

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
July 28, 2022

MEMBERS PRESENT:

Mr. Roger Ball (Chairman)
Mr. Mark Haller (Vice-Chairman)
Mr. Chad Anderson
Mr. Richard D. Pettey
Mr. Robert Butler
Mrs. Melanie Housh

MEMBERS ABSENT:

Mr. Drew Watson
Mr. Billy Cotter

OTHERS PRESENT:

Mrs. Lisa Brooks, Executive Director
Ms. Neva Conway, Legal Counsel
Mrs. Carolyn Greene, Executive Secretary
Mr. Jimmy Green, Investigator
Mr. Sam Davis Investigator

GUESTS PRESENT:

Mr. Matt Bledsoe, Assistant Attorney General
Mr. Casey Cleveland, Trainee Real Property Appraiser

- 1.0 Mr. Roger Ball, Chairman, called the meeting to order at 9:04 a.m. Mrs. Carolyn Greene, Executive Secretary, recorded the minutes. The meeting was held in the 3rd Floor Conference Room of the RSA Union Building, 100 N. Union Street, Montgomery, Alabama. Prior notice of the meeting was posted on the Secretary of State's website on November 18, 2021, and revised on May 26, 2022, in accordance with the Alabama Open Meetings Act.
- 2.0 The meeting was opened with prayer, led by Mr. Butler, and the Pledge of Allegiance, led by Mr. Pettey.
- 3.0 Mr. Ball asked Mrs. Greene to call a voice roll to establish a quorum. Board members present were Mr. Roger Ball, Mr. Mark Haller, Mr. Rick Pettey, Mr. Robert Butler, Mrs. Melanie Housh, and Mr. Chad Anderson. A quorum was established. Board members absent were Mr. Drew Watson and Mr. Billy Cotter.

4.0 On motion by Mr. Butler and second by Mr. Haller, the regular minutes for May 26, 2022, were approved as written. Motion carried by unanimous vote.

On motion by Mr. Haller and second by Mrs. Housh, at 9:07 a.m., the Board entered Executive Session to deliberate on the contested hearing for Judith Haney, AB-20-10. Motion carried by unanimous vote. Board members voting in favor were Mr. Ball, Mr. Pettey, Mr. Butler, Mrs. Housh, and Mr. Haller. Mr. Anderson recused. Mr. Ball announced that the Board will reconvene at approximately 10:00 a.m.

On motion by Mr. Haller and second by Mrs. Housh, the Board reconvened the Regular Session at 10:49 a.m. Board members in favor of the motion were Mrs. Housh, Mr. Haller, Mr. Pettey, Mr. Butler, and Mr. Ball. Mr. Anderson recused. Motion carried by unanimous vote.

With Mr. Anderson recusing, on motion by Mrs. Housh and second by Mr. Haller, the Board voted to adopt the Findings of Fact and Conclusions of Law recommended by the Administrative Law Judge. Board members in favor of the motion were Mrs. Housh, Mr. Haller, Mr. Pettey, Mr. Butler, and Mr. Ball. Motion carried by unanimous vote.

With Mr. Anderson recusing, on motion by Mr. Pettey and second by Mr. Butler, the Board voted to issue a Private Reprimand in the case of AB-20-10. Those in favor of the motion were Mr. Pettey, Mr. Butler, and Mr. Haller. Mrs. Housh and Mr. Ball opposed the motion. Motion carried.

5.0 Ms. Conway informed the Board that the Board of Adjustment had dismissed the claims filed by Mr. Brian Rice regarding an appraisal done on his property because the Statute of Limitations had run out.

6.0 Ms. Conway stated that there is no Legislative Report.

7.0 On motion by Mr. Anderson and second by Mr. Haller, the following applications were voted on as listed. Motion Carried by unanimous vote.

7.1 **Trainee Real Property Appraiser applications approved:** Russell Leland Berger, Matthew Lawson Davis, Grant Aubrey Dickey, Trevor Zane Lambert, Robert Walker Naves, and Ronald Curtis Vaughn. **Applications approved:** None. **Applications denied:** None.

