

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, ALABAMA
May 15, 2008

MEMBERS PRESENT:

Mr. Jon B. Blissitte (Chairman)
Mr. Fred Crochen (Vice-Chairman)
Mr. Joseph Lundy
Mrs. Myra Pruitt (departing at 12:32 p.m.)
Mr. Joseph Lambert
Mrs. Cornelia Tisher
Mr. Chester Mallory
Ms. Dot Wood
Mr. Mandell Tillman (departing at 12:20 p.m.)
Mr. James E. Davis
Mr. Leston Stallworth
Mr. Clifford Odom

MEMBERS ABSENT:

Mr. Thomas E. Garrett

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
Mrs. Karen Harlow, Legal Assistant

GUESTS PRESENT:

Mr. Patrick Mackin, Trainee Appraiser, Birmingham
Ms. Penny Nichols, Trainee Appraiser, Deatsville
Mrs. Sandra Odom, Certified Residential Appraiser, Trussville
Ms. Camille Posey, Certified Residential Appraiser, Calera
Ms. Sharon Blue, Certified Residential Appraiser, Helena
Mr. Joseph Best, Trainee Appraiser, Mobile
Mr. James F. Bischoff, Trainee Appraiser, Pell City

- 1.0 With quorum present Mr. Jon B. Blissitte, Chairman called the meeting to order at 8:20 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 April 4, 2008 in accordance with the Alabama Open Meetings Act.
- 1.1 The meeting was opened with prayer by Mr. Stallworth followed by the Pledge of Allegiance.

2.0 Members present were Mr. Jon B. Blissitte, Mr. Joseph Lundy, Mrs. Myra Pruit, Mr. Joseph Lambert, Ms. Dot Wood, Mrs. Cornelia Tisher, Mr. Chester Mallory, Mr. Mandell Tillman, Mr. Fred Crochen, Mr. Leston Stallworth, Mr. Clifford Odom and Mr. James E. Davis. Member absent was Mr. Thomas E. Garrett.

Mr. Blissitte welcomed the guests, and asked the Board members to introduce themselves.

At this time Mr. Blissitte presented Mr. Stallworth, Mr. Davis, and Mr. Odom with proclamations from Governor Riley in appreciation for their service to the Board. Mr. Garrett's proclamation will be mailed to him. Mrs. Brooks expressed her gratitude to the out-going Board members for their service to the Board and her pleasure in working with them during their tenure.

Ms. Conway welcomed Ms. Sally Robinson, Governor Riley's Appointment Secretary, who conducted the swearing in ceremonies of new Board members Mr. Chester Mallory, replacing Mr. Leston Stallworth, Mr. Joseph Lundy, replacing Mr. Gene Garrett, Ms. Dot Wood, replacing Mr. Clifford Odom, and Mrs. Cornelia Tisher, replacing Mr. James Davis. Mrs. Brooks welcomed the new Board members and told them that she looked forward to working with them.

Mr. Blissitte discussed a letter from the Board to State Personnel requesting a pay increase for Mrs. Lisa Brooks. On motion by Mr. Lambert and second by Mrs. Pruit, the Board voted to approve this pay increase. Motion carried by unanimous vote.

3.0 On motion by Mr. Lambert and second by Mrs. Pruit, the regular minutes for March 20, 2008 were approved as written. Motion carried by unanimous vote.

3.2 Ms. Conway included for new Board member information orders setting hearings for Mr. Barry Waldrop and James Floyd Fitch, III for today.

Ms. Conway informed the Board that the hearing in the case of Mr. Everett Brooks has been set for July 16 or 17, 2008 before an Administrative Law Judge and the Board.

4.0 Mrs. Brooks informed the Board that the Sunset Bill, SB161, has passed. There was an amendment made by the Sunset Committee to include 'or is legally present in this state' in the Bill. The immigration issue has been attached to all bills.

Ms. Conway informed the Board that the change to 780-X-3-.01, Form of Application, which requires applicants for upgrade licensure to list on their experience logs all appraisals the applicant has signed or is entitled to claim for experience credit, beginning with the most recent appraisals (up to and including the date the application is filed with the Board) and going

back, up to 5 years, until the required number of experience points for the classification they are applying for is documented, will be published in Legislative Monthly. There will be a period for comments. It has not been determined yet whether or not there will be a public hearing regarding the change.

