

BEFORE THE REAL ESTATE APPRAISER BOARD
STATE OF OKLAHOMA

Real Estate Appraiser Board
State of Oklahoma

In the Matter of BLAKE RAMBO,)
Respondent.) Complaint #23-015

CONSENT ORDER

COME NOW the Oklahoma Real Estate Appraiser Board (“OREAB”), by and through the Prosecuting Attorney, Stephen McCaleb, and BLAKE RAMBO, (“Respondent”), represented by Ryan Leonard and Jamie M. Shouse, 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. Upon information and belief, in January of 2022, Respondent was hired to complete an appraisal (the “Appraisal”) for a property located at 1318 Whippoorwill Drive, Norman, OK 73071 (the “Subject”). Respondent completed the Appraisal with an effective date of January 31, 2022, for a refinance transaction. The appraised value was \$186,000. The Appraisal was required to be performed in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice.

2. Respondent acknowledges that he made several errors in the report.

3. Upon review of the Respondent’s Work File, there was no explanation or analysis for adjustments or lack of adjustments applied in the Sales Comparison Analysis section of the appraisal. SR 1-1 (a,b,c), SR 2-2 (a-x5), (b-x).

4. There are two versions of the appraisal report. The one submitted in the grievance by the lender was dated February 16, 2022. The Work File contains only the Appraisal version with a signature date of 02/17/2022, and not the version with a signature date of 02/16/2022.

Although on page 7 of the 02/17/2022 signature date version, the appraiser reported that revisions were made, but no details were provided about the revisions.

5. Respondent's appraisal report and work file do not contain the data, information, or documentation necessary to support the adjustments for, or lack of adjustments for: Condition, Subject's Site Value in the Cost Approach and Lack of Site Size and View adjustments for the Sales, Lack of Location adjustments for the Sales. There was inadequate adjustments for differences in Design, no support for GLA adjustment of \$50 per foot, and lack of adjustment for Subject's Basement. SR 1-1 (a,b,c), SR 2-2 (a-x5), (b-x).

6. The Subject dwelling was described as two-stories; however the property is one story with a walk out basement. Gross Living Area Discrepancy: The appraisal reports that the Subject property has 2,902sf of GLA, while County Assessor reports 2,953sf of GLA, not explained. SR 2-2 (a-iv), (b-vi).

7. The subject had a fire which was not adequately reported. \ The Appraisal report was made "As Is," when it should have made "Subject To" inspection and repairs. SR 2-1 (a), SR 2-2 (a-iv), (b-vi).

8. The Respondent reported the Subject property to have a condition rating of C4, but the property had a fire and needs repairs, which would seem more consistent with an inferior C5 condition rating. SR 2-1 (a), SR 2-2 (a-iv), (b-vi).

9. There were 2 prior subject transactions within 3 years of the effective date of appraisal, however only 1 was reported in the appraisal. 1-5, SR 2-2 (a- x3), (b-xii3).

10. The reporting option used Self-Contained, Summary, or Restricted Use, is not prominently stated. SR 2-2

11. Regarding neighborhood boundaries, the appraisal report says "see additional comments", however, no addendum titled "Additional Comments" regarding the subject neighborhood boundaries were found. SR 1-1 (a,b,c), SR 1-2 (h)

12. Analysis of agreements of sale of subject property within the prior 12 months of the effective date of appraisal have not been adequately summarized. SR 1-5, SR 2- 2 (a-x3), (b-xii3).

13. The facts that the subject site backs to non-residential properties and to a drainage canal were not adequately disclosed and/or analyzed. SR 1-2 (e- iv), SR 1-3 (a), SR 2-2 (a-iv), (b-x)

14. The site dimensions reported in the appraisal for the Subject property were "Estimated," however, the appraisal lacked adequate explanation as to why the dimensions were not available, or what steps were taken by the appraiser to obtain the site dimensions. SR 1-2 (e), SR 2-2 (a- iv), (b-vi)

