

**MINUTES**  
**ALABAMA REAL ESTATE APPRAISERS BOARD**  
**RSA UNION STREET**  
**SUITE 370**  
**MONTGOMERY, ALABAMA**  
**July 18, 2013**

**MEMBERS PRESENT:**

Mr. Kenneth D. Wallis, III (Chairman)  
Mrs. Dot Wood (Vice-Chairman)  
Mr. Christopher Baker  
Mr. Dennis Key  
Mr. Joseph Lundy  
Mr. Fred Crochen  
Mr. Chester Mallory  
Mr. Edmond G. Eslava, III  
Mr. Mark Moody

**MEMBERS ABSENT:**

None

**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:**

None

**TRAINEE/MENTOR ORIENTATION ATTENDEES:**

Mr. Sean Almeida  
Mr. William Blagburn  
Mr. Don Bozeman  
Mr. Thomas Chase  
Mr. Alan Daniel  
Mr. Eley Frazer  
Mr. Peter Hennessey  
Ms. Natalie Jay  
Mr. Jerry McCullough  
Ms. Lauren McGarry  
Mr. Randy Nelson  
Ms. Tamala Nelson  
Mr. Christopher Pettey, Jr.  
Mr. Christopher Pettey, Sr.  
Mr. Richard Pettey  
Mr. William Sims

Mr. William Street  
Mr. Edgar Suttles  
Mr. Darryl Truett  
Mrs. Stephanie Truett  
Mr. Alex Tucker  
Ms. Nancy Turner  
Ms. Kristina White  
Mr. James Williams, Jr.  
Mr. Samuel Williams

1.0 With quorum present Mr. Kenneth Wallis, III, Chairman, called the meeting to order at 8:25 a.m. Mrs. Carolyn Greene, Executive Secretary, recorded the minutes. The meeting was held in the Purchasing Auditorium, 1st Floor, 100 North Union Street, Montgomery, Alabama. Prior notice of the meeting was posted on the Secretary of State's website on December 21, 2012 in accordance with the Alabama Open Meetings Act. The location of the meeting was updated on the Secretary of State's website on April 17, 2013 in accordance with the Alabama Open Meetings Act.

2.0 The meeting was opened with prayer, led by Mr. Lundy, followed by the Pledge of Allegiance, led by Mr. Wallis.

3.0 Members present were Mr. Kenneth Wallis, III, Mrs. Dot Wood, Mr. Joseph Lundy, Mr. Fred Crochen, Mr. Edmond G. Eslava, III, Mr. Chris Baker, Mr. Dennis Key, Mr. Mark Moody and Mr. Chester Mallory.

Mr. Wallis welcomed the guests present and asked Board Members to introduce themselves.

4.0 On motion by Mr. Lundy and second by Mr. Eslava, the regular minutes for May 16, 2013 were approved as written. Motion carried by unanimous vote.

Mr. Wallis called for election of officers and opened nominations for the Chairman position. Mr. Wallis nominated Mrs. Wood for the position of Chairman. Mr. Moody seconded the nomination. On motion by Mr. Wallis and second by Mr. Moody the nominations were closed. The Board voted to elect Mrs. Wood as Chairman of the Board. Motion carried by unanimous vote.

Mrs. Wood opened nominations for the Vice-Chairman position. Mr. Moody nominated Mr. Baker for the position of Vice-Chairman. Mr. Mallory seconded the nomination. On motion by Mr. Moody and second by Mr. Mallory, the nominations were closed. The Board voted to elect Mr. Baker as Vice-Chairman of the Board. The motion carried by unanimous vote.

At this time, Mrs. Wood, on behalf of the Board and staff, presented Mr. Wallis with a plaque in appreciation for his service as Chairman of the Board.

