

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, ALABAMA
March 15, 2018

MEMBERS PRESENT:

Mr. Lew Watson (Chairman)
Mr. Richard D. Pettey (Vice-Chairman)
Mr. Billy Cotter
Mr. Robert Butler
Mr. Christopher Baker
Mr. Edmond G. Eslava, III

MEMBERS ABSENT:

Ms. Patrice McClammy
Ms. Angie Frost
Mr. Dennis Key

OTHERS PRESENT:

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

GUESTS PRESENT:

Mr. Thomas Chase, Licensed Real Property Appraiser, Birmingham
Dr. David Turnipseed, University of South Alabama
Ms. Sharon Goldman, Certified Residential Appraiser, Ashland

- 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 3rd Floor Conference Room, 100 North Union Street, Montgomery, Alabama. Prior notice of the meeting was posted on the Secretary of State's website on January 3, 2018 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. Lew Watson, Mr. Billy Cotter, Mr. Christopher Baker, Mr. Richard D. Pettey, Mr. Robert Butler, and Mr. Edmond G. Eslava, III. Members absent were Ms. Patrice McClammy, Ms. Angie Frost and Mr. Dennis Key.

4.0 On motion by Mr. Baker and second by Mr. Cotter, the regular minutes for November 16, 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 Ms. Conway discussed the Final Adoption of 780-X-4-.02, Application and License Fees, effective August 1, 2018. On motion by Mr. Cotter and second by Mr. Butler, the Board voted to adopt the rule as published, and instructed Ms. Conway to file the rule for Final Adoption. Motion carried by unanimous vote.

Ms. Conway discussed SB53, a Bill introduced by Senator Chambliss to require the appraiser fee to be disclosed separately and distinctly on real estate closing statements. This Bill has not made any progress thus far.

Ms. Conway also discussed SB345, a Bill that will sweep agency funds. SB345 is currently awaiting its 3rd reading in the Senate.

Ms. Conway presented a draft of the Alabama Real Estate Appraisers and Appraisal Management Company Registration Act and stated that sponsors were needed. She recommended, since it is so late in the current Legislative Session, that the Board work on finding sponsors so that the Bill can be introduced in the next Legislative Session.

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

7.1 **Trainee Real Property Appraiser application approved:** James Edward Barrs, Becky Lee Campbell, Brooke Cheri Cheatwood, Crystal Cupp, Joseph Craig Gall, Charles Matthew Gordon, Ashley V. Howell, Potter Boyd Moss, Trent Jackson Self, William Roscoe Shamblin, IV, and Branton Hughes Still. **Applications deferred:** None. **Applications denied:** None.

Trainee Real Property Appraiser Experience Logs for Review: Logs approved: Briana McConnell and John Wilkes. **Log deferred:** Casey Kitchens and Kingsley Moore. **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:** Michael Booker, Christopher Gattozzi, John Eric Massengale (Recip)(GA), Steven A. O'Brien (Recip)(AZ). **Applications deferred:** None. **Applications denied:** None.

7.5 **Certified General Real Property Appraiser applications approved:** Lauryn M. Bryght (Recip)(CA), W. Walton Cheney (Recip)(FL), Robert Eugene Ingram, Eugene Kenyon Owen (Recip)(MS), Gregg Dick Pascual (Recip)(MD), Matthew Bryan Pridgen (Recip)(GA), Thomas G. Spears (Recip)(GA), Dennis A. Williamson (Recip)(KS), and Melissa Kramer Zevallos (Recip)(GA). **Application deferred:** Benjamin Gene Carpenter. **Applications denied:** None.

7.6 **Mentor applications approved:** Robert Beckman, George Alan Green, Thomas M. Horton, III, Shane Lovelady and Robert B. Wombwell. **Applications deferred:** None. **Applications denied:** None.

