

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, ALABAMA
September 17, 2015

MEMBERS PRESENT:

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

MEMBERS ABSENT:

Ms. Patrice McClammy

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

GUESTS PRESENT:

See attachment

- 1.0 With quorum present, Mr. Edmond G. Eslava, III, Chairman, called the meeting to order at 9:07 a.m. Mrs. Carolyn Greene, Executive Secretary, recorded the minutes. The meeting was held in the State Capitol Auditorium, North Union Street, Montgomery, Alabama. Prior notice of the meeting was posted on the Secretary of State's website on December 3, 2014 in accordance with the Alabama Open Meetings Act. The location of the meeting was updated on the Secretary of State's website on July 2, 2015 in accordance with the Alabama Open Meetings Act.
- 2.0 The meeting was opened with prayer by Mr. Cotter followed by the Pledge of Allegiance, led by Ms. Conway.
- 3.0 Members present were, Mr. Edmond G. Eslava, III, Mr. Billy Cotter, Mr. Lew Watson, Mr. Robert Butler, Mr. Richard D. Pettey, Ms. Angie Frost, Mr. Christopher Baker and Mr. Dennis Key. Member absent was Ms. Patrice McClammy.

Mr. Eslava welcomed the guests present and asked the Board Members and staff to introduce themselves. Mr. Eslava then asked the guests to introduce themselves.

4.0 On motion by Mr. Watson and second by Mr. Butler, the regular minutes for July 16, 2015 were approved as written. Motion carried by unanimous vote.

5.0 Ms. Conway informed the Board that there was no Pending Litigation to present.

6.0 Mr. Watson informed the Board that there was no Legislative report to present.

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

7.1 **Trainee Real Property Appraiser applications approved:** Alexander Joseph Coppejans. **Applications deferred:** None. **Applications denied:** None.

Trainee Real Property Appraiser Experience Logs for Review: Logs approved: Tripp Baldwin, William T. Ivey, Thomas Joseph Russell, Edgar Lee Suttles and John Ward Weiss. **Logs deferred:** Max Burkhalter, Britton Falkner, Chris Gattozzi, Tammie Haddock, and Denson Helms. **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:** None. **Application deferred:** Kenny Wagnon. **Applications denied:** None.

7.5 **Certified General Real Property Appraiser applications approved:** Mari M. Carlson (Recip.)(TN), George P. Galphin, Jr. (Recip.)(GA), Chris E. Lantz (Recip.)(TX), Clarence Gregory McFatter (Recip.)(OH), and Lawrence Hamilton Saucer (Recip.)(FL). **Applications deferred:** None. **Applications denied:** None.

7.6 **Mentor application approved:** Phillip Brantley and Judith Holloway. **Application deferred:** None. **Applications denied:** Claud Clark, III.

8.0 Ms. Frost presented the Finance report and stated that the Board was 83% into Fiscal Year 2015 and 77% into budget expenditures. Ms. Frost stated that there were no negative trends that could not be reconciled at this time.

On motion by Mr. Watson and second by Mr. Key, the Board voted to approve the Finance Report. Motion carried by unanimous vote.

Mrs. Brooks presented a Budget Overview for Board information. The Board will discuss this information at the November Board meeting.

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

APPRAISAL INSTITUTE – ALABAMA CHAPTER

New Applications:

- (CE) Reviewing the Appraisal Process – 7 Hours – Classroom
(Instructor: Leslie Sellers)
Both Course and Instructor Approved
- (CE) Forest Valuation for Non-Foresters – 7 Hours – Classroom
(Instructor: Morgan Mellette)
Both Course and Instructor Approved
- (CE) The Appraiser as an Expert Witness: Preparation & Testimony – 14 Hours – Classroom
(Instructor: Stephen Roach)
Both Course and Instructor Approved
- (CE) Understanding & Applying Litigation Skills – 7 Hours – Classroom
(Instructor: Charles Crider)
Both Course and Instructor Approved
- (CE) Residential Applications: Using Technology to Measure & Support Assignment Results – 7 Hours – Classroom
(Instructor: Mark Smeltzer)
Both Course and Instructor Approved

APPRAISAL INSTITUTE – CHICAGO CHAPTER

New Applications:

- (CE) FHA Appraising for Valuation Professionals – 7 Hours – Classroom
(Instructor: Mark Smeltzer)
Both Course and Instructor Approved
- (CE) Introduction to Green Buildings: Principles & Concepts – 7 Hours – Classroom
(Instructor: Alan Simmons)
Instructor Approved

MCKISSOCK, LP

New Applications:

- (CE) Advanced Hotel Appraising – Full Service Hotels – 7 Hours – Online
(Instructor: Tracy Martin)
Both Course and Instructor Approved

- (CE) Avoiding Mortgage Fraud for Appraisers – 7 Hours – Online
(Instructor: Dan Bradley)
Both Course and Instructor Approved

- (CE) The NEW FHA Handbook 4000.0 – Live Webinar – 5 Hours – Online
(Instructors: Dan Bradley and Tracy Martin)
Both Course and Instructors Approved

- (CE) Work File: Your Best Defense against an Offense – Live Webinar – 5 Hours – Online
(Instructors: Dan Bradley and Tracy Martin)
Both Course and Instructors Approved

- (CE) Expert Witness Testimony: To Do or Not To Do - Live Webinar – 4 Hours – Online
(Instructors: Dan Bradley and Tracy Martin)
Both Course and Instructors Approved

- (CE) Fannie Mae Appraisal Guidelines – Live Webinar – 4 Hours – Online
(Instructors: Dan Bradley and Tracy Martin)
Both Course and Instructors Approved

MARSHALL & SWIFT / CORELOGIC

New Applications:

- (CE) Commercial Cost Approach Certification – 15 Hours – Classroom
(Instructor: Ed Martinez)
Both Course and Instructor Approved

REQUESTS FOR CONTINUING EDUCATION CREDIT

Mrs. Brooks discussed a request from Mr. Charles R. Jones for credit for attending IAAO's course 112, Income Approach to Valuation II. On motion by Mr. Cotter and second by Mr. Watson, the Board voted to grant 7 hours continuing education credit to Mr. Jones. Motion carried by unanimous vote.

REQUEST FOR CONTINUING EDUCATION CREDIT

Mrs. Brooks discussed a request from Mr. John Hay for credit for attending IAAO's course 112, Income Approach to Valuation II. On motion by Mr. Cotter and second by Mr. Watson, the Board voted to grant 7 hours continuing education credit to Mr. Hay. Motion carried by unanimous vote.

Mr. Sam Davis requested continuing education credit for development of the Board sponsored course. On motion by Mr. Watson and second by Mr. Butler, the Board voted to grant 7 hours continuing education credit to Mr. Davis and Mr. Dixon.

Mr. Eslava explained the development of the new Board sponsored course. Ms. Conway informed the Board that she will give preliminary information to Mr. Eslava for review. Segments will be sent to volunteer Board members for review. Mr. Davis and Mr. Dixon will incorporate changes by the November Board meeting.

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 9 new complaints were received since the July 2015 Board meeting, no complaints were dismissed, and no complaints were settled, leaving a total of 33 open complaints.

Mr. Key discussed the Disciplinary Committee meeting. He explained that the Committee met on Wednesday, September 16, 2015. The Committee discussed how probable cause is established and the need for more time to review reports. Currently, the committee meets on the Wednesday before each Board meeting to review cases. Board members will now have material sent in advance so that the committee member has ample time to study the reports. The Disciplinary Committee will be used for discussion and recommendations.

11.0 The Board reviewed Probable Cause Report **AB-14-23**: With Mr. Butler recusing, on motion by Mr. Baker and second by Mr. Pettey, 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-14-26**: With Mr. Pettey and Mr. Baker recusing, on motion by Mr. Key and second by Mr. Watson, the Board voted that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-14-27**: With Mr. Key and Mr. Butler recusing, on motion by Mr. Pettey and second by Mr. Watson, the Board voted that probable cause does exist and to set this case for hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-15-02**: With Mr. Butler

and Mr. Pettey recusing, on motion by Mr. Key and second by Mr. Cotter, 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-15-05**: With Mr. Eslava and Mr. Baker recusing, on motion by Mr. Butler and second by Mr. Key, 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-15-09**: With Mr. Baker and Mr. Butler recusing, on motion by Mr. Pettey and second by Mr. Key, the Board voted that probable cause does exist and to issue a Letter of Warning. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-15-10**: With Mr. Watson and Mr. Butler recusing, on motion by Mr. Key and second by Mr. Cotter, 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-15-12**: With Mr. Butler recusing, on motion by Mr. Key and second by Ms. Frost, the Board voted that probable cause does not exist. Motion carried by unanimous vote. On motion by Mr. Key and second by Ms. Frost the Board voted to dismiss. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-15-16**: On motion by Ms. Frost and second by Mr. Watson, the Board voted to dismiss this complaint. Motion carried by unanimous vote.

