



Respondent on August 19, 2023, at his last-known business address and/or residence address, 17325 Valley Crest, Edmond, Oklahoma 73012, as verified by USPS Tracking History, such Notice delivered to the Respondent whose scanned signature reads as “Darren R.” .

On October 9, 2023, a Notice of Continued Disciplinary Hearing was filed herein due to the filing of a Motion for Continuance by the Respondent on September 29, 2023, to reschedule the Hearing in this matter to December 8, 2023, at the Board’s Office, which Continuance Notice was mailed certified US Mail to the Respondent’s Attorney, Ge’Andra D. Johnson, Green, Johnson, Mumina & D’Antonio, 4101 Perimeter Center Dr., Ste 110, Oklahoma City, OK 73112, on October 12, 2023, and based on USPS Tracking History, such notice delivered to an individual named and whose scanned signature reads as “Stephine Greer” on behalf of the Respondent on October 12, 2023.

On December 8, 2023, a Notice of Continued Disciplinary Hearing was filed herein due to the filing of a Second Motion for Continuance by the Respondent on November 29, 2023, to reschedule the Hearing in this matter to January 25, 2023, at the Board’s Office, which Continuance Notice was mailed certified US Mail to the Respondent’s Attorney, Ge’Andra D. Johnson, Green, Johnson, Mumina & D’Antonio, 4101 Perimeter Center Dr. Ste 110, Oklahoma City, OK 73112, on December 8, 2023, and based on USPS Tracking History, such notice delivered to an individual named and whose scanned signature reads as “Merri Robinson” on behalf of the Respondent on December 11, 2023, and on January 25, 2024, the Respondent appeared in person in the hearing and was represented by Ge’Andra D. Johnson, Attorney at Law, of Oklahoma City, Oklahoma.

The Respondent, through his Attorney, elected to have this matter recorded by a Court Reporter he provided without prior notice to the Board, and that he would rely on the Court Reporter.

**PRELIMINARY MATTERS**

The Board’s Prosecutor, Mr. McCaleb, announced that he had an Exhibit Book with eighteen

(18) exhibits that he identified and marked [Bates-stamped] as: (1) Exhibit 1, the Subject Report [Respondent's subject appraisal report] with Six (6) Comparable Sales; (2) Exhibit 2, Aerial Subject & County Sketch Subject; (3) Intentionally left blank; (4) Exhibit 4, County Subject; (5) Exhibit 5, Investigation Report [which notes on its first page (Bates-stamped page 0039, thereof), in pertinent part, the following disclaimer:

“The purpose of this investigative report is to provide a summary of interviews, documents, and other pertinent information obtained during the investigation that relate to the real property appraisal development and reporting that is the subject of the Grievance. While the investigator is a Certified Real Property Appraiser in the State of Oklahoma, this investigation is not conducted within the context of appraisal practice as defined by the Uniform Standards of Professional Appraisal Practice (USPAP) published by The Appraisal Foundation, Washington, DC.

The intended use of this investigation is to aid the Oklahoma Real Estate Appraiser Board (OREAB) in determining if violations of USPAP exist that were in effect during the year referenced by the date of report in the Respondent's appraisal report. The OREAB is given sole responsibility for concluding if a violation of said requirements exists.”]

Continuing, (6) Exhibit 6, MLS Rentals that Reasonably Support the Appraisal; (7) Exhibit 7, MLS Alt Sale Gar Conv Fronts Commercial; (8) Exhibit 8, MLS Current Listing future razed lot; (9) Exhibit 9, MLS Foreclosures in the area; (10) Exhibit 10, MLS Map for Sales 1 thru 6; (11) Exhibit 11, MLS Rentals used in appraisal; (12) Exhibit 12, MLS Sales 1 thru 6 used in appraisal; (13) Exhibit 13, MLS Sales used by Jeff Jones in the Desk Appraisal; (14) Exhibit 14, MLS Subject 2022 Sale; (15) Exhibit 15, NOTICE from O & S; (16) Exhibit 16, Stats Sadlers Sub 3 years back SUBJ SUBDV \$98000; (17) SUBPOENA; and (18) Exhibit 18, zoning definitions.

The Board's Prosecutor subsequently moved for the admission of the eighteen (18) exhibits for the Board marked as Exhibits 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18, respectively, to which there was no objection by the Respondent. Accordingly, the Board's eighteen (18) exhibits were admitted into evidence.