- 5.0 Ms. Conway discussed 56-CV-2011-900009.00 (Joshua M. Smith V. Alabama Real Estate Appraisers Board) with the Board. Ms. Conway stated that this case is on appeal for the second time.
- 6.0 Mr. Mallory discussed pre-filing a Bill in both the House and Senate in the next Legislative Session to add language to the law requiring background checks on all applicants for licensure. This will be the same Bill that was introduced, but did not pass, in the last Legislative Session.
- 7.0 On motion by Mr. Lundy and second by Mr. Wallis the following applications were voted on as listed. Motion carried by unanimous vote.
- 7.1 **Trainee Real Property Appraiser applications approved:** Robert Sean McDavid, Lyle' Partin Reed, and James Stewart Scott, IV. **Applications deferred:** None. **Applications denied:** None.
- Trainee Real Property Appraiser Experience Logs for Review: Logs approved:** Floyd Bischoff, Jr., Laura Burnett, Matthew Cole, Jonathan Ray, and Paul Shiver. **Logs deferred:** James O'Neil. **Logs denied:** None.
- 7.2 **State Registered Real Property Appraiser applications approved:** None. **Application deferred:** Gregory Walker. **Application denied:** None.
- 7.3 **Licensed Real Property Appraiser applications approved:** Rachel Greene. **Application deferred:** None. **Applications denied:** None.
- 7.4 **Certified Residential Real Property Appraiser applications approved:** Tony Baggett, David Wayne Kahlig (Recip.)(TX) and Chris Wilkinson. **Application deferred:** None. **Applications denied:** None.
- 7.5 **Certified General Real Property Appraiser applications approved:** David Robert Aglira (Recip.)(PA), Brian Patrick McCarthy (Recip.)(GA), and Stephen E. Saunders (Recip.)(FL). **Application deferred:** None. **Applications denied:** None.
- 7.6 **Mentor applications approved:** Michael E. Brophy, and Lori Kaiser. **Applications deferred:** None. **Applications denied:** None.
- 8.0 Mr. Lundy presented the Finance report and stated that the Board was 75% into Fiscal Year 2013 and 65% into budget expenditures. Mrs. Brooks reminded the Board that annual renewals would begin August 1<sup>st</sup>. Mr. Lundy stated that there were no negative trends that could not be reconciled at this time.

On motion by Mr. Lundy and second by Mr. Mallory, the Board voted to approve the Financial Report. Motion carried by unanimous vote.

The Investment report was included for Board information.

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

### **APPRAISAL INSTITUTE**

#### **New Applications:**

(CE) Income Approach for Residential Appraisers – 7 hours – Classroom  
(Instructor: Rich Dubay)  
**Both Course and Instructor Approved**

(LIC) Advanced Income Capitalization - Synchronous – 35 hours – Online  
(Instructor: Tom Kirby)  
**Both Course and Instructor Approved**

### **CALYPSO CONTINUING EDUCATION**

(CE) Mold A Growing Concern – 3 Hours – Online  
(Instructors: Francis Finigan)  
**Both Course and Instructor Approved**

(CE) A Brief Historic Stroll through America’s Architecture – 7 Hours – Online  
(Instructors: Francis Finigan)  
**Both Course and Instructor Approved**

### **DYNASTY SCHOOL**

(LIC) Residential Report Writing and Case Studies – 15 Hours – Online  
(Instructors: Robert Abelson)  
**Both Course and Instructor Approved**

### **MCKISSOCK, LP**

(LIC) General Appraiser Income Approach – 60 Hours – Online  
(Instructors: Dan Bradley)  
**Both Course and Instructor Approved**

(LIC) General Report Writing & Case Studies – 30 Hours – Online  
(Instructors: Bruce Coin)  
**Both Course and Instructor Approved**

(CE) 2012-2013 National USPAP Update Equivalent – 7 Hours –

Classroom  
(Instructor: Amelia Lovorn Brown)  
**Instructor Approved**

(CE) 2012-2013 National USPAP Update Equivalent – 7 Hours – Classroom  
(Instructor: John Smithmyer)  
**Instructor Approved**

(CE) FHA for Today's Appraiser – 7 Hours – Classroom  
(Instructor: Amelia Lovorn Brown)  
**Instructor Approved**

(CE) FHA for Today's Appraiser – 7 Hours – Classroom  
(Instructors: John Smithmyer)  
**Instructor Approved**

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

Marcus E. Bailey – Course 201 – Appraisal of Land – International Association of Assessing Officers – 7 Hours  
**Credit Approved**

Mr. Wallis discussed extending education renewals from every 2 years to every 4 years. The Education Committee will meet to discuss this issue and bring it back to the Board with more information.

### **The following appraisal course monitor reports were included for Board information:**

Mr. Dixon – Residential Reporting, taught by the National Association of Independent Fee Appraisers on May 7, 2013.

Mr. Dixon – Appraising the Appraiser, taught by the Appraisal Institute, Alabama Chapter on May 3, 2013.

