

**MINUTES**  
**ALABAMA REAL ESTATE APPRAISERS BOARD**  
**RSA UNION STREET**  
**SUITE 370**  
**MONTGOMERY, ALABAMA**  
**March 21, 2019**

**MEMBERS PRESENT:**

Mr. Richard D. Pettey (Chairman)  
Mr. Robert Butler (Vice-Chairman)  
Mr. Lew Watson  
Ms. Angie Frost  
Ms. Patrice McClammy (arriving at 9:09 a.m.)  
Mr. Edmond G. Eslava, III

**MEMBERS ABSENT:**

Mr. Christopher Baker  
Mr. Billy Cotter  
Mr. Dennis Key

**OTHERS PRESENT:**

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

**GUESTS PRESENT:**

Ms. Emily Marsh, Alabama Realtors Association  
Ms. Darlene Daugherty, Certified Residential Appraiser, Lineville  
Ms. Kayla Atchley, Trainee Appraiser, Wedowee

- 1.0 With a quorum present, Mr. Rick Pettey, Chairman, called the meeting to order at 9:04 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 December 14, 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. Pettey.
- 3.0 Members present were Mr. Lew Watson, Mr. Richard D. Pettey, Ms. Angie Frost, Ms. Patrice McClammy (arriving at 9:09 a.m.), Mr. Edmond G. Eslava, III, and Mr. Robert Butler. Members absent were Mr. Christopher Baker, Mr. Billy Cotter, and Mr. Dennis Key.

Mr. Pettey welcomed the guests to the meeting.

4.0 On motion by Mr. Watson and second by Ms. Frost, the regular minutes for January 17, 2019 were approved as written. Motion carried by unanimous vote.

5.0 Ms. Conway discussed the following with the Board:

- The David H. Burns case is now closed.
- The hearing set for May 9, 2019 will have to be reset. The new hearing date will not be in conjunction with a Board meeting.
- The contract with Suzanne Curran will have to be extended. On motion by Mr. Eslava and second by Mr. Watson the Board voted to extend Ms. Curran's contract an additional \$20,000. Motion carried by unanimous vote.

Ms. McClammy asked if the Board could assess court costs. On motion by Mr. Eslava and second by Ms. McClammy, the Board directed Ms. Conway to ask for an Attorney General's Opinion. Motion carried by unanimous decision.

6.0 Mr. Watson updated the Board on the proposed evaluation legislation and stated that no Bill number has been assigned yet.

Ms. Conway discussed the proposed amendment to §34-27A-5(b)(11), Rules and regulations; powers and duties of board; immunity from suit, to allow for an investigator employed by the board to be a practicing licensee of the board. Ms. Conway informed the Board that 'employ' needed to be replaced by 'contract' in the language.

Ms. Conway discussed the Final Adoption of 780-X-16-.04, Application for Reciprocal Appraiser. On motion by Ms. Frost and second by Mr. Watson, 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.

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

7.1 **Trainee Real Property Appraiser applications approved:** Joshua Nathaniel Davies, Anthony L. Faulkner and Daniel Brobson Lutz Whitten. **Applications deferred:** None. **Applications denied:** None.

**Trainee Real Property Appraiser Experience Logs for Review: Log approved:** Samuel Edward Turner. **Logs deferred:** Jessica Karroll. **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:** Clayton Brooks, Timothy Clayton Harris, Susan Lynn (Recip)(VA), Debora Rich Marks (Recip)(GA) and Gary John Wolfsberger (Recip)CA).  
**Application deferred:** None. **Applications denied:** None.
- 7.5 **Certified General Real Property Appraiser application approved:** Zachariah T. Bowyer (Recip)(MA), Keith E. Darin (Recip)(IL), Wilmot McRae Greene (Recip)(GA), Christopher Michael Hall (Recip)(TX), Kyle Barton Hildenbrand (Recip)(FL), John Marshall Hillman (Recip)(TX), Todd Donovan Jones (Recip)(FL), Mark Rex Lamb (Recip)(TX), Glenn Jon Lazarus (Recip)(FL), Kai Pan (Recip)(TX), James William Parker, III (Recip)(GA), George Sasha Petkovich (Recip)(GA), Benjamin Ross Sellers (Recip)(TN), Charles Michael Seney (Recip)(FL), and Martin Houston Van Sant (Recip)(SC). **Application deferred:** Benjamin Gene Carpenter. **Applications denied:** None.
- 7.6 **Mentor applications approved:** Edmond G. Eslava III. **Application deferred:** None. **Applications denied:** None.
- 8.0 Mr. Eslava presented the Finance report for February 2019 and stated that the Board was 42% into Fiscal Year 2019 and 34% into budget expenditures. Mr. Eslava stated that there were no negative trends that could not be reconciled at this time.
- On motion by Ms. Frost and second by Mr. Watson, the Board voted to approve the Finance Report. Motion carried by unanimous vote.
- 9.0 On motion by Mr. Eslava and second by Ms. McClammy, the following education courses and instructor recommendations were approved, deferred, or denied as indicated. Motion carried by unanimous vote.