The Respondent presented an Exhibit Book with nine (9) exhibits with Bates-stamped pages as part of his defense in this matter.

The exhibit marked as Respondent's Exhibit 1 is a copy, Bates-stamped, of the Notice of Disciplinary Proceedings and Appointment of Hearing Panel filed herein on August 17, 2023 (pages Ross 001-012).

The exhibit marked as Respondent's Exhibit 2 is the Investigation Report for File No. 22-039 prepared by Board Investigator Rod Bien (pages Ross 013-032).

The exhibit marked as Respondent's Exhibit 3 is an excerpt of an Appraisal Report by Jeff Jones dated as of May 14, 2022, for 824 NW 66th Street, Oklahoma City, OK 73116 [not the subject property], and includes an excerpt of an Appraisal Report of Jeff Jones dated as of May 14, 2022, for 820 NW 66<sup>th</sup> Street, Oklahoma City, OK 73116 [not the subject property] (pages 033-036).

The exhibit marked as Respondent's Exhibit 4 is an Oklahoma County Assessor Real Account Detail for the subject property at 828 NW 67<sup>th</sup> Street, Oklahoma City, OK 73116 (page Ross 037-038).

The exhibit marked as Respondent's Exhibit 5 is Sketch / Area Table Addendum of the subject property 828 NW 67<sup>th</sup> Street, Oklahoma City, OK 73116 (page Ross 039).

The exhibit marked as Respondent's Exhibit 6 is a Cross Property Agent Full w/ Photos for a property at 1130 NW 68<sup>th</sup> Street, Oklahoma City, OK 73116 (pages Ross 040-042).

The exhibit marked as Respondent's Exhibit 7 is a Cross Property Agent Full w/Photos for a

property at 1130 NW 88<sup>th</sup> Street, Oklahoma City, OK 73114 (pages Ross 043-045).

The exhibit marked as Respondent's Exhibit 8 is the State of Oklahoma Guidelines for Work Product Review [of the Oklahoma Real Estate Appraiser Board] (pages Ross 046-052).

The exhibit marked as Respondent's Exhibit 9 is an excerpt from Appraisal Practice, and Appraisal Review (page Ross 053).

The Respondent's nine (9) exhibits were admitted into evidence as there was no objection.

While neither the Respondent nor the Board as parties to these proceedings requested that a court reporter record this matter, the Respondent appeared at the Hearing with a Court Reporter which he relied upon. The Board's Prosecutor voiced no objection to the presence of the Court Reporter produced by the Respondent with no prior notice as required under the Board's Rules.

Neither the Respondent nor the Board as parties to these proceedings submitted any proposed findings of fact or proposed conclusions of law to the Disciplinary Hearing Panel for their consideration.

### **WITNESSES AND EVIDENCE PRESENTED**

The Board's Prosecutor presented two witnesses in support of the case against the Respondent: (1) Rod Bien, an Oklahoma Certified Residential Appraiser, 10013CRA, and a Board investigator; and (2) the Respondent Darren S. Ross.

The Respondent testified on his own behalf in his defense and presented no other witness.

### **Rod Bien Testimony (Summary)**

Rod Bien, upon being duly sworn in, testified that he is a residential real estate appraiser, that he has been appraising real property for almost 40 years, that he does investigative work for the Board by contract, that in performing such investigative work for the Board he examines appraisals and appraisal reports by others for minimum USPAP compliance as requested by the Board, that he does

not render an appraisal or a USPAP Standard 3 or Standard 4 Appraisal Review through his investigative work for the Board, that he performs his Board investigations all from his desk in his home and not in the field, that he uses a report form provided to him by the Board, that the report form used to contain numbers that were used to rate and evaluate the appraisal work of others on a ratings scale, that the report form he was given in this matter was changed to remove the numbers and its rating scale, that if the numbers and its rating scale were still included on the newer report form he might well have given the Respondent a passing score through the prior report form, that the report form he used is not just a check-box, he just reports his findings, that he provided an investigative report on the Darren S. Ross appraisal and appraisal report on the subject property at 828 NW 67<sup>th</sup> Street, Oklahoma City, Oklahoma, that he does not know the Respondent, and Mr. Bien identified his investigation report as the Board's Exhibit 5 (pages OREAB 0039-0058).

