



Alabama Real Estate Appraisers Board

VOLUME 20 NO. 1

THE APPRAISER BULLETIN

SUMMER 2018

AQB DECREASES REQUIRED EDUCATION AND EXPERIENCE

IT JUST GOT EASIER TO GET YOUR APPRAISER'S LICENSE IN ALABAMA

The Appraiser Qualifications Board of the Appraisal Foundation formally adopted changes to the **Real Property Appraiser Qualification Criteria** that became effective on May 1, 2018.

These changes represent the minimum national requirements that each state must implement for individuals applying for a real estate appraiser license or certification as of May 1, 2018. The changes include decreased required education and experience.

The Alabama Real Estate Appraisers Board voted at their May 2018 board meeting to adopt these changes in full.

The full text of the new education criteria can be accessed on the Foundation website at:

<https://appraisalfoundation.sharefile.com/share/view/s40e607fb0d64915a>

Inside this issue:

License Renewal 2
Conditional Dismissal

Disciplinary Report 3-9

Board Investigator Retires 10

Evaluations 11

LICENSE RENEWAL

Annual license renewal *post cards* will be mailed to all licensees the first week in August 2018 for the licensure year, which begins 10-1-18. Blank renewal forms can also be obtained from our website at www.reab.state.al.us after August 1, 2018. All renewals should be submitted online or by mail to reach the Board office no later than September 30, 2018 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, 2018, two weeks if received between that date and September 16, 2018 and three weeks if received later.

Continuing education is not due with this license fee renewal.

CONDITIONAL DISMISSAL

At the November 16, 2017 Board meeting Ms. Conway presented the Conditional Dismissal for the Board to review. This policy can be a resolution to complaints that result in the appraiser taking education and then a case is dismissed. After much discussion the board approved this policy.

Presently, at Probable Cause, legal counsel currently makes a recommendation that the case be dismissed, dismissed with a letter of warning or should proceed to a hearing. Sometimes the decision is clear, but in others it is not. There are those cases in which it appears that the trainee or appraiser did not do anything deliberately wrong, but acted out of ignorance. In some circumstances a letter of warning will suffice, but in others the respondent needs further education.

The Alabama Real Estate Appraisers Board does not have the statutory authority to force a respondent to take a continuing education class, but can enter into a consent agreement where the respondent agrees to take further education. In order to enter into a consent agreement, the Board must first address probable cause.

The Board has adopted a disposition at Probable Cause known as Conditional Dismissal. Under this disposition, counsel recommends that the case against the respondent be dismissed once the respondent successfully completes a specified continuing education or pre-licensing class. The respondent is given a finite amount of time, usually six months, to complete the course; if the course is completed, the case is then dismissed with no further Board involvement. If the course is not completed, counsel brings the case back to Probable Cause for further consideration by the Board.

Since the respondent may receive continuing education for the class, it is not considered disciplinary action and is not reported to the Appraisal Subcommittee as such.

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 16-01 On November 17, 2016 the Board approved a Consent Settlement Order from Certified Residential appraiser **Travis Grant Berry, R00784**, where Licensee agreed to pay a \$500 administrative fine. The violations in the appraisal report were: Licensee did not include in the report the summary of facts analyzed to support the opinion of the highest and best use. Licensee provided the effective age of 4 years for a home built in 2005 (*actual age of 8 years at the time of the appraisal*). The Licensee did not include in the report a summary of facts analyzed to support an effective age less than the actual age. Licensee failed to provide a list of all the verification sources consulted when selecting sales data. USPAP 2012-2013 was the current edition of USPAP at the time of the appraisal assignment and Licensee stated he used the 2010 edition. In the URAR/Site/Dimensions section, the source of the dimensions analyzed was stated but failed to provide the actual dimensions. In the URAR/Cost Approach/Support for the Opinion of Site Value section, Licensee failed to provide the data/information analyzed to support the opinion of site value. In the Photograph Addendum/Comparable section, Licensee failed to inform that he used MLS photographs.

