

**BEFORE THE
BUREAU OF REAL ESTATE APPRAISERS
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation/Petition to
Revoke Probation Against:

OWEN A. EZEOKOLI
12275 Oakview Way
San Diego, CA 92128

Certified Residential Real Estate Appraiser
License No. AR030220

Respondent.

Case No. C20130816-02

OAH No. 2013120539

DECISION AND ORDER

The attached Stipulated Surrender of License and Disciplinary Order is hereby adopted by the Chief of the Bureau of Real Estate Appraisers, Department of Consumer Affairs as the Decision and Order in the above entitled matter.

This Decision shall become effective on 6-5-14.

It is so ORDERED 5-5-14.

Original Signed

FOR THE CHIEF OF THE BUREAU OF REAL ESTATE
APPRAISERS
DEPARTMENT OF CONSUMER AFFAIRS

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2 LINDA K. SCHNEIDER
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8 **BEFORE THE**
9 **BUREAU OF REAL ESTATE APPRAISERS**
10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation/Petition to
12 Revoke Probation Against:

13 **OWEN A. EZEOKOLI**
14 **12275 Oakview Way**
San Diego, CA 92128

15 **Certified Residential Real Estate Appraiser**
License No. AR030220

16 Respondent.

Case No. C20130816-02

OAH No. 2013120539

13 **STIPULATED SURRENDER**
14 **OF LICENSE AND ORDER**

17 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
18 entitled proceedings that the following matters are true:

19 PARTIES

20 1. Elizabeth Seaters, acting on behalf of the Bureau of Real Estate Appraisers
21 (Complainant), Department of Consumer Affairs, brought this action solely in her capacity as the
22 Chief of Enforcement for Complainant and is represented in this matter by Kamala D. Harris,
23 Attorney General of the State of California, by G. Michael German, Deputy Attorney General.

24 2. Owen A. Ezeokoli (Respondent) is representing himself in this proceeding and has
25 chosen not to exercise his right to be represented by counsel.

26 3. On June 21, 2006, the Bureau of Real Estate Appraisers (formerly Office of Real
27 Estate Appraisers) issued Certified Residential Real Estate Appraiser License No. AR030220 to
28 Respondent. The Certified Residential Real Estate Appraiser License was in full force and effect

1 at all times relevant to the charges brought in Accusation/Petition to Revoke Probation No.
2 C20130816-02 and will expire on February 27, 2015, unless renewed.

3 JURISDICTION

4 4. Accusation/Petition to Revoke Probation No. C20130816-02 was filed before the
5 Bureau of Real Estate Appraisers (Bureau), for the Department of Consumer Affairs, and is
6 currently pending against Respondent. The Accusation/Petition to Revoke Probation and all other
7 statutorily required documents were properly served on Respondent on December 4, 2013.
8 Respondent timely filed his Notice of Defense contesting the Accusation/Petition to Revoke
9 Probation. A copy of Accusation/Petition to Revoke Probation No. C20130816-02 is attached as
10 Exhibit A and incorporated by reference.

11 5. When deemed by the Bureau Chief to be in the public interest, Complainant has the
12 authority under Business and Professions Code section 11315.5 to enter into a settlement related
13 to administrative allegations of violations of the regulations governing the conduct of licensed
14 appraisers and appraisal management companies. The administrative allegations associated with
15 Accusation/Petition to Revoke Probation No. C20130816-02 against Respondent are incorporated
16 herein by reference.

17 ADVISEMENT AND WAIVERS

18 6. Respondent has carefully read, and understands the charges and allegations in
19 Accusation/Petition to Revoke Probation No. C20130816-02. Respondent also has carefully read,
20 and understands the effects of this Stipulated Surrender of License and Order.

21 7. Respondent is fully aware of his legal rights in this matter, including the right to a
22 hearing on the charges and allegations in the Accusation/Petition to Revoke Probation; the right
23 to be represented by counsel, at his own expense; the right to confront and cross-examine the
24 witnesses against him; the right to present evidence and to testify on his own behalf; the right to
25 the issuance of subpoenas to compel the attendance of witnesses and the production of
26 documents; the right to reconsideration and court review of an adverse decision; and all other
27 rights accorded by the California Administrative Procedure Act and other applicable laws.
28

1 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
2 every right set forth above.