Trainee Real Property Appraiser Experience Logs for Review: Logs approved: Greg Fanin, Mary Elizabeth Haigler, Stephen Miner, Brian Richards, Brad Spurlin and Brayden Wiggins. **Logs deferred:** Colby-Win Beasley, Joseph Cialoni, Ben Fikes, C. Brooke Lanier, Heidi Newton, Britany Tyree and Haleigh Wright. **Logs denied:** None.

7.2 **State Registered Real Property Appraiser applications approved:** None. **Applications deferred:** None. **Applications denied:** None.

- 7.3 **Licensed Real Property Appraiser applications approved:** None.
Applications deferred: None. **Applications denied:** None.
- 7.4 **Certified Residential Real Property Appraiser applications approved:**
James Thomas DiCicco (Recip)(GA), Gary Allen Phillips (Recip)(MO),
Holli G. Revell (Recip)(TX), M. Diane Schmidt (Recip)(KS), and Bart A.
Teracino (Recip)(FL). **Applications deferred:** Joseph Campbell, Casey
Cleveland, and Dillan Layton. **Applications denied:** None.
- 7.5 **Certified General Real Property Appraiser applications approved:**
Robert (Bo) Brawner, Timothy Michael Landolt (Recip)(CA), Daniel
Joseph Maher (Recip)(TX), Brian Michael McGovern (Recip)(OH),
Catherine Laird Gilmour McIver (Recip)(LA), Rhonda Pickett, David
Leonard Roberts (Recip)(CA), David W. Ross (Recip)(OH), and Ross J.
Wigon (Recip)(NY). **Applications deferred:** Rhonda Pickett.
Applications denied: None.
- 7.6 **Mentor applications approved:** Clayton H. Brooks, and Gregory Wayne
Easter. **Applications deferred:** None. **Applications denied:** None.
- 8.0 Mr. Pettey presented the Finance reports for May 2021-2022 and June
2021-2022. Mr. Pettey stated that the Board was 75% into Fiscal Year
2022 and 59% into budget expenditures for June. Mr. Pettey stated that
there were no negative trends that could not be reconciled at this time.
- On motion by Mr. Anderson and second by Mr. Haller, the Board voted to
approve the Finance Report. Motion carried by unanimous vote.
- 9.0 On motion by Mrs. Housh and second by Mr. Butler, the following
education courses and instructor recommendations on the May Education
agenda were approved, deferred, or denied as indicated. Motion carried
by unanimous vote.

APPRAISAL INSTITUTE – ALABAMA/MISSISSIPPI CHAPTER

New Application:

- (CE) Conservation Easements: 2022 Updates on Legal, Appraisal,
Accounting and Ethical Issues – 5 Hours – Classroom
(Instructors: Katherine Eddins, David Aughtry, Russell Rogers,
Stephanie Surles, Kathryn Morse and Michael Odom)
Both Course and Instructors Approved

APPRAISAL INSTITUTE – CHICAGO

New Application:

- (LIC) Real Estate Finance, Statistics, and Valuation Modeling
Synchronous – 15 Hours – Online
(Instructor: Ken Foltz)
Both Course and Instructor Approved