Mr. Bien proceeded to provide a summary of his findings from his investigation report as follows: that the Respondent's single appraisal report presented herein as Exhibit 1 is the only appraisal report he reviewed, that the Respondent's appraisal report [containing six (6) comparable sales] (Exhibit 1, appraisal report, pages OREAB 001-0035) did not comply with the USPAP Competency Rule and USPAP Scope of Work Rule (Exhibit 5, Investigation Report, page OREAB 0039), that the Scope of Work (Exhibit 1, appraisal report, pages OREAB 0005 and 006) is not sufficiently summarized to disclose to the clients the level of work used to develop the appraisal (Exhibit 5, Investigation Report, page OREAB 0040), that the Scope of Work is not sufficiently summarized as: (1) the Cost Approach lacked proper analysis of External factors such as being adjacent to industrial/commercial property, that he lumps together industrial and commercial properties as do a number of his peer appraisers; (2) the Subject's External influence (sides to industrial/commercial property) is not adequately analyzed; and, (3) Prior SALES on Sales 1 and 4,

are not adequately analyzed I reference to subsequent value increases (Exhibit 5, Investigation Report, page OREAB 0041).

As to the Neighborhood [Section] of the Respondent's appraisal report (Exhibit 1, appraisal report, pages OREAB 0003 and 0012), Mr. Bien noted that the factors that affect marketability are not adequately and reasonably described (Exhibit 5, Investigation Report, page OREAB 0043).

As to the Description of the Improvements [Section] of the Respondent's appraisal report (Exhibit 1, appraisal report, page OREAB 003), Mr. Bien indicated that the External conditions have not been adequately analyzed in that the Appraisal failed to adequately and properly disclose and analyze the Subject's External influence of siding and fronting to industrial/commercial property (Exhibit 5, Investigation Report, page OREAB 0047).

As to the Cost Approach [Section] of the Respondent's appraisal report (Exhibit 1, appraisal report, page OREAB 0005), Rod Bien noted that the Respondent has not identified and correctly analyzed depreciated items (physical, functional, external), that the Respondent has not correctly employed recognized methods and techniques, that the Respondent has failed to adequately and properly disclose and analyze the Subject's External influence of siding and fronting to industrial/commercial property (Exhibit 5, Investigation Report, page OREAB 0049).

As to the Sales Comparison Approach [Section] of the Respondent's appraisal report, pages OREAB 0004 and 0009), Mr. Bien indicated that the Respondent did not select and identify sales similar to and from the same or similar market area to the subject's market area, that the Respondent did not adequately collect, verify, and report comparable sales, that the reasoning provided for adjustments, analysis, opinions, and conclusions was inadequate, and that the respondent has incorrectly employed recognized methods and techniques. Continuing, Mr. Bien noted that Prior Sales on Sales 1 and 4 were not adequately analyzed (what caused subsequent value increases?), and that

there was inadequate explanation regarding lack of adjustment to the sales for Site influence in that the Appraisal failed to analyze Sales with similar External influence as the Subject property.

As to the Income Approach [Section] of the Respondent's appraisal report (Exhibit 1, appraisal report, pages OREAB 0005, 0010, and 0013), Mr. Bien stated that the Exclusion of the Income Approach was not supported, and that the Respondent has incorrectly or inadequately employed methods and techniques (Exhibit 5, Investigation Report, page OREAB 0053).

As to the Final Reconciliation Section of the Respondent's appraisal report (Exhibit 1, appraisal report, page OREAB 0004), Rod Bien noted that the Quality and Quantity of Data Analyzed within the Approaches was not adequately Reconciled in that: (1) the Cost Approach lacked proper analysis of External factors such as being adjacent to industrial/commercial property, that he lumps together industrial and commercial properties as do a number of his peer appraisers; (2) the Subject's External influence (sides to industrial/commercial property) is not adequately analyzed; and, (3) Prior SALES on Sales 1 and 4, are not adequately analyzed - reference to subsequent value increases (Exhibit 5, Investigation Report, page OREAB 0055). Further, Mr. Bien indicated that the Applicability and Suitability of the Approaches Used to Arrive at the Value Conclusions Have Not Been Adequately Reconciled in that: (1) the Cost Approach lacked proper analysis of External factors such as being adjacent to industrial/commercial property, that he lumps together industrial and commercial properties as do a number of his peer appraisers; (2) the Subject's External influence (sides to industrial/commercial property) is not adequately analyzed; and, (3) Prior SALES on Sales 1 and 4, are not adequately analyzed - reference to subsequent value increases (Exhibit 5, Investigation Report, page OREAB 0055).

