

**BEFORE THE REAL ESTATE APPRAISER BOARD  
STATE OF OKLAHOMA**

In the Matter of **WILLIAM R. HARN,** )  
 )  
Respondent. ) Complaint #07-063  
 )  
Disciplinary Hearing. )

**BOARD’S DECISION ON DISCIPLINARY  
HEARING PANEL RECOMMENDATION**

On the 2nd day of May, 2008, the above-numbered and entitled cause came on for hearing before the Oklahoma Real Estate Appraiser Board (the “Board”). The Disciplinary Hearing Panel (the “Panel”) making the recommendation consisted of three members, Scott C. Goforth, Frank E. Priegel Jr., and Michael C. Prochaska. Michael C. Prochaska was elected and served as Hearing Panel Chairman. Said panel was represented by the Board’s attorney, Assistant Attorney General Bryan Neal. The case was prosecuted by the Board’s prosecutor, Stephen L. McCaleb. The Respondent, William R. Harn, appeared pro se after having been mailed a copy of the Notice of Disciplinary Proceedings and Appointment of Hearing Panel by certified mail with return receipt requested pursuant to the Oklahoma Real Estate Appraiser Act, 59 O.S. § 858-718, and the Oklahoma Administrative Procedures Act, 75 O.S. §§250-323.

The Board, being fully advised in the matter, makes the following Order adopting the Panel’s Recommendation:

**JURISDICTION**

1. That the Oklahoma Real Estate Appraiser Board has jurisdiction of this cause, pursuant to the provisions of the Oklahoma Real Estate Appraiser Act, 59 O.S. § 858-700 *et seq.*

2. That the proceedings were conducted in accordance with the Oklahoma Real Estate Appraiser Act, 59 O.S. § 858-700 *et seq.*, and the Oklahoma Administrative Procedures Act, 75 O.S., § 301-323.

3. That Respondent William R. Harn is a Trainee Appraiser in the State of Oklahoma, holding certificate number 90888TRA and was first credentialed by the Oklahoma Real Estate Appraiser Board on February 13, 2007.

### **FINDINGS OF FACT**

The Board adopts in full the finding of the hearing panel that the following facts were proved by clear and convincing evidence:

1. In June of 2007, Glen and Carolyn Wilson (the “clients”) hired Respondent to appraise a parcel of property located at 1533 S. 181<sup>st</sup> Avenue, Tulsa, Oklahoma 74108 (the “subject property”).

2. On or about June 15, 2007, Respondent prepared an appraisal report (the “report”) on the subject property and transmitted said report to the client. The appraisal’s date of appraised value was reported as June 15, 2007, and Respondent reported a final estimate of value as Two Hundred Five Thousand and 00/100 dollars (\$205,000.00). Said report was purportedly performed in conformity with the Uniform Standards of Professional Appraisal Practice.

3. Respondent committed errors in his report. These errors include, but are not limited to:

4. The report listed the zoning of the subject property as “No zoning”, when in fact, the subject property is an a RS-1 zoning area, in which the clients received obtained a special

exception from the City of Tulsa Board of Adjustment to have the manufactured home placed on the site.

5. Respondent's choice of comparables was not appropriate due to four (4) of the five (5) comparables he chose are conventional construction whereas the subject property is a manufactured home.

6. Respondent failed to report that comparable one (1) backs up to Oklahoma State Highway 44 and has frontage on a major thoroughfare. Respondent further failed to report that comparable one (1) has a frame rent house on the property.

7. Respondent failed to report that comparable two (2) has several additional barns that were not referenced in the report.

8. Respondent failed to report that comparable four (4) has a pond and a barn on the property.

9. Respondent failed to report that comparable five (5) has a conventional dwelling that is more than four thousand (4,000) square feet on the property in addition to a one thousand five hundred sixty eight (1,568) square foot manufactured home, which Respondent incorrectly listed as a traditional design. Further, Respondent failed to report that this sale appears to have been a distressed sale.

### **CONCLUSIONS OF LAW**

The Board adopts in full the conclusion of the Hearing Panel that said conduct by the Respondent is in violation of:

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

A) The Conduct and Management Sections 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;

D) Standard 1 and Standards Rules 1-1, 1-2, 1-3, 1-4; Standard 2, and Standards Rules 2-1 and 2-2 of the Uniform Standards of Professional Appraisal Practice; and

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 or the regulations of the Board for the administration and enforcement of the provisions of the Oklahoma Certified Real Estate Appraisers Act."

5. That Respondent has violated 59 O.S. § 858-723(C) (13), in that Respondent 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."

