

**MINUTES**  
**ALABAMA REAL ESTATE APPRAISERS BOARD**  
**RSA UNION STREET**  
**SUITE 370**  
**MONTGOMERY, ALABAMA**  
**November 16, 2017**

**MEMBERS PRESENT:**

Mr. Richard D. Pettey (Vice-Chairman)  
Ms. Patrice McClammy  
Mr. Billy Cotter  
Mr. Robert Butler  
Ms. Angie Frost  
Mr. Christopher Baker

**MEMBERS ABSENT:**

Mr. Dennis Key  
Mr. Lew Watson (Chairman)  
Mr. Edmond G. Eslava, III

**OTHERS PRESENT:**

Mrs. Lisa Brooks, Executive Director  
Ms. Neva Conway, Legal Counsel  
Mrs. Carolyn Greene, Executive Secretary  
Mr. Sam Davis, Investigator

**GUESTS PRESENT:**

Mr. Richard Maloy, Certified General Appraiser, Birmingham  
Mr. Roger Ball, Certified General Appraiser, Birmingham  
Mr. Scott DiBiasio, Manager, State and Industry Affairs, Appraisal Institute  
Ms. Darlene Daugherty, Certified Residential Appraiser, Lineville

- 1.0 With a quorum present, Mr. Rick Pettey, Vice-Chairman, called the meeting to order at 9:05 a.m. Mrs. Carolyn Greene, Executive Secretary, recorded the minutes. The meeting was held in the 3<sup>rd</sup> Floor Conference Room, 100 North Union Street, Montgomery, Alabama. Prior notice of the meeting was posted on the Secretary of State's website on March 8, 2017 in accordance with the Alabama Open Meetings Act.
- 2.0 The meeting was opened with prayer, led by Mr. Butler, and the Pledge of Allegiance, led by Mr. Pettey.
- 3.0 Members present were, Mr. Billy Cotter, Mr. Christopher Baker, Mr. Richard D. Pettey, Ms. Patrice McClammy, Mr. Robert Butler, and Ms. Angie Frost. Members absent were Mr. Lew Watson, Mr. Edmond G. Eslava, III and Mr. Dennis Key.

4.0 On motion by Ms. Frost and second by Ms. McClammy, the regular minutes for September 21, 2017 were approved as written. Motion carried by unanimous vote.

5.0 Ms. Conway reported that there has been no change in the status of the David Burns Judicial Review.

6.0 At 9:39 a.m., Ms. Conway called for a Public Hearing on 780-X-04-.02, Miscellaneous Fees. There were no comments and the public hearing was closed at 9:40 a.m.

Ms. Conway discussed the amendment to 780-X-4-.05, Renewal Fee. On motion by Ms. Frost and second by Mr. Butler, the Board voted to leave the rule as it is currently written instead of going forward with the amendment voted on at the September 2017 Board meeting. Motion carried by unanimous vote.

Ms. Conway discussed the proposed amendment to the AMC law to include all Appraisal Management Companies, commercial appraisal work and residential appraisal work. The Legislative Committee will meet in December to discuss this matter further. Deferred to the January Board meeting.

The Board revisited the proposed amendment to the AMC law discussed earlier in the meeting. On motion by Mr. Baker and second by Ms. Frost the Board voted to approve the amendment. Mr. Butler and Ms. McClammy opposed. Members in favor of the amendment were Mr. Baker, Ms. Frost, Mr. Pettey, and Mr. Cotter. Motion carried.

7.0 On motion by Mr. Baker and second by Ms. Frost, the following applications were voted on as listed. Motion carried by unanimous vote.

7.1 **Trainee Real Property Appraiser application approved:** Sharon Thomas Atkins, Lexi Ann Clark, Mary Elizabeth Haigler and Jamie Lee Posey. **Applications deferred:** None. **Applications denied:** None.

**Trainee Real Property Appraiser Experience Logs for Review: Logs approved:** Robert Ingram. **Log deferred:** Casey Kitchens. **Logs denied:** None.

7.2 **State Registered Real Property Appraiser applications approved:** None. **Applications deferred:** None. **Applications denied:** None.

7.3 **Licensed Real Property Appraiser applications approved:** None. **Applications deferred:** None. **Applications denied:** None.

7.4 **Certified Residential Real Property Appraiser applications approved:** Brian Bernstein, Rachel Clark, Travis Cousins, Kimberly Ann DeFilippis (Recip)(AR), and Laura R. Youngs (Recip)(AZ). **Applications deferred:** Michael Booker. **Applications denied:** None.

