



Alabama Real Estate Appraisers Board

VOLUME 18 NO. 1

THE APPRAISER BULLETIN

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CUSTOMARY AND REASONABLE FEE SURVEY

At their January 15, 2015 Board meeting the Board voted to have Miss Conway start the process to allow the Board to conduct a customary and reasonable fee survey. An amendment to the Administrative Code was written and the Board approved the language at the May 2015 Board meeting. A public hearing on this proposed rule was held at the July 2015 Board meeting. The Board reviewed the written comments made by ServiceLink on the proposed changes. The comment period on the rule remained open until August 4, 2015. In compliance with the Administrative Procedures Act and the Alabama Examiners of Public Accounts, the Board again considered the proposed rule at the September 2015 Board meeting. At that meeting, written comments submitted by Rels Valuation, REVAA (Real Estate Valuation Advocacy Association), StreetLinks Lender Solutions and ServiceLink during the comment period were considered by the Board. The Board voted to adopt the rules written without changes. The rules putting the customary and reasonable fee survey and future use of the survey were submitted to the Alabama Legislative Reference Service for final adoption and became effective on November 27, 2015. The Board proceeded with developing a Request for Proposal (RFP) to solicit a contract for the fee survey. Before the RFP was released, the 2016 Legislative Session was convened. A short time into the session, members of the House and Senate introduced bills to block the Board from conducting the fee survey. Appraisers across the state contacted their Senators and Representatives in opposition to these bills therefore the bills were never approved in the respective committees. The Board was contacted by REVAA's Executive Director, who was one of the leaders in the opposition

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to the fee survey and its application in Alabama. Following discussions between REVAA's Executive Director and Board members, a recommendation was presented to the Board for its consideration at the March 2016 Board meeting to change the customary and reasonable fee regulations that Alabama had adopted to mirror those that were adopted by the Louisiana Real Estate Appraisers Board. The Louisiana Board has published several articles in appraiser publications about its success in requiring appraisal management companies to defend the fees it paid to residential real estate appraisers under standards adopted at the federal government level. The Alabama Board believes that it will accomplish the same goals to promote appraiser independence that Louisiana has publicized.

As of the publication of this newsletter, a draft of an RFP has been reviewed by the Board for use once the amended regulations become effective, possibly as early as mid September 2016.

CALENDAR

The Alabama Real Estate Appraisers Board meets on the third Thursday every other month unless there is a need to reschedule. If committee meetings are scheduled they will be held on the Wednesday afternoon before the meeting on Thursday. If a disciplinary hearing is scheduled the regular meeting and hearing is typically scheduled on Thursday. Meeting notices are now published in advance on the Secretary of State's website at www.sos.state.al.us/aloma/. Continuing education credits are available for Board meeting attendance. Most meetings and all disciplinary hearings are held at the Board offices in Montgomery. All licensees are urged to attend Board meetings. When you plan to attend a meeting please call the Board office in advance to confirm the particulars of time and location.

2016 TENTATIVE MEETING SCHEDULE

January 21, 2016
March 17, 2016
May 19, 2016
July 21, 2016
September 15, 2016
November 17, 2016

NEW 2015 AQB TRAINEE REAL PROPERTY APPRAISER and SUPERVISORY APPRAISER EDUCATION REQUIREMENT

As of January 1, 2015 **Trainee Appraisers** are now required to complete a course that, at a minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. **The course must be completed by the Trainee Appraiser prior to the Trainee Appraiser credential being issued.** This will take the place of the Trainee/Mentor course previously conducted by the Board. Several education providers have approved courses that meet this requirement approved and they are listed on the approved education list on the Board's website. Further, this course is not eligible towards the 75 hours of qualifying education required.

As of January 1, 2015, **appraisers who are approved as Mentors** must complete a course that, at a minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. **The course must be completed by the Mentor prior to supervising a Trainee Appraiser.** This will take the place of the Trainee/Mentor course previously conducted by the Board. Several education providers have approved courses that meet this requirement and they are listed on the approved education list on the Board's website.

*Supervisory appraisers shall have been certified for a minimum of three (3) years prior to being eligible to become a Supervisory Appraiser.

