

MINUTES
ALABAMA REAL ESTATE APPRAISERS BOARD
RSA UNION STREET
SUITE 370
MONTGOMERY, AL 36104
September 22, 2022

MEMBERS PRESENT:

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

MEMBERS ABSENT:

None

OTHERS PRESENT:

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

STAFF ABSENT:

Mr. Sam Davis, Investigator

GUESTS PRESENT:

Mr. Casey Cleveland, Trainee Real Property Appraiser
Mr. Chance Wood, Trainee Real Property Appraiser

- 1.0 Mr. Roger Ball, Chairman, called the meeting to order at 9:05 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 August 30, 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, Mr. Chad Anderson, Mr. Drew Watson, and Mr. Billy Cotter. A quorum was established. There were no members absent.
- 4.0 On motion by Mr. Butler and second by Mrs. Housh, the regular minutes for July 28, 2022, were approved as written. Motion carried by unanimous vote.
- 5.0 Ms. Conway reported that there is no Pending Litigation to discuss.
- 6.0 Ms. Conway reported that there is no Legislative Report.
- 7.0 The Board discussed Mr. Otis Stewart's application.
- On motion by Mr. Cotter and second by Mr. Butler, the following applications were voted on as listed. Mr. Watson recused from the vote. Motion Carried.
- 7.1 **Trainee Real Property Appraiser applications approved:** James R. Baker, Dennis Palmer Byrne, Jeremy Matthew Collins, Whitney B. Ford, Amanda Franklin, and Christopher Andrew Hamby. **Applications approved:** None. **Applications denied:** None.
- Trainee Real Property Appraiser Experience Logs for Review:** **Logs approved:** Joseph Isidoro Cialoni, Ben Fikes, John Gibbons, Zayin Lake, C. Brooke Lanier, Heidi Newton, Britany Tyree and Haleigh Wright. **Logs deferred:** Colby-Win Beasley, Joseph Beaty, Ashton Fowler, Ramsey Griffin, James Jay, Ginger Macleod, David Zachary Mazzei, Michael Major Murphree, Tyler Parr, Joshua Robinson, and Thomas Schneider. **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:** Zachary Steelman and Otis Stewart. **Applications deferred:** None. **Applications denied:** None.
- 7.4 **Certified Residential Real Property Appraiser applications approved:** Joseph A. Campbell, Casey Jordan Cleveland, Dillan Layton, Brian Richards, William Brad Spurlin and Chance Wood. **Applications deferred:** None. **Applications denied:** None.
- 7.5 **Certified General Real Property Appraiser applications approved:** Alex McElroy. **Applications deferred:** None. **Applications denied:** None.

7.6 **Mentor applications approved:** Denson Helms, and Charlotte Williamson. **Applications deferred:** None. **Applications denied:** None.

8.0 Mrs. Brooks presented the Finance reports for July 2021-2022 and August 2021-2022. Mrs. Brooks reported that the Board was 92% into Fiscal Year 2022 and 69% into budget expenditures for August and that there were no negative trends that could not be reconciled at this time.

On motion by Mr. Pettey and second by Mrs. Housh, the Board voted to approve the Finance Report. Motion carried by unanimous vote.

9.0 On motion by Mr. Pettey and second by Mr. Butler, the following education courses and instructor recommendations on the September Education agenda were approved, deferred, or denied as indicated. Motion carried by unanimous vote.

SEE ATTACHED EDUCATION COMMITTEE REPORT

10.0 **AB-20-10** On July 28, 2022, the Board considered the Recommendation of the Administrative Law Judge from a hearing on February 14, 2022, in the case of Judith E. Haney, Certified Residential Real Property Appraiser R00660. After considering the Recommendation and the evidence in the case, the Board issued a private reprimand for the following:

"The respondent made a dollar-for-dollar adjustment for sales concessions which is not in accordance with FHA guidelines. Adjustments to the comparable sales must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs, which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions." in violation of Code of Alabama (1975), §34-27A-20 (a)(6) through (8) and USPAP.

The appraiser shall "not render appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal in the aggregate affects the credibility of those results. USPAP Standards Rule 1-l(c). Ms. Haney did not use due diligence nor due care in her rendering of the appraisal services. Accordingly, Ms. Haney is in violation of Code of Alabama (1975), §34-27A-23 which states that "a licensed real estate appraiser shall comply with the current Uniform Standards of Professional Appraisal Practice approved by the board."