8.0 Mr. Pettey presented the Finance report for February 2018 and stated that the Board was 42% into Fiscal Year 2018 and 35% into budget expenditures. Mr. Pettey stated that there were no negative trends that could not be reconciled at this time. On motion by Mr. Baker and second by Mr. Butler, the Board voted to approve the Finance Report. Motion carried by unanimous vote.

9.0 Mrs. Brooks deferred a request from Mr. Britton Falkner for special education credit until the May Board meeting.

On motion by Mr. Pettey and second by Mr. Cotter, the Board voted to ratify Mrs. Brooks' decision to approve courses that were on the January Education Agenda. Motion carried by unanimous vote.

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

AMERICAN CONTINUING EDUCATION INSTITUTE

New Application:

(CE) 2018-2019 7-hour National USPAP Update Equivalent Course – 7 Hours – Online
(Instructor: Amy C. McClellan)
Both Course and Instructor Approved

AMERICAN SOCIETY OF FARM MANAGERS AND RURAL APPRAISERS

New Application:

(CE) 2018-2019 7-hour USPAP Update Course – 7 Hours – Classroom
(Instructor: James Synatzske)
Both Course and Instructor Approved

APPRAISAL INSTITUTE – ALABAMA CHAPTER

New Applications:

- (CE) Valuation Symposium – 7 Hours – Classroom
(Instructor: Shane Kearney)
Instructor Approved

- (CE) Valuation Symposium – 7 Hours – Classroom
(Instructor: Lakey Boyd)
Instructor Approved

APPRAISAL INSTITUTE – CHICAGO CHAPTER

New Applications:

- (LIC) 15-Hour National USPAP Course – 15 Hours – Classroom
(Instructor: Thomas Kirby)
Both Course and Instructor Approved

- (CE) 7-Hour National USPAP Update Course – 7 Hours – Classroom
(Instructor: Thomas Kirby)
Both Course and Instructor Approved

- (CE) 2018-2019 7-Hour USPAP Update Course (online) – 7 Hours – Online
(Instructor: Craig Harrington)
Both Course and Instructor Approved

- (CE) Practical Applications in Appraising Green Commercial Properties – 14 Hours – Classroom
(Instructor: Sandy Adomatis)
Both Course and Instructor Approved

CORELOGIC VALUATION SOLUTIONS, INC dba THE COLUMBIA INSTITUTE

New Applications:

- (CE) 2018-2019 7 Hour Equivalent USPAP Update – 7 Hours – Online
(Instructor: Stan Timari)
Both Course and Instructor Approved

- (CE) Challenging Assignments for Residential Appraisers – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved

- (CE) Covering all the Bases in Residential Appraisers – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved
- (CE) Defensible Appraising – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved
- (CE) Green in Residences and Appraisals – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved
- (CE) Methodology and Applications of Sales Comparison – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved

MCKISSOCK, LP

New Applications:

- (LIC) 2018-2019 15-Hour USPAP Course – 15 Hours – Online
(Instructor: Dan Bradley)
Both Course and Instructor Approved
- (CE) 2018-2019 7-Hour USPAP Update for Non-Residential Real Property – 7 Hours – Online
(Instructor: Dan Bradley)
Both Course and Instructor Approved
- (CE) Appraising Small Apartment Properties – Live Webinar – 4 Hours – Online
(Instructors: Dan Bradley, Robert McClelland, Josh Walitt, Steve Craddock, Steve Maher and Robert Frazier)
Both Course and Instructors Approved
- (CE) The Appraisal of 2-4 Unit Properties – Live Webinar – 4 Hours – Online
(Instructors: Dan Bradley, Robert McClelland, Josh Walitt, Steve Craddock, Steve Maher and Robert Frazier)
Both Course and Instructors Approved
- (CE) Limited Scope Appraisal and Appraisal Reports – Staying Compliant and Competitive – 3 Hours – Classroom
(Instructors: Dan Bradley, Wally Czekalski, Chuck Huntoon, Philicia Lloyd, Larry McMillen, Steve Vehmeier and Steve Maher)
Both Course and Instructors Approved