7.5 **Certified General Real Property Appraiser applications approved:** Jerrod Carter Allen (Recip)(TX), Ashley Nicole Carrillo (Recip)(TX), Larry Gene Checketts (Recip)(GA), William Ray Childs (Recip)(GA), Christopher G. Dempsey (Recip)(GA), Gregory Albert Dupes (Recip)(GA), Bradley L. Kramer (Recip)(GA), Giselle Nguyen (Recip)(CA), Raymond Klark Pirkle (Recip)(GA), Daniel Josiah Smelser (Recip)(TX), Kendra S. Stevens (Recip)(FL), David Clark Stewart, Megan Guiney Tursi (Recip)(NY), James Marcus Williams (Recip)(FL). **Application deferred:** Benjamin Gene Carpenter. **Applications denied:** None.

7.6 **Mentor applications approved:** None. **Application deferred:** George Alan Green. **Applications denied:** None.

8.0 Ms. Frost presented the Finance report for September 2017 and stated that the Board was 100% into Fiscal Year 2017 and 73% into budget expenditures. She also presented the Finance report for October 2018 and stated that the Board is 8% into Fiscal Year 2018 and 9% into budget expenditures. Ms. Frost stated that there were no negative trends that could not be reconciled at this time. On motion by Mr. Cotter and second by Mr. Baker, the Board voted to approve the Finance Reports. Motion carried by unanimous vote.

The Board discussed the Fiscal Year 2019 Budget. On motion by Mr. Baker and second by Ms. Frost, the Board voted to approve the budget. Motion carried by unanimous vote.

9.0 On motion by Mr. Cotter and second by Mr. Baker, the following education courses and instructor recommendations were approved, deferred, or denied as indicated. Motion carried by unanimous vote.

### **APPRAISAL INSTITUTE – ALABAMA CHAPTER**

#### **New Applications:**

(CE) 2018-2019 7-Hour National USPAP Update Course – 7 Hours – Classroom

(Instructors: Richard Borges and John Urubek)

**Both Course and Instructors Approved**

(CE) Practical Highest & Best Use – 7 Hours – Classroom  
(Instructor: John Urubek)

**Both Course and Instructor Approved**

(CE) Solving Land Valuation Puzzles – 7 Hours – Classroom  
(Instructor: Richard Borges)

**Both Course and Instructor Approved**

(CE) Valuation Symposium – 7 Hours – Classroom  
(Instructors: John Norris, KC Conway, Frank Fogarty, Stephen Roach, Ted Whitmer and Leslie Sellers)

**Both Course and Instructors Approved**

## **APPRAISAL INSTITUTE – CHICAGO CHAPTER**

### **New Applications:**

- (CE) Online Appraisal of Medical Office Buildings – 7 Hours – Online  
(Instructor: Donald Sonneman)  
**Both Course and Instructor Approved**
- (CE) Online Case Studies in Appraising Green Commercial Buildings – 14 Hours – Online  
(Instructor: Tracy Reiss)  
**Both Course and Instructor Approved**
- (CE) Online Residential and Commercial Valuation of Solar – 14 Hours – Online  
(Instructor: Sandy Adomatis)  
**Both Course and Instructor Approved**
- (CE) Online Supervisory Appraiser / Trainee Appraiser Course – 4 Hours – Online  
(Instructor: Sandy Adomatis)  
**Both Course and Instructor Approved**
- (CE) Solving Land Valuation Puzzles – 7 Hours – Classroom  
(Instructor: Sandy Adomatis)  
**Both Course and Instructor Approved**

## **APPRAISER ELEARNING, LLC**

### **New Applications:**

- (CE) Sales Comparison Approach: A Course on Analysis and Reporting – 7 Hours – Online  
(Instructor: Bryan Reynolds)  
**Both Course and Instructor Approved**
- (CE) Selecting and Supporting Market Adjustments – 3 Hours – Online  
(Instructor: Bryan Reynolds)  
**Both Course and Instructor Approved**

## **MCKISSOCK, LP**

### **New Applications:**

- (CE) 2018-2019 7-Hour National USPAP Update Course (Online) – 7 Hours – Online  
(Instructor: Dan Bradley)  
**Both Course and Instructor Approved**

(CE) 2018-2019 7-Hour National USPAP Update Course (Classroom) – 7 Hours – Classroom  
(Instructors: Dan Bradley, Wally Czekalski, Chuck Huntoon, Philicia Lloyd, Larry McMillen, Steve Vehmeier and Steve Maher)  
**Both Course and Instructors Approved**

(CE) Intermediate Income Approach Case Studies for Commercial Appraisers – 4 Hours – Online  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**

Mr. Cotter requested that the next 'Common Mistakes Found in Appraisals' course offering be in the Wiregrass. The Board discussed offering the course in February 2018.

