

3. That the Respondent is a State Licensed Real Estate Appraiser in the State of Oklahoma holding license number 12294SLA.

FINDINGS OF FACT

The following findings of fact were proven by clear and convincing evidence.

1. Nations Mortgage (the "Client") hired Respondent to appraise a parcel of real estate located at 12469 King Camp Road, Mannford, Oklahoma 74038 (the "Property").

2. On or about March 21, 2002, Respondent prepared an appraisal report (the "Report") on the property and transmitted said signed report to the Client.

3. The Report represented that the Respondent made a personal inspection of the property and was performed in conformity with the Uniform Standards of Professional Appraisal Practice.

4. The Report included, but is not limited to, the following errors, inaccuracies and omissions:

a. The Report stated that there was no apparent settlement of the foundation; but evidence and testimony demonstrated, and Respondent admitted that there was settlement.

b. The Report stated that the property contained three bedrooms; but in fact the structure was not a functional three bedroom home.

c. The Report stated that the property had no physical, functional or external inadequacies; but testimony and evidence received demonstrated that there were many unreported inadequacies.

d. The Report stated that the condition of the property was average, but Respondent admitted under oath that it was not.

e. The Complainant, Ms. Mary Rister, offered testimony that was extremely compelling and which was not contradicted by the Respondent.

5. In the aggregate, the errors, inaccuracies and omissions led to a misleading and fraudulent report. This was proved by the evidence and testimony and by the admission of the Respondent.

6. Respondent, in said Report, estimated the appraised value of the Property to be \$66,000.00.

This is also the same value the Report stated the pending contract for sale was valued to be: “[a] contract is currently pending on the subject property for the price of \$66,000.”

7. The series of intentional errors, inaccuracies and omissions were for the purpose of deriving a higher appraised value than what the property was worth.

8. The Property sold for the amount of \$66,000 to Roger and Mary Rister (hereinafter referred to as the “Homeowners”).

9. For the following two years, the Homeowners made improvements to the property.

10. Approximately two years after the Report was issued, the Homeowners began the process to re-finance the Property and corresponded with a lender who offered to refinance the Property for \$75,000.00.

11. The lender hired Bill Pearson (“Pearson”), a state of Oklahoma licensed appraiser, of A~D Appraisers to conduct a “Qualifying Analysis” review of the Property.

12. Pearson’s analysis, which included a full inspection, did not support the refinancing and appears to substantially contradict the original Report. Pearson concluded in his analysis that:

“ESTIMATED COST TO CURE ALL DEFERRED MAINTENANCE AND PART OF THE FUNCTIONAL OBSOLESCENCE IS \$20,800.00.”

13. The \$75,000 refinancing was not approved.

CONCLUSIONS OF LAW

That such conduct by the Respondent is in violation of the following:

1. That Respondent has violated 59 O.S. § 858-723(A)(5) "An act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the certificate holder or another person or with the intent to substantially injure another person."

2. That Respondent has violated 59 O.S. § 858-723(A)(6) through 59 O.S. § 858-726, in that Respondent has violated:

a. The Conduct and Management Sections of the 2002 Edition of the Uniform Standards of Professional Appraisal Practice Ethics Rule;

- b. The Competency Rule in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;
- c. Standard Rule 1 in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;
- d. Standards Rule 1-1(a) in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;
- e. Standards Rule 1-1(b) in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;
- f. Standards Rule 1-1(c) in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;
- g. Standard Rule 2 in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;
- h. Standards Rule 2-1 in the 2002 Edition of the Uniform Standards of Professional Appraisal Practice;

3. That Respondent has violated 59 O.S. § 858-723(A)(7): "Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal."

4. That Respondent has violated 59 O.S. § 858-723(A)(8): "Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal."

5. That Respondent has violated 59 O.S. § 858-723(A)(9): "Willfully disregarding or violating any of the provisions of the Oklahoma Certified Real Estate Appraisers Act or the regulations of the Board for the administration and enforcement of the provisions of the Oklahoma Certified Real Estate Appraisers Act."

6. That Respondent has violated 59 O.S. § 858-723(A)(10): "Accepting an appraisal assignment when the employment itself is contingent upon the appraiser reporting a predetermined estimate, analysis or opinion, or where the fee to be paid is contingent upon the opinion, conclusion or valuation reached, or upon

the consequences resulting from the appraisal assignment."