Ms. Conway informed the Board that HB675 and SB459 were tabled until issues regarding BPO's and CMA's have been resolved. Mrs. Brooks also informed the Board that Mr. Justin Morton of the Appraisal Institute will be offering advice on the issues and she and Ms. Conway will continue to work on the bills and attempt to take both back to the Legislature next year if the Board desires.

- 5.0 Mrs. Brooks discussed with the Board an application for a Reciprocal license from Mr. Leo Rowe, Jr. of Ohio. The Board asked Ms. Conway to write Mr. Rowe for further information regarding disciplinary action in Ohio. On motion by Mr. Lambert and second by Mr. Tillman, the Board voted to defer Mr. Rowe's application until they have received a response to the letter. Motion carried by unanimous vote.

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

- 5.1 **Trainee Real Property Appraiser applications approved:** Thomas L. Gantt, A. Wyatt Gerald, Ben B. Glass, James T. Howard, T. Wayne Johnston, Steven M. Kaiser, Jeremy K. McDaniel, Charles D. Neal, David A. Rainwaters, and Brett S. Richards.

- 5.2 **State Registered Real Property Appraiser application approved:** Penny Nichols. **Applications deferred:** Monte Atkins, Michael Barrios and Barry Kornegay.

- 5.3 **Licensed Real Property Appraiser applications approved:** Randy Battiste, Joseph Best, Robert A. Harris, Ronald Hill, Jr., and Linda N. Sholes. **Applications deferred:** Charles Curry, Christopher P. Davis, Allen Fucci, Billy Gene Simmons and Nancy G. White.

- 5.4 **Certified Residential Real Property Appraiser applications approved:** Scott Abercrombie, Mary Michelle Ball, Russell A. Bean (Recip.)(GA), Tracy Dvorak (Recip.)(TX), Jason H. Hill, Chris T. Jones, William D. Jones, June Ortiz (Recip.)(GA), Clint Randolph, Rebecca J. Renard (Recip.)(KS), Walker Reynolds, Sharon Roberts, Jeffrie L. Stiles (Recip.)(TN), Lee W. Stringfellow (Recip.)(AR), Andrew O. Thompson (Recip.)(GA), Brandon S. Thompson, Jimmy Utsey, M. Jerome White (Recip.)(FL), William Scott Wilcoxson, and Jeffrey Zielke. **Applications deferred:** Robert Harley, Julia Meigs Malone, Theresa Matteson, Leo Rowe, Jr. (Recip.)(OH).

- 5.5 **Certified General Real Property Appraiser applications approved:** Josh C. Allison (Recip.)(TX), Carlo S. Forni (Recip.)(TX), Grace A. Lindsey (Recip.)(MO), Ronald K. Owens, Jr. (Recip.)(TX), Gerald V.

Rasmussen (Recip.)(CT), Lisa A. Talmo (Recip.)(GA), Harold D. White (Recip.)(MS).

5.6 **Mentor applications approved:** Brandon Beaird and Stacey Gaba Wade. **Application deferred:** Timothy Hastings. **Applications denied:** Richard N. Compton and Glenn R. Heatherly.

6.0 Mrs. Brooks discussed the financial report with the Board. Mrs. Brooks stated we were 58% into FY 08 and 52% into budget expenditures. Mrs. Brooks stated that there were no negative trends that could not be reconciled at this time. On motion by Mr. Tillman and second by Mr. Crochen, the Board voted to approve the Financial Report. Motion carried by unanimous vote.

6.1 On motion by Mr. Lambert and second by Mr. Tillman the following education courses and instructor recommendations were approved, deferred, or denied as indicated.

APPRAISAL INSTITUTE – CHICAGO CHAPTER

Initial Applications:

(CE) Forecasting Revenue– 7 Hours – Online
(Instructor: William Ted Anglyn)
Both Course and Instructor Approved

(CE) Appraisal Review Seminar-General – 7 Hours – Traditional Classroom
(Instructor: Patrick Murphy)
Both Course and Instructor Approved

(LIC) Residential Report Writing and Case Studies – 15 Hours – Online
(Instructor: Sandra Adomatis)
Both Course and Instructor Approved

(CE) Business Practices & Ethics – 7 Hours – Traditional Classroom
(Instructor: Stephanie Coleman)
Both Course and Instructor Approved

(LIC) Residential Site Valuation and Cost Approach – 15 Hours – Online
(Instructor: Arlen Mills)
Both Course and Instructor Approved