10.0

AB-20-22 On May 26, 2022, the Board approved a Consent Settlement Order with a Certified General Real Property Appraiser on a commercial appraisal report. The appraiser agreed to a private reprimand, to pay an administrative fine of \$1,375.00 and to complete a 15-hour USPAP course with proctored exam. The violations in the report were: In the sales comparison approach, Licensee utilized sales of property that do not appear to be arms-length transactions. The properties were purchased by a government entity or its agent for redevelopment. Most of the sales were improved properties that that were not on the market. A search of the market revealed that there were other vacant land sales closer in proximity and more comparable to the subject property with sales prices significantly less than the sales used by Licensee. It was also noted that the licensee ignored at least five sales of vacant commercial land tracts that sold in the time period of this assignment for a much lower value than the licensee's opinion of value. The licensee also used a direct sales approach to take sales of improved commercial properties that were not similar to the subject property and without support, valued the land and subtracted this land value from the sales price to arrive at a contributory value of the improvements and then without support, apply a value to the subjects' improvements which was then added to the inflated site value to arrive at the opinion of value. The licensee also utilized an income approach to value but did not follow accepted appraisal practices to develop the opinion of value. The licensee utilized rental data from the client without supporting documentation as the basis of potential gross income. Licensee did not do the research and analysis of comparable income and expenses to use in his estimate of potential gross income and expenses and Licensee had no comparable data to use in his estimate of potential gross income and expenses which makes this opinion non-credible or not worthy of belief. The licensee did not correctly employ the recognized the method and technique of the sales comparison approach. Licensee utilized sales that did not meet his definition of market transactions. These sales were purchases by a government or their agent for redevelopment and due to the motivation of the buyer, (government wanting property for redevelopment) and the condition of the sales, (property not exposed on the market by owner for a reasonable time, and government's eminent domain powers) these factors were not in the Licensee's definition of market transactions. Licensee had no support in using these sales. This makes the sales comparison approach non-credible due to lack of support. The licensee also utilized an income approach to value but did not follow accepted appraisal practices to develop his opinion of value. The licensee utilized rental data from the client without supporting documentation to base his potential gross income on. Licensee had no comparable data to use in his estimate of potential gross income and expenses which makes this approach non-credible, not worthy of belief. Licensee made at least 12 errors from misstating the type of appraisal being performed, the type of appraisal report produced, to inaccurate proximity of comparable sales to the subject property. Licensee states in the Scope of Work section of the report that Market data was researched and analyzed but there was no support for the adjustments made in the sales comparison approach to value and the report does not contain data to support the statement that

market date was researched fully. There was no summary of the information analyzed and the reasoning that supports the analyses, opinions, and conclusions in the report. **Violations: Ethics Rule, Conduct; Scope of Work Rule, Standards Rules 1-1(a), 1-1(b), 1-1(c), 1-4(a), 1-4(c)(i), 1-4(c)(ii), 2-1 (a), 2-2 (a)(vii), 2-2(a)(viii), USPAP 2018-19 Edition.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board that 8 new Appraiser complaints and no new Appraisal Management Company (AMC) complaints were received since the May 2022 Board meeting, 13 complaints were dismissed, and 1 complaint was settled, leaving a total of 54 open complaints.

11.0 The Board reviewed Probable Cause Report **AB-21-10**: With Mr. Haller recusing, on motion by Mr. Anderson and second by Mrs. Housh, the Board voted that probable cause does not exist and to issue a Letter of Counsel. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-28**: With Mr. Haller recusing, on motion by Mr. Butler and second by Mrs. Housh, the Board voted that probable cause does not exist and to issue a Letter of Counsel. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-33**: With Mr. Anderson and Mrs. Housh recusing, on motion by Mr. Butler and second by Mr. Pettey the Board voted that probable cause does not exist and to issue a Letter of Counsel. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-22-12**: With Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Pettey, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-22-13**: With Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Pettey, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-22-15**: With Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Pettey, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-22-17**: With Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Pettey, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

12.0 The Board reviewed the Consent Settlement Order on **AB-21-09**. The Consent Settlement Order was carried over to the September Board meeting.

13.0 The following reciprocal licenses were issued since the March Board meeting: Jay Thomas DiCicco ('R' GA), Timothy Michael Landolt ('G' CA), Daniel Joseph Maher ('G' TX), Brian Michael McGovern ('G' OH), Catherine Laird Gilmour McIver ('G' LA), Gary Alen Phillips ('R' MO), Holli Georgeanne Revell ('R' TX), David Leonard Roberts ('G' CA), David W. Ross ('G' OH), M. Diane Schmidt ('R' KS), Bart A. Teracino ('R' FL), and Ross J. Wigon ('G' NY).