12.0 The Board reviewed the Consent Settlement Order on **AB-13-56 (Millissa M. Allen, R00919)**. With Mr. Baker and Mr. Butler recusing, on motion by Mr. Watson 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-12-53**. With Mr. Baker recusing, on motion by Mr. Watson and second by Mr. Pettey, the Board voted to approve this Consent Settlement Order. Motion carried by unanimous vote.

13.0 The following reciprocal licenses were issued since the May Board meeting: Mari M. Carlson ('G' TN), George P. Galphin, Jr. ('G' GA), Chris E. Lantz ('G' TX), Clarence Gregory McFatter ('G' OH), and Lawrence Hamilton Saucer ('G' 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.

Mr. Richard Maloy addressed the Board regarding customary and reasonable fees, administrative code changes and background checks.

16.0

At 10:19 a.m., Ms. Conway opened the Public Hearing on proposed Administrative Rule changes to 780-X-14-.02, Informal Disciplinary Procedure. Ms. Conway explained the proposed rule change and the public hearing process. Ms. Conway stated that the proposed changes will be published on the Board's website and that the comment period will remain open until October 30, 2015. Mr. Dixon questioned that if an appraiser was requested by the complainant to correct a report can the appraiser respond? After discussion on motion by Mr. Key and second by Ms. Frost the Board voted to reword the amendment so that the appraiser could respond. Motion carried by unanimous vote. Ms. Conway closed the public hearing at 10:24 a.m.

Ms. Conway discussed the Final Adoption of 780-X-17-.09 'Appraiser Qualifications'; 780-X-17-.11 'Appraiser Competency'; 780-X-17-.17, 'Study of Customary and Reasonable Fee for Appraisals of Alabama Properties'; and 780-X-17-.18 'Business Practices'.

Ms. Conway discussed responses received from Rels Valuation, REVAA (Real Estate Valuation Advocacy Association), StreetLinks Lender Solutions and ServiceLink.

On motion by Mr. Butler and second by Mr. Watson, the Board voted to make no changes to the amendments based on Rels opposition to the changes. Motion carried by unanimous vote.

On motion by Mr. Key and second by Mr. Watson, the Board voted to make no changes to the amendments based on REVAA's response to the changes. Motion carried by unanimous vote.

On motion by Mr. Watson and second by Mr. Key, the Board voted to make no changes to the amendments based on StreetLinks response to the changes. Motion carried by unanimous vote.

On motion by Mr. Butler and second by Mr. Key, the Board voted to make no changes to the amendments based on Service Link's response to the changes. Motion carried by unanimous vote.

On motion by Mr. Watson and second by Mr. Butler, the Board voted to adopt the rules as published, and instructed Ms. Conway to file the rules for final adoption. Motion carried by unanimous vote.

Mrs. Brooks discussed the Department of Examiners of Public Accounts report with the Board. Ms. Conway went over the significant issues from the prior report with the Board.

Mrs. Brooks informed the Board of the Sunset Committee Meeting on Thursday, September 24, 2015 and encouraged the Board members to attend if possible.

Ms. Conway discussed the Informal Ethics Opinion received regarding an objection to the Governor's appointment of two Board members and allegations of conflict of interest by the Board in connection with those Board appointments.

Mrs. Brooks discussed the upcoming AARO meeting with the Board and asked Board members to let her know if they are planning to attend the meeting.

Mrs. Brooks included the Renewal report for Board information.

17.0 Mr. Pettey asked that an appraiser's disciplinary history be sent to Board members for use in consideration of Mentor applications.

18.0 There was no new business to discuss.

19.0 At 10:58 a.m., on motion by Mr. Baker and second by Ms. Frost, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative meeting schedule for the remainder of 2015 is November 19, 2015 in the 3rd Floor Conference Room, 100 North Union Street, Montgomery, Alabama.

Sincerely,

Carolyn Greene
Executive Secretary
/cg

APPROVED: _____
Edmond G. Eslava, III, Chairman