilized Comparable Sales from the street; however, no explanation was found in the Appraisal which explained why MLS photos were utilized on Sales 5 and 6.
- h) The Appraisal includes 8 Comparable Sales. Board investigation found alternate MLS Sales, similar to Subject in design, proximate and recent, which were available though not properly eliminated from use in the Appraisal. The following Alternate Sale from MLS is a similar 2-story design, with similar sloped upper-level ceilings like the Subject, similar in condition, and located in the Subject's immediate mile section. However, it was neither disclosed nor properly eliminated from use in the Appraisal. The following Alternate Sales are only provided as reference in order to show that alternate Sales, seemingly similar to and proximate to the Subject, were available though not disclosed or analyzed:

603 E 29th St, GLA 2563sf, Built 1936 (85), 0.33 acre, Sold 7/2020 for \$203,000, similar upper-level sloped ceilings.

The following Alternate Sale is within 2 miles, 2 story design, sold 1 month before Subject Appraisal:

1901 Whippoorwill Ct, GLA 2567sf, Built 1974 (47), 0.88 acre, Sold 2/2021 for \$399,000.

14. INADEQUATE REASONING PROVIDED FOR ADJUSTMENTS:

- a) The Sales GLA adjustment of \$50 per foot is not consistent with the Work File 'Extraction' document showing \$60 per foot. There is also another document in the Work File showing the GLA adjustment to be \$70 per foot.
- b) The Work File document labeled "Matched Pairs" contains no Search Criteria or boundary map, therefore this Investigator was unable to accurately understand the credibility of its results, as many of the properties in the list are located outside of the Subject's reported neighborhood boundaries (example from the list: 5420 Indian Hills Rd is in a different market, 3.5 miles to the NE, near Lake Arcadia and across a main highway from Subject - I-35).

Final Reconciliation

15. DATA AVAILABLE AND ANALYZED WITHIN THE SALES COMPARISON ANALYSIS WAS NOT ADEQUATELY RECONCILED:

- a) The utilized Sales adjusted at \$641,800; \$428,998; \$519,650; \$1,075,700; \$417,850 (same street); \$702,500; \$521,800; and \$416,650, respectively. However, considering such a wide adjusted value spread, the final estimate of value of \$625,000 is not adequately supported.

16. APPLICABILITY AND SUITABILITY OF THE APPROACHES USED TO ARRIVE AT THE VALUE CONCLUSION IS NOT ADEQUATELY RECONCILED:

- a) The Appraisal indicated that the cost approach was not calculated due to the Subject's age. However, the Appraisal lacked proper rationale for Exclusion of Cost Approach, such as why the possible external depreciation associated with the abutting D-O zoned property was not analyzed.

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; and
- 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."

6. The OREAB reserves the right to amend or addend these allegations should evidence presented or discovered during the proceeding constitute clear and convincing proof that such amendments or addenda are warranted.

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 factfinding 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 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 the purpose 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 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

¹ Currently, the next Board meeting is scheduled for ~~February 4, 2022~~ August 4, 2023, at 9:30 a.m.

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, 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

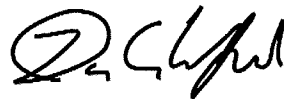
WHEREFORE, on the basis of the foregoing Agreed Findings of Fact and Agreed Conclusions of Law, it is ordered that:

1. Respondent shall take the following corrective education:
 - a) 612 Residential Site Valuation & Cost Approach 15 Hours
 - b) 613 Residential Sales Comparison & Income Approaches 15 Hours
 - c) Completion of the four-hour Ethics, Competence, and Negligence corrective education class offered by The Appraisal Foundation.
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 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. 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:



DAVID A. WAKEFIELD

9/12/23

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

9-29-23

DATE

IT IS SO ORDERED on this 29th day of September, 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 29th day of September 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:

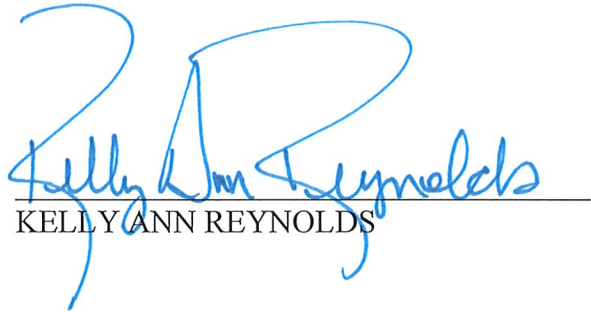
David A. Wakefield
PO Box 3
Piedmont, OK 73078

9214 8902 0982 7500 0572 17

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
ODOM & SPARKS PLLC
2500 McGee Dr, Ste 140
Norman, OK 73072


KELLY ANN REYNOLDS