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Mrs. Brooks stated that the last Trainee/Mentor Orientation is scheduled for September 19, 2013.

10.0

The Board reviewed the following disciplinary reports.

**AB-12-20** – On May 16, 2013, the Board approved a Consent Settlement Order with Certified General Real Property Appraiser, James W. Folkes, G00621, where the Licensee agreed to pay an administrative fine of \$500 to the Board. The violation(s) in the report is follows: The subject property was not located within the stated neighborhood boundaries. The subject was located south of the south neighborhood boundary. In the Sales Comparison Approach/Comparable #3, Licensee provided a sales price, date of sale/contract date and sales/financing concessions that was not accurate. Licensee analyzed accurate information in the appraisal

process but reported inaccurate data. In the Cost Approach section, Licensee indicated reproduction cost was estimated when replacement cost was developed. Licensee failed to comment on the \$1,200 allowance for a refrigerator in the sales contract for the subject. In the Sales Comparison Approach and Cost Approach, Licensee failed to provide information on the analysis of the appliances. In the Cost Approach section, Licensee stated the site value was extracted from local data. Licensee failed to provide the supporting data/information used to develop the opinion of site value by the extraction method. **Violation: Standards Rule: 2-1(a) and 2-1(b), USPAP, 2012-2013 Edition.**

**AB-12-28 and AB-12-31** – On May 16, 2013, the Board approved a Consent Settlement Order with Certified General Real Property Appraiser, Jeffrey H. Walker, G01072, where the Licensee agreed to pay an administrative fine of \$1,000 to the Board. The violations are as follows: Licensee signed the appraisal report and was not licensed in the State of Alabama as a Real Estate Appraiser. He failed to obtain a Temporary Permit for this assignment. Appraiser is now licensed in Alabama. **Violation: §34-27A-3, Code of Alabama, 1975 and §780-X-16-05, Alabama Real Estate Appraisers Board Administrative Code.**

**AB-12-29 and AB-12-32** – On May 16, 2013, the Board approved a Consent Settlement Order with Certified General Real Property Appraiser, Karen L. Blosser, G01071, where the Licensee agreed to pay an administrative fine of \$1,000 to the Board. The violations are as follows: Licensee signed the appraisal report and was not licensed in the State of Alabama as a Real Estate Appraiser and failed to obtain a Temporary Permit for this assignment. Appraiser is now licensed in Alabama. **Violation: §34-27A-3, Code of Alabama, 1975 and §780-X-16-05, Alabama Real Estate Appraisers Board Administrative Code.**

**AB-12-58** – On May 16, 2013, the Board approved a Consent Settlement Order with Licensed Real Property Appraiser, Ronald Hill, Jr., L00377, where the Licensee agreed to pay an administrative fine of \$250 to the Board. The violations in the report are as follows: Licensee, in the Cost Approach section, stated the method used to develop the opinion of site value was by the allocation method. Licensee failed to include the supporting data used to develop the opinion of site value by the allocation method in the workfile. Licensee failed to provide sufficient explanation for the exclusion of the Income Approach. Licensee failed to explain why the Income Approach was not applicable to the assignment and its exclusion from the appraisal. **Violation: Standards Rule: 2-1(b) and 2-2(b)(viii), USPAP, 2012-2013 Edition.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 8 new complaints were received since the May 2013 Board meeting, 16 complaints were dismissed, and 6 complaints were settled, leaving a total of 48 open complaints.

11.0

The Board reviewed Probable Cause Report **AB-12-63**: With Mr. Baker recusing, on motion by Mr. Lundy and second by Mr. Moody, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-12-64**: With Mr. Baker recusing, on motion by Mr. Crochen and second by Mr. Mallory, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does not exist and dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-12-66**: With Mr. Key and Mrs. Wood recusing, on motion by Mr. Lundy and second by Mr. Crochen, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-12-68**: With Mrs. Wood recusing, on motion by Mr. Wallis and second by Mr. Moody, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-12-69**: With Mrs. Wood recusing, on motion by Mr. Wallis and second by Mr. Key, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-01**: With Mr. Baker recusing, on motion by Mr. Lundy and second by Mr. Moody, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-07**: With Mrs. Wood and Mr. Baker recusing, on motion by Mr. Key and second by Mr. Wallis, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-09**: With Mrs. Wood recusing, on motion by Mr. Lundy and second by Mr. Moody, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-11**: With Mr. Baker and Mrs. Wood recusing, on motion by Mr. Eslava and second by Mr.