3 CULPABILITY

4 9. Respondent admits the truth of each and every charge and allegation in
5 Accusation/Petition to Revoke Probation No. C20130816-02, agrees that cause exists for
6 discipline and hereby surrenders his Certified Residential Real Estate Appraiser License No.
7 AR030220 for the Bureau's formal acceptance.

8 10. Respondent understands that by signing this stipulation he enables the Bureau Chief
9 to issue an order accepting the surrender of his Certified Residential Real Estate Appraiser
10 License without further process.

11 11. Respondent understands and agrees that, by signing this Stipulated Settlement, the
12 Bureau Chief will treat any application for licensure, or certificate of registration as an appraisal
13 management company, or petition for reinstatement as a new application for licensure.

14 12. Respondent understands and acknowledges that, pursuant to Business and Professions
15 Code section 11409(c)(2), the Bureau of Real Estate Appraisers is not authorized to accept a new
16 application from Respondent for licensure or certification until such time that payment of the
17 costs of investigation, enforcement and prosecution of this case, as imposed by this order, is
18 received in full.

19 CONTINGENCY

20 13. This stipulation shall be subject to approval by the Bureau of Real Estate Appraisers.
21 Respondent understands and agrees that counsel for Complainant and the staff of the Bureau of
22 Real Estate Appraisers may communicate directly with the Bureau Chief regarding this
23 stipulation and surrender, without notice to or participation by Respondent. By signing the
24 stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek
25 to rescind the stipulation prior to the time the Bureau Chief considers and acts upon it. If the
26 Bureau Chief fails to adopt this stipulation as its Decision and Order, the Stipulated Surrender and
27 Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible
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1 in any legal action between the parties, and the Bureau shall not be disqualified from further
2 action by having considered this matter.

3 14. The parties understand and agree that Portable Document Format (PDF) and facsimile
4 copies of this Stipulated Surrender of License and Order, including Portable Document Format
5 (PDF) and facsimile signatures thereto, shall have the same force and effect as the originals.

6 15. This Stipulated Surrender of License and Order is intended by the parties to be an
7 integrated writing representing the complete, final, and exclusive embodiment of their agreement.
8 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
9 negotiations, and commitments (written or oral). This Stipulated Surrender of License and Order
10 may not be altered, amended, modified, supplemented, or otherwise changed except by a writing
11 executed by an authorized representative of each of the parties.

12 16. In consideration of the foregoing admissions and stipulations, the parties agree that
13 the Bureau Chief may, without further notice or formal proceeding, issue and enter the following
14 Order:

15 **ORDER**

16 IT IS HEREBY ORDERED that Certified Residential Real Estate Appraiser License No.
17 AR030220, issued to Respondent Owen A. Ezeokoli, is surrendered and accepted by the Bureau
18 of Real Estate Appraisers.

19 1. The surrender of Respondent's Certified Residential Real Estate Appraiser License
20 and the acceptance of the surrendered license by the Bureau shall constitute the imposition of
21 discipline against Respondent. This stipulation constitutes a record of the discipline and shall
22 become a part of Respondent's license history with the Bureau of Real Estate Appraisers.

23 2. Respondent shall lose all rights and privileges as a Certified Residential Real Estate
24 Appraiser in California as of the effective date of the Bureau's Decision and Order.

25 3. Respondent shall cause to be delivered to the Bureau his license certificate on or
26 before the effective date of the Decision and Order.

27 4. If he ever applies for licensure or any certificate or registration as an appraisal
28 management company to the Bureau of Real Estate Appraisers, or petitions for reinstatement in

1 the State of California, the Bureau shall treat it as a new application for licensure or certification.
2 Respondent must comply with all the laws, regulations and procedures for licensure in effect at
3 the time the application or petition is filed, and all of the charges and allegations contained in
4 Accusation/Petition to Revoke Probation No. C20130816-02 shall be deemed to be true, correct
5 and admitted by Respondent when the Bureau determines whether to grant or deny the
6 application or petition.

7 5. Respondent shall not be eligible to apply for a new license or for a certification of
8 registration as an appraisal management company until 1 year from the effective date of this
9 Stipulated Surrender.

10 6. Respondent shall pay the agency its costs of investigation and enforcement in the
11 amount of \$4,683.23 prior to issuance of a new or reinstated license.