15. Sale 1: The appraisal reported the Sale verification for Sale 1 to be MLS, however, Sale 1 was not in MLS. The appraisal lacked details regarding how the Terms of Sale were analyzed for Sale 1. The appraisal lacked disclosure and analysis of a 10/20/2021 transaction for Sale 1 between ARVM 5, LLC and VM Pronto, LLC. Gross Living Area (GLA) Discrepancy: The appraisal reports Sale 1 has 2,300sf of GLA, while Assessor reports 2,232sf, which was not explained. SR 1-1 (a,b,c), SR 1-4 (a), SR 2-2 (a-x5), (b-x)

16. Sale 2: Sale 2 backs to a wooded area, however, the appraisal lacked disclosure and analysis. Sale 2 has a Storm Shelter, per MLS, however, this feature was neither disclosed or analyzed in the appraisal. The appraisal reports Sale 2 has 2,751sf of GLA, while Assessor reports 2,559sf of GLA, which was not explained. SR 1-1 (a,b,c), SR 1-4 (a), SR 2-2 (a-x5), (b-x)

17. Sale 3: MLS photos and comments indicate superior C2 condition rather than C3 reported in the appraisal. Sale 3 backs to wooded area and view of a pond, however, this was not disclosed nor analyzed. The appraisal reports Sale 3 has 2,461sf of GLA, while Assessor reports 2,278sf of GLA, which was not explained. SR 1-1 (a,b,c), SR 1-4 (a), SR 2-2 (a-x5), (b-x).

AGREED CONCLUSIONS OF LAW

That Respondent's conduct has implicated the following rules 59 O.S. 858-723(c)(6)-858-726.

1. **Record Keeping Rule:**

An appraiser must prepare a work file for each appraisal or appraisal review assignment. A work file must be in existence prior to the issuance of any report or other communication of assignment results. A written summary of an oral report must be added to the work file within a reasonable time after the issuance of the oral report. The work file must include: the name of the client and the identity, by name or type, of any other intended users; true copies of all written reports, documented on any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy.); summaries of all oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation.

2. **Competency Rule:**

An appraiser must: be competent to perform the assignment; acquire the necessary competency to perform the assignment; or decline or withdraw from the assignment. In all

cases, the appraiser must perform competently when completing the assignment.

BEING COMPETENT. An appraiser must determine, prior to agreeing to perform an assignment, that he or she can perform the assignment competently. Competency requires:

1. the ability to properly identify the problem to be addressed.
2. the knowledge and experience to complete the assignment competently; and
3. recognition of, and compliance with, laws and regulations that apply to the appraiser or

to the

assignment.

3. **Scope of Work Rule:**

For each appraisal and appraisal review assignment, an appraiser must:

1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results; and
3. disclose the scope of work in the report.

An appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results.

4. **Standards Rule 1:**

In developing a real property appraisal, an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete research and analyses necessary to produce a credible appraisal.

5. **Standards Rule1-1:**

In developing a real property appraisal, an appraiser must:

(a) be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal;

(c) 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.

6. Standards Rule 1-2:

In developing a real property appraisal, an appraiser must:

(h) determine the scope of work necessary to produce credible assignment results in accordance with the SCOPE OF WORK RULE.

7. Standards Rule 1-3:

When necessary for credible assignment results in developing a market value opinion, an appraiser must:

(a) identify and analyze the effect on use and value of:

(i) existing land use regulations;

(ii) reasonably probable modifications of such land use regulations;

(iii) economic supply and demand;

(iv) the physical adaptability of the real estate; and

(v) market area trends

(b) develop an opinion of the highest and best use of the real estate.

8. Standards Rule 1-4:

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

(a) When a sales comparison approach is necessary for credible assignment results, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion.

9. **Standards Rule 1-5:**

When the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business.

(a) analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal;

10. **Standard Rule 2:**

In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.

11. **Standards Rule 2-1:**

Each written or oral real property appraisal report must:

(a) clearly and accurately set forth the appraisal in a manner that will not be misleading;

(b) contain sufficient information to enable the intended user(s) of the appraisal to understand the report properly;

12. **Standards Rule 2-2:**

Each written real property appraisal report must be prepared under one of the following options and prominently state which option is used: Appraisal Report or Restricted Appraisal Report.