- (CE) Live Webinar: Be Compliant and Competitive with Restricted Appraisal Reports – 3 Hours – Online
(Instructors: Dan Bradley, Robert McClelland, Josh Walitt, Steve Craddock, Steve Maher and Robert Frazier)
Both Course and Instructors Approved
- (CE) Manufactured Home Appraisal – 4 Hours – Online
(Instructor: Alan Simmons)
Both Course and Instructor Approved
- (CE) Workfile: Your Best Defense Against an Offense – Live Webinar – 5 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) The FHA Handbook 4000.1 – Live Webinar – 5 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Recognizing Mortgage Fraud and Its Effects – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Issues in Appraiser Liability – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Fannie Mae Appraisal Guidelines – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Expert Witness Testimony: To Do or Not to Do – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Appraisal Practices of Manufactured Housing – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Analyze This! Applications of Appraisal Analysis – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved

- (CE) Adjustments: Supported of Not Supported – Live Webinar – 5 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) Adjustment Support for Residential Appraisers – Live Webinar – 4 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved
- (CE) A Review of Disciplinary Cases – Live Webinar – 3 Hours – Online
(Instructor: Robert Frazier)
Instructor Approved

NAIFA

New Applications:

- (CE) 2018-2019 7-hour USPAP Update Course – 7 Hours – Classroom
(Instructor: Mike Orman)
Both Course and Instructor Approved
- (CE) Supporting Adjustments with Microsoft Excel – 7 Hours – Classroom
(Instructor: Mark Evans)
Both Course and Instructor Approved

OREP EDUCATION NETWORK

New Application:

- (CE) Identifying and Correcting Appraisal Failures – 7 Hours – Online
(Instructor: Richard Hagar)
Both Course and Instructor Approved

THE COLUMBIA INSTITUTE

New Application:

- (CE) Appraisal Review of Residential Properties – 7 Hours – Online
(Instructor: Heather Sullivan)
Both Course and Instructor Approved

The following appraisal course monitor report by Mr. Joe Dixon was included for Board information:

- 2018-2019 National USPAP Update, taught by the National Association of Independent Fee Appraisers on January 19, 2018.

Mr. Cotter reported that the next 'Common Mistakes Found in Appraisals' course offering will be in Houston County at the Houston County Library. The Board discussed scheduling it in early Fall.

Mr. Baker updated the Board on Ms. Frost's health. Mr. Watson expressed The Board's concern for her and asked that Mr. Baker give her their well wishes.

10.0 There was no disciplinary report to review at this time.

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 8 new complaints were received since the November 2017 Board meeting, 3 complaints were dismissed, and no complaints were settled, leaving a total of 38 open complaints.

Dr. David Turnipseed presented the results of the Customary and Reasonable Fee Survey that he conducted.

11.0 The Board reviewed Probable Cause Report **AB-17-03**: With Mr. Watson and Mr. Butler recusing, on motion by Mr. Pettey and second by Mr. Eslava, 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-17-17**: With Mr. Baker recusing, on motion by Mr. Pettey and second by Mr. Cotter, 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-17-18**: With Mr. Baker recusing, on motion by Mr. Pettey and second by Mr. Eslava, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-19**: With Mr. Baker recusing, on motion by Mr. Pettey and second by Mr. Butler, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-17-26**: With Mr. Butler recusing, on motion by Mr. Pettey 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-17-27**: With Mr. Butler recusing, on motion by Mr. Pettey 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-17-31**: With Mr. Baker recusing, on motion by Mr. Pettey 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-17-24**: With Mr. Butler recusing, on motion by Mr. Pettey and second by Mr. Eslava, 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-17-32**: With Mr. Baker recusing, on motion by Mr. Eslava and second by Mr. Cotter, 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 **MC-18-01**: On motion by Mr. Eslava and second by Mr. Cotter, the Board voted to open a formal investigation. Mr. Pettey opposed the motion. Motion carried.

