



THE APPRAISER BULLETIN

CURRENT BOARD MEMBERS



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Pictured above are the current Board members. The Board members are listed from L-R, congressional district they represent and home cities:

Sitting: Cornelia Tisher (Nene) – 1st Congressional District – Mobile; Chester Mallory - State-At-Large - Montgomery; Dot Wood – 3rd Congressional District – Pell City; **Standing:** Dennis Key (Denny) – 4th Congressional District – Jasper; Christopher Baker - 6th Congressional District - Birmingham; Joseph T. Lundy, Jr. (Bo) - 5th Congressional District - Huntsville; Mark Moody - State-At-Large - Decatur; Kenneth Wallis, III (Kenny) – 2nd Congressional District – Montgomery; Frederick Crochen - 7th Congressional District - Fairfield.

Mr. Crochen, Mrs. Tisher and Mr. Lundy are currently serving their second terms.

Currently Mr. Wallis serves as Chairman and Mrs. Wood is serving as Vice-Chairman.

LICENSE NON-RENEWAL

Below is a complete listing of appraisers who did not renew their license for the period 10-1-12 through 9-30-13. The following is the text of a certified letter, which was mailed to each of them detailing the status of their license and ineligibility to perform appraisals:

“Your renewal for the license year 10-1-2012 thru 9-30-2013 has not been received. It is imperative that you understand the status of your license. You are not authorized to do appraisals after September 30, 2012 without a current license. Appraisals made without a current license may be subject to disciplinary action or prosecution as a Class “A” Misdemeanor under State Law.

Between 10-1-2012 and 10-10-12 the renewal of your license requires the payment of a \$50 late fee in addition to regular fees. Between 10-11-12 and 3-31-13 the late fee for renewal is \$250 in addition to regular fees. After 3-31-13 the late fee for renewal will be \$250 plus an additional \$50 per calendar month in addition to regular fees. ***If the renewal fee and late fees for the license year beginning 10-1-2012 are not paid by 9-30-2013 your file will be closed.***

If your file is closed you will be required to go through the entire application process, meet the education and experience requirements effective at the time of application and successfully pass appropriate examination to receive a new license.”

APPRAISERS WHO HAVE NOT RENEWED

For the License Year 10-1-12 through 9-30-13

Janet L. Anthony	T01942	Bruce N. Bankston	T01286
Randall J. Battiste	T01323	Pamela Jo Brady	T00594
Kyndal L. Burkett	T01930	Frank L. Calloway, Jr.	T01406
Todd E. Carlton	T01900	Jeffrey Clark	T01652
Gary J. Englade	T01909	Christopher D. Floyd	T00533
Shawn W. Green	T01964	Bobby S. Hardin	T01469
Walter B. Harris	T01969	Steven L. Hodge	T00969
Laura A. Jednat	T01673	Alicia Lucas	T01960
Christopher C. May	T01903	Mike J. Raines	T01890
Matthew M. Robinson	T01935	Edward A. Stevenson, III	T00549
Charles D. Tisher	T01839	Jennifer L. Toifel	T01227
Mia Valenzuela	T01956	Benjamin F. Heidecker	S00119
Stephan R. Tomlinson	S00116	Pamela A. Ward	S00139

Cheri N. Anderson	L00322	Patricia G. Callahan	L00268
John S. Prestwood	L00397	Elizabeth S. Simmons	L00186
Roy P. Beason	R00025	Kathryn Bentley	R00027
Robert A. Bowling	R00036	Paul W. Camp	R00459
Thomas S. Carnes	R00771	Patricia G. Davis	R00805
William C. Douglas	R00916	Randy G. Grayson	R00836
Douglas A. Hill	R00925	James P. Holmes	R00139
Harry L. Jackson, Jr.	R00152	Fredrick G. Jennings, Jr.	R00539
George E. Landmon	R00167	David W. Linn	R00686
Evan G. Malone	R00742	Samuel C. McLemore	R00451
John C. Mims	R00643	Robin K. Pierce	R00479
Phillip C. Pope	R00548	Richard L. Posey	R00211
Steven B. Presnal	R01130	Evan T. Richardson	R01198
Leo Rowe, Jr.	R01037	Mark E. Rutledge	R01181
Steve D. Seaman	R00417	Adam L. Smith	R01195
Sandra A. Stewart	R00372	William D. Ulmer	R00266
Patricia T. Weaver	R00277	Paul D. Agruso	G01015
Michael P. Bates	G00503	Amy L. Blackman	G01056
Clinton Bogart	G00947	Christopher G. Cairns	G00128
Edward A. Carlson	G00977	Donna J. Cavallaro	G00983
Jim R. Clower	G00685	Philip J. Cusmano	G00823
Decker D. Dickson	G01019	Ceilliah P. Epner	G00957
Jonathan D. Filson	G01037	Sherrie L. Ford	G01006
Robert H. Harris	G00446	Rickey L. Haynes	G00752
Kristopher M. Henderson	G00839	Bradford L. Johnson	G00902
Heather G. Klaiber	G00976	Patrick G. Laflamme	G01050
William F. Lehman, III	G00245	Grace B. Long	G00382
Daniel J. Maher	G01059	James A. McDonald	G00049
William H. McLemore, Jr.	G00064	James A. McNulty	G01061
Trevor L. Miller	G01030	Kyung Ho Min	G01034
Andrew J. Moye	G00681	Bruce E. Nell	G00966
Shaun C. Payne	G00756	Russell J. Ray, Jr.	G00546
Teddy W. Reynolds	G00879	Bradley M. Rivers	G01011
Robert L. Ryan	G00968	Andrew V. Santangini, Jr.	G00373
Julie F. Schroeder	G00733	John P. Sparkman	G00587
David L. Stephens	G00052	Lisa A. Talmo	G00864
Larry J. Tapanen	G01010	O. Alan Tidwell	G00692
Raymond E. Veal	G00825	Dennis E. Vogan	G00973
Phillip D. Wade	G01038	Henry G. Wilbanks, Junior	G01016
Patricia L. Williamson	G00597	Clifton H. Woodman	G00643
Gregory K. Zieba	G01027		

ADMINISTRATIVE CODE CHANGE

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

2013 BOARD MEETING 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.

2013 TENTATIVE MEETING SCHEDULE

January 24, 2013 (rescheduled)
March 21, 2013
May 16, 2013
July 18, 2013
September 19, 2013
November 21, 2013

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 09-63; AB 09-64; AB 09-65; AB 09-66 On March 15, 2012, the Board adopted the recommendation of the Administrative Law Judge and revoked the Certified Residential license (**R00282**) of **Silas N. Williams**. Williams was also assessed an administrative fine of \$10,000. Williams did not attend the administrative hearing on the cases and had a prior discipline history.

