

**MINUTES**  
**ALABAMA REAL ESTATE APPRAISERS BOARD**  
**RSA UNION STREET**  
**SUITE 370**  
**MONTGOMERY, ALABAMA**  
**September 21, 2017**

**MEMBERS PRESENT:**

Mr. Lew Watson (Chairman)  
Ms. Patrice McClammy  
Mr. Billy Cotter  
Mr. Robert Butler  
Mr. Richard D. Pettey (Vice-Chairman)  
Ms. Angie Frost  
Mr. Edmond G. Eslava, III

**MEMBERS ABSENT:**

Mr. Christopher Baker  
Mr. Dennis Key

**OTHERS PRESENT:**

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

**GUESTS PRESENT:**

Ms. Sharon Goldman, Certified Residential Appraiser, Ashland  
Ms. Darlene Daugherty, Certified Residential Appraiser, Lineville

- 1.0 With a quorum present, Mr. Lew Watson, 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. Watson.
- 3.0 Members present were, Mr. Billy Cotter, Mr. Richard D. Pettey, Ms. Patrice McClammy, Mr. Robert Butler, Mr. Lew Watson, Ms. Angie Frost, and Mr. Edmond G. Eslava, III. Members absent were Mr. Christopher Baker and Mr. Dennis Key.

4.0 On motion by Ms. McClammy and second by Ms. Frost, the regular minutes for July 20, 2017 were approved as amended. Motion carried by unanimous vote.

On motion by Ms. Frost and second by Mr. Butler, the corrected minutes for May 18, 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.

Ms. Conway reported that she is continuing to monitor the Federal Trade Commission case against Louisiana.

6.0 Ms. Conway discussed the Final Adoption of 780-X-13-.01, Adoption of Uniform Standards of Professional Appraisal Practice. On motion by Ms. Frost and second by Mr. Pettey, the Board voted to adopt the rule as published, and instructed Ms. Conway to file the rules for final adoption. Motion carried by unanimous vote.

Ms. Conway discussed the proposed rule changes to 780-X-4-.02, Application and License Fees, to increase the license fee to \$335 for any license issued on August 1, 2018 and thereafter. On motion by Ms. Frost and second by Mr. Pettey, the Board voted to adopt the change as written, file it with Legislative Reference Services and to submit for final certification if no comments are received during the comment period. Motion carried by unanimous vote.

Ms. Conway discussed the proposed rule changes to 780-X-4-.05, Renewal Fee, to increase the renewal fee to \$335 for all classifications of appraiser licenses due for renewal by September 30, 2018 and thereafter. On motion by Ms. Frost and second by Mr. Pettey, the Board voted to adopt the change as written, file it with Legislative Reference Services and to submit for final certification if no comments are received during the comment period. Motion carried by unanimous vote.

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

7.1 **Trainee Real Property Appraiser application approved:** Michael Thomas Abercrombie. **Applications deferred:** None. **Applications denied:** None.

**Trainee Real Property Appraiser Experience Logs for Review:** **Logs approved:** Andrew Bevel, Brian Bernstein, Travis Cousins and K. Dawn Irvin. **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:**  
Alston Lee Parker (Recip)(MS), Jamie Shertzer, and Mia Valenzuela.  
**Applications deferred:** None. **Applications denied:** None.

7.5 **Certified General Real Property Appraiser applications approved:**  
None. **Application deferred:** David Clark Stewart. **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 and stated that the Board was  
92% into Fiscal Year 2017 and 71% into budget expenditures. Ms. Frost  
stated that there were no negative trends that could not be reconciled at  
this time. On motion by Mr. Pettey and second by Mr. Butler, the Board  
voted to approve the Finance Report subject to the correction of total  
number of appraisers for last year. Motion carried by unanimous vote.

The Board discussed enhancements to the website. Mrs. Brooks  
explained that she and Mrs. Greene were already in discussions with ISD  
to have the website re-written.

The Board discussed the ability for licensees to print their own  
certificates. Mrs. Brooks told the Board that she and the staff will  
research this option.