10.0 **AB 16-39, AB 16-40** On September 21, 2017 the Board approved a Consent Settlement Order from Certified Residential appraiser Charles M. England, R00790, where Licensee agreed to complete a fifteen (15) hour USPAP course with exam. The violations in the appraisal reports were:  
**AB 16-39:** Licensee knowingly violated the Record Keeping Rule because he did not retain a “true copy” (*replica*) of all written appraisal reports communicated to the Client. Licensee issued several reports during the assignment and did not keep a “true copy” (*replica*) of all appraisal reports transmitted to the Client. The work file did not include documentation to support the conclusions of the opinion of site value in the Cost Approach. In the URAR/Improvements section, the condition ratings of the building materials did not support the effective age being less than the actual age. In the URAR/Improvements section, included the room count from the additional living area which resulted in inaccurate information being provided for the room count of the gross living area. In the URAR/ Sales Comparison Approach/ Subject/ Gross Living Area/ Square Footage section, included the area of the additional living area in the GLA. In the URAR/Sales Comparison Approach/Summary of Sales Comparison Approach section, provided commentary of the GLA per square foot adjustment being \$30 per square foot, when the actual per square foot adjustment was in the \$20 per square foot range. In the URAR/ Sales Comparison Approach/ Summary of Sales Comparison Approach section said an age adjustment was made to Sale Three and both listings. The age adjustment was made to Comp #1 but not Comp #3. In the Cost Approach section, indicated reproduction cost estimate and then stated it was replacement cost. In the URAR/ Sales Comparison Approach/ Functional Utility section, provided the functional utility as “Typical” without explaining what was considered typical functional utility within the local market. In the URAR/Site/Highest & Best Use section, failed to summarize the information analyzed to support highest and best use of the Subject property as the present use. **Violations:** ETHICS RULE Conduct RECORD KEEPING RULE Standards Rule 1-1(c) Standards Rule 2-1(b) USPAP, 2016-17 Edition. **AB 16-40:** Licensee knowingly violated the Record Keeping Rule because he did not retain a “true copy” (*replica*) of all written appraisal reports communicated to the Client. Several reports were transmitted to the client during the

assignment and Licensee did not keep a “true copy” (*replica*) of all the appraisal reports transmitted to the Client. In the URAR/Sales Comparison Approach/Comparable #1/Porch-Patio-Deck section, analyzed a covered patio, when there was also a covered porch at the front entrance of the home. In the URAR/Sales Comparison Approach/Comparable #2/Porch-Patio-Deck section, analyzed a deck, when there was also a covered wrap-around porch at the front entrance and sides of the home. Licensee failed to analyze the amenity of the storm shelter in the garage floor of the comparable (*Comparable located within an area, where severe weather is common.*) Licensee failed to use an appropriate appraisal method and technique to develop a site value. In the URAR/Sales Comparison Approach/Comparable #3/Fireplace section, provided there was a fireplace, when there was not a fireplace. In the URAR/Sales Comparison Approach/Comparable #7/Design-Style section, provided the home as a two story, when the home was a three story. Licensee, in the URAR/Cost Approach section, indicated development of reproduction cost and in commentary said replacement cost being used. In the URAR/Site/Highest & Best Use section, failed to summarize the information analyzed, to support Licensee’s opinion and conclusions of the highest and best use of the Subject property being the present use. In the URAR/Sales Comparison Approach/Gross Living Area/Total Room Count and Bedroom Count sections, failed to summarize the analyses of the comparable sales total room count and bedroom count, when different from the Subject’s total room count and bedroom count. Licensee failed to summarize support and rationale for the opinion of the highest and best use as the present use. **Violations:** Ethics Rule Conduct Record Keeping Rule Standards Rule 1-4(a), 1-4(b)(i), Standards Rule 2-1(a), 2-1(b), 2-2(a)(x), USPAP, 2016-17 Edition.

**AB 16-41** On September 21, 2017 the Board approved a Consent Settlement Order from Certified Residential appraiser Charles M. England, R00790, where Licensee agreed to complete a fifteen (15) hour USPAP course with exam. The violations in the appraisal reports were: Licensee performed an appraisal assignment in a grossly negligent manner by including 800SF finished basement in the 2992 SF GLA for Comp 4, a listing included in the Sales Comparison approach for informational purpose only; by failing to analyze the HOA fees or list all the amenities of the subdivision when use of the amenities was limited to members of private clubs where membership was available to any resident of the county. The workfile did not contain documentation to support the Income Approach. Even though Licensee did not give any weight to the Income Approach, there were many errors in the development of the approach; Licensee developed a single family comparable rent schedule and operation income statement with many errors. Licensee provided in the legal description and elsewhere within the appraisal report, the site area of the Subject property consisted of two lots. Licensee failed to provide commentary to explain, the analyses of the assemblage of the two lots into a single site area for the Subject property and the effect on value, if any. **Violations:** Ethics Rule- Conduct, Record Keeping Rule, Standards Rule 1-1(a), Standards Rule 2-1(b), USPAP, 2016-17 Edition.