AB 10-51 On March 15, 2012, the Board entered an order after an administrative hearing and publicly reprimanded **Alan Vincent Bennett**, Certified Residential Appraiser (**R01148**). Bennett was also assessed an administrative fine of \$6000, ordered to complete additional education and is on probation for one year. The violations are as follows: The market conditions of the subject property market area were not stable, contrary to the report. Statements included in the Respondent's report on page 1 under Neighborhood, in the Market Conditions section, were not true and were misleading. The Market Conditions Addendum generated by the investigator for the area within 0.5-mile proximity of the subject indicates a decreasing overall trend to the market instead of increasing as Respondent reported. The Respondent's work file was incomplete. It did not contain data, information, or documentation necessary to support the opinion of site value reported in the written report or the adjustments for site and gross living area in the sales comparison approach. Respondent failed to use the best comparable sales that were available at the time of the appraisal. Respondent used sales he obtained from Courthouse Retrieval System where the terms and conditions of the sale were not available. There were other sales available to the Respondent through the local MLS that Respondent had access to that would have resulted in a substantially different result. Respondent utilized an effective age of 25 years for a house that had an actual age of 56 years. Respondent had no support for this estimate of effective age other than the following statement: "The subject is of average construction and in average condition. Recent repairs include plumbing, HVAC and electrical up-grade, new paint & floor covering." The Respondent did not go into detail in the report about these repairs. There was nothing in the work file that explains what was done or how much was spent on the repairs. The Respondent does not state when these repairs were completed and if they were completed before the sale date 6/1/2009. Respondent did not verify the comparable sales utilized in the sales comparison approach with a party to the transaction. Respondent had no support for the opinion of site value set out in the report. County assessment values were used, which is not an appropriate appraisal method or technique to determine lot value. The Respondent did not analyze the agreement of sale, but only listed facts that were in the contract such as sales price, date of the contract, and sales concessions. There was no analysis as to the motivation of buyer or seller, no consideration of whether both parties were well informed or advised, no analysis of whether there was reasonable exposure to the open market or whether the price was influenced by special or creative financing. Respondent's report contained misleading information about the market conditions in the subject neighborhood that could not be supported with market data. The Respondent's written appraisal report did not contain a summary of the information analyzed or the reasoning that supports the

Respondent's opinion and conclusion of site value. The Respondent's report did not contain information analyzed or the reasoning that supports the Respondent's opinion and conclusion for adjustments for site or gross living area in the sales comparison approach.

AB 10-16; AB 10-119; AB 11-36 On March 15, 2012 the Board accepted the voluntary surrender of Certified General License (**G00392**) of **Rankin R. Rossell** in lieu of a hearing before the Board.

AB 10-42 On March 15, 2012, the Board approved a Consent Settlement Order and issued a private reprimand to a Certified Residential Appraiser. The licensee also agreed to complete a continuing education course on the appraisal of historic properties and pay a \$300 administrative fine. Licensee may not claim Continuing Education credit for the education course. The violations are as follows: Licensee fails to use the best comparable sales that were available at the time of the appraisal. Licensee used homes that were located in a historical district when the subject property was not located in such a district. The comparable sales had a wide dissimilar range of ages and dissimilar design. There were other sales available to the licensee that would have resulted in a substantially different result. Using comparable sales that were located in a historical district and not adjusting for that fact when other comparable sales were available is a substantial error of omission or commission that significantly affected the appraisal. Licensee utilized an effective age of one year for a residence with an actual age of 68 years. Licensee had no justification for this effective age estimate. It may be noted that the licensee did include photos of the interior of the residence that could indicate some remodeling and updates had taken place but no explanation as to what was done. The licensee adjusted \$9,500.00 for absence of an in ground pool. The licensee has no support for the adjustment nor did the licensee offer any discussion of the source of this adjustment. The licensee made no adjustment for age even though it was noted that comparable 1 was built in 1885, comparable 2 was built in 1872, comparable 3 was built in 2005, comparable 4 was built in 1904 and comparable 5 was built in 1958. The subject was reportedly built in 1940. Licensee's justification was "No adjustment were given to comps age difference used due to the opinion of the appraiser their effective age being similar to subjects effective age due to comps 1, 2 and 5 being total remodeled. Comps 3 is newer in age but effective age would also be similar to subject." The main structure of all the properties, the foundation, the framing, the roof rafters, floor joists, and exterior siding are all original and contribute a significant part to the replacement cost of each structure, therefore the effective ages of these properties can not be similar. The licensee valued the "As is" Value of site improvements at \$7,500. This value does not correspond with the \$9,500 adjustment in the sales comparison approach for just the swimming pool. It appears the swimming pool was not considered in the Cost Approach. The licensee did not provide sufficient information to enable the client and intended users to understand the rationale for the opinions and conclusions expressed in the report. The report contained no analyses reasoning to support the licensee's opinions and conclusions.

AB 10-59 On March 15, 2012, the Board approved a Consent Settlement Order for **Edgar S. Reeves, (T01588)**. Reeves agreed to pay a \$1000 administrative fine for appraising beyond the scope of his Mentor's license. The violations are: Licensee stated the 50-year site index for loblolly pine as 9-95 feet. The figure for the 50-year site index was 90-95 feet. Licensee included a comment between the charts on Table 2 that did not apply to the sales used in the charts. Licensee stated the contract date (mm/yy) as the date of sale in Comparable Sale #3 on Table #1 of the

Sales Comparison Approach. Licensee omitted the intended use of the appraisal report. Licensee failed to include Sale #3 in the comment that Sales 1, 2, 3 and 4 were involved with a Type A timber contract. Licensee stated the Cost Approach was not applicable and did not explain why.