As to General Revisited in the Respondent's appraisal report (Exhibit 1, appraisal report, pages OREAB 00030014), it was noted by Mr. Bien that the appraisal results are not conveyed in an



appropriate manner so as to not be misleading, that the Respondent does not understand the appraisal process, that the appraisal report does not contain sufficient information to enable the client(s) and intended user(s) who receive or rely on the Respondent's appraisal report to understand it properly, and that the Salient and Factual Data Reported and Analyzed were not consistently reported and analyzed throughout the assignment. According to Mr. Bien, the Appraisal Results Were Not Conveyed in an Appropriate Manner in that: (1) the Cost Approach lacked proper analysis of External factors such as being adjacent to industrial/commercial property, that he lumps together industrial and commercial properties as doe a number of his peer appraisers; (2) the Subject's External influence (sides to industrial/commercial property) is not adequately analyzed; and, (3) Prior SALES on Sales 1 and 4, are not adequately analyzed - reference to subsequent value increases (Exhibit 5, Investigation Report, page OREAB 0057).

Continuing, Mr. Bien stated that he adopts his Investigative Report (Exhibit 5) and that all twenty pages were there.

In response to a question, Mr. Bien said that he does not know the Respondent, that he has never met the Respondent or had any conversations with the Respondent, that while he recognizes the name "Darryl Ross", he does not recall any appraisal reports or any reviews of the appraisal work of Darryl Ross, that the Board's Prosecutor gives him no directions, that he just reports his findings, that the investigations he performs are just investigations, that he doesn't follow USPAP Standards 3 or 4 Reviews, that he does residential appraising in Oklahoma and Canadian Counties,

In response to a question as to the nature of the residential real estate appraisal work Board Investigator Rod Bien performs other than his investigative work for the Board related to filed grievances, Mr. Bien indicated that while he does perform appraisal work in Oklahoma County and Canadian County, the work he performs is in the form of review work that he does from his office

desk only and is not field work such as inspecting the interior or exterior of residential properties where, upon request, he examines other appraisers' appraisals, appraisal reports, and other work product, and at no time did he indicate that he actively seeks to perform original appraisals or prepare original appraisal reports subject to further review or subsequent examination by other appraisers, or that he actively applies, seeks out or competes for assignments through solicitations emailed to appraisers by Appraisal Management Companies (AMCs).

**Darren S. Ross Testimony (Summary)**

It should be noted that the Respondent testified as a witness for the Board and as a witness in his own defense all together at one time. The Respondent, Darren S. Ross, upon being duly sworn in, testified that he has been licensed as a State Licensed Appraiser since November 2020, that he attended Oklahoma Baptist University, the subject property is zoned as R-1, that he believes that the properties [industrial] surrounding the subject property (*See Exhibit 2, page OREAB 0036*) have no influence on value and no effect on marketability, hence he made no adjustments as the industrial neighbors to the West and to the North of the subject property did not support making adjustments as there was no evidence to support adjustments, and that external factor of industrial neighbors doesn't always have influence as there is only influence when there is evidence of influence.

As to his Site Section (Exhibit 1, appraisal report, page OREAB 0012), the Respondent thinks his explanation is reasonable as to the site and the external influences. Continuing, the Respondent said that he recently completed courses he needed in order to upgrade and become Certified [residential], that he has reviewed all of the allegations of the Complaint and all allegations are incorrect, that Complaint allegation #8 incorrect as he was first licensed in November 2020 and that was not licensed in July of 2020 so he could not have been hired as alleged in July 2020, that as to Complaint allegation #10, his client Better Mortgage, did not complain about his appraisal, and that

he believes that the categories of commercial properties and industrial properties should not be lumped together as being the same as was the stated opinion by the Board investigator's Rod Bien to be what his peer appraisers do and believe.

As to the issue of the subject property having or not having a converted garage, the Respondent said the subject property actually was a total, whole house, rehabilitation job rather than just a garage conversion as indicated by the Board's investigator Rod Bien who had admitted to only viewing photographs of the subject property and not to have physically viewing the subject property in person himself.

As to the related issue of adding an additional sixth (6<sup>th</sup>) comparable sale to add a comp with a converted garage, the Respondent said his original appraisal report only had five (5) comparable sales, that his client suggested several other comparable sales, that he eliminated the client suggested comps as most did not meet his criteria, that he did add one (1) comparable sale with a converted garage but that was not the reason he added that sixth (6<sup>th</sup>) comparable sale, and that he did make revisions to his original appraisal report.