If you have any questions please don't hesitate to contact our office at 334-242-8747.

DISCIPLINARY REPORT

The Alabama Law requires the Board to regulate the conduct of appraisers in Alabama. The Board's Administrative Rules outline the procedure for handling complaints. The Uniform Standards of Professional Appraisal Practice provide the basic ethical standards for which appraisers must comply. Appraisers should carefully note the following violations, which resulted in disciplinary action of the Board.

AB-12-33 The Board approved a Consent Settlement Order on March 19, 2015 where the Respondent agreed to a private reprimand, a \$5,000 administrative fine and loss of his Mentor status. This Consent Settlement Order agreement was reached in settlement of an administrative hearing. The violations in the report are: The licensee did not follow recognized methods and techniques that are necessary to produce a credible appraisal. The licensee did not do the necessary research to properly analyze the market conditions for the subject at the time of the date of value. Even though the language in the report indicates that Licensee knew the proper methods and techniques to produce a credible report, Licensee did not complete the research necessary to properly estimate the gross income and expenses for the subject. Licensee did not use the proper technique to convert this income stream into an estimated value. Licensee relied on comparable sales furnished by the client and did no independent search for comparable sales or verification of the data provided by the client. Licensee recited the appropriate recognized methods and techniques need to produce a credible appraisal which demonstrated that the Licensee has competency to produce a credible results. Because he demonstrates competency to complete the assignment, Licensee has produced a misleading appraisal. In "Scope of the Appraisal" section of the report, subsection titled "The Problem Solution" the licensee describes the work he completed in developing the appraisal: "numerous rental comparables were examined in estimating the economic rent for the subject. Occupancy levels were obtained from comparable properties. Historical expenses realized by similar properties and those expected for the subject were utilized in estimating total expenses". There was no comparable rental data, no rental analysis, no occupancy analysis, no comparable historical expenses, or analysis of comparable historical expenses set out in the appraisal report or included in the work file. Licensee's statement about his Scope of Work is overstated. In the appraisal report it was noted that on page 12 under the section titled "Income Approach" the licensee states "The direct capitalization method is most useful where income streams are relatively constant". The Appraisal of Real Estate, states on page 499 that "This methodology may be less useful for properties going through an initial lease-up or when income or expenses are expected to change in an irregular pattern overtime." According to the licensee's statements in the report and the data contained in the report and work file, the income was very unstable and as the licensee stated on page 12 of the report "The discounted cash flow analysis is most useful for analyzing property with irregular income streams." Even though the licensee stated there was an unstable income stream the licensee utilized direct capitalization which the licensee stated in the report was the less reliable technique. The licensee reports that this was a retrospective appraisal with a date of inspection of March 10, 2011, a date of the report being March 11, 2011 and a date of value being October 1, 2006. The executive summary of the appraisal report states the "Date of Value" is October 1, 2006 with March 11, 2011 being "Date of Inspection". On page 9 of the report under the "Effective Date" section of the report the licensee states "The effective date of this assignment is the date of the appraiser's last physical inspection of