AB 10-102 On March 15, 2012, the Board approved a Consent Settlement Order for Michael A. Noble, (R00743). Licensee agreed to complete a Board approved course on residential income producing property, which may not be used for CE credit. Licensee also agreed to pay a \$1750 administrative fine. The violations are: Licensee failed to prepare, develop and communicate an appraisal with sufficient research and analysis. Failed to use the income approach necessary for credible assignment results for an income producing property. Licensee's appraisal report failed to contain sufficient information, to allow the intended user to understand the work performed or not performed. Licensee prepared, developed and communicated a small residential (duplex) income property appraisal assignment on a Fannie Mae 1004/Freddie Mac 72 form, which the form was not designed for the reporting of a duplex rental property appraisal assignment. Licensee, in the Sales Comparison Approach, analyzed misstated elements of comparison and failed to state and analyze other elements of comparison. Licensee excluded the Income Approach, when sufficient information was available within the real estate market. Licensee failed to develop the Income Approach, Comparable Rental Data and Subject Rent Schedule. Licensee failed to provide and analyze sufficient information, within the Operating Income Statement, for the Operating Income Statement to be credible. Licensee failed to analyze the Subject's negative net cash flow from the Operating Income Statement as an adverse market condition for the Subject property. Licensee prepared, developed and communicated a small residential (duplex) income property appraisal assignment on a Fannie Mae 1004/Freddie Mac 72 form, which the form was not designed for the reporting of a duplex residential rental property appraisal assignment. Licensee excluded the Income Approach, when sufficient information was available within the real estate market. Licensee failed to develop the Income Approach, Comparable Rental Data and Subject Rent Schedule. Licensee failed to provide and analyze sufficient information, within the Operating Income Statement, for the Operating Income Statement to be credible. Licensee failed to analyze the Subject's negative net cash flow from the Operating Income Statement as an adverse market condition for the Subject property. Licensee stated the effective date of the appraisal as 7/24/2007 on URAR page 2 of 6 and then stated the effective date of the appraisal as 7/25/2007 on URAR page 6 of 6. In the Improvements/General Description section, Licensee indicated the Subject duplex was one (1) unit construction, when the Subject was two (2) unit construction. Licensee failed to report and analyze the leases/rental agreements of the tenant occupied property that was the subject of the assignment. Licensee failed to analyze the comparable rental data and potential earning capacity of the Subject property to estimate the gross income potential of the property or provide a reason for the lack of an analysis. Licensee failed to analyze comparable operating expense data to estimate the operating expenses of the property or provide a reason for the lack of an analysis. Licensee failed to analyze comparable data to estimate capitalization/ discount rates that may apply to the Subject property or provide a reason for the lack of an analysis. Licensee failed to analyze some of the expenses and reserves associated with the ownership of the Subject property or provide a reason for the lack of an analysis. Licensee failed to consider that the seller was a licensed real estate agent in Alabama and one of the purchasers (a broker) was a 50% equity purchaser. Licensee failed to reconcile the quality and quantity of data available and analyzed or not analyzed within the Sales Comparison Approach. The Income Approach was not employed when sufficient information was available. Licensee failed to include available data and use it to reach credible results. In the Subject/Neighborhood Name section, Licensee stated the name of the

recorded subdivision where the Subject is located. In the Neighborhood/Neighborhood Boundaries section, Licensee stated the boundaries of the actual neighborhood where the Subject is located. The neighborhood boundaries, as stated in the appraisal report, failed to reflect the neighborhood named in the appraisal report. *(The subdivision was a small section within the neighborhood described.)* In the Improvements/General Description/Units section, Licensee indicated the Subject was a one-unit in the check box when the Subject contained two units. In the Cost Approach/Amenities section of the dwelling cost, Licensee stated the amenities of Kitchen Equipment, Fireplace, Fans, Patio, Porch, and Deck. The comment was canned language that was not the actual list of amenities for the Subject. There was no fireplace, patio and deck as listed. Licensee provided the address of one unit of the duplex but failed to provide the address of the other unit of the duplex within the appraisal report. Licensee stated the effective date of the appraisal as 7/24/2007 on URAR page 2 of 6 and then stated the effective date of the appraisal as 7/25/2007 on URAR page 6 of 6. In the Subject/Owner of Public Record section, Licensee failed to provide the name of the owner of public record. In the Subject/Map Reference section, Licensee stated a map reference number but failed to provide the source of the map reference number that was stated. In the Subject/Offering information section, Licensee failed to provide the offering/list price. In the Neighborhood/Present Land Use %, Licensee reported a 5% other land use without a description of other. In the Site/Zoning Description section, Licensee reported the zoning description as Residential instead of Multi-Family Residential. In the Improvements/Exterior Description/Materials/Condition section, Licensee failed to provide the condition rating of the windows, storm sash and screens. In the Sales Comparison Approach-Garage/Carport section, Licensee stated Driveway as the elements of comparison for the garage/carport of the Subject and comparables. The term "driveway" is not descriptive of garage or carport. Licensee failed to provide an analysis of the garage/carport elements of comparison. Licensee reported the appraisal assignment on a URAR 1004 form, which did not provide the sufficient information needed to analyze a duplex property. Information for the Subject and comparables were not stated and analyzed such as the gross monthly rent, gross rent multiplier, price per unit, price per room, price per bedroom, unit breakdown (total rooms, bedrooms, baths), adjusted price per unit, adjusted price per room, adjusted price per bedroom, value per unit, value per room, value per gross building area, value per bedroom and square feet of gross living area per unit. In the Sales Comparison Approach/Prior Sale-Transfer section, Licensee failed to provide the data source used to verify the sale and transfer history of the comparables. In the Cost Approach/Support for the opinion of site value section, Licensee failed to provide support for the method used to develop the opinion of site value. In the Cost Approach/Comments section, Licensee made a comment, "Subject conforms to minimum acceptable property standards for HUD/VA" and failed to explain why the comment was in the appraisal report, when the assignment was not a HUD (FHA)/VA assignment. In the FIRREA/USPAP Addendum/Exposure Time/Marketing Time section, Licensee indicated the Exposure Time and Marketing Time were shown on the URAR when only the Marketing Time was provided. Licensee failed to provide and analyze sufficient information, within the Operating Income Statement, for the Operating Income Statement to be credible. Licensee failed to provide the: Utilities Expense-Fuel oil & Fuel (other) *(no indication of owner or tenant paid)*; Annual Income and Expense Projection for Next 12 months not provided: Less Vacancy/Rent Loss *(no information as to why no rent loss or vacancy)*; Pest Control *(no pest control cost or reason for no allowance cost to owner)*; Other Taxes or Licenses *(no information on no allowance cost for taxes, license to owner)*; Casual Labor *(no information on no casual labor allowance cost to owner)*; Interior Painting/Decoration *(no information on no painting/decoration cost allowance to owner)*; Management Expenses *(no information on no management*

expense allowance to owner); Supplies (*no information on no supplies allowance cost to owner*); Replacement Reserve Schedule; Water Heater(s) (*no reserve replacement cost provided*); Furnace(s) (*no reserve replacement cost provided*); Floor Covering (*no reserve replacement cost provided*); Operating Income Reconciliation; Negative Net Cash Flow (*A monthly negative cash flow of \$321 with no reconciliation of being an adverse market condition for the Subject or a reason provided of not being an adverse market condition for the Subject.*) Licensee failed to summarize sufficient information to identify the Subject property as a small residential (duplex) income property. Licensee stated the effective date of the appraisal as 7/24/2007 on URAR page 2 of 6 and then stated the effective date of the appraisal as 7/25/2007 on URAR page 6 of 6. Licensee failed to completely summarize the Scope of Work in preparing and developing an appraisal of a small residential (duplex) income property. Licensee failed to explain the reason for the exclusion of the Income Approach. Licensee indicated the highest and best use of the subject property as improved was the present use and was tenant occupied. Licensee failed to explain the present use was a two-unit rental property and not a one unit as indicated in the appraisal report.