As to not developing the Income Approach, the Respondent said there was not enough data to develop the Income Approach.

As to his client not filing a complaint, the Respondent said that his client had no problem accepting his comments about the external influences, and that the existence of external influences [industrial neighbors to West and to the North] were disclosed, to which comment the Board's prosecutor noted that USPAP requires that an appraiser comply with USPAP, not whether the client accepts an appraiser's appraisal work.

The Respondent alleged that as the Board's investigator Rod Bien, a Certified Residential Appraiser with 40 years of appraising experience, practices residential appraising in Oklahoma

County, Rod Bien is his economic competitor and that due to Rod Bien having failed his appraiser father, with a similar name [i.e. Darryl Ross], in 5 of 6 unspecified reviews in the past, the Board's investigator is biased against him.

The Respondent stated he wants the case against him to be dismissed.

At this point, both the Board and the Respondent rested.

The Respondent, Darren Ross, through his attorney of record, filed an Application for Oral argument and appeared before the Board at the April 5 meeting to discuss the recommendation of the disciplinary hearing panel.

### **JURISDICTION**

1. The OREAB has the duty to carry out the provisions of the Oklahoma Certified Real Estate Appraisers Act as set forth at Title 59 of the Oklahoma Statutes, §§858-701, *et seq.* and to establish administrative procedures for disciplinary proceedings conducted pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act.

2. The OREAB has promulgated rules and regulations to implement the provisions of the Oklahoma Certified Real Estate Appraisers Act in regard to disciplinary proceedings as set forth at the Oklahoma Administrative Code, §§600:15-1-1 thru 600:15-1-22, including administrative hearings.

3. The Respondent, DARREN S. ROSS ("Respondent"), is a state licensed appraiser in the State of Oklahoma, holding certificate number 13524SLA and was first licensed with the Oklahoma Real Estate Appraiser Board on November 24, 2020.

### **FINDINGS OF FACT**

The Board hereby adopts in full the Findings of Fact of the Disciplinary Hearing Panel as follows:

1. The Respondent, DARREN S. ROSS, is a state licensed appraiser in the State of

Oklahoma, holding certificate number 13524SLA and was first licensed with the Oklahoma Real Estate Appraiser Board on November 24, 2020.

2. In August of 2022, the Respondent was hired to complete an appraisal (the “Appraisal”) for a property located at 828 NW 67<sup>th</sup> Street, Oklahoma City, Oklahoma 73116 (the “Subject”). The Respondent completed the appraisal with an effective date of August 16, 2022 (See Exhibit 1, appraisal report, page OREAB 0004). The Appraisal and appraisal report were purportedly performed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) (See Exhibit 1, appraisal report, pages OREAB 0007 and 0031 [USPAP Addendum]).

3. The Respondent committed a series of errors in the Appraisal and appraisal report which violate USPAP (See Exhibit 5, Investigation Report, pages 0039-0058). These errors include, but are not limited to, the following in paragraphs 4-16.

#### **GENERAL**

4. The Scope of Work (Exhibit 1, appraisal report, pages OREAB 005-006) was not sufficiently summarized to disclose to the clients the level of work used to develop the Appraisal (See Exhibit 5, Investigation Report, pages OREAB 0040-0041).

- a) The Cost Approach (Exhibit 1, appraisal report page OREAB 0005) lacked proper analysis of External and Functional Depreciation factors such as the Subject’s being adjacent to industrial property (Exhibit 5, Investigation Report, page OREAB 0041 at 1(e)).
- b) Subject’s External influence (sides to industrial property, Exhibit 2, page OREAB 0036) is not adequately analyzed (Exhibit 5, Investigation Report, page OREAB 0041 at 1(f)).

- c) Prior SALES on Sales 1 and 4 (Exhibit 1, appraisal report, pages 0004 and 0009), not adequately analyzed – reference to subsequent value increases (Exhibit 5, Investigation Report, page OREAB 0041 at 1 (g)).

### **COST APPROACH**

5. The Cost Approach (Exhibit 1, appraisal report, page OREAB 0005) failed to adequately and properly disclose and analyze the Subject's external influence of siding and fronting to industrial property (Exhibit 5, Investigation Report, page OREAB 0049).

6. External issues (Exhibit 1, appraisal report, page OREAB 0005), were not adequately analyzed (Exhibit 5, Investigation Report, page OREAB 0049).

