

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, ALABAMA
March 17, 2011

MEMBERS PRESENT:

Mr. Chris Pettey (Chairman)
Mr. Joseph Lundy (Vice-Chairman)
Mr. Fred Crochen
Mr. Kenneth D. Wallis, III
Mr. Joseph Lambert
Mrs. Dot Wood
Mr. Mark Moody
Mr. Chester Mallory

MEMBERS ABSENT:

Mrs. Cornelia Tisher

OTHERS PRESENT:

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

GUESTS PRESENT:

None

- 1.0 With quorum present Mr. Chris Pettey, Chairman, called the meeting to order at 8:15 a.m. Mrs. Carolyn Greene, Executive Secretary, recorded the minutes. The meeting was held at the RSA Union Building, 100 N. Union Street, 3rd Floor Conference Room, Montgomery, Alabama. Prior notice of the meeting was posted on the Secretary of State's website on January 24, 2011 in accordance with the Alabama Open Meetings Act.
- 1.1 The meeting was opened with prayer by Mr. Lundy and followed by the Pledge of Allegiance led by Mr. Pettey.
- 2.0 Members present were Mr. Chris Pettey, Mr. Joseph Lundy, Mr. Fred Crochen, Mrs. Dot Wood, Mr. Mark Moody, Mr. Chester Mallory, Mr. Kenneth Wallis III, and Mr. Joseph Lambert. Member absent was Mrs. Cornelia Tisher.
- 3.0 On motion by Mr. Mallory and second by Mr. Lambert, the regular minutes for January 20, 2011 were approved as written. Motion carried by unanimous vote.

3.2

Ms. Conway included the following for Board member information:

- The denial of Mrs. Nancy White's appeal by the Circuit Court of Jefferson County, CV-2010-902165.00. Ms. Conway explained to the Board that Mrs. Nancy White's next step, should she choose to go forward, would be to appeal to the Court of Civil Appeals.
- A hearing has been scheduled for May 12, 2011 in the case of Otis Stewart, AB-07-98.
- Josh Smith, AB-08-100, has appealed to Randolph County CV 2011-900009.
- Findings of Fact and Conclusions of Law of the Administrative Law Judge on the revocation of Dennis Franklin's Mentor Status and Brent Franklin's Inactive Status.

At 8:29 a.m. on motion by Mr. Lundy and second by Mr. Moody, the Board voted to enter Executive Session to deliberate on the Findings of Fact and Conclusions of Law of the Administrative Law Judge on Dennis Franklin and Brent Franklin. Those in favor were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mrs. Wood, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Motion carried by unanimous vote.

At 8:41 a.m. on motion by Mr. Lundy and second by Mr. Wallis, the Board voted to re-enter Regular Session. Those in favor were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mrs. Wood, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Motion carried by unanimous vote.

On motion by Mr. Lundy and second by Mr. Lambert, the Board voted to accept the Findings of Fact and Conclusions of Law as written. Those in favor were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Mrs. Wood opposed the motion. Motion carried.

On motion by Mr. Lundy and second by Mr. Lambert the Board voted to accept the recommendation of the Administrative Law Judge that Mr. Dennis Franklin's Mentor revocation be rescinded. Those in favor were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Mrs Wood opposed the motion. Motion carried.

4.0

Mr. Wallis discussed the AMC Bill and informed the Board that Senator Jimmy Holley will sponsor the Bill in the Senate, with Senator Brian Taylor co-sponsoring and that Representative Jack Williams will sponsor the Bill in the House, with Representative Jim Hubbard co-sponsoring. Senator Dell Marsh and Representative Howard Sanderford will lend their support to the bill as well.

5.0

On motion by Mr. Wallis and second by Mrs. Wood the following applications were voted on as listed. Motion carried by unanimous vote.