AB 08-130 On May 17, 2012, the Board approved a settlement with **Donald W. Manuel**, Certified Residential Appraiser in a case to end an appeal of an Administrative Order involving a residential appraisal. The Board and the Respondent agreed to a private reprimand and the assessment of a \$600 administrative fine due in 30 days. The violations are: There were several errors in the report: on page 1, the site section, Licensee makes a statement “No zoning is typical and there is no evidence that the market reacts negatively to this.” And then lists the zoning as RS1. Also on page 1, the site section, Licensee failed to report that gas was available to the site. On page 1, improvements section, Licensee reports an incorrect room count. On page 2 of the sales grid Licensee reports the wrong room count for subject. On page 7, sales grid, comparable 4, Licensee made a positive location adjustment when he meant to make a negative adjustment. There is no explanation why the cost and income approaches were excluded.

AB 10-53 On May 17, 2012, the Board approved a Consent Settlement Order in the case of **David Andrew Farmer (T01642)** for violations in the preparation of a residential appraisal report while in the supervision of Donald W. Manuel. Farmer is required to complete thirty (30) hours of basic appraisal education with exams. The course cannot be used for continuing education to renew his license. He is also required to pay an administrative fine of \$1000. The violations are: The copy of the Respondent’s written report was not signed by the Mentor or by the Trainee. The Respondent’s work file did not contain data, information, and documentation necessary to support the opinion of site value reported in the written report or the adjustments for site and boathouse, dock, etc utilized by the Respondent in the sales comparison approach. Respondent did not demonstrate the understanding and ability to correctly employ the technique of abstracting market driven adjustments from paired sales based on the documentation submitted by Respondent as support for the adjustment of gross living area in the sales comparison approach. The Respondent’s site value for the subject site was not supported and resulted in an under valuation of the subject site. The Respondent’s adjustment for site in the sales comparison approach was inconsistent by using an under valued and un-supported site value for the subject and un-supported assumed values for the comparable sales resulted in an inconsistent opinion of value for the subject. Respondent utilized an effective age of 20 years for a house that had an actual age of 30 years. Respondent had stated in his report that the house was in “average condition” and was “dated” and there was no mention in the report or work file of any remodeling or updating.

Respondent did not verify the comparable sales utilized in the sales comparison approach with a party to the transaction. Respondent did not analyze all information to produce credible results by not analyzing the site values of the comparables utilized. Respondent used sales that were not the closest and most comparable sales available to the Respondent. The Respondent ignored sales of vacant water front properties that were closer and more comparable to the subject, and some of the sales utilized by the Respondent were sales of properties without actual water frontage and several were very far removed from the subject's location. The Respondent did not analyze the agreement of sale, only listed facts that were in the contract such as sales price, date of the contract and sales concessions. There was no analyses as to the motivation of buyer or seller, no analyses if both parties were well informed or well advised, no analyses as to reasonable exposure to the open market or if the price was influenced by special or creative financing. The Respondent's written appraisal report is based on unsupported opinions and conclusions for the Respondent's opinion of site value or for the adjustments made in the sales comparison approach for site and therefore is not accurate and is misleading to a reader of the report. Respondent's report submitted to the Real Estate Appraisers Board had a certification included in the report but was not signed.

AB 10-54 On May 17, 2012, the Board approved a Consent Settlement Order in the case of **Donald W. Manuel (R00460)**. Manuel was publicly reprimanded and was assessed an administrative fine of \$600. His Mentor status was surrendered and he may no longer supervise Trainee appraisers. The violations are: The copy of the Respondent's written report was not signed by the Mentor or by the Trainee. The Respondent's work file did not contain data, information, and documentation necessary to support the opinion of site value reported in the written report or the adjustments for site and boathouse, dock, etc utilized by the Respondent in the sales comparison approach. Respondent did not demonstrate the understanding and ability to correctly employ the technique of abstracting market driven adjustments from paired sales based of the documentation submitted by Respondent as support for the adjustment of gross living area in the sales comparison approach. The Respondent's site value for the subject site was not supported and resulted in an under valuation of the subject site. The Respondent's adjustment for site in the sales comparison approach was inconsistent by using an under valued and unsupported site value for the subject and unsupported assumed values for the comparable sales resulted in an inconsistent opinion of value for the subject. Respondent utilized an effective age of 20 years for a house that had an actual age of 30 years. Respondent had stated in his report that the house was in "average condition" and was "dated" and there was no mention in the report or work file of any remodeling or updating. Respondent did not verify the comparable sales utilized in the sales comparison approach with a party to the transaction. Respondent did not analyze all information to produce credible results by not analyzing the site values of the comparables utilized. Respondent used sales that were not the closest and most comparable sales available to the Respondent. The Respondent ignored sales of vacant water front properties that were closer and more comparable to the subject, and some of the sales utilized by the Respondent were sales of properties without actual water frontage and several were very far removed from the subject's location. The Respondent did not analyze the agreement of sale, only listed facts that were in the contract such as sales price, date of the contract and sales concessions. There was no analyses as to the motivation of buyer or seller, no analyses if both parties were well informed or well advised, no analyses as to reasonable exposure to the open market or if the price was influenced by special or creative financing. The

Respondent's written appraisal report is based on unsupported opinions and conclusions for the Respondent's opinion of site value or for the adjustments made in the sales comparison approach for site and therefore is not accurate and is misleading to a reader of the report. Respondent's report submitted to the Real Estate Appraisers Board had a certification included in the report but was not signed.