12 ACCEPTANCE

13 I have carefully read the Stipulated Surrender of License and Order. I understand the
14 stipulation and the effect it will have on my Certified Residential Real Estate Appraiser License.
15 I enter into this Stipulated Surrender of License and Order voluntarily, knowingly, and
16 intelligently, and agree to be bound by the Decision and Order of the Bureau of Real Estate
17 Appraisers.

18 DATED: 4-25-14

Original Signed

LOWEN A. EZEOKOLI
Respondent

20 ENDORSEMENT

21 The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted
22 for consideration by the Bureau of Real Estate Appraisers.

23 DATED: April 28, 2014

KAMALA D. HARRIS
Attorney General of California
LINDA K. SCHNEIDER
Supervising Deputy Attorney General

Original Signed

G. MICHAEL SERRANO
Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation/Petition to Revoke Probation No. C20130816-02

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2 LINDA K. SCHNEIDER
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8 **BEFORE THE**
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11 In the Matter of the Accusation and Petition to
12 Revoke Probation Against:

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14 **12275 Oakview Way**
San Diego, CA 92128

15 **Certified Residential Real Estate Appraiser**
License No. AR030220

16 Respondent.

Case No. C20130816-02

ACCUSATION AND

PETITION TO REVOKE PROBATION

17 Complainant alleges:

18 **PARTIES**

19 1. Complainant Elizabeth Seaters, acting on behalf of the Bureau of Real Estate
20 Appraisers (Bureau), Department of Consumer Affairs (DCA) brings this Accusation and Petition
21 to Revoke Probation solely in her official capacity as Chief of Enforcement.

22 2. On June 21, 2006, the Bureau (formerly Office of Real Estate Appraisers) issued
23 Certified Residential Real Estate Appraiser License Number AR030220 (license) to Respondent
24 Owen A. Ezeokoli. The license was in full force and effect at all times relevant to the charges
25 brought herein and will expire on February 27, 2015, unless renewed.

26 3. In a disciplinary action entitled "In the Matter of the Administrative Findings Against
27 Owen A. Ezeokoli," Case No. C110322-08, the Bureau issued a Decision and Order effective
28 June 20, 2012, in which Respondent's license was revoked. However, the revocation was stayed

1 and Respondent's license was placed on probation for two years with certain terms and conditions.
2 A copy of that Decision and Order is attached as Exhibit A and is incorporated by reference.

3 **JURISDICTION AND STATUTORY PROVISIONS FOR ACCUSATION**

4 4. This Accusation is brought before the Bureau for the DCA, under the authority of the
5 following laws. All section references are to the Business and Professions Code (Code) unless
6 otherwise indicated.

7 5. Code section 11301 states:

8 (a) There is hereby created within the Department of Consumer Affairs a
9 Bureau of Real Estate Appraisers to administer and enforce this part.

10 (b) Whenever the term "Office of Real Estate Appraisers" appears in any
11 other law, it means the "Bureau of Real Estate Appraisers."

12 6. Code section 11313 states:

13 The bureau is under the supervision and control of the Director of Consumer
14 Affairs. The duty of enforcing and administering this part is vested in the chief,
15 and he or she is responsible to the Director of Consumer Affairs therefor. The
16 chief shall adopt and enforce rules and regulations as are determined reasonably
17 necessary to carry out the purposes of this part. Those rules and regulations shall
18 be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of
19 Division 3 of Title 2 of the Government Code. Regulations adopted by the former
20 Director of the Office of Real Estate Appraisers shall continue to apply to the
21 bureau and its licensees.

22 7. Code section 11314 states, in pertinent part:

23 The office is required to include in its regulations requirements for licensure
24 and discipline of real estate appraisers that ensure protection of the public interest.

25 8. Code section 11315.3 states:

26 The suspension, expiration, or forfeiture by operation of law of a license or
27 certificate of registration issued by the office, or its suspension, forfeiture, or
28 cancellation by order of the office or by order of a court of law, or its surrender
without the written consent of the office, shall not, during any period in which it
may be renewed, restored, reissued, or reinstated, deprive the office of its authority
to institute or continue a disciplinary proceeding against the licensee or registrant
upon any ground provided by law or to enter an order suspending or revoking the
license or certificate of registration, or otherwise taking disciplinary action against
the licensee or registrant on any such ground.