- 5.1 **Trainee Real Property Appraiser applications approved:** Janet Anthony, Floyd W. Bischoff, Kristen Medlin, William Ed Nelson, David C. Stewart, Jason Sumners and Mia Valenzuela (Recip)(CO). **Applications deferred:** None. **Applications denied:** None.
- 5.2 **State Registered Real Property Appraiser applications approved:** None. **Application deferred:** None. **Applications denied:** None.
- 5.3 **Licensed Real Property Appraiser applications approved:** None. **Applications deferred:** Darby Hale. **Applications denied:** None.
- 5.4 **Certified Residential Real Property Appraiser applications approved:** Jon Ruffin (Recip.)(MS). **Applications deferred:** Lynette Arnold, Jason King, Ross Rutledge and Shaunn Starling. **Application denied:** Amber Amis.
- 5.5 **Certified General Real Property Appraiser applications approved:** Edward Carlson (Recip.)(FL), Owen Victor Grant, III (Recip.)(TX), John C. Hay (Recip.)(TN), Helane Jefferson (Recip.)(TN), Heather G. Klaiber (Recip.)(GA), Anthony M. Marasco (Recip.)(FL), Jason Paul Shirey (Recip.)(FL) and Dennis E. Vogan (Recip.)(KS). **Applications deferred:** Harvey Nobles. **Applications denied:** None.
- 5.6 **Mentor applications approved:** Rusty Rich and Robert Brett Tomlin. **Application deferred:** James Sumners. **Applications denied:** None.

6.0 Mr. Mallory discussed the financial report with the Board. Mr. Mallory stated that the Board was 41% into FY 11 and 37% into budget expenditures, and that there were no negative trends that could not be reconciled at this time. On motion by Mr. Mallory and second by Mr. Lambert, the Board voted to approve the Financial Report. Motion carried by unanimous vote.

Mr. Mallory discussed the Fiscal Year 2011 Expenditures, Receipts and 606 Fund Balance charts with the Board.

Mrs. Brooks discussed the Proposed Budget Proration and Projected Increase in Revenue reports for 2011.

At 9:40 a.m. on motion by Mrs. Wood and second by Mr. Lundy, the Board voted to enter Executive Session to discuss good name and character. Those in favor were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mrs. Wood, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Motion carried by unanimous vote.

At 10:25 a.m. on motion by Mr. Lundy and second by Mr. Mallory, the Board voted to re-enter Regular Session. Those in favor were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mrs. Wood, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Motion carried by unanimous vote.

6.1

Mr. Lundy reported on the Education Committee meeting held on March 16, 2011. The new format Trainee/Mentor Orientations will be held in conjunction with the May, July and September 2011 Board Meetings. Licensees will attend the Board meeting in the morning and the orientation meeting in the afternoon. The fee will remain \$50 and 7 hours of continuing education credit will be granted for attendees.

On motion by Mr. Lambert and second by Mrs. Wood, the following education courses and instructor recommendations were approved, deferred, or denied as indicated. Those in favor were Mr. Lundy, Mr. Crochen, Mrs. Wood, Mr. Moody, Mr. Mallory, Mr. Wallis and Mr. Lambert. Mr. Pettey opposed the motion. Motion carried.

APPRAISAL UNIVERSITY

(CE) Retail Center Analysis for Financing - 7 Hours - Online
(Instructor: Bruce Coin)
Both Course and Instructor Approved

CAREER WEBSCHOOL

(LIC) General Appraiser Site Valuation and Cost Approach - 30 Hours – Online
(Instructors: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved

(LIC) General Appraiser Market Analysis and Highest & Best Use - 30 Hours – Online
(Instructors: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved

(LIC) General Appraiser Residential Report Writing and Case Studies - 30 Hours – Online
(Instructors: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved

(LIC) Statistics, Modeling and Finance - 15 Hours – Online
(Instructors: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved

(CE) Statistics, Modeling and Finance - 14 Hours – Online
(Instructors: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved

(CE) Advanced Residential Application and Case Studies– 14 Hours – Online
(Instructor: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved

(CE) An FHA Single Family Appraisal – 14 Hours – Online
(Instructor: AM Bud Black)

Both Course and Instructor Approved

- (LIC) Advanced Residential Application and Case Studies – 15 Hours – Online
(Instructor: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved
- (LIC) General Appraiser Sales Comparison Approach – 30 Hours – Online
(Instructor: AM Bud Black, Mark Munizzo and Lisa Musial)
Both Course and Instructor Approved
- (LIC) An FHA Single Family Appraisal – 15 Hours – Online
(Instructor: AM Bud Black)
Both Course and Instructor Approved

DYNASTY SCHOOL

- (LIC) Statistics, Modeling and Finance - 15 Hours – Online
(Instructor: Robert Abelson)
Both Course and Instructor Approved

EQUITY VALUATION PARTNERS

- (CE) Appraisal Practice in the Current Regulatory Environment – 4 Hours – Classroom
(Instructor: Andrew Watson)
Both Course and Instructor Approved