AB 10-118 On March 15, 2012, the Board approved a Consent Settlement Order in the case of **Howard T. Richardson, III (R00892)**, a reciprocal licensee from Georgia. The terms of the Consent Settlement Order are that Respondent is publicly reprimanded, must complete a course on the appraisal of manufactured housing and is assessed an administrative fine of \$3375. The violations are: Licensee failed to identify FHA's decision to provide mortgage insurance on the real property that was the subject of the appraisal report as an intended use. Licensee appraised the site that was a section of a larger tract of property, which Licensee appraised without sufficient information to identify the actual site being appraised. Licensee failed to prepare, develop and communicate an appraisal report/assignment according to the appraisal standards of HUD/FHA, which were required as part of the Scope of Work. Licensee's appraisal report failed to contain sufficient information, to allow the intended users to understand the scope of work performed or not performed. Licensee certified as to having access to the necessary and appropriate data sources to competently complete the assignment. Licensee failed to disclose the lack of geographical competency in performing the appraisal assignment. Licensee appraised a site that was a part of a larger tract of property, which Licensee appraised without sufficient information to identify the actual site. Licensee failed to develop a credible highest and best use of the subject property, where the elements of comparison could be analyzed. In the Cost Approach, Licensee used obsolete cost data, failed to calculate the fireplace as an amenity and failed to adjust cost data with a multiplier. The estimated cost new of the improvements were non-credible. The miscalculations of the non-credible estimated cost new of improvements resulted in a non-credible analysis of the accrued depreciation. In the Sales Comparison Approach, used sales as Comparable #1 and #2 that were land/manufactured home packages and were not actual manufactured home on land sales. (*not exposed to the real estate market as a single unit*). Comparable #3 was a site built/stick built home when sales of manufactured homes were available within the area. Licensees failed to state and analyze, complete and accurate sales data within the approach. Comparable #4 is a sale outside of the subject area and sales were available within the area. Licensee developed a Market Condition Addendum without data to support the opinions of the overall market trend. In the Site/Zoning Classification, Site/Zoning Description, and Zoning Compliance sections, stated and indicated the zoning as No Zoning. The zoning was SR (Suburban Residential), which does not permit manufactured homes and Licensee did not disclose the illegal proposed use in the report. In the Site/Highest & Best Use section, indicated the highest and best use would be as proposed per plans and specifications when proposed use was not legal for the site. Licensee failed to provide an analysis of the private access easement to the subject property, which was stated as an alley in the appraisal report. Licensee failed to prepare, develop and communicate an appraisal report with an acceptable Scope of Work. The credibility of the report was affected because the report did not comply with HUD/FHA's appraisal standards for a credible assignment results. Licensee failed to develop a supported opinion of highest and best use. Licensee indicated the highest and best use as proposed per plans and specifications. The zoning of the Subject property would prevent the installation of the manufactured home that was the subject of the appraisal assignment. The zoning would prevent the element of legally permissible being available for the highest and best use of a

manufactured home being installed on the property per proposed plans and specifications. Licensees failed to state and analyze, the actual location element of comparison for the Subject and comparables. Licensee stated rural and failed to provide an analysis of the actual location element of comparison. Licensee stated the view as street for the Subject and comparables. Licensee failed to provide information on the actual view and analysis of the surrounding properties around the Subject and comparables. Licensee failed to provide an analysis when the total room count and bedroom count was different between the Subject and the comparable or provide a reason for the lack thereof. For Comparable #3 of the Sales Comparison Approach/Basement-below grade, failed to analyze the square footage of the basement and the bedroom and bath that was below grade according to the data source. Licensee stated "open parking" for Comparables #1 and #2 in the Garage/Carport section. Licensee failed to provide the analysis of a garage/carport being present or not and the analysis thereof. Licensee, in Comparable #4/Site section, adjusted \$12,000 for the comparable having a superior site (4 acres +/-) to the Subject's site (1 acre +/-). The adjustment was not supported by Licensee's workfile nor the real estate market. Licensee, in Comparable #4/Actual Age section, adjusted \$2,000 for Comparable #4 having an actual age of 17 years and the Subject being new construction. The adjustment, for the \$2,000 difference in the actual age of the manufactured homes, was not supported by the appraiser's workfile nor information provided within the appraisal report to explain only a \$2,000 adjustment. Licensee adjusted Comparable #4 for a fireplace (\$1,000) and the comparable and the subject have fireplaces. Licensee also did not analyze and/or adjust Comparable #4 for the fenced pasture area, which provided an amenity to the horse barn on the property. Licensee failed to provide an opinion of site value by an appropriate recognized method and technique in the Cost Approach. Licensee used obsolete cost data, failed to calculate the fireplace as an amenity and failed to adjust cost data with a cost multiplier. The estimated cost new of the improvements was not credible. Licensee stated the contract (agreement of sale) was a standard mobile home contract with seller paying 6% in closing cost in the Contract section. The appraiser failed to analyze the contract also included the seller furnishing or contracting for and the buyer financing (paying for) the grading for a pad for the manufactured home, water lines, new septic system & perk test, grading & gravel for a driveway, rock skirting, hook ups-water, sewer & power, FHA foundation and all necessary permits & inspections with seller paying construction interest along with the 6% closing cost. Licensee, in the Supplemental Addendum (page 2), provided comments about the sales contract. Licensee stated the seller was paying 6% closing cost, lot development, grading, water lines, new septic tank, rock skirting, water and septic hook up, FHA foundation and all necessary permits and inspections. Licensee failed to clarify the lot development, grading, water lines, new septic tank, rock skirting, water and septic hook up, FHA foundation and all necessary permits and inspections were to be furnished or contracted for by the seller and the buyer financing (paying for). Licensee failed to provide an analysis of the perk test, driveway grading & gravel and power hook up being furnished or contracted for by the seller and financed (paid for) by the buyer. The construction interest was to be paid by the seller was not analyzed. Licensee analyzed a 2011 manufactured home within the appraisal assignment/report, when the manufactured home sold within the contract was a 2010. Licensee, in the Contract/Contract Price section, has the contract price of \$103,000, which did not reflect the \$93,086.83 cash purchase price provided in the buyer and manufactured home dealer's contract. Licensee failed to reconcile the quality and quantity of data available, which was analyzed or not analyzed within the Sales Comparison Approach and the Cost Approach. Licensee failed to recognize the data available and use this data to develop the credible approaches to value within the appraisal report. Licensee failed to use the recognized methods and techniques necessary for