(a) The content of an Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

(viii) summarize the scope of work used to develop the appraisal; (vii) summarize the scope of work used to develop the appraisal;

(x) provide sufficient information to indicate that the appraiser complied with the requirements of STANDARD 1 by:

(1) summarizing the appraisal methods and techniques employed;

(2) stating the reasons for excluding the sales comparison, cost, or income approach(es) if any have not been developed;

(3) summarizing the results of analyzing the subject sales, agreements of sale, options, and listings in accordance with Standards Rule 1-535 Comment: If such information is unobtainable, a statement on the efforts undertaken by the appraiser to obtain the information is required. If such information is irrelevant, a statement acknowledging the existence of the information and citing its lack of relevance is required.

(4) stating the value opinion(s) and conclusion(s); and

(5) summarizing the information analyzed and the reasoning that supports the analyses, opinions, and conclusions, including reconciliation of the data and approaches;

13. 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 signatures hereto, acknowledges:

1. The Respondent has been advised to seek the advice of counsel prior to signing this document.

2. That Respondent possess 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 his; and

f) The right to obtain judicial review of the final decision of the Board.

3. The Respondent stipulates the facts as set forth above and specifically waives his rights to contest these findings in any subsequent proceedings before the Board and his rights to appeal this matter to the District Court.

4. The Respondent consents to the entry of this Order.

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. 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 parties, facsimile and visual digital reproductions of original signatures shall be as effective as if they were the originals.

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

10. 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.

11. 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 March 1, 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.

12. 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.

13. 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.

14. 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.

15. 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:
 - A) The Appraisal Foundation's: Scope of Work: Appraisal and Inspections – 4 hours;
 - B) The Appraisal Foundation's: Sales Comparison Approach Reconciliation– 4 hours;
 - C) The Appraisal Foundation's: Appraiser Self-Protection: Documentation and Recordkeeping – 4 hours; and
 - D) Residential Report Writing Vs.. Form Filing – 4 hours.

2. Respondent agrees he will successfully complete, pass, 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 Consent Order. Failure to complete and pass the courses in a timely matter will result in suspension until the courses are passed and completed and proof of completion and passing of the tests has been provided to the Board's office. Respondent shall receive credit for the completed courses, as identified in ¶1 (a).

3. Failure to comply with the preceding paragraphs in a timely manner will result in an instant suspension of Respondent's licenses. 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:

Blake Rambo
BLAKE RAMBO

2-28-24
DATE

Jamie Shouse
Ryan Leonard
Jamie M. Shouse
Leoard, Long & Cassil, PLLC
COUNSEL FOR RESPONDENT

2.28.24
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.

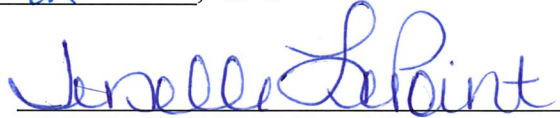


STEPHEN L. MCCALED, OBA NO. 15649
ODOM & SPARKS, PLLC
Suite 140
HiPoint Office Building
2500 McGee Drive
Norman, OK 73072

3-1-24

DATE

IT IS SO ORDERED on this 1st day of March, 2024.



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 1st day of March 2024, 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:

Ryan Leonard

9214 8902 0982 7500 0603 54

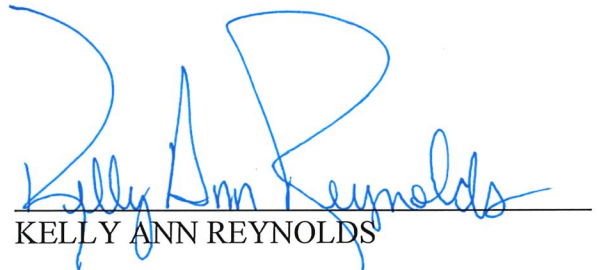
Jamie Shouse

Leonard Long & Cassil
6301 N Western Ave, Ste 250
Oklahoma City, OK 73118

by First Class Mail to:

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KELLY ANN REYNOLDS