(CE) Marshall and Swift Residential Cost Training – 10 Hours – Online
(Instructor: Edward Molinan)
Both course and Instructor Approved

CENGAGE LEARNING (Career WebSchool)

Initial Application:

(LIC) Residential Sales Comparison and Income Approaches – 30 Hours – Online
(Instructor: A. M. (Bud) Black)
Both Course and Instructor Approved

DYNASTY SCHOOL

Initial Application:

(LIC) Electives – Real Estate Finance, Appraiser’s Education – 45 Hours – Online
(Instructor: Robert Abelson)
Both Course and Instructor Approved

MCKISSOCK APPRAISAL SCHOOL

Initial Applications:

(CE) REO and Foreclosures – 5 Hours - Online
(Instructor: Andrew Leirer)
Both Course and Instructor Approved

(CE) National USPAP Update Equivalent (2008-2009) - 7 Hours – Online
(Instructor: Alan Simmons)
Both Course and Instructor Approved

THE COLUMBIA INSTITUTE

Initial Applications:

(CE) Identifying Relevant Characteristics, No. 019 – 5 Hours – Traditional Classroom
(Instructors: Bernerd N. Boarnet, Bryan Reynolds, Diana Jacob & George Harrison)
Both Course and Instructors Approved

(CE) National USPAP Update (2008), No. 101 – 7 Hours – Traditional Classroom
(Instructors: Bernerd N. Boarnet, Bryan Reynolds, Diana Jacob & George Harrison)
Both Course and Instructors Approved

(CE) FHA, the URAR & the 1025, No. 104 – 8 Hours – Traditional Classroom
(Instructors: Bernerd N. Boarnet, Bryan Reynolds, Diana Jacob & George Harrison)
Both Course and Instructors Approved

(CE) Fundamental of Appraisal Review, No. 105 – 8 Hours – Traditional Classroom

(Instructors: Bernerd N. Boarnet, Bryan Reynolds, Diana Jacob & George Harrison)

Both Course and Instructors Approved

(CE) Survey of the Cost Approach, No. 106 – 8 Hours – Traditional Classroom

(Instructors: Bernerd N. Boarnet, Bryan Reynolds, Diana Jacob & George Harrison)

Both Course and Instructors Approved

VAN EDUCATION LLC

Initial Application:

(CE) Uniform Residential Appraisal Report (URAR) – 8 Hours – Online
(Instructor: Burton Lee)

Both Course and Instructor Approved

Motion carried by unanimous vote.

6.2 The Board reviewed the following disciplinary reports, which were included in their books.

AB-07-17 On March 20, 2008, the Board approved a Consent Settlement Order and issued a private reprimand to a Certified Residential appraiser for violations in a residential appraisal. The Licensee also agreed to pay a \$1500 fine and complete a USPAP Continuing Education course. The violations in the report were: Licensee failed to perform the disclosed Scope of Work stated within the appraisal report to develop a credible assignment. In the Sales Comparison Approach, Licensee failed to state and analyze the partial basement in Comparable #1. The indicated value was not credible due to not analyzing the partial basement. In the Sales Comparison Approach, Licensee stated a GLA for Comparable #3 that was not accurate and was different than the stated data source for Comparable #3. The inaccurate GLA was then analyzed to develop an indicated value that was not credible. In the Cost Approach, Licensee failed to provide adequate information for the intended user to replicate the cost figures and calculations. Licensee prepared, developed and communicated an appraisal report with a non-credible opinion of value because it was reconciled from non-credible data. **Violation: Scope of Work Rule, Standards 1-1(a); 1-1(b), 1-1(c); 1-3(a), 1-4(a), 2-1(a); 2-1(b); 2-2(b)(vii), 2-2(b)(viii), USPAP, 2006 Ed., §34-27A-20(a)(6), (7), Code of Alabama, 1975.**

AB 07-92, AB 07-93 On March 20, 2008, the Board approved a Consent Settlement Order from James W. Smith, Certified Residential Appraiser, R00897 for a public reprimand. Violations in all of these appraisals are basically identical to the violations in AB 06-51, AB 06-53, AB 06-55, AB 06-57, AB 06-59, AB 06-61 which were approved by the Board in January, 2008.