12.0 The Board reviewed the Consent Settlement Order on **AB-16-26 (Constance C. Whitworth, G00380)**. With Mr. Watson and Mr. Baker recusing, on motion by Mr. Cotter and second by Mr. Pettey, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

The Board reviewed the Consent Settlement Order on **AB-17-08 (Everett S. Brooks, G00442)**. With Mr. Watson and Mr. Baker recusing, on motion by Mr. Eslava and second by Mr. Cotter, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

The Board reviewed the Consent Settlement Order on **AB-17-13 (Anthony Lee |Johnson, R00993)**. With Mr. Baker recusing, on motion by Mr. Pettey and second by Mr. Eslava, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

13.0 The following reciprocal license was issued since the November Board meeting: Lauryn M. Bryght ('G' CA), W. Walton Cheney ('G' FL), John Eric Massengale ('R' GA), Steven A. O'Brien ('R' AZ), Eugene Kenyon Owen ('G' MS), Greggie Dick Pascual ('G' MD), Matthew Bryan Pridgen ('G' GA), Thomas G. Spears ('G' GA), Dennis A. Williamson ('G' KS), and Melissa Kramer Zevallos ('G' GA).

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 discussed proposed staff changes with the Board. On motion by Mr. Cotter and second by Mr. Eslava, the Board voted to give Mrs. Brooks permission to hire a new employee to fill the vacancy in the Accounting Department.

Mrs. Brooks discussed replacing the iPads with the Board. The Board did not feel that it was necessary to purchase new equipment.

Mrs. Brooks presented 'The Costs of Occupational Licensing in Alabama', a special report from the Alabama Policy Institute, for Board information.

Mrs. Brooks discussed the 2018 Board meeting dates with the Board. On motion by Mr. Eslava and second by Mr. Cotter, the Board voted to keep the Board meetings on the third Thursday of every odd month.

Mrs. Brooks discussed the Association of Appraisal Regulatory Officials Spring Conference and asked Board members who are interested in attending to let her know of their interest.

Mrs. Brooks discussed a memorandum from Kathleen D. Baxter, State Comptroller, announcing that the travel mileage rate for 2018 increased to 54.5 cents per mile.

Ms. Conway presented a memorandum from Mr. Dale Whittle, Underwriting Risk Management Supervisor, Department of Finance, Division of Risk Management, explaining the additional coverage layers in General Liability Trust Fund available to State Boards and Commissions. After much discussion, on motion by Mr. Eslava and second by Mr. Pettey, the Board voted to contract with Palomar from the quote received earlier. Motion carried by unanimous vote.

Mrs. Brooks discussed the Statements of Economic Interest forms, included along with the instructions in the Board books, which are due by April 30, 2018.

Mrs. Brooks presented the Proposed Changes to the Real Property Appraiser Qualification Criteria adopted by the Appraiser Qualifications Board on February 1, 2018, to the Board. After much discussion, on motion by Mr. Baker and second by Mr. Eslava, the Board voted to have Ms. Conway draft changes to the Administrative Rules for adoption at the May Board meeting. Motion carried by unanimous vote.

17.0 Ms. Conway presented the response she received from Mr. John Brennan, Director of Appraisal Issues, The Appraisal Foundation, regarding Scope of Work of Certified Residential Real Property Appraisers, for Board information.

Ms. Conway presented the response she received from Mr. John Brennan, Director of Appraisal Issues, The Appraisal Foundation, regarding 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 Board information.

18.0 Mrs. Greene presented a request from Mr. Donald Conn for a license reinstatement. After much discussion, on motion by Mr. Eslava and Mr. Baker, the Board voted to deny Mr. Conn's request. Motion carried by unanimous vote.

19.0 At 11:48 a.m., on motion by Mr. Baker 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 2018 is May 17, 2018, July 19, 2018, September 20, 2018 and November 15, 2018 in the 3rd Floor Conference Room, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene
Executive Secretary
/cg

APPROVED: _____
Lew Watson, Chairman