a credible value conclusions, within the appraisal assignment. (*Licensee failed to prepare and develop a credible appraisal assignment for a FHA appraisal.*) Licensee, in the Subject/Real Estate Taxes section, stated a tax amount that was not supported by the information available at the time of the appraisal. The property that was the subject of the appraisal assignment was part of a larger parcel and an accurate ad valorem tax was not calculated. Licensee provided no information as to the amount being estimated or reasoning for the amount being stated. Licensee within the appraisal assignment/report, analyzed the manufactured home as a 2011, when the contract has the manufactured home as a 2010. Licensee, within the appraisal report, referenced the manufactured home contract as a standard mobile home contract. Licensee used outdated terms (mobile home) and was not the accurate terms to describe a manufactured home. Licensee, in the Contract section, failed to fully explain the content of the agreement of sale (contract) for the manufactured home. The contract information provided was misleading to the intended user/reader as to the analysis of the content of the contract. Licensee, in the Contract/Contract Price section, has the contract price of \$103,000, which did not reflect the \$93,086.83 cash purchase price provided in the buyer and manufactured home dealer's contract. Licensee, in the Contract/Manufacturer's Invoice section, indicated the manufacturer's invoice was analyzed. According to Licensee, the invoice was not available to be analyzed. Licensee failed to explain the invoice was not available and Licensee indicated information that was not accurate. Licensee, in the Neighborhood/Location section, indicated the location as Rural. The immediate area where the Subject is located has the amenities of being located within a city, which does not support Licensee's indication of the Subject being in a rural location. Licensee, in the Neighborhood/Neighborhood Boundaries section, stated boundaries of a neighborhood where the Subject was not located within. The area described was to the north of the Subject area. Licensee, in the Neighborhood/Neighborhood Description section, provided a comment the Subject lies in a rural area of the county and was within 15 minutes of two cities. The Subject is located within one of the cities and would not be considered to lie within a rural area of the County. Licensee, in the Site/Zoning Classification, Site/Zoning Description, and Zoning Compliance sections, stated and indicated the zoning as No Zoning. The zoning was SR (Suburban Residential), which would not permit the installation of the manufactured home that was the subject of the appraisal assignment. Licensee failed to develop a supported opinion of highest and best use. Licensee indicated the highest and best use as proposed per plans and specifications. The zoning of the Subject property would prevent the installation of the manufactured home that was the subject of the appraisal assignment. The zoning would prevent the element of legally permissible being available for the highest and best use of a manufactured home being installed on the property per proposed plans and specifications. Licensee, in the Site/Utilities & Off Site Improvement comment, provided a comment "There is no public sewer available to the subject and it would not be feasible to connect to." According to the City, public sewer is available and a property owner is required to connect to the public sewer. Licensee, in the HUD Data Plate section, indicated the HUD Data Plate/Compliance Certificate and HUD Certification Label were attached to the dwelling. The manufactured home was a proposed construction and not yet built/installed. Licensee, in the HUD Data Plate section, stated the date of manufacture as 2011, when the manufactured home dealer's invoice has the manufactured home as 2010. It is unclear how a 2010 model home would be manufactured in 2011. Licensee, in the Improvements/Exterior Description/Materials/Condition and Interior Description/Materials/Condition section, stated the condition of the materials as good, when the manufactured home was a proposed construction. Licensee, in the Improvements section, indicated the home was on a permanent foundation, the towing hitch, wheels and axles had been removed and the home was permanently connected to a

septic tank or sewage system and other utilities, when the home was a proposed land and manufactured home package with the home not being delivered and set up at the time of the appraisal. Licensee, in the Sales Comparison Approach, provided information on the comparable properties offered for sale and comparable properties sold within the past twelve months within the subject neighborhood. The information provided was not credible and was misleading due to Licensee failed to have access to the necessary and appropriate data sources to provide accurate and credible information. Licensee, in the Sales Comparison Approach/Analysis/Comments (Comparable #4 addendum) and Summary of Sales Comparison Approach sections, provided comments of the comparables being considered the most recent, similar closed sales in the subject market area. Comparable #3 was a site built/stick built home and not a manufactured home similar to the Subject. Comparable #4 was located approximately 50 miles (according to the appraisal report) to the west in a completely different market area. Licensee, on URAR page 6 of 7 #8, certified to not using comparables sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land. Licensee used land/manufactured home packages as sales for Comparable #1 and #2, which were not exposed to the real estate market as a single unit. In the Supplemental Addendum section, Licensee stated FMLS as the source of the active listings shown within the appraisal report. According to Licensee, FMLS was a typo error that should have been just MLS. Licensee failed to provide active listings within the appraisal report, which resulted in the comment not being accurate. Licensee, in the Market Condition Addendum, indicated the analysis of the overall trend as stable with median comparable sales days on market, median comparable list price and median sale price as % of list price being also indicated as declining. Licensee failed to indicate a clear and accurate analysis when both stable and declining was indicated. Licensee, in the Market Condition Addendum section, stated n/a in the grid section of the inventory analysis. Licensee stated stable and/or declining in the overall trend section. It is not clear as to how Licensee could arrive at a credible analysis of the overall trend, when no data was available to be analyzed. Licensee, in the Subject/City section, Sales Comparison Approach/Subject/Address section and elsewhere within the appraisal report, stated the city mailing address of the Subject property. Licensee failed to provide information to the intended user/reader the Subject was physically located within the city limits of another city. Licensee, in the Neighborhood/Present Land Use %, stated 60% other present land use but failed to provide information as to the actual present use of the land. Licensee, in the Site/Dimensions section, provided a comment "see survey" for site dimensions when no survey was provided within the appraisal report. Licensee, in the Site/View section, stated the view as street and failed to provide the other view, which was residential, and vacant/unimproved (woods, open area). Licensee, in the Site/Off-site Improvements/Alley section, provided information of a private ingress and egress easement for a driveway. Licensee failed to provide an analysis of the private ingress and egress easement for the Subject within the appraisal report. Licensee, in the Cost Approach/Source of Cost Data section, stated the source of the cost data was Marshall and Swift. According to Licensee, Home Depot was also used as a source of cost data. Licensee failed to state Home Depot as a source of cost data and provide this information for the lender/client to replicate the cost figures and calculations for the Cost Approach. In the Sales Comparison Approach/Data Source(s) section, used the term "Lender closed" as the data source for Comparable #1 and #2 which does not provide information as to "which" lender closed the loan and provided the sales data information to Licensee. Licensee, in the Sales Comparison Approach/Verification Source(s) section, stated "Field" as the verification source. The term "Field" does not provide a source or the manner by which the sales information was verified. Licensee, in the Sales Comparison Approach/Prior Sale-Transfer History section, stated current, which does not provide

the actual effective date of the data source used to verify the prior sale/transfer history of the Subject and comparables. Licensee, in the Sales Comparison Approach/Comparable #4/Actual Age section, adjusted \$2,000 for Comparable #4 having an actual age of 17 years and the Subject being new construction. Licensee failed to provide information, within the appraisal report, to support the \$2,000 adjustment for the 17-year difference in the manufactured homes. Licensee, in the Comparable Photo Addendum/Comparable #4 section, provided a MLS photo of the comparable and failed to provide information to explain the photo was a MLS photo not taken by Licensee. Licensee, in the Comparable Photo Addendum/Comparable #4 section, failed to provide a photo of the comparable taken by the appraiser to provide evidence of an exterior inspection of the comparable at the time of the appraisal. Licensee, in the Location Map addendum, failed to provide a street level map where the actual location of the Subject and comparables would be identifiable to the intended user of the appraisal report. Licensee stated the intended use is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction and failed to state the additional use is to support FHA's decision to provide mortgage insurance for the transaction.