14.0 The Temporary Permit report was provided to the Board for their information.

15.0 The Appraisal Management report was provided to the Board for their information.

16.0 Mrs. Brooks presented an email from Ms. Lynette Arnold requesting guidance on recording Trainee experience. The Experience/Education Committee will meet in September to discuss this.

Mrs. Brooks discussed a memorandum from Kathleen D. Baxter, State Comptroller, announcing that the travel mileage rate for 2022 increased to 62.5 cents per mile.

Mrs. Brooks presented, for Board information, an email forwarded by Mr. Pettey, from Mr. Pledger M. (Jody) Bishop, Appraisal Institute President. The email discussed a draft bill to establish an independent agency to be known as the Federal Valuation Agency and Real Estate Valuation Standards and Appraiser Criteria, including promoting a fair, unbiased, transparent, repeatable valuation process, and for other purposes, which was noticed as part of an oversight hearing held July 20 in the House Financial Services Committee.

Mr. Ball discussed a letter from the Board to State Personnel requesting a pay increase for Mrs. Lisa Brooks. On motion by Mr. Butler and second by Mr. Anderson, the Board voted to approve this pay increase. Board members in favor of the motion were Mr. Butler, Mr. Anderson, and Mrs. Housh. Board members voting against the motion were Mr. Pettey and Mr. Haller. Motion carried. Mr. Pettey asked for a review of other similarly sized agencies director's salaries. Mrs. Brooks and Ms. Conway will research and report back to the Board.

Mrs. Brooks presented an email from Ms. Aida Dedajic of the Appraisal Foundation, offering to have an AQB or Foundation staff member attend a Board meeting to present on PAREA.

The Board discussed the Fall AARO conference.

Mr. Ball presented an email from Ms. Brandy March, with the Association of Appraisal Regulatory Officials, announcing Mr. Anderson's selection as a panel member for the upcoming Fall 2022 AARO conference. The panel's presentation will be on Appraisal Professionalism & USPAP.

17.0 Mr. Anderson informed the Board that he had reached out to the University of South Alabama regarding a course on fair housing and holding a Board meeting in one of their Facilities. He will contact USA when the Board selects a date for the meeting. Dr. Cummings from the university has offered to present fair housing material.

The Board discussed proposed changes to 780-X-9, and the Appraisal Experience/Discipline Committee will take these proposed amendments up at the September committee meeting.

The Board discussed granting experience credit for hybrid appraisals. Ms. Conway will add this topic to the September Appraisal Experience/Discipline Committee agenda.

The Board discussed an article entitled "Appraisers Should Voluntarily Follow ANSI for Desktops?" Mr. Anderson suggested the Board adopt a rule like the Mississippi Board's requirement that the method of measurement be listed in the appraisal. Ms. Conway advised the Board that it has the authority to adopt appraisal standards, so it could adopt this requirement.

The Board discussed a Bias Training course.

18.0 Ms. Conway opened nominations for the Chairman position at 12:30 p.m. Mr. Haller asked that he not be considered for the Chairman position. Mr. Pettey made a motion for Mr. Ball to remain Chairman. Mr. Haller seconded the motion. Hearing no further nominations, Ms. Conway closed the nominations at 12:35 p.m. and called for a vote for Chairman. The Board voted to re-elect Mr. Ball as Chairman by unanimous vote.

Ms. Conway opened nominations for the Vice-Chairman position at 12:40 p.m. Mr. Pettey nominated Mr. Anderson for Vice-Chairman. Mr. Haller seconded the motion. Hearing no further nominations, Ms. Conway closed the nominations at 12:41 p.m. and called for a vote for Vice-Chairman. The Board voted to elect Mr. Anderson as Vice-Chairman by unanimous vote.

19.0 At 12:44 p.m., on motion by Mr. Haller and second by Mrs. Housh, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative remaining meeting schedule for 2022 is September 15th and November 17th, held in the RSA Union 3rd Floor Conference Room, 100 Union Street, Montgomery, AL 36104.

Sincerely,



Carolyn Greene
Executive Secretary
/cg

APPROVED:



Roger Ball, Chairman