9.0 On motion by Mr. Pettey and second by Ms. Frost, 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) Compliance, Completeness & Competency – 7 Hours –  
Classroom  
(Instructor: Randall Button)  
**Both Course and Instructor Approved**

(CE) Litigation Appraising: Specialized Topics & Applications – 15  
Hours – Classroom  
(Instructor: Stephen Roach)  
**Both Course and Instructor Approved**

## **APPRAISAL INSTITUTE – CHICAGO CHAPTER**

### **New Application:**

- (CE) Review Case Studies Residential - Synchronous – 14 Hours – Online  
(Instructor: Craig Harrington)  
**Both Course and Instructor Approved**

## **APPRAISER ELEARNING, LLC**

### **New Applications:**

- (CE) Appraiser's Guide to CYA (Covering Your Appraisals) – 4 Hours – Online  
(Instructor: Bryan Reynolds)  
**Both Course and Instructor Approved**
- (CE) Commercial Property Valuation – 7 Hours – Online  
(Instructor: Bryan Reynolds)  
**Both Course and Instructor Approved**

## **CALYPSO CONTINUING EDUCATION**

### **New Application:**

- (CE) Construction Details: From Concept to Completion – 7 Hours – Online  
(Instructor: Francis Finigan)  
**Both Course and Instructor Approved**

## **INTERNATIONAL RIGHT OF WAY ASSOCIATION**

### **New Application:**

- (CE) Reviewing Appraisals in Eminent Domain, 410 – 8 Hours – Classroom  
(Instructor: David Burgoyne)  
**Both Course and Instructor Approved**

## **MCKISSOCK, LP**

### **New Applications:**

- (CE) Complex Properties: The Odd Side of Appraisal – 7 Hours – Online  
(Instructor: Dan Bradley)  
**Both Course and Instructor Approved**
  
- (CE) Income Approach Case Studies for Commercial Appraisal – 4 Hours – Online  
(Instructor: Dan Bradley)  
**Both Course and Instructor Approved**
  
- (CE) That’s a Violation – 4 Hours – Online  
(Instructor: Dan Bradley)  
**Both Course and Instructor Approved**
  
- (CE) The Basics of Expert Witness for Commercial Appraisers – 7 Hours – Online  
(Instructor: Dan Bradley)  
**Both Course and Instructor Approved**

Course evaluations from the July 25, 2017 course offering were included for Board information.

Ms. McClammy requested that the public Board members be added to mass emails sent to appraisers. Mrs. Brooks will include them from now on.

Mr. Davis asked the Board for continuing education credit for teaching ‘Common Mistakes Found During Investigations’. On motion by Mr. Pettey and second by Ms. Frost, the Board voted to grant a maximum of 14 hours to Mr. Davis for developing and teaching the course.

Ms. Frost discussed a course being taught by the Appraisal Foundation. Mrs. Brooks explained that the Board cannot grant credit for courses under 2 hours in length.

Mr. Cotter reported that he had attended the course offered by the Homebuilders Association of Alabama and that it was a very good course.

### **REQUESTS FOR CONTINUING EDUCATION CREDIT**

Mrs. Brooks discussed a request from Mrs. Pam Paulk, Appraisal Institute, Alabama Chapter, for credit for those appraisers who attended their course, Forest Valuation for Non-Foresters. On motion by Mr. Cotter and second by Ms. Frost, the Board voted to grant 7 hours continuing education credit to attendees. Motion carried by unanimous vote.

Mrs. Brooks discussed a request from Mr. John Hay for credit for attending the International Association of Accessing Officers course 312 – Commercial/Industrial Modeling Concepts. On motion by Mr. Pettey and second by Ms. Frost, the Board voted to grant 7 hours continuing education credit to Mr. Hay. Motion carried by unanimous vote.

10.0

On September 21, 2017, **Letters of Warning** were issued on the following investigations for the discrepancies indicated. This disciplinary action will be considered in any future discipline proceedings:

**AB 16-09** The reconciliation did not summarize how Licensee arrived at his final estimate of value from the two approaches to value developed for the assignment. Licensee reported there was sanitary sewer when there was not, reported public gas available at property when it was not, reported data source for some of comparable sales was MLS when it was another appraiser's file. There is no explanation of the exclusion of the Cost Approach and the Income Approach as required by USPAP. Licensee failed to summarize support and rationale for the opinion of the highest and best use developed by Licensee. **Standards 1-6(b), 2-1(a), 2-2(a)(x), USPAP, 2106-2017 Ed.**

**AB 16-24** When Licensee omitted the highest and best use analysis, he failed to demonstrate that the licensee was aware of, understands, and correctly employs those recognized methods and techniques that are necessary to produce a credible appraisal; Licensee failed to develop a highest and best use analysis. **Standards 1-1(a), 1-3(b), USPAP, 2012-2013 Ed.**

**AB 16-25** When Licensee omitted the highest and best use analysis, he failed to demonstrate that the licensee was aware of, understands, and correctly employs those recognized methods and techniques that are necessary to produce a credible appraisal; Licensee failed to develop a highest and best use analysis. **Standards 1-1(a), 1-3(b), USPAP, 2012-2013 Ed.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 17 new complaints were received since the July 2017 Board meeting, no complaints were dismissed, and 3 complaints were settled, leaving a total of 42 open complaints.