1 9. Code section 11316, subdivision (a) states:

2 (a) The director may assess a fine against a licensee, applicant for licensure,
3 person who acts in a capacity that requires a license under this part, course
4 provider, applicant for course provider accreditation, or a person who, or entity
5 that, acts in a capacity that requires course provider accreditation for violation of
6 this part or any regulations adopted to carry out its purposes.

7 10. Code section 11319 provides that the Uniform Standards of Professional Appraisal
8 Practice (USPAP) constitute the minimum standard of conduct and performance for real estate
9 appraisers.

10 11. California Code of Regulations, title 10 (Regulations), section 3500(b)(19) states that
11 USPAP means those standards as adopted by the Appraisal Standards Board of the Appraisal
12 Foundation.

13 12. Regulations, section 3701 provides that licensees shall conform to and observe
14 USPAP and any subsequent amendments thereto as promulgated by the Appraisal Standards
15 Board of The Appraisal Foundation which standards are herein incorporated into BREA's
16 regulations by reference as if fully set forth herein.

17 13. Regulations, section 3702 states that:

18 (a) The Director finds and declares as follows:

19 (1) That the profession of real estate appraisal is vested with a fiduciary
20 relationship of trust and confidence as to clients, lending institutions, and both
21 public and private guarantors or insurers of funds in federally-related real estate
22 transactions and that the qualifications of honesty, candor, integrity, and
23 trustworthiness are directly and substantially related to and indispensable to the
24 practice of the appraisal profession;

25 (2) That registered Appraisal Management Companies are vested with a
26 relationship of trust and confidence as to their clients, lending institutions, and
27 both public and private guarantors or insurers of funds in federally-related real
28 estate transactions and that the qualifications of honesty, candor, integrity, and
trustworthiness are directly and substantially related to and indispensable to their
business operations; and

(3) Every holder of a license to practice real estate appraisal, Registrant,
Controlling Person of an Appraisal Management Company, or person or entity
acting in a capacity requiring a license or Certificate of Registration shall be

1 required to demonstrate by his or her conduct that he or she possesses the
2 qualifications of honesty, candor, integrity, and trustworthiness.

3 (b) The Director may require such proof as he may deem advisable
4 concerning the special qualifications of an applicant for or holder of an appraisers'
5 license or a Certificate of Registration.

6 14. Regulations, section 3705, states:

7 (a) Every appraisal report subject to the Uniform Standards of Professional
8 Appraisal Practice upon final completion shall bear the signature and license
9 number of the appraiser and of the supervising appraiser, if appropriate. The
10 affixing of such signature and number constitute the acceptance by the appraiser
11 and supervising appraiser of full and personal responsibility for the accuracy,
12 content, and integrity of the appraisal under Standards Rules 1 and 2 of USPAP.

13 (b) Every review appraisal report upon final completion shall bear the
14 signature and license number of the reviewer. The affixing of such signature and
15 number shall constitute acceptance by the reviewer of responsibility for the review
16 under Standard Rule 3 of USPAP.

17 (c) The license number of the appraiser, and of the review appraiser if the
18 report is a review, shall appear with each signature throughout the appraisal or
19 review document.

20 15. Regulations, title 10, section 3721 states:

21 (a) The Director may issue a citation, order of abatement, assess a fine or
22 private or public reproof, suspend or revoke any license or Certificate of
23 Registration, and/or may deny the issuance or renewal of a license or Certificate of
24 Registration of any person or entity acting in a capacity requiring a license or
25 Certificate of Registration who has:

26

27 (2) Done any act involving dishonesty, fraud or deceit with the intent to
28 benefit himself or another, or to injure another;

. . . .

(6) Violated any provision of USPAP;

(7) Violated any provision of the Real Estate Appraisers' Licensing and
Certification Law, Part 3 (commencing with Section 11300) of Division 4 of the
Business and Professions Code, or regulations promulgated pursuant thereto; or
any provision of the Business and Professions Code applicable to applicants for or
holders of licenses authorizing appraisals;

. . . .

1 (b) Before issuing any private or public reproof or denying, suspending, or
2 revoking any license or Certificate of Registration issued or issuable under the
3 provisions of the Real Estate Appraisers Licensing and Certification Law or these
4 regulations, the Office shall proceed as prescribed by Chapter 5 (commencing with
5 Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code (the
6 Administrative Procedure Act) and the Office shall have all the powers granted
7 therein.