the property.” The licensee stated in his cover letter that his value was in “leased fee”, but on page 9, page 10 in two places, page 14 and page 17 stated the value was “fee simple”. The licensee indicates in his letter of transmission that the purpose and use for the appraisal was for use in a tax protest. Yet on page 9 of the report under the “Intended Use” section the licensee states that “The primary intended use of this assignment is for the purpose of financing the property”. On page 13 of the appraisal report the licensee states “confirmed and analyzed the data and applied the sales comparison and cost approaches.” On page 34 under “Summary of Analysis and Valuation”, the “Cost Approach” section of the report the licensee states “Therefore, no analysis is prepared for this approach.” On page 34, the “Highest and Best Use” section the licensee states “the highest and best use of the site “as improved” is considered to be its’ continued existing use as a convenience store.” This is in contrast to what the licensee reported on the letter of transmittal, the “Executive Summary” , also on page 24 of the report under the “Property Description” section the licensee states “Highest and Best use As Improved: Shopping Center, As Is.” The licensee also states on page 27 of the report under the “Subject Improvements Description” that the property is a Shopping Center. The licensee stated on page 39 that Comparable Sale No. 1 sold on January 5, 2004, this is contradicted by a copy of the deed for the transfer of ownership which is dated November 15, 2004. The licensee stated in his cover letter that his value was in “leased fee”, but on page 9, page 10 in two places, page 14 and page 17 stated the value was “fee simple”. The licensee utilized data that was after the effective date of value of October 1, 2006. Comparable Sale 3 sold on March 1, 2007, approximately 5 months after the date of value. Comparable Sale 4 sold on December 6, 2006, approximately 2 months after the date of value. Comparable Sale 5 sold February 1, 2007 which was approximately 4 months after the date of value. The licensee also referred to events that took place after the date of value in the “Location Description” section of the report located on page 20 of the report. The licensee referred to a new Pro Bass Shop opened in October 2008 that had been rumored for over 5 years but was not formally announced according to AL.com until May 25, 2007, approximately 8 months after the date of value and not opened until 2 years after date of value. The licensee referred to a new regional outlet mall that wasn’t announced according to AL.com until November 30, 2007, approximately 13 months after the date of value and that did not open until October, 2010. USPAP Statement 3 states “In retrospective value opinions, use of a modifier for the term “market value” and past verb tenses increases clarity (e.g., “. . . the retrospective market value was . . .” instead of “. . . the market value is . . .”). During the review of the report it was noted that on the Letter of Transmittal and on page 50 of the report the licensee states the “Market Value”. Licensee communicated several misleading statements as to scope and depth of research completed along with making un-supported statements about the market conditions that existed at the time of value. Licensee also utilized statements about events that happened after the effective date of value and statements about events that had happened 30 years before the date of value but made the events sound like they had been recent events. The licensee indicates in his letter of transmission that the purpose and use for the appraisal was for use in a tax protest. Yet on page 9 of the report under the “Intended Use” section the licensee states that “The primary intended use of this assignment is for the purpose of financing the property”. The licensee stated in his cover letter that his value was in “leased fee”, but on page 9, page 10 in two places, page 14 and page 17 stated the value was “fee simple”. In the appraisal report under the “Scope of the Appraisal” section and the section titled “The Problem Solution” the licensee states “numerous rental comparables were examined in estimating the economic rent for the subject. Occupancy levels were obtained from comparable properties. Historical expenses realized by similar properties and those expected for the subject were utilized in estimating total expenses”.

There was no comparable rentals or rental analyses, no occupancy analyses and no comparable historical expenses or analyses in the appraisal report or the work file.

AB-14-12 The Board approved a Consent Settlement Order on March 19, 2015 where the Respondent agreed to a private reprimand, an \$1,800 administrative fine and completion of a 15 hour USPAP course with Exam. The violations in the report are: Licensee failed to identify that the Subject property consisted of 5 lots located in a waterfront development with HOA dues and amenities. Licensee used a laser device to measure the improvement and the result an incorrect. Licensee relied on software to compute the site area and the result was an understatement of site area by approximately one-third. Licensee failed to take sufficient steps to explain why the measurements obtained from personal inspection were significantly different than public records. As a result of these errors, the development of the appraisal was made from inappropriate data which resulted in a non credible report.

AB 12-56 The Board approved a Consent Settlement Order on May 21, 2015 where the **David Wayne Sumners, (G00805)**, agreed to a public reprimand and an \$6,000 administrative fine. This Consent Settlement Order agreement was reached in settlement of an administrative hearing. The violations in the report are: Licensee failed to exercise reasonable diligence to discover the true nature of the terms he used in analysis and applied the wrong label to the terms, indicating a higher level of credibility to intended users of the appraisal. Licensee did not attempt to talk with the legal owner of the property to verify if an option to purchase existed or whether the property was listed for sale. Licensee failed to recognize that he inferred a higher degree of credibility to the analysis by the use of an EXTRAORDINARY ASSUMPTION instead of a HYPOTHETICAL CONDITION. Licensee communicated a misleading report by incorrectly applying the label of "Extraordinary Assumption" instead of correctly labeling certain matters as "Hypothetical Condition". If Licensee had exercised due diligence in completing his research for the assignment, he would have discovered or should have discovered that the basis of the "Hypothetical Condition" was false. Experienced users of appraisal services assign different levels of credibility to information used in analysis based on the label used by the appraiser. Licensee based his analysis on an unsigned lease that provided for rents significantly in excess of the local market and on a sales contract between parties with no ownership interest in the property and ignoring an active and long term listing of the subject for a much lower price than the terms of the unsigned sales contract between parties with no ownership interest. Licensee ignored comparable sales and rent data in closer proximity to the subject that indicated a lower rental rate in the immediate market than the un-signed lease indicated. Licensee used the un-signed lease rental rate in his analysis to arrive at the value.