Mr. Eslava asked if there was an alternative to discipline such as a conditional dismissal. Ms. Conway explained that the Appraisal Subcommittee allows for them as long as the Board allows licensees to claim courses taken for a conditional dismissal for continuing education. Ms. Conway will write a policy for this and submit it to the Board at the November meeting.

Mr. Butler asked if a conditional Letter of Counsel was possible. Ms. Conway will research this as well for submission at the November meeting.

11.0 The Board reviewed Probable Cause Report **AB-17-04**: With Mr. Eslava recusing, on motion by Ms. Frost and second by Ms. McClammy, the Board voted probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-10**: On motion by Ms. Frost and second by Ms. McClammy, 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-17-05**: With Mr. Watson recusing, on motion by Mr. Cotter and second by Mr. Eslava, 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-14-24**: On motion by Ms. Frost and second by Mr. Butler, the Board voted that probable cause does not exist and dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-16-10**: With Mr. Eslava and Mr. Butler recusing, on motion by Ms. Frost and second by Mr. Pettey, 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-17-12**: 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 a Request for Board Initiated Complaint **AB-17-19**: With Ms. Frost recusing, on motion by Ms. McClammy and second by Mr. Eslava, the Board voted to open a formal investigation. Motion carried by unanimous vote.

The Board reviewed a Request for Board Initiated Complaint **AB-17-18**: With Ms. Frost recusing, on motion by Ms. McClammy and second by Mr. Eslava, the Board voted to open a formal investigation. Motion carried by unanimous vote.

The Board reviewed a Request for Board Initiated Complaint **AB-17-17**: With Ms. Frost recusing, on motion by Ms. McClammy and second by Mr. Eslava, the Board voted to open a formal investigation. Motion carried by unanimous vote.

12.0 The Board reviewed the Consent Settlement Order on **AB-16-39 and AB-16-40 (Charles M. England, R00790)**. With Mr. Watson recusing, on motion by Mr. Pettey and second by Ms. McClammy, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

The Board reviewed the Consent Settlement Order on **AB-16-41 (John R. Lee, R00535)**. With Mr. Watson, Mr. Butler and Mr. Eslava recusing, on motion by Ms. Frost and second by Ms. McClammy, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

13.0 The following reciprocal license was issued since the July Board meeting: Alston Lee Parker ('R' MS).

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 Ms. Conway presented, for Board information, HR 3446, a Bill in the United States Congress. She feels that this Bill will have some impact upon Appraiser Boards and Customary and Reasonable Fee enforcement.

Mrs. Brooks presented an email from Mr. Baker, for Board information, regarding a new program to help buyers bypass appraisals.

Mrs. Brooks discussed the online renewal convenience fee with the Board.

Ms. Conway discussed the Board Member Training session that is being presented by the Alabama Association of Regulatory Boards. On motion by Mr. Pettey and second by Ms. McClammy, the Board voted to pay for the Board Member Training registration fee for any Board member who wished to attend. Motion carried by unanimous vote.

Ms. Conway presented a proposal from Palomar Plus Personal & Business Insurance for general liability insurance for Board members. On motion by Mr. Butler and second by Ms. Frost, the Board voted to approve the purchase of a policy up to \$1500. After discussion, the Board asked Ms. Conway to obtain a 2<sup>nd</sup> quote from another company.

Mrs. Greene discussed a request from Ms. Dawn Irvin, Trainee, for an experience points determination on several appraisals she had completed. Mrs. Greene explained to the Board that Mr. Baker had reviewed the reports and recommended one point per appraisal. On motion by Ms. Frost and second by Mr. Pettey, the Board voted to accept Mr. Baker's recommendation. Motion carried by unanimous vote.

Mrs. Brooks included the Renewal report for Board information.

17.0 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.

18.0 Mr. Davis thanked the Board and staff for their thoughts and prayers during his granddaughter's hospitalization.

Ms. McClammy thanked the Board and staff for their thoughts and prayers as well as the donation to her grandfather's church upon his passing.

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?" for discussion at the November Board meeting.

Ms. Frost discussed revising our current AMC laws to include commercial properties. Ms. Conway will report to the Board in November.

Ms. Frost discussed finding an AMC representative replacement since her term ends September 30, 2017. The Legislative Committee will meet and have something to present at the November meeting.

Mrs. Brooks discussed the upcoming AARO meeting with the Board and asked Board members to let her know if they are planning to attend the meeting.

19.0 At 10:57 a.m., on motion by Mr. Eslava and second by Mr. Pettey, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative meeting schedule for the 2017 is November 16, 2017 in the 3<sup>rd</sup> Floor Conference Room, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene  
Executive Secretary  
/cg

**APPROVED:** \_\_\_\_\_  
Carroll Lew Watson, Chairman