### **SALES COMPARISON APPROACH**

7. Adequate reasoning (Exhibit 1, appraisal report, sales comparison approach, pages OREAB 0004 and 0009), was not provided for adjustments, opinion, and conclusions (Exhibit 5, Investigation Report, page OREAB 0051).

8. The Respondent (Exhibit 1, appraisal report, pages OREAB 0004 and 0009) did not correctly employ recognized methods and techniques (Exhibit 5, Investigation Report, page OREAB 0051).

9. RESPONDENT (Exhibit 1, appraisal report, pages OREAB 0004 and 0009) HAS NOT ADEQUATELY REPORTED SALES (Exhibit 5, Investigation Report, page OREAB 0051):

Prior Sales on Sales 1 and 4 (Exhibit 1, appraisal report, pages OREAB 0004 and 0009) were not adequately analyzed (what caused subsequent value increase?) (Exhibit 5, Investigation Report, page OREAB 0051).

10. INADEQUATE EXPLANATION REGARDING LACK OF ADJUSTMENT

TO THE SALES (Exhibit 1, appraisal report, pages OREAB 0004 and 0009) FOR SITE INFLUENCE (Exhibit 5, Investigation Report, page OREAB 0051):

- a) The Appraisal and appraisal report (Exhibit 1, appraisal report, pages 0004 and 0009) failed to analyze Sales with similar External influence as the Subject property (Exhibit 5, Investigation Report, page OREAB 0051).

### **INCOME APPROACH**

11. Exclusion of the Income Approach (Exhibit 1, appraisal report, page OREAB 0013) was not supported (Exhibit 5, Investigation Report, page OREAB 0053).

### **FINAL RECONCILIATION**

12. QUALITY AND QUANTITY OF DATA ANALYZED WITHIN THE APPROACHES [Cost Approach, Sales Comparison Approach, and Income Approach] WAS NOT ADEQUATELY RECONCILED (Exhibit 5, Investigation Report, page OREAB 0055):

- a) Cost Approach (Exhibit 1, appraisal report, page OREAB 0005) lacked proper analysis of External Depreciation factors such as Subject's being adjacent to industrial property (Exhibit 5, Investigation Report, page OREAB 0055).
- b) Subject's External influence (sides to industrial property, Exhibit 2, page OREAB 0036) is not adequately analyzed (Exhibit 5, Investigation Report, page OREAB 0055).
- c) Prior SALES on Sales 1 and 4 (Exhibit 1, appraisal report, pages OREAB 0004 and 0009), not adequately analyzed – reference to subject value increases (Exhibit 5, Investigation Report, page 0055).

13. APPLICABILITY AND SUITABILITY OF THE APPROACHES [Cost Approach,

Sales Comparison Approach, and Income Approach] USED TO ARRIVE AT THE VALUE CONCLUSIONS HAVE NOT BEEN ADEQUATELY RECONCILED (Exhibit 5, Investigation, page OREAB 0055):

- a) Cost Approach (Exhibit 1, appraisal report, page OREAB 0005) lacked proper analysis of External Depreciation factors such as Subject's being adjacent to industrial property (Exhibit 5, Investigation Report, page OREAB 0055).
- b) Subject's External influence (sides to industrial property, Exhibit 2, page OREAB 0036) is not adequately analyzed (Exhibit 5, Investigation Report, page OREAB 0055).
- c) Prior SALES on Sales 1 and 4, not adequately analyzed – reference to subject value increases (Exhibit 5, Investigation Report, page OREAB 0055).

**GENERAL REVISITED**

14. APPRAISAL [Exhibit 1] RESULTS NOT CONVEYED IN AN APPROPRIATE MANNER (Exhibit 5, Investigation Report, page OREAB 0057):

- a) Cost Approach (Exhibit 1, appraisal report, page OREAB 0005) lacked proper analysis of External Depreciation factors such as Subject's being adjacent to industrial property (Exhibit 5, Investigation Report, page OREAB 0057).
- b) Subject's External influence (sides to industrial property, Exhibit 2, page OREAB 0036) is not adequately analyzed Exhibit 5, Investigation Report, page OREAB 0057).
- c) Prior SALES on Sales 1 and 4 (Exhibit 1, appraisal report, pages OREAB 0004 and 0009) not adequately analyzed – reference to subject value increases (Exhibit 5, Investigation Report, page OREAB 0057).