AB 11-19 On July 12, 2012, the Board approved a Consent Settlement Order in the case of Certified Residential appraiser **Dennis G. Franklin (R00601)** for violations in the preparation of a residential appraisal report. Franklin agreed to pay an administrative fine of \$1050 and that the Board would issue a public reprimand. The violations are: Effective age of 10 years not supported by the report. Age of comparable sales #1 and #2 were stated in a range. The indicated value by the Cost Approach that was contained in the Reconciliation was site value only. Licensee had no market data or other documentation to support adjustments made to comparables in the Sales Comparison Approach to value. Licensee reported February 16, 2007 as the effective date of value when it should have been September 11, 2007. The appraiser made numerous mistakes in the report that are misleading to the reader. Comparable 1 has partially finished basement with a den, 2 bedrooms and a full bath and licensee reported it as an unfinished basement. Comparable 1 also has 1,320 square feet detached double garage/work shop while the licensee reports a 2-car garage in the basement. Comparable 3 has a 3 car attached garage while the licensee shows a 2 car attached garage. Comparable 3 has a detached 429 SF pavilion with storage and the licensee does not mention the pavilion. Listing 2 included a mini lake lot for access to Logan Martin Lake, and licensee does not mention the mini lot. Listing 2 residence has 1,779 SF and licensee utilized 1,576 SF. Listing 3 has a 2-car detached garage with 1,152 SF bonus room, bathroom and a washer/dryer hook-up and the licensee reports a 2-car attached garage. Listing 3 has a 384 SF barn with loft and lean-to and licensee did not report barn in his analysis. Listing 3 has a gas log fireplace and licensee states no fireplace. There were several sales available that the licensee could have considered that were more similar and comparable to the subject property than comparables utilized by the licensee. Licensee reported a prior sale for the subject property for \$188,000 but did not analyze the sale. By reporting an effective date of February 16, 2007 when it should have been September 11, 2007, the comparable sales used in the appraisal took place after the effective date. Licensee reports that the subject is in average condition and does not mention any remodeling or up-dating and stated the subject residence had an actual age of 36 years but an effective age of 15 years. There is no support for the effective age. Licensee had no market data or other documentation to support adjustments made to comparables.

AB 11-37 On July 12, 2012, the Board approved a Consent Settlement Order in the case of **Herbert Bradford**, Certified Residential (**R00038**) for violations in the preparation of a residential

appraisal report. Bradford agreed to pay an administrative fine of \$500. The violations are: Licensee included site improvements (storage building and fence) within the total estimate of cost new. In the Site/Dimensions & Shape section, dimensions and shape information did not explain the irregular shaped lot. Licensee, in the Exterior Description/Materials-Condition section, provided the type of exterior building materials but failed to provide the condition of the building materials. In the Sales Comparison Approach/Room Count section, failed to provide an analysis when the total room count or bedroom count of the comparables were different than the Subject or provide a reason for the lack of an analysis. In the Sales Comparison Approach/Energy Efficient Items section, stated Typical without further comment. In the Cost Approach/Site Value section, provided the method used to develop the opinion of site value but failed to provide the information used to develop the site value. Licensee omitted the analysis of the “as is” value of the site improvements in the Cost Approach.

AB 11-44 On July 12, 2012, the Board approved a Consent Settlement Order in the case of **George Brannum (R00354)**. Brannum agreed to a twelve-month suspension, which is stayed, and he is on probation for a period of twelve months. Brannum will also pay an administrative fine of \$500. Brannum may not supervise any appraiser during the probationary period. These alleged violations are more specifically as follows: Licensee submitted an altered declaration page for errors and omissions insurance coverage and submitted the same to LSI as evidence of coverage for real estate appraiser’s errors and omission insurance. The copy of the declaration page provided was not from a valid insurance policy/coverage for the time period represented within the declaration page. LSI’s audit of appraisers’ E&O coverage revealed Licensee did not provide a renewal of E&O coverage, which is a requirement to be on LSI’s approved appraisers’ panel. LSI requested evidence of coverage from Licensee and when LSI attempted to verify coverage with the agent, it discovered that the declaration page provided by the Licensee was not valid from the insurance company.

AB 11-55 On July 12, 2012, the Board approved a Consent Settlement Order in the case of **Adria Bradford**, Certified Residential appraiser (**R01170**). The terms of the Consent Settlement Order are that Licensee must complete a 15-hour course with exam on the residential cost approach. The violations are: Licensee included site improvements (storage building and fence) within the total estimate of cost new. In the Site/Dimensions & Shape section, dimensions and shape information did not explain the irregular shaped lot. Licensee, in the Exterior Description/Materials-Condition section, provided the type of exterior building materials but failed to provide the condition of the building materials. In the Sales Comparison Approach/Room Count section, failed to provide an analysis when the total room count or bedroom count of the comparables were different than the Subject or provide a reason for the lack of an analysis. In the Sales Comparison Approach/Energy Efficient Items section, stated Typical without further comment. In the Cost Approach/Site Value section, provided the method used to develop the opinion of site value but failed to provide the information used to develop the site value. Licensee omitted the analysis of the “as is” value of the site improvements in the Cost Approach.

AB 10-61, AB 10-62, AB 10-63, AB 10-64 On September 20, 2012, the Board adopted the recommendations of the Administrative Law Judge and suspended the license of **Cleabron Pullum** for six (6) months. Pullum also must attend training on safeguarding his electronic signature and USPAP. The violations are: Respondent failed to use due care to safeguard his electronic signature. Respondent communicated a misleading report, did not use recognized methods and techniques in the development of the report, failed to analyze all information necessary for credible

assignment results in the preparation of the Sales Comparison Approach and communicated the analysis and opinions in a misleading manner.

AB 11-32 On September 20, 2012, the Board approved a Consent Settlement Order for a private reprimand of a Certified Residential appraiser. Licensee agreed to pay an administrative fine of \$1500. The violations are: The Licensee certified that he conducted interior and exterior inspections of the subject and did not. Licensee relied on the measurements made by the Trainee appraiser, which were incorrect. This resulted in an understatement of the GLA of the subject by approximately 250 square feet. Licensee reported the subject property was rectangular when it was irregular, that there was an in ground pool when there was not, that the driveway was gravel when it was concrete, that there was 1,183 square feet of basement when there was none.