AB 14-20 On March 16, 2017, the Board approved a Consent Settlement Order from **Austin S. Kimberly, Jr., G00389** where the Licensee agreed to pay an administrative fine of \$500 and complete additional education on the cost approach. The violations cited in the report were: The workfile was incomplete, it only contained copies of multiple listings of the sale, tax data sheets for the subject and copies of the deed for sale, there was no data to support adjustment in sales comparison approach or in support of income, occupancy or expenses used in income approach. Work file was supplemented with a rent and vacancy survey but still lacked support for Licensee's opinions and conclusions. Adjustments must be supported with market data. Licensee used actual income of the subject property and did not determine market rents, occupancy and normal expenses which indicate that the Licensee did not understand the income approach to value. Licensee committed a substantial error by not making adjustments to two comparable properties that were significantly different from Subject. Licensee committed a substantial error by using the actual income for the subject property from the prior year and not estimating potential gross income, market occupancy rates and normal operating expenses. Licensee failed to verify the comparable sales utilized in the report with a party to the transaction, instead utilizing what was labeled in the report as the Indirect Method of Verification. The Licensee mentions several types of "indirect verification" sources including such as data reporting services, multiple listing services or another appraiser. It is noted that The Appraisal of Real Estate, Thirteenth Edition, page 305 states "Referencing public records and data services does not verify a sales transaction. It simply confirms that a transaction was recorded. Similarly, referencing the source of secondary data only firms its existence and does not verify the transaction. Licensee failed to properly analyze the comparable rental data or potential gross income of the subject, instead licensee utilized actual current income.

AB 14-21 On March 16, 2017, the Board approved a Consent Settlement Order from **Walker Reynolds, III, R01062** where the Licensee agreed to pay an administrative fine of \$500 and complete additional education on the cost approach. The violations cited in the report were: The workfile was incomplete, it only contained copies of multiple listings of the sale, tax data sheets for the subject and copies of the deed for the sale, there was no data to support adjustments in sales comparison approach or in support of income, occupancy or expenses used in income approach. Work file was supplemented with a rent and vacancy survey but still lacked support for Licensee's opinions and conclusions. Adjustments must be supported with market data. Licensee used actual income of the subject property and did not determine market rents, occupancy and normal expenses which indicate that the Licensee did not understand the income approach to value. Licensee committed a substantial error by not making adjustments to two comparable properties that were significantly different from Subject. Licensee committed a substantial error by using the actual income for the subject property from the prior year and not estimating potential gross income, market occupancy rates and normal operating expenses. Licensee failed to verify the comparable sales utilized in the report with a party to the transaction, instead utilizing what was labeled in the report as the Indirect Method of Verification. The Licensee mentions several types of "indirect verification" sources such as data reporting services, multiple listing services and another appraiser. It is noted that The Appraisal of Real Estate, Thirteenth Edition, page 305 states "Referencing public records and data services does not verify a sales transaction. It simply confirms that a transaction was recorded. Similarly, referencing the source of secondary data only confirms its existence and does not verify the transaction. Licensee failed to properly analyze the comparable rental data or potential gross income of the subject, instead licensee utilized actual current income.

AB 16-39, AB 16-40 On September 21, 2017 the Board approved a Consent Settlement Order from Certified Residential appraiser **Charles M. England, R00790**, where Licensee agreed to complete a fifteen (15) hour USPAP course with exam. The violations in the appraisal reports were: **AB 16-39:** Licensee knowingly violated the Record Keeping Rule because he did not retain a "true copy" (*replica*) of all written appraisal reports communicated to the Client. Licensee issued several reports during the assignment and did not keep a "true copy" (*replica*) of all appraisal reports transmitted to the Client. The work file did not include documentation to support the conclusions of the opinion of site value in the Cost Approach. In the URAR/Improvements section, the condition ratings of the building materials did not support the effective age being less than the actual age. In the URAR/Improvements section, included the room count from the additional living area which resulted in inaccurate information being provided for the room count of the gross living area. In the URAR/ Sales Comparison Approach/ Subject/ Gross Living Area/ Square Footage section, included the area of the additional living area in the GLA. In the URAR/Sales Comparison Approach/ Summary of Sales Comparison Approach section, provided commentary of the GLA per square foot adjustment being \$30 per square foot, when the actual per square foot adjustment was in the \$20 per square foot range. In the URAR/ Sales Comparison Approach/ Summary of Sales Comparison Approach section said an age adjustment was made to Sale Three and both listings.