INTERNATIONAL RIGHT OF WAY ASSOCIATION

- (CE) University of Alabama Annual ROW Conference - 8 Hours – Classroom
(Instructor: Judy Jones)
Both Course and Instructor Denied
- (CE) United States Land Titles - 16 Hours – Classroom
(Instructor: Ted Williams)
Both Course and Instructor Approved
- (CE) Principles of Land Acquisition - 32 Hours – Classroom
(Instructor: Ted Williams)
Both Course and Instructor Denied
- (CE) Principles of Real Estate Engineering - 16 Hours – Classroom
(Instructor: Clyde Johnson)
Both Course and Instructor Denied
- (CE) Legal Aspects of Easements - 8 Hours – Classroom
(Instructor: Ted Williams)
Both Course and Instructor Approved

- (CE) Practical Negotiations for US Federal Funded Land Acquisition - 16 Hours – Classroom
(Instructor: Clyde Johnson)
Both Course and Instructor Denied
- (CE) Ethics and the Right of Way Profession - 8 Hours – Classroom
(Instructor: Ted Williams)
Both Course and Instructor Approved
- (CE) Principles of Real Estate Appraisal - 16 Hours – Classroom
(Instructor: Edmond Eslava)
Both Course and Instructor Approved
- (CE) Communications in Real Estate Acquisition - 24 Hours – Classroom
(Instructor: Ted Williams)
Both Course and Instructor Approved
- (CE) Principles of Real Estate Law - 16 Hours – Classroom
(Instructor: Ted Williams)
Both Course and Instructor Denied

MCKISSOCK

- (CE) Residential Report Writing: More Than Forms – 7 Hours – Online
(Instructor: Dan Bradley)
Both Course and Instructor Approved
- (CE) Residential Appraisal Review – 7 Hours – Online
(Instructor: Alan Simmons)
Both Course and Instructor Approved
- (CE) Appraising Manufactured Homes – 7 Hours – Online
(Instructor: Alan Simmons)
Both Course and Instructor Approved

NATIONAL ASSOCIATION OF INDEPENDENT FEE APPRAISERS

- (CE) Appraising in the Foreclosure Market – 7 Hours – Classroom
(Instructor: Mike Orman)
Both Course and Instructor Approved
- (CE) FHA – Current Appraisal Requirements – 7 Hours – Classroom
(Instructor: Mike Orman)
Both Course and Instructor Approved

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT/FEDERAL HOUSING ADMINISTRATION

- (CE) FHA Basics for Appraisers
(Instructor: Ada Bohorfoush)
Instructor Approved

WARNELL SCHOOL OF FORESTRY AND NATURAL RESOURCES

- (CE) Conservation Easements for Forest Landowners and Their
Advisors – 13 Hours - Classroom
(Instructor: Harry Haney)
Both Course and Instructor Approved

The motion carried by unanimous vote.

6.2

The Board reviewed the following disciplinary reports.

AB 09-85 On January 20, 2011, the Board approved a Consent Settlement Order with Cleabron Pullum, R00216, issuing a public reprimand, assessing an administrative fine of \$4500, requiring that Pullum not perform commercial appraisals without prior consent of the Board and requiring a 15 hour USPAP course that cannot be used for continuing education. The violations in the report are: did not disclose his lack of knowledge or experience to his client, did not take steps necessary or appropriate to complete the assignment competently and did not describe his lack of knowledge or experience in the report. Licensee failed to research, analyze, develop and report an opinion of the highest and best use of the subject property. Licensee failed to research and analyze comparable sales. Instead the Licensee gathered and utilized sales from local MLS that were further away and not as comparable to the subject as other sales that were available in the MLS system. Licensee failed to research and analyze information to consider income approach in his analysis of an income producing property. Licensee allowed the assignment condition of drive-by appraisal to keep him from considering the Cost and Income Approaches to Value as noted by his statement on page 2 of the report where he stated “no Income and no Cost Approach was considered due to being a drive by at your request. Licensee failed to research, analyze, develop and report an opinion of the highest and best use of the subject property. Licensee failed to research and analyze comparable sales. Instead the Licensee gathered and utilized sales from local MLS that were further away and not as comparable to the subject as other sales that were available in the MLS system. Licensee failed to research and analyze information to consider income approach in his analysis of an income producing property. Licensee failed to consider the Income approach to value when research and analysis of the income potential of the subject property would have indicated that the Licensee’s Sales Comparison Approach was flawed. Licensee never mentions the intended use of the appraisal. On page 6 of the Licensee’s report under section titled Purpose, Function and Intended Use of the Appraisal, the space for intended use is blank. Licensee failed to research, analyze, develop and report an opinion of the highest and best use of the subject property. Licensee failed to research