### **AMERICAN SOCIETY OF APPRAISERS**

#### **New Applications:**

- (CE) Better Safe Than Sorry – 7 Hours – Classroom  
(Instructor: Mike Orman)  
**Both Course and Instructor Approved**
- (CE) Developing and Supporting Adjustments – 7 Hours – Classroom  
(Instructor: Mark Evans)  
**Both Course and Instructor Approved**

**AMERICAN SOCIETY OF FARM MANAGERS AND RURAL APPRAISERS**

**New Applications:**

(CE) Introduction to Commercial Greenhouse Appraisal – 8 Hours – Classroom  
(Instructor: JoAnn Wall)  
**Both Course and Instructor Approved**

(CE) Market Area and Industry Analysis – 8 Hours – Classroom  
(Instructor: JoAnn Wall)  
**Both Course and Instructor Approved**

**APPRAISAL INSTITUTE – ALABAMA**

**New Application:**

(CE) Rural Valuation Basics – 7 Hours – Classroom  
(Instructor: Mike Tankersley)  
**Both Course and Instructor Approved**

**APPRAISAL INSTITUTE – NATIONAL**

**New Applications:**

(CE) Business Practices and Ethics – 6 Hours – Classroom  
(Instructor: Steve Shockley)  
**Both Course and Instructor Approved**

(LIC) General Appraiser Site Valuation and Cost Approach – 30 Hours – Classroom  
(Instructor: Kenneth Foltz)  
**Both Course and Instructor Approved**

(CE) Online Valuation Resources for Photovoltaic Systems – 3 Hours – Online  
(Instructor: Sandra Adomatis)  
**Both Course and Instructor Approved**

**MARSHALL & SWIFT / CORELOGIC**

**New Application:**

(CE) Commercial Cost Approach Certification – 14 Hours – Classroom  
(Instructor: Steven Smith)  
**Both Course and Instructor Approved**

## **MCKISSOCK**

### **New Application:**

- (CE) Live Webinar: Focus on FHA Minimum Property Requirements – 4 Hours – Online  
(Instructors: Dan Bradley, Robert McClelland, Steve Maher, Robert Steve Frazier and Dale Shea)  
**Both Course and Instructors Approved**

### **REQUEST FOR CONTINUING EDUCATION CREDIT**

Mrs. Brooks discussed a request from Mr. Britton Falkner for credit for attending the Appraisal Institute's course 'A Comprehensive Review of Appraisal Concepts'. On motion by Mr. Eslava and second by Mr. Pettey, the Board voted to grant 7 hours continuing education credit to Mr. Falkner. Motion carried by unanimous vote.

- 10.0 **AB 15-33** On March 16, 2017, the Board entered an order after a contested administrative hearing finding Certified General Real Property Appraiser David H. Burns, G00090, guilty of violations of the Alabama Appraisers Act and assessed an administrative fine of \$800. Burns appealed that decision to the Tuscaloosa County Circuit Court which affirmed the decision of the Board on November 28, 2018. The findings of violations are as follows: Mr. Burns, a Certified Real Property Appraiser, violated **USPAP Standards Rule 1-1(b), 2012-13 Ed.**, by failing to analyze and consider the effect on value that the property being two parcels with different characteristics would have in violation of §34-27A-20(a)(6), ALA. CODE 1975. Mr. Burns, a Certified Real Property Appraiser, violated **USPAP Standards Rule 1-4(e), 2012-13 Ed.**, by failing to value the two parcels separately by reference to appropriate data and support by an appropriate analysis of such data in violation of §34-27A-20(a)(6), ALA. CODE 1975. Mr. Burns, a Certified Real Property Appraiser, violated **USPAP Standards Rule 2-1(a), 2012-13 Ed.**, by communicating a misleading appraisal report which derived the value of two separate parcels by assigning a value to the acreage consisting of the combination of the two parcels, obtaining a per-acre value based on the value of the whole, and then multiplying the per-acre value by the number of acres in each parcel instead of assigning a value to each parcel separately by reference to appropriate data and support by an appropriate analysis of such data in violation of §34-27A-20(a)(6), ALA. CODE 1975. Mr. Burns, a Certified Real Property Appraiser, violated **USPAP Standards Rule 2-2(b)(viii), 2012-13 Ed.**, by failing to provide an adequate explanation in his appraisal reports as to why he did not utilize the income approach to value in his analysis and communication of his reports violation of §34-27A-20(a)(6), ALA. CODE 1975.