The age adjustment was made to Comp #1 but not Comp #3. In the Cost Approach section, indicated reproduction cost estimate and then stated it was replacement cost. In the URAR/ Sales Comparison Approach/ Functional Utility section, provided the functional utility as "Typical" without explaining what was considered typical functional utility within the local market. In the URAR/Site/ Highest & Best Use section, failed to summarize the information analyzed to support highest and best use of the Subject property as the present use.

AB 16-40: Licensee knowingly violated the Record Keeping Rule because he did not retain a "true copy" (*replica*) of all written appraisal reports communicated to the Client. Several reports were transmitted to the client during the assignment and Licensee did not keep a "true copy" (*replica*) of all the appraisal reports transmitted to the Client. In the URAR/Sales Comparison Approach/ Comparable #1/Porch-Patio-Deck section, analyzed a covered patio, when there was also a covered porch at the front entrance of the home. In the URAR/Sales Comparison Approach/ Comparable #2/Porch-Patio-Deck section, analyzed a deck, when there was also a covered wrap-around porch at the front entrance and sides of the home. Licensee failed to analyze the amenity of the storm shelter in the garage floor of the comparable (*Comparable located within an area, where severe weather is common.*) Licensee failed to use an appropriate appraisal method and technique to develop a site value.

In the URAR/Sales Comparison Approach/Comparable #3/Fireplace section, provided there was a fireplace, when there was not a fireplace. In the URAR/Sales Comparison Approach/Comparable #7/Design-Style section, provided the home as a two story, when the home was a three story. Licensee, in the URAR/Cost Approach section, indicated development of reproduction cost and in commentary said replacement cost being used. In the URAR/Site/Highest & Best Use section, 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. In the URAR/Sales Comparison Approach/Gross Living Area/Total Room Count and Bedroom Count sections, failed to summarize the analyses of the comparable sales total room count and bedroom count, when different from the Subject's total room count and bedroom count. Licensee failed to summarize support and rationale for the opinion of the highest and best use as the present use.

AB 16-41 On September 21, 2017 the Board approved a Consent Settlement Order from Certified Residential appraiser **Charles M. England, R00790**, where Licensee agreed to complete a fifteen (15) hour USPAP course with exam. The violations in the appraisal reports were: Licensee performed an appraisal assignment in a grossly negligent manner by including 800SF finished basement in the 2992 SF GLA for Comp 4, a listing included in the Sales Comparison approach for informational purpose only; by failing to analyze the HOA fees or list all the amenities of the subdivision when use of the amenities was limited to members of private clubs where membership was available to any resident of the county. The workfile did not contain documentation to support the Income Approach. Even though Licensee did not give any weight to the Income Approach, there were many errors in the development of the approach; Licensee developed a single family comparable rent schedule and operation income statement with many errors. Licensee provided in the legal description and elsewhere within the appraisal report, the site area of the Subject property consisted of two lots. Licensee failed to provide commentary to explain, the analyses of the assemblage of the two lots into a single site area for the Subject property and the effect on value, if any.

Letters of Warning were issued on the following investigations for the discrepancies indicated. This disciplinary action will be considered in any future discipline proceedings:

AB 16-09 The reconciliation did not summarize how Licensee arrived at his final estimate of value from the two approaches to value developed for the assignment. Licensee reported there was sanitary sewer when there was not, reported public gas available at property when it was not, reported data source for some of comparable sales was MLS when it was another appraiser's file. There is no explanation of the exclusion of the Cost Approach and the Income Approach as required by USPAP. Licensee failed to summarize support and rationale for the opinion of the highest and best use developed by Licensee.