AB 11-43 On September 20, 2012, the Board approved a Consent Settlement Order and ordered a private reprimand to a certified residential appraiser. Licensee must also pay a \$250 administrative fine and attend a 7-hour USPAP course within 30 days. The USPAP course cannot be counted for Continuing Education purposes. These violations are as follows: Licensee made substantial location adjustments for floor location in this condominium appraisal. While an adjustment is indicated from the sales data, licensee adjusted inconsistently for comps located in the same condominium and provided no data to back up the adjustments in the work file.

AB 11-51 On September 20, 2012, the Board approved a Consent Settlement Order suspending the license of **Gail D. Carnes**, Certified Residential appraiser **R00057** for three (3) months. Two months of the suspension are stayed. Licensee must pay an administrative fine of \$1650. The violations are: Licensee communicated a misleading appraisal. There were so many errors in the development of the Sales Comparison and Cost Approach that the value opinion was not credible. Licensee failed to perform the necessary research for the appraisal to be credible. Licensee failed to retain a "true copy" of the appraisal report in the work file. Licensee's copy of the appraisal report was not a "true copy" of the appraisal report on file with the lender/client. The workshop and greenhouses were not analyzed as part of the amenities in the Cost or Sales approaches. The sale/transfer history of the Subject and comparables was verified using outdated data (*Appraisal dated April 2008 and data source date dated September 2007*). The Cost Approach was developed with outdated cost data (*Appraisal dated April, 2008 and cost data current as of September 2007*). The front porch was not included in the Cost Approach. Physical depreciation was inaccurate because it was calculated from values where Licensee had made the significant errors, including those listed above. Licensee did not consider that the comparables were located in areas superior to the Subject. Licensee did not consider the inferior view of the subject. Quality of construction contained a description of the exterior siding instead of an analysis of the quality. Licensee did not consider Comparable #3's full unfinished basement. Licensee failed to develop a credible opinion of site value with appropriate method and technique and supported data in the Cost Approach. The physical depreciation was based on a non-credible effective age and an estimate of cost new that was non-credible. In the Neighborhood/Built Up section of the report, Licensee indicated the build up was 25%-75%, which was not consistent with the percentage reported in the Neighborhood/Percent Land Use % section. The neighborhood is described as an area of north central Alabama and not a description of the subject neighborhood. Site/Area is inaccurate. Zoning is reported as Residential and legal when the Subject is located in an area of the county that does not have zoning regulations. Licensee did not report that a portion of the site is within a FEMA special flood hazard area. Licensee described remodeling as completed when the workfile does not support

that the work was finished. A comment on a photograph of the den explains that remodeling is in progress with workers present at time of the inspection. The volume of properties offered for sale and comparable sales were misrepresented. The address of Comparable #2 is incorrect. The date of sale for Comparable #4 is incorrect. Licensee stated the pending date and not the sold date. In the Sale/Transfer History section, prior sales/transfers are indicated and in the sales grid Licensee states there were no sales/transfers of the subject. Real estate taxes and special assessments are reported as unknown and the census tract as n/a. The predominant price of homes in the neighborhood is reported as \$125,000 and the value opinion for Subject is \$170,000. There is no analysis to indicate Licensee considered that the Subject was overbuilt. Effective age is reported as 2 years for a 37 year old structure. There is not support in the report for the effective age. The Photograph Addendum contained MLS photos without disclosing the fact. Licensee omitted the workshop, green-house and 2 car storage area from the building sketch. Licensee failed to state the reason for the exclusion of the Income Approach.

Letters of Warning were issued on the following investigations for the discrepancies indicated. Licensees are also assessed a \$250 administrative fine. This disciplinary action will be considered in any future discipline proceedings:

AB 11-31 To a Certified Residential appraiser for a residential appraisal where the following violation was cited: Effective age of 15 years for an 84-year-old residence was not supported by the report. Tax records are not an acceptable method of estimating site value even though extraction method was also used.

AB 11-35 To a Florida appraiser for a commercial appraisal report where the violations are as follows: Licensee failed to properly license as a real property appraiser in the State of Alabama prior to appraisal of Alabama real property. The temporary permit license application was received after completion of the appraisal. Licensee was assessed a fine of \$500.

AB 11-67 To a Certified Residential appraiser for a residential appraisal where the following violation was cited: Effective age of 10 years not supported by the report. Age of comparables sales #1 and #2 were stated in a range. There is no discussion about the lack of adjustment for total room count between the subject and comparables. The indicated value by the Cost Approach that was contained in the Reconciliation was site value only.

AB 12-07 To a Certified Residential appraiser for a residential appraisal where the following violation was cited: Details of waterfront and related amenities were not disclosed and there were small, careless errors that affected the credibility of the report.

AB 12-09 To a Certified Residential appraiser for a residential appraisal where the following violation was cited: The garage is inappropriately allocated as living area and the report is possibly misleading.

AB 12-14 To a Certified Residential appraiser for a residential appraisal where the following violation was cited: There is a lack of explanation of depreciation elements; there is inaccurate information throughout the report; there is inaccurate reporting and allocation of adjustments; and there is a lack of overall support for the opinions.

******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.

IMPORTANT E-MAIL ADDRESS NOTICE

In an effort to cut agency costs the Board office is now attempting to send all (newsletters, board notices, etc.) correspondence via e-mail. It is extremely important that we have correct e-mail addresses for all appraisers to assure all information is received in a timely manner.

Please submit your correct e-mail address IMMEDIATELY to Carolyn Greene, Executive Secretary. You can e-mail this information to Mrs. Greene at Carolyn.greene@reab.alabama.gov.

COLISEUM BOULEVARD PLUME (CBP), MONTGOMERY, ALABAMA

The Alabama Department of Transportation, Bureau of Materials and Tests, maintains a database of properties included in the Coliseum Boulevard Plume located in North Montgomery. The properties included in the plume are subject to recorded environmental covenants which contain a permanent restriction that prohibits access and use of the groundwater without approval of ALDOT.

If you are appraising a property located within the plume and have questions, you may visit the Coliseum Boulevard Plume website at www.coliseumboulevardplume.com, call the CBP 24-Hour information line (334-353-6635), email to cbpinfo@dot.state.al.us or contact Buddy Cox with ALDOT at 334-206-2201 or Ashley Mastin with ADEM at (334) 206-2201.

If you would like to receive notices from the CBP, you may call the CBP Program Administrator at (866) 488-1126 to be added to the mailing list.

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

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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: _____	