## **FINAL ORDER**

The Board, having adopted the Findings of Fact and Conclusions of Law as set forth above, sets forth the following Final Order adopting in full the recommendation of the Hearing Panel:

1. Respondent's appraisal credential is placed under **PROBATION** for a period of not less than **ONE (1) YEAR** from the date any order of the Board adopting this recommendation. During this period of probation, the following terms and conditions shall apply: Respondent shall submit an appraisal log to the administrative office of the Board by not later than the 5<sup>th</sup> day of each month for the preceding month for a period of **ONE (1) YEAR** from the date of any Board order accepting this recommendation. Respondent is placed on notice that random samples of reports may be requested from the log and shall be provided by Respondent within **FIVE (5) DAYS** of the request for review by the Board.

2. Respondent successfully completes corrective education as follows:

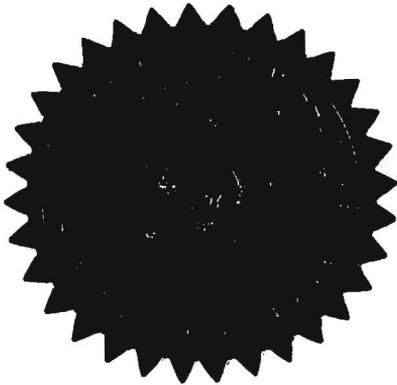
- **THE TESTED FIFTEEN (15) HOUR** National USPAP Course.
- **SEVEN (7) HOURS** or longer Appraisal of Manufactured Homes Course; and
- **THE TESTED THIRTY (30) HOUR** Residential Sales Comparison and Income Approaches Course.

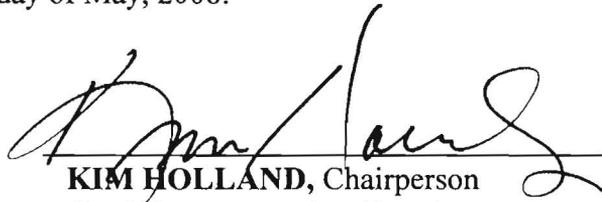
All courses must be completed with copies of the certificates of course completion transmitted to the administrative office of the Board within **ONE (1) YEAR** from the date of any Board order accepting this recommendation. The courses must be provided by one of the sponsoring organizations of the Appraisal Foundation, and must be live courses, attended in-person by Respondent (not distance and/or correspondence courses). The courses may not be utilized as

continuing education by the appraiser to meet his three-year education requirement of forty-two (42) hours or as qualifying education when the appraiser wishes to upgrade his license.

**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 9 day of May, 2008.



  
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**KIM HOLLAND**, Chairperson  
Real Estate Appraiser Board

  
\_\_\_\_\_  
**PRESTON DRAPER**  
Assistant Attorney General  
Counsel to the Board

**CERTIFICATE OF MAILING**

I, Christine McEntire, hereby certify that a true and correct copy of the above and foregoing Board's Decision on Disciplinary Hearing Panel Recommendation was mailed postage prepaid by certified mail with return receipt requested on this 9 day of May, 2008 to:

**WILLIAM R. HARN**  
1704 North 24<sup>th</sup> Street  
Broken Arrow, Oklahoma 74014

**Certified Mail Return Receipt**  
7002 2410 0001 7592 7250  
*7922*

and that copies were mailed to:

**OFFICE OF THE ATTORNEY GENERAL**

Attn: Preston Draper  
313 N.E. 21<sup>st</sup> Streets  
Oklahoma City, OK 73105

**DERRYBERRY & NAIFEH, LLP**

Attn: Stephen McCaleb  
4800 North Lincoln Blvd.  
Oklahoma City, Oklahoma 73105

**OKLAHOMA DEPARTMENT OF CONSUMER CREDIT**

4545 North Lincoln Boulevard, Suite 104  
Oklahoma City, Oklahoma 73105

**Scott C. Goforth, Hearing Panel Member**

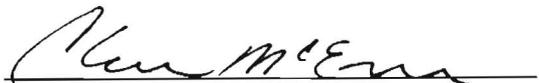
3705 W. Memorial Road, Suite 306  
Oklahoma City, OK 73134

**Michael C. Prochaska, Hearing Panel Member**

1827 S. 29<sup>th</sup> Street  
Chickasha, Oklahoma 73018

**Frank E. Priegel, Jr., Hearing Panel Member**

P.O. Box 627  
Okmulgee, Oklahoma 74447

  
**Christine McEntire, Legal Secretary**  
Real Estate Appraiser Board