AB 16-24 When Licensee omitted the highest and best use analysis, he failed to demonstrate that the licensee was aware of, understands, and correctly employs those recognized methods and techniques that are necessary to produce a credible appraisal; Licensee failed to develop a highest and best use analysis.

AB 16-25 When Licensee omitted the highest and best use analysis, he failed to demonstrate that the licensee was aware of, understands, and correctly employs those recognized methods and techniques that are necessary to produce a credible appraisal; Licensee failed to develop a highest and best use analysis.

AB 16-30 On April 10, 2018 to a Certified General appraiser because even though the assignment was abandoned by the client, the appraiser's work file included a signed and dated appraiser certification although the appraiser maintains that an appraisal was never completed and a report was never written. A draft of report prepared at any stage of the appraisal process should never include a signature.

AB-17-17 On March 29, 2018 to a Certified Residential appraiser where the reports says the verification source for sales is MLS and Public Records. The assignment is for a report that meets FANNIE MAE guidelines and the failure to verify the sales with a party to the transaction violates FANNIE MAE guidelines and the Scope of Work.

AB 17-18 On March 29, 2018 to a Certified Residential appraiser where Licensee did not demonstrate that she has geographic competency in the subject property market place. Licensee used sales from surrounding counties as comparables but did not use any sales in the county where the subject property is located. Investigation revealed at least three sales listed in the MLS that serves the area that could have been considered as comparable sales. The stated verification source for sales is MLS and Public Records.

AB 16-26 The Board approved a Consent Settlement Order with Certified General Appraiser **Constance C. Whitworth, G00380**. Licensee agreed to pay an administrative fine of Seven Hundred Fifty (\$750) Dollars and complete a fifteen (15) hours USPAP course. The USPAP course cannot be used for continuing education credit. The violations in the appraisal report were: Licensee utilized the Sales Comparison Approach to value and made several large adjustments to the comparable sales but has no justification or support for these adjustments in the appraisal report or in the work file. Licensee states that the subject property sold March 2016 and that the sales price

was \$197,900 verified from deed records. Investigation reveals that the stated consideration in the deed is ten dollars and other consideration. Attached to the deed is a Real Estate Sales Validation Form that shows the Assessor's Market Value as \$197,900 and the Purchase Price is blank. Licensee met with the client/owner of the subject property but did not ask about sales price of the property or any details concerning the March 2016 sale. Licensee committed a substantial error by stating the subject sold in March 2016 for \$197,600 and that the sales price came from the deed when it did not. Licensee continues in the Final reconciliation section of the report and states "*the recent sale of the subject was concluded to also offer some insight into value. The subject was purchased 3/15/2016 for \$197,500.*" Licensee did not analyze this sale that took place on the property less than 6 months prior to the effective date of the assignment and licensee also failed to gather pertinent information about the sale such as relationship between buyer and seller, how the property was marketed, how long it was on the market and if it were a cash transaction. between buyer and seller, how the property was marketed, how long it was on the market and if it were a cash transaction. Investigation revealed that there was a transfer of the property from the elderly owner to a caregiver and this transfer was not an arm's length transaction due to the relationship between elderly owner and caregiver, and the transaction did not meet the definition of market value in order for licensee to state "the recent sale of the subject was concluded to also offer some insight into value. Licensee disclosed but did not analyze the March 2016 sale of the subject property less than 6 months prior to the effective date of the assignment. She failed to gather accurate details of the transaction such as relationship between buyer and seller, how the property was marketed, how long it was on the market and if it were a cash transaction.