Licensee selected sales that were not comparable to the subject in terms of size, age, location and utility and were located in other market areas and made unsupported adjustments to these comparable sales without market support indicating that Licensee did not understand or correctly employ the Sales Comparison Approach and the Income Approach to value. Licensee relied on an un-signed lease and the word of the lessee that lessee had a lease/purchase agreement for the property but failed to obtain a copy of said agreement or verify the existence of said agreement. Licensee then classified the existence of the lease as an Extraordinary Assumption instead of a Hypothetical Condition when additional research would have shown the appropriate label to apply to the terms. The use of an Extraordinary Assumption did not result in a credible analysis.

Licensee had no market data or other documentation to support or justify adjustments made to comparables utilized in the Sales Comparison Approach to value. Licensee failed to verify the comparable sales utilized with a party to the transaction, licensee only used data sources as a verification source.

Licensee failed to obtain and analyze historical expense data for the subject property nor did the Licensee collect comparable market data for operating expenses in this market area. Licensee failed to research and report a current listing for the subject at the time of the assignment at a much lower price than the proposed sales contract. Licensee utilized unsigned lease and sales contracts that were between parties that had no ownership interest in the property. One party claimed to have a lease/purchase agreement but licensee never obtained a copy of the supposed agreement but relied heavily on the un-signed lease and sales contract to formulate the opinion of value.

AB-12-53 The Board approved a Consent Settlement Order on September 17, 2015 where a Certified Residential Real Property Appraiser agreed to a private reprimand, a \$2,700 administrative fine, 15 hours of education, and surrender of Mentor Status. The violations in the report are: The opinion of value is unsupported, not credible and misleading. In the Sales Comparison approach, Licensee failed to analyze pertinent characteristics, attributes and market data for waterfront properties used a comparable sales. Licensee failed to use the analytical methods necessary to produce a credible appraisal of property located on a body of water. In the Cost approach, site improvements were included in the dwelling costs and there was no credible site improvement value developed in this approach to value. In the Sales Comparison Approach, failed to completely analyze the characteristics and attributes of properties located on bodies of water. *(Licensee stated only water front (no analyzes of the difference in the water front properties' characteristics/ attributes such as amount of water front, view, etc.)* Licensee, in the Sales Comparison Approach, analyzed market features that were not reported/supported by the data source *(MLS)*. Licensee failed to analyze some market features that were reported in the data source *(MLS)*. *(Licensee omitted/overlooked market features supported by MLS and analyzed features that were not supported by MLS.)* Licensee, in the Cost Approach section, analyzed site improvements *(fence, detached garage)* in the total estimate of cost-new, and provided for \$3,000 contributing value of the site improvements. Some of the site improvements included a boat lift, bulk head and dock, which Licensee analyzed a \$30,000 contributing market adjustment value in the Sales Comparison Approach. In the Cost Approach section, Licensee used \$3,000 for the contributing value of the site improvements. Some of the site improvements included a boat lift, bulk head and dock, which Licensee adjusted for \$30,000 in the Sales Comparison Approach. The \$3,000 used by Licensee in the Cost Approach was not a credible contributing value of the site improvements. Other site improvements not mentioned were a detached covered patio, detached storage building, detached garage, and fence. Licensee valued site improvements at \$3,000 in the Cost Approach and \$30,000 in the Sales Comparison Approach. Using different values for the same improvements in the two approaches to value is misleading. Licensee failed to analyze pertinent characteristics and attributes that have a market reaction for the comparable sales located on bodies of water. The value in the Cost Approach is not credible. Licensee, in the Improvements/Actual Age-Effective Age section and Exterior Materials & Interior Materials sections, failed to provide sufficient information to clearly explain a home built ~1960 *(actual age of 52 years)* having an effective age of 20 years; when the condition of the exterior and interior materials were rated as average with no