8

9 **UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)**

10 **EFFECTIVE JANUARY 1, 2012 – DECEMBER 31, 2013¹**

11 16. USPAP Standards Rule 1, states:

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

16 17. USPAP Standards Rule 1-1, states:

17 In developing a real property appraisal, an appraiser must:

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

20 (b) not commit a substantial error of omission or commission that
21 significantly affects an appraisal.

22

23 18. USPAP Standards Rule 1-2, states:

24 In developing a real property appraisal, an appraiser must:

25

26 (e) identify the characteristics of the property that are relevant to the
27 type and definition of value and intended use of the appraisal, including:

28 (i) its location and physical, legal, and economic attributes.

. . . .

19. USPAP Standards Rule 1-4, states:

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

¹ USPAP is periodically revised: appraisers are responsible for adherence to the edition of USPAP in effect as of the date of report for an appraisal.

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

4

5 (c) when an income approach is necessary for credible assignment
6 results, an appraiser must:

7 (i) analyze such comparable rental data as are available and/or the
8 potential earnings capacity of the property to estimate the gross income potential of
9 the property.

10

11 20. USPAP Standards Rule 1-6, states:

12 In developing a real property appraisal, an appraiser must:

13 (a) reconcile the quality and quantity of data available and analyzed
14 within the approaches used.

15

16 21. USPAP Standards Rule 2-1, states:

17 Each written or oral real property appraisal report must:

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

20 (b) contain sufficient information to enable the intended users of the
21 appraisal to understand the report properly...

22

23 22. USPAP Standards Rule 2-2, states:

24

25 (b) the content of a Summary Appraisal Report must be consistent with
26 the intended use of the appraisal and, at a minimum:

27

28 (iii) summarize information sufficient to identify the real estate involved
in the appraisal, including the physical and economic property characteristics
relevant to the assignment;

.....

(viii) summarize the information analyzed, state the appraisal methods
and techniques employed, and the reasoning that supports the analyses, opinions,
and conclusions; exclusion of the sales comparison approach, cost approach, or
income approach must be explained.

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23. USPAP Ethics Rule states:

An appraiser must promote and preserve the public trust inherent in appraisal practice by observing the highest standards of professional ethics.

An appraiser must comply with USPAP when obligated by law or regulation, or by agreement with the client or intended users. In addition to these requirements, an individual should comply any time that individual represents that he or she is performing the service as an appraiser.

Conduct:

An appraiser must perform assignments with impartiality, objectivity, and independence, and without accommodation of personal interests.

An appraiser:

- must not perform an assignment with bias;
- must not advocate the cause or interest of any party or issue;
- must not accept an assignment that includes the reporting of predetermined opinions and conclusions;
- must not misrepresent his or her role when providing valuation services that are outside of appraisal practice;
- must not communicate assignment results with the intent to mislead or to defraud;
- must not use or communicate a report that is known by the appraiser to be misleading or fraudulent;
- must not knowingly permit an employee or other person to communicate a misleading or fraudulent report;
- must not use or rely on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value;
- must not engage in criminal conduct;
- must not willfully or knowingly violate the requirements of the RECORD KEEPING RULE; and
- must not perform an assignment in a grossly negligent manner.

1 If known prior to accepting an assignment, and/or if discovered at any time
2 during the assignment, an appraiser must disclose to the client, and in the
subsequent report certification:

3 • any current or prospective interest in the subject property or parties
4 involved; and

5 • any services regarding the subject property performed by the appraiser
6 within the three year period immediately preceding acceptance of the assignment,
as an appraiser or in any other capacity.

7 Management:

8 An appraiser must disclose that he or she paid a fee or commission, or gave a
9 thing of value in connection with the procurement of an assignment.

10 An appraiser must not accept an assignment, or have a compensation
arrangement for an assignment, that is contingent on any of the following:

- 11 1. The reporting of a predetermined result (e.g., opinion of value);
- 12 2. a direction in assignment results that favors the cause of the client;
- 13 3. the amount of a value opinion;
- 14 4. the attainment of a stipulated result (e.g., that the loan closes, or
15 taxes are reduced); or
- 16 5. the occurrence of a subsequent event directly related to the
17 appraiser's opinions and specific to the assignment's purpose.