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 2 new complaints were received since the September 2017 Board meeting, 8 complaints were dismissed, and 3 complaints were settled, leaving a total of 33 open complaints.

Ms. Conway presented the North Carolina Conditional Dismissal language for the Board to review. Ms. Conway explained that this would be a policy not a rule. On motion by Mr. Baker and second by Ms. Frost, the Board voted to approve the Conditional Dismissal as written, but amended to read 'The Alabama Real Estate Appraisers Board' instead of 'The North Carolina Appraisal Board'. Mr. Butler abstained. Motion carried.

11.0 The Board reviewed Probable Cause Report **AB-15-28**: With Mr. Key recusing, on motion by Mr. Butler and second by Mr. Baker, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-16-26**: With Mr. Baker recusing, on motion by Ms. Frost and second by Ms. McClammy, the Board voted probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-06**: With Mr. Baker recusing, on motion by Mr. Cotter and second by Mr. Butler, the Board voted that probable cause does not exist and to issue a Letter of Counsel in this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-07**: With Mr. Butler recusing, on motion by Ms. Frost and second by Mr. Baker, the Board voted that probable cause does not exist and to issue a Letter of Counsel in this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-08**: With Mr. Butler recusing, on motion by Ms. Frost and second by Ms. McClammy, the Board voted that probable cause does exist and set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-09**: With Mr. Butler recusing, on motion by Ms. Frost and second by Ms. McClammy, the Board voted that probable cause does not exist and to issue a Letter of Counsel in this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-13**: With Mr. Baker recusing, on motion by Ms. Frost and second by Ms. McClammy, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

12.0 There were no Negotiated Settlements to discuss at this time.

13.0 The following reciprocal license was issued since the July Board meeting: Jerrod Carter Allen ('G' TX), Ashley Nicole Carrillo ('G; TX), Larry Alan Checketts ('G' GA), William Ray Childs ('G' GA), Kimberly Ann DeFilippis ('R' AR), Christopher Gaines Dempsey ('G' GA), Gregory Albert Dupes ('G' GA), Bradley L. Kramer ('G' GA), Giselle Nguyen ('G' CA), Raymond Klark Pirkle ('G' GA), Daniel Josiah Smelser ('G' TX), Kendra S. Stevens ('G' FL), Megan Guiney Tursi ('G' NY), James Marcus Williams ('G' FL) and Laura R. Youngs ('R' AZ).

14.0 The Temporary Permit report was provided to the Board for their information.

15.0 The Appraisal Management report was provided to the Board for their information.

16.0 Mrs. Brooks presented a request from Mr. Robert E. Ingram, Jr., Trainee Appraiser, for a waiver of the rule that no more than 40% of the cumulative experience points may be earned from any one category. On motion by Mr. Cotter and second by Ms. Frost, the Board voted to grant a waiver to Mr. Ingram. Motion carried by unanimous vote.

A Customary and Reasonable Fee State Comparison Report was presented for Board information.

Ms. Conway told the Board that she had sent the proposal from Palomar Plus Personal & Business Insurance for general liability insurance for Board members to Max Graham with Risk Management. Mr. Graham told Ms. Conway that the Finance Department was going to be offering new coverage soon. The discussion was deferred to the January board meeting.

Mrs. Brooks included the Renewal report for Board information.

Mrs. Brooks updated the Board on the progress with the Board website.

The Board discussed an AMC representative replacement for Ms. Frost, since her term ended September 30, 2017. Mrs. Brooks stated that she had not heard from the Governor's Appointment Secretary to date.

17.0 Mr. Roger Ball, President of the Alabama Chapter of the Appraisal Institute, introduced Mr. Scott DiBiasio, Appraisal Institute, Manager of State and Industry Affairs. Mr. DiBiasio addressed the Board regarding amending Alabama law to allow appraisers to use alternative standards (Non-USPAP). This would allow appraisers to do more work. Mr. DiBiasio asked the Board to support the amendment but stated that it was not necessary to move forward. Mr. Pettey asked that the Legislative Committee discuss this matter further and report back to the Board.

Ms. Conway reported that she has emailed Mr. John Brennan regarding Scope of Work of Certified Residential Real Property Appraisers, and is awaiting a response.

Ms. Conway presented the question she received from an appraiser, "Can an AMC serve as both an appraisal management company and an appraiser for the same client?". Ms. Conway will write the Appraisal Foundation for their input.

18.0 There was no new business to discuss at this time.

19.0 At 10:48 a.m., on motion by Ms. Frost and second by Mr. Baker, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative meeting schedule for 2018 is January 18, 2018, March 15, 2018, May 17, 2018, July 19, 2018, September 20, 2018 and November 15, 2018 in the 3<sup>rd</sup> Floor Conference Room, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene  
Executive Secretary  
/cg

**APPROVED:** \_\_\_\_\_  
Richard D. Pettey, Vice-Chairman