15. THE APPRAISAL REPORT [Exhibit 1] DOES NOT CONTAIN SUFFICIENT INFORMATION TO ENABLE THE INTENDED USER TO UNDERSTAND IT PROPERLY (Exhibit 5, Investigation Report, page OREAB 0057):

a) This conclusion is based on the number and type of report deficiencies outlined above (Exhibit 5, Investigation Report, page OREAB 0057).

16. THE SALIENT AND FACTUAL DATA WAS NOT REPORTED AND ANALYZED [Exhibit 1] IN A CONSISTENT MANNER THROUGHOUT THE APPRAISAL (Exhibit 5, Investigation Report, page OREAB 0057):

a) Subject's External site influence not adequately analyzed (Exhibit 5, Investigation Report, page OREAB 0057).

#### **ADDITIONAL FINDINGS OF FACT**

17. While the Board Investigator Rod Bien 10013CRA, a certified residential appraiser, was alleged by the Respondent Darren S. Ross 13524SLA, a state licensed appraiser, to be an "economic competitor" of the Respondent, based upon: (1) Mr. Bien's acknowledged recognition of only the similar name of the Respondent's father, Darryl Ross, formerly an appraiser, whom Mr. Bien said he did not personally know, and whom the Respondent alleged had failed [upgrade] reviews 5 of 6 times in the unspecified past; and, (2) because Rod Bien and the Respondent are both engaged in the practice of residential appraising in Oklahoma County, Oklahoma; to which the Hearing Panel notes that Rod Bien testified at the Hearing that he has been appraising real property for over forty (40) years while the Respondent has only been licensed as a state licensed appraiser since November 24, 2020, that Mr. Bien, being a Certified Residential Appraiser 10013CRA is licensed at a higher level of licensure than the Respondent, a state licensed appraiser, 13524SLA, who can lawfully perform many more types of appraisals (including but not limited

to, appraisals in federally-related transactions, and desk appraisals of the appraisals of other appraisers), than can the Respondent as a state licensed appraiser, who at the time of the appraisal [August of 2022], had less than two (2) years' experience appraising real property.

18. Despite the Respondent's allegation that the Board's investigator Rod Bien was biased against him, the Hearing Panel finds no bias by the Board's investigator Rod Bien.

### CONCLUSIONS OF LAW

The Board hereby adopts in full the Conclusions of Law of the Disciplinary Hearing Panel as follows:

1. The Respondent Darren S. Ross has violated 59 O.S. §858-723(C)(6) and 59 O.S. §858-726, in that the Respondent violated:

A) The Competency Rule of the Uniform Standards of Professional Appraisal Practice (USPAP);

[Findings of Fact No. 1, 2, 3, 8, 10, 11, and 16, supports the Conclusion of Law that the Respondent violated the USPAP Competency Rule, in pertinent part, that "*[a]n appraiser must: (1) be competent to perform the assignment; (2) acquire the necessary competence to perform the assignment; or decline or withdraw from the assignment. In all cases the appraiser must perform competently when completing the assignment...This Rule requires an appraiser to use due diligence and due care.*"

B) The Scope of Work Rule of the Uniform Standards of Professional Appraisal Practice;

[Findings of Fact No. 1, 2, 3, 4, 11, and 15, supports the Conclusion of Law that the Respondent violated the USPAP Scope of Work Rule, in pertinent part, that "*[f]or 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...The scope of work must include the research and analyses that are necessary to develop credible assignment results...The report must contain sufficient information to allow the client and other intended users to understand the scope of work performed.”*

C) Standard 1, Standards Rules 1-1, 1-4, 1-5, and 1-6; 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.

[Findings of Fact No. 1, 2, 3, 5, 6, 8, 9, 10, and 11, support the Conclusion of Law that the Respondent violated USPAP Standard 1 and Standard Rule 1-1, in pertinent part, that “*[i]n 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...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.*”

[Findings of Fact No. 1, 2, 3, 5, 6, 7, 8, 10, 12, and 13, support the Conclusion of Law that the Respondent violated USPAP Standards Rule 1-4, in pertinent part, “*[i]n 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. (b) When a cost approach is necessary for credible assignment results, an appraiser must: (i) develop an opinion of site value by an appropriate appraisal method or technique; (ii) analyze such comparable cost data as are available to estimate the cost new of the*

*improvements (if any); and (iii) analyze such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements (depreciation).*

[Findings of Fact No. 1, 2, 3, 5, and 9, support the Conclusion of Law that the Respondent violated USPAP Standards Rule 1-5, in pertinent part, “[w]hen 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.”*