AB-17-08 The Board approved a Consent Settlement Order with Certified General appraiser **Everett S. Brooks, G00442**. Licensee agreed to pay an administrative fine of Three Thousand (\$3,000) Dollars. The violations in the appraisal report were: Licensee performed an appraisal assignment in a grossly negligent manner: Licensee certified to personally preparing all conclusions and opinions about the real estate that was set forth in the appraisal report. Licensee failed to state the reliance on significant real property appraisal assistance from Angel Lanier in the performance of the appraisal and failed to disclose the tasks performed by Angel Lanier. Licensee's workfile did not include a "true copy" (*replica*) of all written appraisal reports communicated to the Client along with all data, information and documentation necessary to support the appraiser's opinions and conclusions and show compliance with USPAP. The failure was willful and with knowledge of the requirements of the Record Keeping Rule. Licensee's workfile: Failed to provide a "true copy" (*replica*) of all appraisal reports transmitted to the Client, at the time of the appraisal assignment. Licensee's workfile, as provided to AREAB, failed to provide a copy of the appraisal report transmitted with a date of signature and report of 05/11/2017 with additional commentary dated 5/17/2017 within the appraisal report. Failed to provide support of the opinion and conclusions of the effective age; Licensee analyzed a single (one) comparable sale to develop the effective age and used a sale price of \$134,175 when the actual sale price was \$140,000; as a result, the workfile did not support the opinion and conclusions of the effective age analyzed within the appraisal report *Effective age of 20 years for a home reported to be ~41 years actual age*. Licensee: Analyzed a +3,000 adjustment in the Sales Comparison Approach/Comparable #1/ Garage-Carport section, when according to Licensee, there should have been a "\$0" adjustment analyzed; Analyzed the construction cost of the front porch, with a roof and step-up concrete floor, and the building cost of the rear deck, with a shed roof and wooden floor, together at the same per square foot cost in the Cost Approach; Analyzed the construction cost of the attached carport

carport and the construction cost of the detached garage (*site improvement*) together, at the same per square foot cost in the Cost Approach; In the Subject Photo Addendum section, provided photos taken by Angel Lanier and withheld the source of the photos; In the Comparable Photo Addendum section, provided MLS photos without providing the actual data source of the photos; In the Appraiser's Certification #1, certified to at a minimum, developing and reporting the appraisal in accordance with the scope of work requirements stated in the appraisal report. Some of the scope of work requirements, as stated on the first page of the preprinted section of the URAR under Scope of Work, were not performed. The Scope of Work provides for: Perform a complete visual inspection of the interior and exterior areas of the subject property. The visual inspection was performed by Angel Lanier and not by Licensee. Inspect the neighborhood. The fieldwork was performed by Angel Lanier and not by Licensee. In the Appraiser's Certification #2, certified to, an interior and exterior inspection of the subject property, when the inspections were performed by Angel Lanier. In the Appraiser's Certification #15, certified that he had not knowingly withheld any significant information and to the best of Licensee's knowledge, all statements and information in the appraisal report are true and correct. Licensee failed to provide significant information, the appraisal assignment was assigned to Licensee with the fieldwork (inspections, photos, measurement, etc.) being performed by Angel Lanier. Licensee performed the analyses for the Sales Comparison Approach and Cost Approach along with keying information into the appraisal report and addendum. In the Appraiser's Certification #19, certified to, if Licensee relied on significant real property appraisal assistance from any individual in the performance of the appraisal or preparation of the appraisal report, the individual is named and disclosure of the specific tasks performed were provided within the appraisal report. Licensee represented the appraisal report was prepared without significant appraisal assistance, when significant appraisal assistance was provided by Angel Lanier. Licensee, in Comparable #1/Condition section, analyzed the cost to cure for the superior condition. The appraisal report nor workfile supported the \$8,000 adjustment being developed by appropriate methods and techniques with supported data. (*No analyses, no figures & calculations with a data source, no support the market would be willing to pay a cost to cure in a condition adjustment.*) Licensee, in Comparable #1/Garage-Carport section, analyzed a + \$3,000 adjustment. According to Licensee, the amount should have been provided and analyzed as "0" rather than the + \$3,000. Licensee, in the Subject Photo Addendum section, provided photos taken by Angel Lanier. The photos were not taken by Licensee, as evidence of an exterior and interior inspection of the subject property. Inspection was performed by another appraiser without the assistance being noted in the appraisal report. Licensee, in the Comparable Photo Addendum sections, provided MLS photos without providing the actual source of the photos. The photos provided were MLS photos and not the original photos taken by Licensee. Licensee, in the Appraiser's Certification #1, certified to at a minimum, developing and reporting the appraisal in accordance with the scope of work requirements stated in the appraisal report. Some of the scope of work requirements stated in the first page of the preprinted section of the URAR under Scope of Work were not performed. Perform a complete visual inspection of the interior and exterior areas of the subject property. The visual inspection was performed by Angel Lanier and not by Licensee. Inspect the neighborhood. The fieldwork was performed by Angel Lanier and not by Licensee. Licensee, in the Appraiser's Certification #2, certified to an interior and exterior inspection of the subject property, when the inspections were performed by Angel Lanier. Licensee, in the Appraiser's Certification #15, certified to not knowingly withholding any significant information and to the best of Licensee's knowledge, all statements and information in the appraisal report are true and correct. Licensee failed to provide significant information, the appraisal assignment was