updates in the prior 15 years and considered as being in average physical condition. Licensee, in the Sales Comparison Approach/Comparable #1/Actual Age section, provided/analyzed the actual age as 38 years when the actual age according to the data source was 36 years. Licensee, in the Cost Approach/Opinion of Site Value section, provided the opinion of site value was by market extraction **and/or** land sales. The actual method used to determine the opinion of site value is not clear due to the use of the term **and/or** (*market extraction and land sales, market extraction or land sales*). Licensee, in the Subject/Map Reference section, failed to provide the source of the map reference stated. Licensee, in the Subject/Offered for Sale in Prior Twelve Months section, failed to indicate whether the subject property had been offered for sale during the prior twelve months. Licensee, in the Site/Dimensions section, failed to provide the complete dimensions of the subject property. Licensee, in the Cost Approach section, provided local builders and the appraiser's knowledge of the market as the source of the cost data. Licensee failed to provide the data/information, within the Approach, where the lender/client could use this data/information in the replication of the figures and calculations of the Cost Approach. Licensee, in the Cost Approach/Opinion of Site Value section, provided information the site value was derived from market extraction and/or land sales. Licensee failed to provide the supporting data/information analyzed by Licensee in the market extraction and/or land sales to arrive at the opinion of site value. Licensee failed to summarize the complete Scope of Work performed or not performed in developing the appraisal. Licensee failed to explain a valid reason for the exclusion of the Income Approach, within the appraisal report.

AB-13-56 The Board approved a Consent Settlement Order on September 17, 2015 where a Certified Residential Real Property Appraiser agreed to a \$1,000 administrative fine and 5 hours of education. The violations in the report are: Licensee failed to prepare a complete work file for the appraisal assignment. Licensee's work file did not contain: (1) a "true copy" of an appraisal report transmitted to the client, at the time of the appraisal assignment; (2) support of site value in the Cost Approach; (3) some of the data/information analyzed in the Cost Approach; (4) some of the data/information analyzed in the Sales Comparison Approach; and (5) plans, specifications or other document sufficient to identify the extent and character of the proposed improvements to be completed in a "Subject to Completion" appraisal. Licensee failed to identify the complete characteristics and attributes of the subject and comparable sale properties analyzed along with analyzing supported data and cost figures. Licensee made a \$7,500 adjustment for site with no adjustments for location, view or other market difference between the Subject and comps land area.) (The \$7,500 adjustment was across the comp grid without supporting documentation. For Comparable #4 and Comparable #5 (listings) Licensee failed to analyze the active listings list to sale ratio, when the information within the appraisal report supported a list to sell adjustment of 5%. Licensee, in Comparable #2, failed to analyze a 30 x 40 metal concrete floored building equipped with water and power. Licensee, in Comparable #4/GLA section, analyzed the square footage of 1,500 square foot when the data source provided for 1,981 square feet where the source of the square footage is from an appraisal. Licensee's work file did not support the 1,500 square feet analyzed as GLA. Licensee, in the reconciliation, failed to reconcile the relevance of the Income Approach not being employed within the appraisal assignment by not explaining the reason for the exclusion. Licensee failed to clearly and accurately set forth the written appraisal in a manner that was not misleading. Licensee, in the Neighborhood/Neighborhood Boundaries section, failed to accurately describe the neighborhood named in the Subject/Neighborhood Name section of the appraisal report. Licensee, in the Improvements/Describe Condition section, provided there were