[Findings of Fact No. 1, 2, 3, 6, 8, and 12, support the Conclusion of Law that that the Respondent violated USPAP Standards Rule 1-6, “[i]n developing a real property appraisal, an appraiser must:

*(a) reconcile the quality and quantity of data available and analyzed within the approaches used; and*

*(b) reconcile the applicability and relevance of the approaches, methods and techniques at the value conclusion(s).”*

[Findings of Fact No. 1, 2, 3, 5, 6, 9, 10, 11, 12, 13, 14, 15, and 16, support the Conclusion of Law that the Respondent violated USPAP Standard 2 and Standards Rule 2-1, in pertinent part, that, “[i]n reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading” and “[e]ach written or oral real property appraisal report must:

*(a) clearly and accurately set forth the appraisal in a manner that will be misleading; (b) contain sufficient information to enable the intended user(s) of the appraisal to understand the report properly.”*

[Finding of Fact No. 1, 2, 3, 4, 5, 6, 9, 10, 12, 13, 14, 15, and 16, support the Conclusion of Law that the Respondent violated USPAP Standards Rule 2-2, in pertinent part, that “[e]ach 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.]

2. The Respondent Darren S. Ross 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”.

[Findings of Fact No. 1, 2, and 3, support the Conclusion of Law that the Respondent violated 59 O.S. §858-723(C)(6), by violating the standards for the development or communication of real estate appraisals as provided in the Oklahoma Certified Real Estate Appraisers Act.

3. The Respondent Darren S. Ross has violated 59 O.S. § 858-726, in pertinent part:  
“An Oklahoma certified real estate appraiser must comply with the current edition of the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation...or when a written appraisal states that it is in compliance with the Uniform Standards of Professional Appraisal Practice.”

[Findings of Fact No. 1, and 2, support the Conclusion of Law that the Respondent violated 59 O.S. §858-726 by failing to comply with various requirements of USPAP when the Respondent represented that his appraisal report complied with USPAP.]

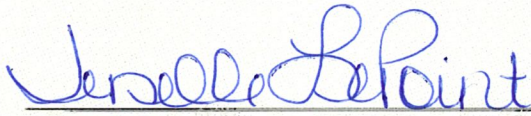
### **FINAL ORDER**

Having adopted in full the Findings of Fact and Conclusions of Law of the Disciplinary Hearing Panel, the Board hereby issues its Final Order as follows:

The Respondent, Darren S. Ross, shall be issued a Letter of Concern regarding his Appraisal and appraisal report, strongly suggest his securing additional education, and then close the file.

**THE BOARD WISHES TO ADVISE THE RESPONDENT THAT HE HAS 30 DAYS FROM THE DATE HE IS FIRST NOTIFIED OF THIS ORDER, EITHER PERSONALLY, OR BY CERTIFIED U.S. MAIL, RETURN RECEIPT REQUESTED, TO APPEAL THIS ORDER WITH THE APPROPRIATE DISTRICT COURT.**

**IT IS SO ORDERED** on this 5<sup>th</sup> day of April, 2024




**JENELLE LEPOINT**, Administrative Officer  
Real Estate Appraiser Board



Date



**BRYAN NEAL**  
Assistant Attorney General and  
Attorney for the Board



Date



**CERTIFICATE OF MAILING**

I, Kelly Ann Reynolds, hereby certify that on the 8th day of April 2024, a true and correct copy of the above and foregoing Board's Decision as to Hearing Panel Recommendation was placed in the U.S. Mail, with postage pre-paid, by Certified Mail to:

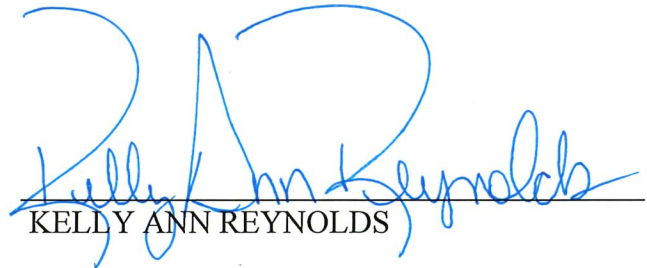
**Ge'Andra D. Johnson**  
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Oklahoma City, OK 73112

**9214 8902 0982 7500 0615 97**

by First Class Mail to:

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KELLY ANN REYNOLDS