assigned to Licensee with the fieldwork (inspections, photos, measurement, etc.) being performed by Angel Lanier. Licensee performed the analyses for the Sales Comparison Approach and the Cost Approach along with keying information into the appraisal report and addendum. Licensee, in the Appraiser's Certification #19, certified to, if Licensee relied on significant real property appraisal assistance from any individual in the performance of the appraisal or preparation of the appraisal report, the individual is named and disclosure of the specific tasks performed were provided within the appraisal report. Licensee represented the appraisal report was prepared without significant appraisal assistance, when significant appraisal assistance was provided by Angel Lanier. Licensee, in the URAR/Improvements section, provided the condition of the building materials as being in average condition with commentary of no updates in the prior 15 years. Additional commentary was provided, the property was found to be in average condition and maintained well at the time of the inspection. Licensee failed to provide sufficient information to explain, how a home built in 1976 (41 years actual age) would have an effective age of 20 years. Licensee, in the URAR/Improvements/Car Storage section, indicated detached for the carport and garage in the checkbox for detached. Licensee failed to provide commentary to explain the garage was detached and the carport was attached. Licensee failed to provide an indication in the checkbox or commentary of the carport being attached. Licensee, in the URAR/Sales Comparison Approach/Comparable #4 and Comparable #5/Sales or Financing section, provided information of arms-length with \$0 concession for the listings, without sufficient information being provided to explain why the information was provided for a listing. Licensee, in the Cost Approach/Dwelling Cost section, developed a dwelling cost of \$81.25 from the online cost service. The dwelling cost was then reduced to \$80.00 per square foot, because the subject was located outside of the city where regulatory/permit cost was lower. Licensee failed to provide data/information to explain the figures/calculations analyzed for the reduction in per square foot dwelling cost, where the lender/client could replicate the cost figures and calculations. ($\$81.25 \times ?? = \80.00) Licensee, in the Cost Approach section, provided the opinion of site value was developed from the research of latest sales or through allocation. Licensee failed to provide the actual method and technique employed in the development of the opinion of site value. (*The actual method & technique employed to develop the opinion of site value was not provided. Research of latest sales is not a method and technique but a task performed. Licensee used the term "or", which made it unclear if either was performed.*)

AB 17-13 The Board approved a Consent Settlement Order with Certified Residential appraiser **Anthony Lee Johnson, R00993**. Licensee agree to surrender his license to the Board. The violations in the report were: Licensee chose not to use comparable sales in closer proximity to the subject and available to the Licensee that would indicate a value significantly lower than Licensee's value opinion and instead used sales that were located in different towns, over 10 miles in distance from the subject but that resulted in a significantly different opinion of value. Licensee failed to perform the research for comparable sales that were needed to produce a credible assignment. Licensee failed to do adequate research in the subject market and bypassed sales in closer proximity that were comparable and that would produce a different value opinion. Because Licensee did not have market based data or other justification for the adjustments made in the Sales Comparison Approach, the Licensee did not demonstrate that he understood how to correctly employ the methods and techniques to reach a credible result. Licensee mis-measured the subject improvements and used a gross living area that was 234 square feet less than the correct GLA. Licensee failed to use sales that were more similar, hence more comparable that were available in the immediate market that would produce a more credible opinion of value.