AB 07-109 On March 20, 2008 the Board approved a Consent Settlement Order from Sharon Jones, Certified Residential Appraiser, R00170 for a public reprimand. Licensee agreed to pay an administrative fine of \$500. Licensee did not renew her license until October 26, 2007, and appraised real property and issued a report while her license was not renewed. **Violation: §34-27A-3(b)(1), §34-27A-20(a)(9), Code of Alabama, 1975.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board that the Board has received 9 new complaints since the last meeting, 15 complaints were dismissed, 4 complaints were settled with a total of 117 open complaints.

Ms. Conway explained the hearing process to the new Board members.

Ms. Conway informed the Board that Mr. Al Agricola will be the Administrative Law Judge for the Everett Brooks hearing in July and that she is trying to contract with other potential Administrative Law Judges as well.

6.2.1 The Board reviewed Probable Cause Report **AB-07-30**: With Mr. Blissitte recusing, on motion by Mrs. Pruitt and second by Mr. Tillman, the Board voted to accept the Disciplinary Committee's recommendation 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-07-37**: With Mr. Tillman recusing, on motion by Mrs. Pruitt and second by Ms. Wood, the Board voted to accept the Disciplinary Committee's recommendation 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-07-52**: With Mr. Tillman recusing, on motion by Mr. Crochen and second by Mrs. Pruitt, the Board voted to accept the Disciplinary Committee's recommendation that Probable Cause does not exist and to dismiss this complaint. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-07-57 companion case to AB-07-58**: With Mr. Tillman recusing, on motion by Mr. Lundy and second by Mrs. Pruitt, the Board voted to accept the Disciplinary Committee's recommendation 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-07-58 companion case to AB-07-57**: With Mr. Tillman recusing, on motion by Mr. Lundy and second by Mrs. Pruitt, the Board voted to accept the Disciplinary Committee's recommendation 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-07-86**: With Mr. Lambert recusing, on motion by Mr. Tillman and second by Mrs. Pruitt, the

Board voted to accept the Disciplinary Committee's recommendation 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-07-103**: With Mr. Lambert recusing, on motion by Mr. Tillman and second by Mrs. Pruit, the Board voted to accept the Disciplinary Committee's recommendation 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-07-110**: With Mr. Lambert recusing, on motion by Mr. Crochen and second by Mr. Tillman, the Board voted to accept the Disciplinary Committee's recommendation that Probable Cause does not exist and to dismiss this complaint. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-07-111**: With Mr. Tillman and Mr. Lambert recusing, on motion by Mr. Crochen and second by Mrs. Pruit, the Board voted to accept the Disciplinary Committee's recommendation that Probable Cause does not exist and to dismiss this complaint. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-07-112**: With Mr. Tillman recusing, on motion by Mr. Crochen and second by Mrs. Pruit, the Board voted to accept the Disciplinary Committee's recommendation that Probable Cause does not exist and to dismiss this complaint. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-07-114 companion case to AB-07-115**: With Mr. Blissitte 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 exist and to issue a Letter of Warning. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-07-115 companion case to AB-07-114**: With Mr. Blissitte 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 exist and to issue a Letter of Warning. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-07-116**: With Mr. Lambert recusing, on motion by Mr. Crochen and second by Mr. Tillman, the Board voted to accept the Disciplinary Committee's recommendation that Probable Cause does not exist and to dismiss this complaint. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-08-28**: With Mr. Tillman recusing, on motion by Mrs. Pruit and second by Mr. Mallory, the Board voted to accept the Disciplinary Committee's recommendation that Probable Cause does not exist and to dismiss this complaint. Motion carried by unanimous vote.

DISCIPLINARY HEARINGS

At 10:00 a.m., Administrative Law Judge Tori Adams convened the Disciplinary Hearing for James F. Fitch, Jr. Ms. Conway informed the Board and ALJ Adams that Mr. Fitch is incarcerated. At 10:16 a.m., ALJ Adams announced that Mr. Fitch had not appeared and recommended that a default be entered in the case.

At 10:17 a.m., Administrative Law Judge Tori Adams convened the Disciplinary Hearing for Barry Waldrop. At 10:30 a.m. ALJ Adams announced that Mr. Waldrop had not appeared and recommended to the Board that a default be entered in the case.

Reconsideration hearing for James F. Bischoff ('T' applying for 'R')

At 11:15 a.m. on motion by Mr. Lambert and second by Mr. Crochen, the Board voted to enter Executive Session to discuss good name and character. Motion carried by unanimous vote.

At 11:30 a.m. on motion by Mr. Lambert and second by Mr. Crochen, the Board voted to re-enter regular session. Motion carried by unanimous vote.