18 An appraiser must not advertise for or solicit assignments in a manner that is
19 false, misleading, or exaggerated.

20 An appraiser must affix, or authorize the use of, his or her signature to
21 certify recognition and acceptance of his or her USPAP responsibilities in an
22 appraisal, appraisal review, or appraisal consulting assignment (see Standards
Rules 2-3, 3-6, 5-3, 6-9, 8-3, and 10-3). An appraiser may authorize the use of his
or her signature only on an assignment-by-assignment basis.

23 An appraiser must not affix the signature of another appraiser without his or
24 her consent.

25 Confidentiality:

26 An appraiser must protect the confidential nature of the appraiser-client
27 relationship.
28

1 An appraiser must act in good faith with regard to the legitimate interests of
2 the client in the use of confidential information and in the communication of
assignment results.

3 An appraiser must be aware of, and comply with, all confidentiality and
4 privacy laws and regulations applicable in an assignment.

5 An appraiser must not disclose: (1) confidential information; or (2)
assignment results to anyone other than:

- 6 • the client;
- 7 • persons specifically authorized by the client;
- 8 • state appraiser regulatory agencies;
- 9 • third parties as may be authorized by due process of law; or
- 10 • a duly authorized professional peer review committee except when such
11 disclosure to a committee would violate applicable law or regulation.

12 A member of a duly authorized professional peer review committee must not
13 disclose confidential information presented to the committee.

14 **COST RECOVERY**

15 24. Business and Professions Code section 11409 provides that any order issued in
16 resolution of a disciplinary proceeding may direct a licensee, found to have committed a violation
17 or violations of statutes or regulations relating to real estate appraiser practice to pay a sum not to
18 exceed the reasonable costs of investigation, enforcement, and prosecution of the case.

19 **FIRST CAUSE FOR DISCIPLINE**

20 **(8372 Entreken Way, San Diego, California)**

21 25. On or about November 28, 2012, Respondent completed an appraisal report with an
22 effective date of November 12, 2012, for a property located at 8372 Entreken Way, in San Diego,
23 California. Respondent is subject to disciplinary action under Regulations, section 3721,
24 subdivisions (a)(2), (a)(6) and (a)(7), for violations of Regulations, section 3701 and 3702,
25 subdivisions (a)(1) and (a)(3) and the following USPAP violations:

26 a. Respondent failed to accurately report the subject's zoning classification and
27 the subject's location influences. Respondent reported R-1 as the subject's zoning classification,
28 when in fact, the subject's zoning classification was RS-1-14. Respondent failed to analyze and

1 report that the subject fronted to Mesa Verde Middle School. In doing so, Respondent violated
2 S.R. 1-2(e)(i) and S.R. 2-2(b)(iii);

3 b. Respondent failed to accurately develop the Sales Comparison Approach when
4 he failed to report and analyze relevant information for the comparable sales. Respondent
5 misrepresented the location of Comparable Sale Three when he mapped it as if it was located
6 within the neighborhood boundaries, when in fact, it was actually located outside the southern
7 boundary. Respondent also failed to adequately support adjustments made within the Sales
8 Comparison Approach. In doing so, Respondent violated S.R. 1-4(a) and S. R. 2-2(b)(viii);

9 c. Respondent failed to reconcile a 12.5 percent range in between the low and high
10 of the adjusted sales price of the reported comparable sales. In doing so, Respondent violated
11 S.R. 1-6(a) and S.R. 2-2(b)(viii);

12 d. Based on paragraphs 25 (a), (b), and (c) above, Respondent committed
13 substantial errors that resulted in an appraisal report that was misleading. Specifically,
14 Respondent misrepresented the subject's location when he failed to report that the subject fronted
15 to a middle school and misrepresented the location of Comparable Sale Three when he mapped it
16 as if it was located within the subject's neighborhood boundaries. In doing so, Respondent
17 violated S.R. 1-1(a), S.R. 1-1(b), SR 2-1(a), S.R. 2-1(b) and Conduct Section of the Ethics Rules.