Moody, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-12**: With Mr. Key recusing, on motion by Mr. Mallory and second by Mr. Lundy, the Board voted to accept the Disciplinary Committee's recommendation 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-13-15**: With Mr. Baker recusing, on motion by Mr. Eslava and second by Mr. Lundy, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-18**: With Mr. Baker recusing, on motion by Mr. Crochen and second by Mr. Lundy, the Board voted to accept the Disciplinary Committee's recommendation that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-26 companion to AB-13-27**: The complainant withdrew the complaint. On motion by Mr. Crochen and second by Mr. Moody, the Board voted to accept the complaint withdrawal. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-13-27 companion to AB-13-26**: The complainant withdrew the complaint. On motion by Mr. Crochen and second by Mr. Moody, the Board voted to accept the complaint withdrawal. Motion carried by unanimous vote.

12.0 The Board reviewed Consent Settlement Order on **AB-12-26**. With Mrs. Wood recusing, Mr. Eslava made a motion to accept the Consent Settlement Order as written. Mr. Key seconded the motion. After discussion by the Board, Mr. Eslava withdrew his motion to approve. On motion by Mr. Wallis and second by Mr. Crochen, the Board voted to defer this Consent Settlement Order to get additional information. Motion carried by unanimous vote.

The Board reviewed Consent Settlement Order on **AB-12-37 (James W. Smith, R00987)**. With Mrs. Wood recusing, on motion by Mr. Lundy and second by Mr. Moody, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

13.0 The following reciprocal licenses were issued since last meeting: David Robert Aglira (Recip.)(PA), David Wayne Kahlig (Recip.)(TX), Brian Patrick McCarthy (Recip.)(GA), and Stephen E. Saunders (Recip.)(FL).

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 Mr. Key discussed an email regarding the ESA Appraisal Management Company bankruptcy. Ms. Conway will research the matter further and report her findings to the Board.

Mr. Wallis – experience points determination – Bucky Street – total 5 points – 4 points for church component and 1 point for residential component.

Mr. Wallis – experience points determination – Laura Burnett – 6 points for estate & 8 points for sorority house.

Mrs. Brooks asked the Board to consider an application for an AMC license from the William Craig Company, Inc. On motion by Mr. Eslava and second by Mr. Baker, the Board voted to table this request to check the applicant's license history in other states that the company holds licenses. Motion carried by unanimous vote.

Mrs. Brooks discussed an email from Mrs. Vicki Ledbetter Metcalf of the Appraisal Subcommittee, tentatively scheduling the Alabama Compliance Review for January 14 – 16, 2014.

Mrs. Brooks discussed a Trainee/Mentor Orientation issue with the Board. Mr. Adam Cowart, Mentor, left the May Trainee/Mentor Orientation 1 hour early. On motion by Mr. Wallis and second by Mr. Eslava, the Board voted to require that Mr. Cowart attend one hour of the September Trainee/Mentor Orientation. Motion carried by unanimous vote.

17.0 Ms. Conway discussed the request from Mr. Randy Smyth, Trainee Appraiser for an Experience Credit Waiver. Ms. Conway researched the policies of other states and found that Trainees are given full credit for appraisals they worked on regardless of the number of signatories. On motion by Mr. Wallis and second by Mr. Mallory, the Board voted to amend the Administrative Code to eliminate the proration of experience points between Trainee and Mentor effective January 1, 2014. This amendment will not be retroactive. Motion carried by unanimous vote. Mr. Lundy asked that the amendment be ready for the September Board meeting.

Mr. Wallis deferred his review appraisal discussion until a later date.

Mr. Key discussed adding an Inactive status. This issue is deferred until the September Board meeting.

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

19.0 At 10:56 a.m., on motion by Mr. Mallory and second by Mr. Moody, the Board voted to adjourn. Motion carried by unanimous vote. The Board's

tentative meeting schedule for the remainder of 2013 is September 19, 2013 in the 1<sup>st</sup> Floor Purchasing Auditorium and November 21, 2013 in the 3<sup>rd</sup> Floor Conference Room, both in the RSA Union Building, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene  
Executive Secretary  
/cg

**APPROVED:** \_\_\_\_\_  
**Dot Wood, Chairman**