and analyze comparable sales. Instead the Licensee gathered and utilized sales from local MLS that were further away and not as comparable to the subject as other sales that were available in the MLS system. Licensee failed to research and analyze information to consider income approach in his analysis of an income producing property. Licensee failed to identify and analyze the effect on use and value of existing land use regulations, or to analyze any reasonably probable modifications of such land use regulations. Licensee failed to identify and analyze the supply and demand for the subject property, the physical adaptability of the subject property, and market area trends. Licensee did not develop an opinion of the highest and best use of the subject property. Licensee failed to research and analyze comparable sales. Instead the Licensee gathered and utilized sales from local MLS service that were further away and not as comparable to the subject as other sales that were available in the MLS system. Licensee failed to consider the Income approach to value when research and analysis of the income potential of the subject property would have indicated that the Licensee's Sales Comparison Approach was flawed. Licensee utilizes a "desk top" report format to report what he labeled a "Limited Appraisal" (see page 6 of report). There is not enough information reported about the subject property physical characteristics, the Highest and best use of the subject property, the physical characteristics of the comparable sales and the analyzes of the comparables in this format and the report is misleading. The "desk top" report is so sketchy and lacks detail that a reader of the report needs to understand the report properly. Licensee never mentions the intended use of the appraisal. On page 6 of the Licensee's report under section titled Purpose, Function and Intended Use of the Appraisal, the Licensee leaves the space for the intended use blank. Licensee did not summarize his analysis of the highest and best use of the subject property. The Licensee did not summarize his analysis of the comparable sales utilized in the sales comparison approach. The Licensee did not give valid reasons the income and cost approaches were excluded. Licensee did not report an opinion of highest and best use of the subject property. **Violations: Competency Rule; Scope of Work Acceptability; Standards Rule 1-1(a); 1-1(b); 1-2(b); 1-2(h); 1-3(a); 1-3(b); 1-4(a); 1-4(c); 2-1(a); 2-1(b); 2-2(b)(ii); 2-2(b)(ix), USPAP, 2008-2009 Ed.**

AB 10-07 On January 20, 2011, the Board approved a Consent Settlement Order from a Licensed Real Property for a residential appraisal. The Board issued a private reprimand, assessed a \$450 fine and required 7 hours of appraisal education that cannot be used for continuing education. The violations in the report are: Licensee mis-measured the subject and overstated the square footage of the subject property by 354 square feet that significantly affected the appraisal. The address of the subject was incorrect. On page 1 of the report in the "General Description" Licensee incorrectly reported that the subject property was one-story structure and correctly reported in other parts of the report that it is two-story. On page 1 of the report Licensee incorrectly reported a 3-car garage instead of a two-car garage. On page 1 of the report Licensee described the subject: "This house plan is typical for the

area, no functional or external obsolescence apparent that would have an impact on the final estimate of value, depreciation is typical for a house this age.” This is contradicted other places in the report. The house is not typical for the area and the licensee reports elsewhere that the house is overbuilt suffers from functional obsolescence known as “super adequacy”. Overstating the size of the subject property, using the incorrect address for the subject, reporting the subject was a one-story structure and that it was as two-story structure, reporting a 3 car garage instead of a two car garage, describing the subject as typical and then reporting super-adequacy result in a report that is not clear and accurate and could be misleading. **Violations: Standards Rule 1-1(b); 1-1(c); 2-1(a), USPAP, 2008-09 Ed.**

AB 10-13 On January 20, 2011 the Board approved a Consent Settlement Order from Leon Nelson, R00981. Nelson was assessed an administrative fine of \$500 and must complete a 15 hour sales comparison and a 7 hour Fannie Mae forms course. The appraisal education courses cannot be used for continuing Education.