18 **SECOND CAUSE FOR DISCIPLINE**

19 **(3405 28th Street, San Diego, California)**

20 26. On or about November 8, 2012, Respondent completed an appraisal report with an
21 effective date of October 22, 2012, on a property located at 3405 28th Street, in San Diego,
22 California. Respondent is subject to disciplinary action under Regulation section 3721,
23 subdivisions (a)(2), (a)(6) and (a)(7), for violations of Regulations, section 3701 and 3702,
24 subdivisions (a)(1) and (a)(3) and the following USPAP violations:

25 a. Respondent failed to correctly report the subject's zoning information.
26 Respondent reported the subject's zoning classification as "1," the zoning description as "multi-
27 family," and the subject's zoning compliance as "legal." The subject's zoning classification was
28

1 R-1-7, the zoning description was residential – single unit, and the zoning compliance was
2 nonconforming. In doing so, Respondent violated S.R. 1-2(e)(i) and S.R. 2-2(b)(iii);

3 b. Respondent failed to accurately develop the Sales Comparison Approach to
4 value by misrepresenting Comparable Sale One as a sale transaction that transferred for \$810,000,
5 when Comparable Sale One did not transfer for \$810,000. Respondent also misrepresented
6 Comparable Sale Two as being in the same condition as the subject (both units built in 1941),
7 when Comparable Sale Two’s main house was newly constructed. In doing so, Respondent
8 violated S.R. 1-4(a) and S.R. 2-2(b)(viii);

9 c. Respondent failed to reconcile a 69.8 percent range in between the low and high
10 of the adjusted sales price of the reported comparable sales. In doing so, Respondent violated
11 S.R. 1-6(a) and S.R. 2-2(b)(viii);

12 d. Based on paragraphs 26 (a), (b), and (c) above, Respondent completed a
13 misleading report when he reported the incorrect zoning information, reported a comparable as a
14 closed sale transaction when it had not transferred, and failed to report that Comparable Sale Two
15 was not in the same condition as the subject. In doing so, Respondent violated S.R. 1-1(a), S.R.
16 1-1(b), S.R. 2-1(a), S.R. 2-1(b) and Conduct Section of Ethics Rules.

17 **THIRD CAUSE FOR DISCIPLINE**

18 **(3121-3123 Boston Avenue, San Diego, California)**

19 27. On or about May 9, 2013, Respondent completed an appraisal report with an effective
20 date of May 8, 2013, on a property located at 3121-3123 Boston Avenue, in San Diego,
21 California. Respondent is subject to disciplinary action under Regulations, section 3721,
22 subdivisions (a)(2), (a)(6) and (a)(7), for violations of Regulations, section 3701 and 3702,
23 subdivisions (a)(1) and (a)(3) and the following USPAP violations:

24 a. Respondent failed to correctly report the subject’s zoning description and failed
25 to accurately report the subject’s locational information. Respondent reported the subject’s
26 zoning description as “duplex.” However, the subject’s zoning description was Barrio Logan
27 Planned District, Subdistrict C. Respondent misrepresented the subject location information
28 when he failed to analyze and report that the subject fronted to Interstate 5 and backed to an alley

1 that backed to industrial building. In doing so, Respondent violated S.R. 1-2(e)(i) and S.R. 2-
2 2(b)(iii);

3 b. Respondent failed to accurately develop the Sales Comparison Approach when
4 he misreported the proximity of Comparable Sale Three as being located .27 miles away from the
5 subject, but it was .66 miles away from the subject. He also mapped Comparable Sale Three as if
6 it were located at a different address than the address reported within the sales comparison grid.
7 In doing so, Respondent violated S.R. 1-4(a) and S.R. 2-2(b)(viii);

8 c. Respondent failed to accurately develop and report the Income Approach to
9 value when he failed to support the Gross Rent Multiplier. In doing so, Respondent violated S.R.
10 1-4(c)(i) and S.R. 2-2(b)(viii);

11 d. Respondent failed to reconcile a 21.4 percent range in between the low and high
12 of the adjusted sales price of the reported comparable sales. In doing so, Respondent violated
13 S.R. 1-6(a) and S.R. 2-2(b)(viii);

14 e. Respondent failed to submit a complete and accurate copy of the appraisal
15 report to BREa. Instead, Respondent submitted a report that had been altered from the report that
16 was sent to the client. The areas of the report that had been altered, included, but were not limited
17 to: the subject's zoning description and additional Sales Comparison Approach reconciliation
18 language.

19 f. Based on paragraphs 27 (a), (b), (c), (d), and (e), Respondent knowingly
20 communicated a misleading appraisal report in violation of Conduct Section of Ethics Rules.

