

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 Harriette L. McCollough is a State Certified Residential Appraiser in the State of Oklahoma, holding license number 11361CRA, and was first credentialed with the Oklahoma Real Estate Appraiser Board on September 6, 1994.

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. That Respondent is a State Certified Residential Appraiser in the State of Oklahoma holding license number 11361CRA.

2. That on or about June 5, 2009 Respondent provided an appraisal report of a manufactured home that was to be located at 25810 E. 3rd Street, Catoosa, Oklahoma.

3. That the appraisal report included a number of errors and deviations from proper appraisal practice, including but not limited to those listed below.

4. Respondent provided no legal description of the subject site.

5. Respondent incorrectly reports the buyer of the manufactured home as the owner of the site property. In fact, at the time of the appraisal report, June 5, 2009, the record owners of the land were Julie and Scott Dawes. They did not sell the property to Paula Armstrong, the buyer of the manufactured home, until June 19, 2009. The deed was recorded on June 30, 2009.

6. Respondent assigns the site a value of \$20,000 in her cost approach. The buyer actually paid \$22,500 for the site. Other than assigning a value to the site in the cost approach, Respondent nowhere in the appraisal report includes the actual cost of the site; the sale price she reports is for the manufactured home alone.

7. Respondent states the site is 1 acre but does not give the site's dimensions. The reviewer gives the dimensions from the land sale contract as 165' x 132' for a total site size of ½ acre.

8. Respondent reports the sale price of the manufactured home as \$80,227.44, and assigns a value of \$20,000 to the site and \$12,000 to the site improvements. These figures total \$112,727. Respondent does not explain why her value for the whole thing, \$129,000, is higher than that.

9. Respondent is appraising a new manufactured home that has not yet even been delivered. She states the contract price results in a cost of \$37.70 per square foot. Yet in her cost approach she states that the replacement cost new of this new manufactured home would carry a cost of \$42.89 per square foot. Respondent does not explain why the replacement cost for an absolutely new manufactured home would be greater than the current market price of the home.

10. Respondent's report does not include HUD serial number or HUD label number nor does it include any photograph of the manufacturer's tag, and the report includes confusing information about the HUD label.

11. Respondent conducted two later inspections of the property, one on July 23, 2009, when she answered "yes" to the question: "Have the improvements been completed in accordance with the requirements and conditions stated in the original"; and one on September 15, 2009, in which she answered "no" to the same question. Neither is a final inspection report.

12. Respondent did supply the Board with a final inspection report, completed in May 2010 after commencement of these proceedings.

CONCLUSIONS OF LAW

The Board adopts in full the Conclusions of Law recommended by the hearing panel:

That such conduct by the Respondent is in violation of:

1. 59 O.S. §858-723(C) (7), "Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal report, or in communicating an appraisal".
2. 59 O.S. §858-723(C) (8), "Negligence or incompetence in developing an appraisal, preparing an appraisal report or communicating an appraisal".
3. 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" by violation of:
 - a. Competency Rule, USPAP 2008-2009 Edition;
 - b. Standard 1 and Standards Rules 1-1(b), 1-1(c), 1-2(e)(i), 1-4(a), 1(4)(b)(i), & 1-5(a), USPAP 2008-2009 Edition; and
 - c. Standard 2 and Standards Rules 2-1(a), 2-1(b), 2-2(b)(iii), 2-2(b)(viii), USPAP 2008-2009 Edition.

RECOMMENDED DISCIPLINE

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

1. Respondent's appraisal credential be placed on **PROBATION** for a period of not less than **ONE (1) YEAR** from the date any order of the Board adopting this recommendation. Said probation shall be under the following conditions. Respondent shall submit a log of all appraisal assignments completed each month to the administrative office of the Board by not later than the fifth (5th) day of the following month. The Board's Director may select appraisals from said log to be forwarded to the Board's administrative office for review.
2. Respondent shall pay an administrative fine in the amount of one thousand dollars (\$1,000). Payment of the fine and costs outlined above shall be remitted to the Board in accordance with the manner contemplated by 59 O.S. Section 858-723 (B)(2) and (4).
3. Respondent shall successfully complete corrective education as follows:
 - **THIRTY (30) HOURS** of Course 601, Basic Appraisal Principles;

- **THIRTY (30) HOURS** of Course 613, Residential Sales Comparison and Income Approaches;
- **FIFTEEN (15) HOURS** of Course 612, Residential Appraiser Site Valuation and Cost Approach;
- **FIFTEEN (15) HOURS** of Course 614, Residential Report Writing and Case Studies; and
- **SEVEN (7) HOURS** of Appraising Manufactured Housing, similar or equal to the Appraisal Institute Course #912.

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 tested, and not less than one-half of which must be live courses, attended in-person by Respondent (not distance and/or correspondence courses).

Failure to comply with any of the terms and conditions set forth above shall result in Respondent's credential being suspended instanter without further Board action until such terms and conditions have been met.

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

IT IS SO ORDERED this 5th day of November, 2010




 SHANNON N. GABBERT, Secretary
 Real Estate Appraiser Board


 BRYAN D. NEAL, Assistant Attorney General
 Counsel to the Board

CERTIFICATE OF MAILING

I, Christine McEntire, hereby confirm 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 16 day of November, 2010 to:

Rachel Lawrence Mor
3037 N.W. 63rd Street, Suite 200
Oklahoma City, Oklahoma 73116

7009 2820 0001 5683 8083

and that copies were mailed to:

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Christine M. McEntire, Legal Secretary