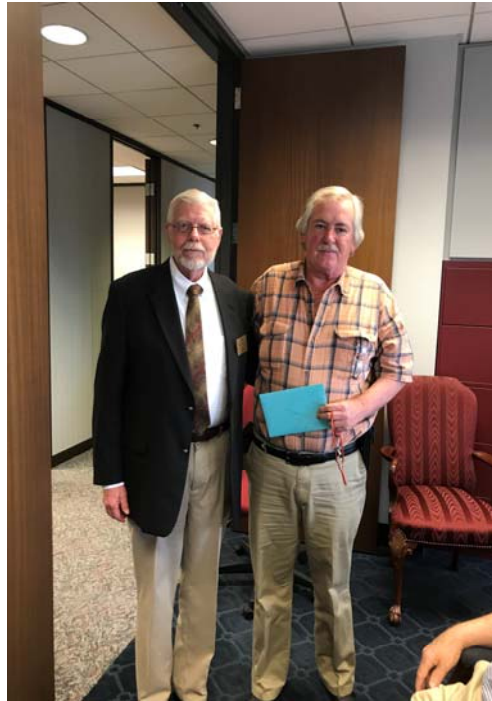
BOARD INVESTIGATOR RETIRES

After working with the Alabama Real Estate Appraisers Board as investigator for over 13 years, Joe Dixon has decided to retire. His last day with the Board was May 31.

Mr. Dixon began his career as a Real Estate Appraiser in the days before a license was necessary. He was licensed as a Certified General appraiser in 1991. He worked as a fee appraiser and spent some years as a tax appraiser in Jefferson County.

Mr. Dixon has worked diligently to ensure that complaints against appraisers are investigated and resolved in a timely manner. His expertise and knowledge of USPAP will be genuinely missed.

Joe was a little close mouthed about his plans for retirement but did admit that the bright lights and soothing tunes of Nashville, Tennessee were beckoning.



EVALUATIONS

There has been much discussion in the “appraisal world” regarding evaluations. As you know, evaluations are alternatives to appraisals for the banking industry. Guidelines for the use and development of evaluations are published in the Federal Joint Banking Agencies regulations.

Evaluations have never been defined or addressed in USPAP. At the present time, USPAP requires that an appraiser include procedures and reporting requirements not required for evaluations when reporting an opinion of value.

Alabama Law requires that every appraiser must comply with USPAP. Alabama Law also defines an appraisal as an opinion of value of real property which does not leave room for evaluations.

For Alabama appraisers to perform evaluations for lenders, a change in the Alabama Real Estate Appraisers Board law **MUST** be made. For this law to be changed our Board must propose changes and present those changes to the Alabama Legislature while they are in session. At this time the Board’s hands are tied. However, the Board has scheduled a work session to be held before their July 2018 meeting to discuss this issue.

Alabama Real Estate
Appraisers Board

RSA Union Building
100 N. Union, Suite 370
Montgomery, AL 36104
Tel. 334/242-8747, Fax. 334/242-8749
WEB Address: www.reab.state.al.us

Editor: Lisa Brooks

Board Members
Edmond (Buddy) Eslava, III
1st Congressional District
Billy Cotter
2nd Congressional District
Carroll (Lew) Watson
3rd Congressional District
Dennis Key
4th Congressional District
Richard (Rick) Pettey
5th Congressional District
Chris Baker
6th Congressional District
Robert Butler
7th Congressional District
Patrice E. McClammy
State At Large
Angela Frost
AMC Representative
Lisa Brooks
Executive Director

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: _____	Email: _____
Business Name: _____	