On motion by Mr. Lundy and second by Mr. Lambert, and with Mr. Tillman abstaining, the Board voted to deny Mr. Bischoff's application for Certified Residential Real Property Appraiser, to disallow all commercial experience Mr. Bischoff has obtained to this date, and to suggest that Mr. Bischoff re-apply for the Licensed Real Property Appraiser classification. Motion carried.

6.2.2 The Board reviewed anonymous complaint **AB-08-50 companion case to AB-08-51**. On motion by Mr. Lambert and second by Mr. Mallory, the Board voted not to open a board initiated complaint. Motion carried by unanimous vote.

The Board reviewed anonymous complaint **AB-08-51 companion case to AB-08-50**. On motion by Mr. Lambert and second by Mr. Mallory, the Board voted not to open a board initiated complaint. Motion carried by unanimous vote.

The Board reviewed anonymous complaint **AB-08-44 companion case to AB-08-45**. On motion by Mr. Crochen and second by Mrs. Pruit, the Board voted not to open a Board initiated complaint. Motion carried by unanimous vote.

The Board reviewed anonymous complaint **AB-08-45 companion case to AB-08-44**. On motion by Mr. Crochen and second by Mrs. Pruit, the Board voted not to open a Board initiated complaint. Motion carried by unanimous vote.

- 6.2.3 The Board reviewed a Consent Settlement Order on **AB-05-184**. On motion by Mr. Crochen and second by Mr. Lambert, the Board voted to approve this Consent Settlement Order as presented. Motion carried by unanimous vote.
- 6.3 The following reciprocal licenses were issued since last meeting: Josh C. Allison (G)(TX), Russell A. Bean (R)(GA), Tracy Dvorak (R)(TX), Carlo S. Forni (G)(TX), Grace A. Lindsey (G) (MO), June Ortiz (R)(GA), Ronald K. Owens, Jr. (G)(TX), Gerald V. Rasmussen (G)(CT), Rebecca J. Renard (R)(KS), Jeffrie L. Stiles (R)(TN), Lee W. Stringfellow (R)(AR), Liso A. Talmo (G)(GA), Andrew O. Thompson (R)(GA), Harold D. White (G) (MS), and M. Jerome White (R)(FL).
- 7.0 The temporary permit report was provided to the Board for their information.
- 8.0 Mrs. Brooks discussed a request by Mr. Howard Grigsby for an experience point's determination on two marina appraisals. After much discussion and on motion by Mr. Crochen and second by Mr. Lambert, the Board voted to allow 10 points for the Poor House Branch Marina appraisal and 15 points for the Rabbit Branch Marina appraisal of which Mr. Grigsby will receive ½ of the points awarded for each marina as a Trainee Real Property Appraiser.
- Mrs. Brooks discussed sample selection procedure with the new Board members.
- Mrs. Brooks informed the Board that she would have a new Board member orientation manual prepared for the July Board meeting.
- Mrs. Brooks discussed a Request for Written Comments on an Exposure Draft of an Interpretation and a Guide Note applying to the Real Property Appraiser Qualification Criteria from The Appraisal Foundation. On motion by Mr. Blissitte and second by Mr. Crochen, the Board voted to send a letter to the Appraisal Foundation concurring with the draft.
- Mrs. Brooks included for Board information proposed revisions to ASC Policy Statement 10 GL Validation of Experience Documentation for appraiser Qualifications Board (AQB) Criteria Conformance and USPAP Compliance.
- Mrs. Brooks included, for Board information, the March 2008 Fannie Mae Mortgage Fraud Update.
- Mrs. Brooks included, for Board information, comments on the Board's letter to the Honorable Troy King regarding HVCC's.
- Mrs. Brooks and Ms. Conway discussed AARO with the new Board members.
- 9.0 There was no unfinished business to discuss at this time.

10.0 Mrs. Brooks discussed Committee Assignments with the Board. Chairman Blissitte made new Committee assignments at this time.

At 12:40 p.m. on motion by Mr. Lambert and second by Mr. Crochen, the Board voted to adjourn. Motion carried by unanimous vote. The next Board meeting will be held July 17, 2008 at 8:15 a.m. at the RSA Union Building, 100 N. Union Street, 3rd Floor Conference Room, Montgomery, Alabama.

Sincerely,

Carolyn Greene
Executive Secretary

CG

APPROVED: _____
Jon B. Blissitte, Chairman