no updates in the prior 15 years when the home was under construction (*work in progress*) and less than 15 years old. Licensee failed to provide sufficient information to enable the intended user(s) of the written appraisal report to understand the report properly. Licensee, in the Site/Highest & Best Use section, failed to summarize the information that was analyzed to support Licensee's opinion and conclusions of the highest and best use of the Subject property being the present use. Licensee, in the Improvements/Describe Condition section, listed several items that needed to be completed for the home. Licensee failed to provide specific information of what was required for these items to be completed. (e.g. "Kitchen need to be completed".) Licensee, in the Improvements/Exterior/Materials/Storm Sash-Insulated and Screens sections, failed to provide the construction materials used. Licensee, in the Sales Comparison Approach/Energy Efficient Items section, provided the generic term "average" without providing the actual energy efficient items analyzed or what would be considered as "average" for energy efficient items within the local real estate market. Licensee, in the Sales Comparison Approach/Comparable #4/Sales-Transfer History section, failed to provide the relevant information of a prior sale within a year of the analyzed comparable. (*Listing comparable*) Licensee, in the Income Approach section, failed to explain the reason the Income Approach was not applicable and was excluded. Licensee, in the Cost Approach section, failed to provide support (*data/ information*) of the opinion of site value provided. Licensee, in the Comparable Photograph Addendum section, failed to provide the source of the photos that were not Licensee taken photos. (e.g. *MLS photos*) Licensee failed to summarize the scope of work necessary to enable the intended user to be properly informed and not mislead about the research and analysis performed and also the research and analysis not performed within the appraisal. Licensee failed to summarize the reasoning that supports Licensee's analyses, opinions and conclusions within the appraisal report. Licensee failed to summarize the information analyzed to support Licensee's opinion and conclusions of the highest and best use of the Subject property being the present use. Licensee failed to summarize the information analyzed to support Licensee's opinion and conclusions of the opinion of site value. Licensee failed to explain the exclusion of the Income Approach, within the appraisal. Licensee failed to summarize support and rationale for the opinion of highest and best use developed by Licensee.

Letter of Warning was issued on the following investigation for the discrepancies indicated. This disciplinary action will be considered in any future discipline proceedings:

AB-15-09 A Letter of Warning was issued to a Certified Residential Real Property Appraiser and assessed a \$250 administrative fine. Licensee's letter of engagement specified that the assignment was an FHA appraisal and under FHA guidelines the assignment can only be completed by the approved vendor as this client is appraiser specific. Licensee did not inspect the subject property yet signed a certification that said the licensee had inspected the property. Licensee gave the other appraiser credit for the inspection and all parts of the assignment but licensee never states that licensee did not inspect property.

EXPERIENCE CREDIT CHANGE

At their November 21, 2013 meeting the Board voted to adopt the following changes to the Administrative Code, which became effective on January 1, 2014.

“Applicants may claim the full experience credit allowed for an appraisal, regardless of the number of signing appraisers, for all appraisals signed on or after January 1, 2014.”

This change eliminates the proration of experience points between Trainee’s and Mentors. This change is not retroactive.

LICENSE RENEWAL

Annual license renewal post cards will be mailed to all licensees the first week in August 2016 for the licensure year, which begins 10-1-16. The colored renewal forms **will not** be mailed as we encourage all licensees to renew online. Blank renewal forms can also be obtained from our website at www.reab.state.al.us after August 1, 2016. All renewals should be submitted online or by mail to reach the Board office no later than September 30, 2016 to keep your license valid and avoid payment of late fees. September 30 postmarks will be honored.

Allow one week for the renewal process if received at the Board by August 30, 2016, two weeks if received between that date and September 16, 2016 and three weeks if received later. Your current license certificate reflects an expiration date of September 30, 2017. You will **NOT** receive a new certificate with this license fee renewal.

Continuing education will be NOT be due with this license fee renewal.

NEW EXPERIENCE LOG REVIEW

At their July 21, 2011 meeting the Board voted to adopt the following changes to the Administrative Code, which became effective on January 1, 2012.

The Trainee must submit the experience log to the Board for review when the Trainee has accumulated fifty (50) experience points when the Trainee plans to apply for a State Registered Real Property Appraiser license; one hundred (100) experience points when the Trainee plans to apply for a Licensed Real Property Appraiser license; one hundred twenty-five (125) experience points when the Trainee plans to apply for a Certified Residential Real Property Appraiser license and one hundred fifty (150) experience points when the trainee plans to apply for a Certified General Real Property Appraiser license. The Board will select a sample of appraisals for review to examine how effective the mentoring process is for the Trainee. A fee of \$125 for examination of the appraisal samples must accompany the log. There will not be any discipline files opened for the Trainee as a result of the examination.