**AB 18-03** On January 17, 2019, the Board approved a Consent Settlement Order with Licensed Real Property Appraiser Bonnie Lynn Burgess, L00358. Ms. Burgess agreed to complete seven hours of continuing education and pay a \$1000 administrative fine. The violations in the report are as follows: The comparable sales used by Licensee had large differences in sales prices that would indicate completely different sets of market participants and the economic principal of substitution is overlooked in the sales analysis, a basic principle for the sales comparison approach to value. Licensee failed to provide support for the adjustments made to the comparable sales in the sales comparison approach as required by Fannie Mae which states that "All adjustments must be extracted from and supported by the actions of the Market." Licensee checked a box stating the highest and best use was the current use of the property and did not provide an analysis of the highest and best use of the subject property. The licensee stated, "Site value from Chambers County Tax Records and appraiser's knowledge of land sales in the area." There are methods to develop and site value and neither of the stated sources are appropriate. Licensee reported 8% Physical Depreciation after having already reported an economic age for the subject of 8 years with a remaining economic life of 45 years. The licensee could not explain how the 8% depreciation was developed. Licensee's use of sales that would not be considered by the same market participants, making adjustments to the comparable sales that had no support from the market place, basing site value on tax values and not being able to explain where the estimate of physical depreciation came from make this appraisal report misleading. The report contained no support for adjustments made in the sales comparison approach to value and the report had no information or support for the estimate of physical depreciation used in the Cost Approach to value make users of the report unable to understand the report properly.

The report contained comparable sales that would not be considered by the same market participants and the report contained a sales comparison approach that utilized adjustments to the comparable sales that had no support from the market place. By the licensee basing the site value on tax values and by the licensee not being able to explain where the estimate of physical depreciation came from do not summarize the information analyzed or methods and techniques employed that support the opinions and conclusions in the report. The report had no summary of the support or rationale of the opinion of highest and best use, only a checked box that the current use was the highest and best use. **Violations: Standards Rule 1-1(a); 1-3(b); 1-4(b)(i); 1-4(b)(iii); 2-1(a); 2-1(b); 2-2 (a)(viii); 2-2 (a)(x); USPAP 2016 – 2017 Ed.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 4 new complaints were received since the January 2019 Board meeting, 1 complaint was dismissed, and 2 complaints were settled, leaving a total of 35 open complaints.

11.0 The Board reviewed Probable Cause Report **AB-18-07**: With Mr. Butler recusing, on motion by Mr. Eslava and second by Mr. Watson, the Board voted that probable cause does not exist and to issue a Letter of Counsel. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-18-15**: With Mr. Butler recusing, on motion by Ms. Frost and second by Mr. Eslava, the Board voted to offer the appraiser a Conditional Dismissal. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-18-16**: With Mr. Butler recusing, on motion by Ms. Frost and second by Mr. Watson, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

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

13.0 The following reciprocal license was issued since the September Board meeting: Zachariah T. Bowyer ('G' MA), Keith E. Darin ('G' IL), Wilmot McRae Greene ('G' GA), Christopher Michael Hall ('G' TX), Kyle Barton Hildenbrand ('G' FL), John Marshall Hillman ('G' TX), Todd Donovan Jones ('G' FL), Mark Rex Lamb ('G' TX), Glenn Jon Lazarus ('G' FL), Susan Lynn ('R' VA), Debora Rich Marks ('R' GA), Kai Pan ('G' TX), James William Parker, III ('G' GA), George Sasha Petkovich ('G' GA), Benjamin Ross Sellers ('G' TN), Leslie Phillip Sellers ('G' TN), Charles Michael Seney ('G' FL), Martin Houston Van Sant ('G' SC) and Gary John Wolfsberger ('R' CA).

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 the Spring AARO Conference which will be in Denver, CO in May, and asked Board members who are interested in attending to let her know as soon as possible.

Ms. Frost discussed sending renewal notices to Appraisal Management Companies. On motion by Ms. Frost and second by Ms. McClammy, the Board voted to send renewal notices to Appraisal Management Companies in advance of their expiration dates. Motion carried by unanimous vote.

17.0 Ms. Conway reported on the meeting with the Ethics Commissioner regarding contract Investigators without a status change.

18.0 Mrs. Brooks discussed the expiration of several Board members' terms.

The May Board meeting previously moved to May 9, 2019 has been moved back to the originally scheduled date of May 16, 2019.

19.0 At 9:56 a.m., on motion by Ms. Frost and second by Mr. Eslava, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative meeting schedule for 2019 is May 16, 2019, July 18, 2019, September 19, 2019 and November 21, 2019 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, Chairman