AB 10-19 On January 20, 2011, the Board approved a Consent Settlement Order from Susan L. Rice, R00877. Rice agreed to a six-month suspension of her license, a one year probationary period, a \$1000 administrative fine and a 15 hour basic appraisal education course which cannot be used for continuing education purposes. The license suspension is stayed and Rice may continue to appraise and submit logs of her work to the Board for review. The violations are: The appraisal report is misleading because the licensee indicated the comparable sales were located as depicted on the “Location Map” when the visual inspection of the comparable sales used in the report did not match the improvements described on page 5 of 21 in the report or the photos located on page 20 of 21 in the report. Comparables 1 thru 3 as utilized by licensee in this assignment were actually located more than 5 miles to the west of the subject. The photos of the comparables used in the report were photos from the local MLS, which indicates that licensee did not personally inspect the comparable sales as stated in the report. The licensee failed to mention the existence of a power substation next door to the subject. This power substation was not mentioned in the report or work file and could have had a detrimental effect on the value of the subject property and should have been mentioned and analyzed. The licensee made several errors in the report. On page 1 of 6 under “Site” section it was reported that the shape of the property was “irregular” when in fact it was rectangular. Also in the same section under “Alley” Licensee reported “None” when there is an alley extending along the side of the property. On page 1 of 6 in the “Improvements” section of the report under “General Description” the “# of Stories” and “Design” it is reported as one story when it is actually a Two story residence. In the same section of the report, for “foundation” it is reported Crawlspace when the property has a partial basement which is not reported. The appraisal report is misleading because the licensee indicated the comparable sales were located as depicted on the “Location Map” when the visual

inspection of the comparable sales used in the report did not match the improvements described on page 5 of 21 in the report or the photos located on page 20 of 21 in the report. Comparables 1 thru 3 as utilized by licensee in this assignment were actually located more than 5 miles to the west of the subject. The subject property is not accurately described: it is two story, not one story and it has a partial basement, not just a crawl space and the lot is regular shaped, not irregular. **Violations: Ethics Rule, Conduct; Standards Rule 1-1(b); 1-1 (c); 2-1(a), USPAP, 2008-2009 Ed.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board 5 new complaints were received since the January 2011 Board meeting, 4 complaints were dismissed, and 2 complaints were settled, leaving a total of 89 open complaints.

6.2.1 The Board reviewed Probable Cause Report **AB-07-98**: With Mr. Pettey and Mr. Lundy recusing, on motion by Mr. Wallis and second by Mrs. Wood, 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-10-14 companion case to AB-10-15**: With Mr. Pettey and Mrs. Wood recusing, on motion by Mr. Lambert and second by Mr. Lundy, 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-10-15 companion case to AB-10-14**: With Mr. Pettey and Mrs. Wood recusing, on motion by Mr. Lambert and second by Mr. Lundy, 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 Reports **AB-10-35 and AB-10-36**: With Mr. Lambert recusing, on motion by Mr. Lundy and second by Mrs. Wood 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-10-37**: 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-10-38**: With Mrs. Wood recusing, on motion by Mr. Lundy 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-10-39**: With Mr. Lundy and Mr. Lambert recusing, on motion by Mr. Mallory 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-10-41**: With Mr. Lambert recusing, on motion by Mr. Lundy and second by Mrs. Wood 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-10-46**: With Mr. Lundy and Mr. Lambert recusing, on motion by Mr. Mallory and second by Mrs. Wood 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-10-115**: With Mr. Wallis recusing, on motion by Mr. Lambert and second by Mrs. Wood 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-10-117**: With Mr. Lundy recusing, on motion by Mr. Wallis and second by Mr. Lambert 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-10-124**: With Mr. Lundy recusing, on motion by Mr. Wallis and second by Mr. Lambert 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 Request for Board Initiated Complaint **AB-11-07**: With Mr. Lambert recusing, on motion by Mr. Lundy and second by Mrs. Wood 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 Request for Board Initiated Complaint **AB-11-09**: On motion by Mr. Lundy and second by Mr. Wallis the Board voted to open an investigation. Motion carried by unanimous vote.

6.2.2 There were no Consent Settlement Orders to discuss at this time.

6.3 The following reciprocal licenses were issued since last meeting: Edward Carlson (G)(FL), Owen Victor Grant, III (G)(TX), John C. Hay (G)(TN), Helane Jefferson (G)(TN), Heather G. Klaiber (G)(GA), Anthony M.

Marasco (G)(FL), Jon Ruffin (R)(MS), Jason Paul Shirey (G)(FL), Mia Valenzuela (T)(CO), and Dennis E. Vogan (R)(KS).