*****NEW CONTINUING EDUCATION OPTION*****

At their January 21, 2011 meeting the Board voted to amend the continuing education requirements for all appraisers. As before, 28 hours of continuing education is required, and 7 of those 28 hours must be the National USPAP Update.

Occasionally, appraisers take appraisal related courses not approved by the Board and ask to use them for continuing education credit. The Board now considers approving these requests for continuing education credit **IF** the appraiser does the following:

1. Submit course content, timeline and syllabus.
2. Submit a non-refundable review fee of \$35.

*The Education Committee will review the course information to determine if the content meets the Appraisal Foundation continuing education criteria. **If the course meets all requirements a maximum of 7 hours credit will be granted.***

If you have any questions regarding this new option please contact our office.

LICENSE FEE DECREASE

At their November 19, 2015 meeting the Board voted to **DECREASE** the appraiser license fee by \$50. This decrease will be effective August 1, 2016. All appropriate changes have been filed according to the Administrative Procedures Act and the Alabama Examiners of Public Accounts.

BOARD SPONSORED EDUCATION COURSE

At their September 18, 2014 meeting the Board started discussing a Board sponsored course that would be presented by the Board investigators. This course would cover the most common mistakes the investigators find during their investigations.

After many months of preparation by the investigators and Board members the first offering is anticipated to be August 25, 2016 in Montgomery. This will be a 7 Hour course, the cost will be \$50 per person and will be offered throughout the state.

The Board hopes that this course will help appraisers understand what the Board looks at during an investigation and the mistakes that the investigators report to the Board. The ultimate goal is to produce more credible reports by Alabama licensees and reduce the number of cases where the Board imposes discipline against appraisers.

***THE ALABAMA REAL ESTATE APPRAISERS BOARD NO
LONGER
ACCEPTS ANONYMOUS COMPLAINTS***

*******IMPORTANT NEW INFORMATION*******

INACTIVE STATUS

During the January 15, 2015 Board meeting the Board voted to amend Administrative Code 780-X-12-.01 Expirations and Renewals to establish an Inactive Status for appraisers. See below for details of this change:

780-X-12-.01 Expirations and Renewals. Stipulations with reference to expiration and renewal of licenses and certifications and the prerequisite to renewal of continuing education are set out in Code of Ala. 1975, §§34-27A-13, 34-27A-15, 34-27A-19.

- A. Any appraiser may elect to place his or her appraiser license in an inactive status by doing all of the following:**
- a. Before October 1 of any year, make application to transfer to Inactive status;**
 - b. Pay an Inactive Status application fee of One Hundred Seventy Five (\$175.00) Dollars each year for inactive status;**
 - c. Submit all continuing education due for the current year.**

Appraisers on inactive status are not licensed to conduct appraisal or engage in any appraisal practice. Inactive status may continue for three (3) renewal cycles at which time, an appraiser may return to an active status or allow the license to close. A closed license cannot be reinstated and the former appraiser must complete a new application for licensure pursuant to 780-X-3 and meet all then existing qualifications for licensure.

- B. An appraiser who has elected to place a license in an inactive status may return to an active status at any time while the license remains in an official inactive status by notifying the Board in writing of the appraiser's intent to return to active status and paying the License fee of Two Hundred eighty-five dollars (\$285.00) plus any National Registry Fee due for Licensed and Certified appraiser classifications. An appraiser who elects to return to Active Status for a partial year must renew the license before October 1.**

Alabama Real Estate
Appraisers Board

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CHANGE OF ADDRESS FORM

In accordance with the Code of Alabama, 1975, §34-27A-16, which requires **IMMEDIATE** written notification to the Board of changes in business and resident addresses, **PLEASE CHANGE MY ADDRESS TO:**

Business: (Preferred Mailing ____) _____ _____	Home: (Preferred Mailing ____) _____ _____
Telephone No.: _____	Telephone No.: _____
Signed: _____	License Number: _____
Date: _____	