7. That Respondent has violated 59 O.S. § 858-723(A)(13), in that Respondent has violated 59 O.S. § 858-732(A)(1): "An appraiser must perform ethically and competently and not engage in conduct that is unlawful, unethical or improper. An appraiser who could reasonably be perceived to act as a disinterested third party in rendering an unbiased real property valuation must perform assignments with impartiality, objectivity and independence and without accommodation of personal interests."

RECOMMENDED DISCIPLINE

The Board adopts the Panel's Findings of Facts and Conclusions of Law as set forth above and sets forth the following order.

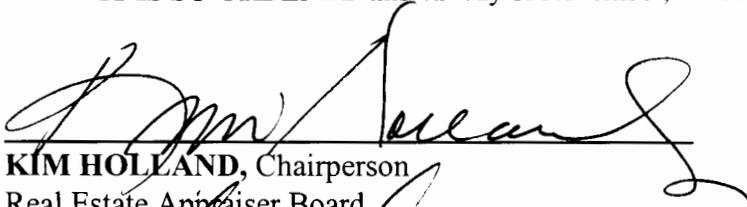
1. Respondent's appraiser credential be suspended for a period of one month in accordance with the Board's administrative rule at OAC 600:15-1-15.

2. As a condition to the termination of the aforementioned suspension, Respondent is required to successfully complete the initial seventy five (75) hours of qualifying education, including thirty (30) hour qualifying courses in appraisal principals and appraisal practice, and the 15 hour National USPAP Course, from one of the sponsoring organizations of The Appraisal Foundation and transmit the certificates of course completion to the administrative office of the Board, and that these courses may not be used as continuing education, and

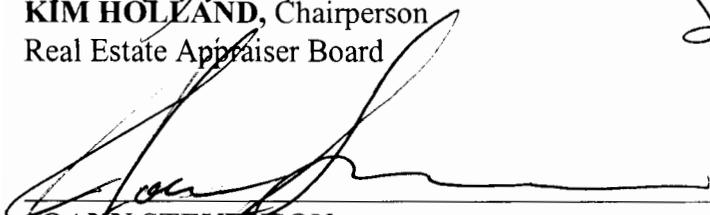
3. Following termination of the suspension, Respondent must submit a log of all appraisal activity to the administrative office of the Board by not later than the first day of each month for a period of six months, with the understanding that reports may be selected from the log for review by the Board.

THE BOARD WISHES TO ADVISE THE RESPONDENT THAT HE HAS THIRTY (30) DAYS TO APPEAL THIS ORDER WITH THE APPROPRIATE DISTRICT COURT.

IT IS SO ORDERED this 4th day of November, 2005.



KIM HOLLAND, Chairperson
Real Estate Appraiser Board



JOANN STEVENSON
Assistant Attorney General
Counsel to the Board

CERTIFICATE OF MAILING

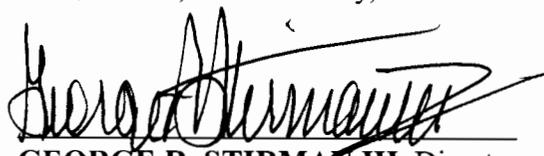
I, George R. Stirman III, hereby certify that a true and correct copy of the above and foregoing Board's Decision on Disciplinary Hearing Panel Recommendation was mailed by certified mail, return receipt requested, on the 9 th day of November, 2005 to:

Bryce A. Gaden
c/o Greg Farrar
Farrar and Farrar, P.C.
P.O. Box 2982
Tulsa, OK 74101

VIA CERTIFIED MAIL
7001 0320 0004 0219 8397

and that copies were mailed by first class mail to:

Stephen L. McCaleb, Derryberry Law Firm, 4800 N. Lincoln Blvd, Oklahoma City, OK 73105;
Mary Rister, 12469 King Camp Rd, Mannford, OK 74044;
Stewart N. Zink, Hearing Panel Member, 13201 Regal Vintage Rd, Oklahoma City, OK 74053;
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David W. Atkinson, Hearing Panel Member, PO Box 30156, Midwest City, OK 73140;
Randall M. Boevers, Alternate Panel Member, Rt 4, Box 130, Okarche, OK 73762; and
Joann Stevenson, Asst Atty General, 4545 N Lincoln Blvd, Ste 260, Oklahoma City, OK 73105.


GEORGE R. STIRMAN III, Director
Real Estate Appraiser Board