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

8.0 Mrs. Brooks discussed the Examiners of Public Accounts report and the Board response with the Board. Mrs. Brooks assured the Board that measures have been put into place to make sure previous findings are not repeated.

Mrs. Brooks discussed a letter from Mr. Howard Haynie, Certified General Real Property Appraiser, requesting a waiver from the regulations requiring the Mentor to jointly inspect typical agriculture, farm, timber and single family residential type properties. After much discussion, on motion by Mr. Lundy and second by Mr. Wallis, the Board voted to deny the request. Motion carried by unanimous vote.

Mrs. Brooks included, for Board information, the following:

- A letter from Mr. James R. Park, Executive Director of the Appraisal Subcommittee, encouraging the states to consider sending at least one, if not more, staff and/or Board members to the 2011 Spring Conference of AARO, April 9-11, in San Antonio, Texas.
- A Media Release from the Appraisal Subcommittee regarding the appraisal complaint hotline as prescribed in the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- A memo from the State of Alabama Ethics Commission regarding the required ethics training for public officials and public employees who file Statement of Economic Interest Forms.
- A memo from the State of Alabama Ethics Commission regarding the filing of 2010 Statement of Economic Interest Forms.
- An email from Ms. Conway regarding the Board's decision not to accept complaints via email. This matter was deferred until the May Board meeting.
- A letter from VestaValuation regarding the mandatory reporting of USPAP violations.
- An email from Mr. Lundy regarding a suggestion from Mr. David Linn that the Board consider an anonymous question and answer page on the Board's website.
- An item on the AARO Discussion Forum regarding the Uniform Appraisal Dataset (UAD).

- An item on the AARO Discussion Forum regarding customary & reasonable fees.
- An item on the AARO Discussion Forum regarding start up costs for AMC regulation.
- A letter from Mrs. Jane Mardis regarding realtors opining values outside their scope of licensing.

9.0 The Board discussed the current Mentor policy. On motion by Mr. Wallis and second by Mr. Crochen, the Board voted to change the Mentor Policy, effective August 1, 2011, to no longer allow Licensed Real Property Appraisers to apply for Approved Mentor Status, and to allow Certified Residential and Certified General Real Property Appraisers to apply for Approved Mentor Status only after having been in his/her classification a minimum of two years. Those in favor were Mr. Pettey, Mr. Crochen, Mrs. Wood, Mr. Moody, Mr. Wallis and Mr. Lambert. Mr. Lundy and Mr. Mallory opposed the motion. Motion carried.

The Board discussed the creation an Inactive Status for licensees. Mrs. Wood made a motion to create an Inactive Status for licensees with an annual fee of \$100 due at renewal time. Mr. Mallory seconded the motion. Those in favor were Mrs. Wood, Mr. Moody and Mr. Mallory. Those opposed were Mr. Pettey, Mr. Lundy, Mr. Crochen, Mr. Wallis and Mr. Lambert. Motion failed.

10.0 The Board discussed their ability to revoke the Mentor approval of a licensee. Ms. Conway will research the topic and report to the Disciplinary Committee for their discussion.

The Board discussed the review of Trainee Experience Logs before the licensee submits the log with his/her application for upgrade. On motion by Mr. Lundy and second by Mrs. Wood, the Board voted to implement a mandatory submission of all Trainees Experience Logs, and review fee, for review by the Board/staff, when the licensee has acquired half of the Experience Points required to upgrade. Motion carried by unanimous vote.

On motion by Mr. Lundy and second by Mrs. Wood, the Board voted to charge a \$125 Experience Log Review Fee. Motion carried by unanimous vote.

Ms. Conway discussed who should review appraisals on logs submitted in conjunction with disciplinary actions.

11.0 At 12:30 p.m., on motion by Mr. Lambert and second by Mr. Mallory, the Board voted to adjourn. Motion carried by unanimous vote. The Board's meeting schedule for the remainder of 2011 is May 19, 2011, in the 1st Floor Purchasing Auditorium, 100 North Union Street, Montgomery, Alabama; July 21, 2011, and September 15, 2011 in the Capitol

Auditorium, Union Street Entrance to the State Capitol, Montgomery, Alabama; and November 17, 2011 in the 3rd Floor Conference Room of the RSA Union Building, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene
Executive Secretary

APPROVED: _____
Chris Pettey, Chairman