21 **JURISDICTION FOR PETITION TO REVOKE PROBATION**

22 28. This Petition to Revoke Probation is brought for the Bureau before the DCA under
23 Probation Term and Condition Number 16 of the Decision and Order In the Matter of the
24 Administrative Findings Against Owen A. Ezeokoli, Case No. C110322-08. That term and
25 condition states:

26 VIOLATION OF PROBATION

27 If Respondent violates probation in any respect, the Director, after giving
28 Respondent notice and an opportunity to be heard, may revoke probation and carry

1 out the disciplinary order that was stayed. If an accusation or a petition to revoke
2 probation is filed against Respondent during probation, the Director shall have
3 continuing jurisdiction until the matter is final, and the period of probation shall be
4 extended until the matter is final.

5 **FIRST CAUSE TO REVOKE PROBATION**

6 **(Failure to Obey All Laws)**

7 29. At all times after the effective date of Respondent's probation, Condition 2 stated:

8 **OBEY AL LAWS**

9 Respondent shall comply with all federal, state and local laws, and conform
10 to the minimum guidelines set forth under the Uniform Standards of Professional
11 Appraisal Practice (USPAP), and all other laws and regulations pertaining to real
12 estate appraisers.

13 30. Respondent's probation is subject to revocation because he failed to comply with
14 Probation Condition 2, referenced above, in that Respondent failed to conform to the minimum
15 guidelines under USPAP and other laws and regulations pertaining to real estate appraisers as set
16 forth in paragraphs 25 through 27, incorporated herein.

17 **SECOND CAUSE TO REVOKE PROBATION**

18 **(Failure to Provide Accurate Copy of Appraisal Report)**

19 31. At all times after the effective date of Respondent's probation, Condition 6 stated:

20 **APPRAISAL LOG/WORK SAMPLES**

21 Commencing on the effective date of the Decision and Order and continuing
22 through the period of probation, Respondent shall maintain a log of all appraisals
23 Respondent performs or reviews on a Log of Appraisal Experience (REA 3004)
24 form. Respondent shall submit a complete and accurate copy of the log of all
25 appraisals completed each six months. Each six month long shall be submitted to
26 the Office of Real Estate Appraisers within 30 days following the end of each six
27 month period. Respondent understands that the Office of Real Estate Appraisers
28 has the option to will select samples for review from each submitted six month
29 appraisal log, within its discretion.

30 32. Respondent's probation is subject to revocation because he failed to comply with
31 Probation Condition 6, referenced above, in that Respondent provided an altered copy of an
32 appraisal report to BREa, as set forth in paragraph 27, incorporated herein, and as follows:

1 a. Pursuant to Probation Condition 6, Respondent submitted an appraisal report as a
2 work sample for the property located at 3121-3123 Boston Avenue, in San Diego. A BRE
3 investigator obtained the client copy of the appraisal report for the property located at 3121-2123
4 Boston Avenue and determined that Respondent altered the version of the report that was
5 submitted to BRE for work sample review. The following areas of the report were altered:
6 assignment type, property value trends, zoning description and added reconciliation in the
7 supplemental addendum.

8 **PRAYER**

9 WHEREFORE, Complainant requests that a hearing be held on the matters alleged in this
10 Accusation and Petition to Revoke Probation, and that following the hearing, the Bureau of Real
11 Estate Appraisers issue a decision:

- 12 1. Revoking the probation that was granted by the Bureau of Real Estate Appraisers in
13 Case No. C110322-08 and imposing the disciplinary order that was stayed thereby revoking
14 Certified Residential Real Estate Appraiser License No. AR030220 issued to Owen A. Ezeokoli;
- 15 2. Revoking or suspending Certified Residential Real Estate Appraiser License No.
16 AR030220, issued to Owen A. Ezeokoli;
- 17 3. Ordering Owen A. Ezeokoli to pay the Bureau of Real Estate Appraisers the
18 reasonable costs of the investigation and enforcement of this case, pursuant to Business and
19 Professions Code section 11409;
- 20 4. Ordering Owen A. Ezeokoli to pay the Bureau of Real Estate Appraisers a fine
21 pursuant to Business and Professions Code section 11316; and
- 22 5. Taking such other and further action as deemed necessary and proper.

23
24 DATED: 12/4/13

Original Signed

ELIZABETH SEATERS
Chief of Enforcement
Bureau of Real Estate Appraisers
Department of Consumer Affairs
State of California
Complainant

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