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 21-03: The appraiser does not appropriately analyze or address the four criteria relative to the highest and best use of the property. The highest and best use should contain a more thorough explanation. There is no consistency nor support in the application of the fireplace adjustment in the Sales Comparison Approach. The appraiser has indicated MVS as the source of the cost for the improvements. However, there is no support in the appraisal or work file. More explanation supporting the reconciled final estimate of value is needed. The appraisal lacks discussion and explanation for adjustments as well as support and reasoning for the reconciled final opinion of value. **Violation: SR 1-3 (b), 1-4(a), 1-4(b)(ii), and 2-2 (a)(x)(3), USPAP, 2020-21 Ed.**

AB 21-21: The report contains adjustments to the comparable sales that Licensee says are from his knowledge of the market. Licensee is required to have the data, information and documentation to back up the report in the workfile. **Violation: Record Keeping Rule, USPAP 1920-21 Ed.**

Ms. Conway discussed with the Board the investigative status charts. Ms. Conway informed the Board that 9 new Appraiser complaints and no new Appraisal Management Company (AMC) complaints were received since the July 2022 Board meeting, 9 complaints were dismissed, and 3 complaints were settled, leaving a total of 51 open complaints.

11.0 The Board reviewed Probable Cause Report **AB-15-23:** With Mr. Pettey and Mrs. Housh recusing, on motion by Mr. Anderson and second by Mr. Butler, the Board voted that probable cause does exist and set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-20-03:** With Mr. Haller and Mr. Ball recusing, on motion by Mr. Anderson and second by Mr. Pettey, the Board voted that probable cause does not exist and to offer the appraiser a Conditional Dismissal. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-13:** With Mr. Ball recusing, on motion by Mr. Pettey and second by Mr. Butler the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-14:** With Mr. Ball and Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Cotter, 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-21-16:** With Mr. Haller and Mr. Anderson recusing, on motion by Mrs. Housh and second by Mr. Cotter, 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-21-18**: With Mr. Anderson recusing, on motion by Mr. Pettey and second by Mr. Haller, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-19**: With Mr. Anderson and Mrs. Housh recusing, on motion by Mr. Haller and second by Mr. Cotter, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-22**: With Mr. Anderson recusing, on motion by Mr. Watson and second by Mr. Pettey, the Board voted that probable cause does exist and to set this case for a hearing. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-34**: With Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Cotter, the Board voted that probable cause does not exist and offer the appraiser a Conditional Dismissal. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-21-35**: With Mr. Anderson recusing, on motion by Mr. Cotter and second by Mr. Pettey, the Board voted that probable cause does exist and to issue a Letter of Warning. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-22-19**: With Mr. Anderson and Mrs. Housh recusing, on motion by Mr. Butler and second by Mr. Cotter, the Board voted that probable cause does not exist and to dismiss this case. Motion carried by unanimous vote.

AB-22-22: The Board reviewed a request for a Board Initiated Complaint. With Mr. Haller and Mr. Anderson recusing, on motion by Mrs. Housh and second by Mr. Cotter, the Board voted to open a Board-initiated complaint. Motion carried by unanimous vote.

The Board reviewed Probable Cause Report **AB-22-24**: 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-22-25**: With Mrs. Housh and Mr. Anderson recusing, on motion by Mr. Butler and second by Mr. Cotter, 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**. With Mr. Anderson recusing, on motion by Mr. Haller and second by Mr. Pettey, the Board voted to approve this Consent Settlement Order. Those in favor of the motion were Mr. Cotter, Mr. Pettey, Mrs. Housh, Mr. Watson, Mr. Ball, and Mr. Haller. Mr. Butler abstained from the vote. Motion carried.

The Board reviewed the Consent Settlement Order on **AB-21-11**. With Mr. Ball and Mr. Anderson recusing, on motion by Mr. Cotter and second by Mr. Pettey, the Board voted to approve this Consent Settlement Order. Those in favor of the motion were Mr. Cotter, Mr. Pettey, Mrs. Housh, Mr. Watson, Mr. Haller, and Mr. Butler. Motion carried by unanimous vote.

The Board reviewed the Consent Settlement Order on **AB-21-23**. With Mr. Anderson recusing, on motion by Mr. Pettey and second by Mr. Cotter, the Board voted to approve this Consent Settlement Order. Those in favor of the motion were Mr. Cotter, Mr. Pettey, Mrs. Housh, Mr. Watson, Mr. Ball, Mr. Haller, and Mr. Butler. Motion carried by unanimous vote.

13.0 There were no reciprocal licenses issued since the July Board meeting.

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 the renewal report for Board information.

Mrs. Brooks reported that the Appraisal Subcommittee will conduct an offsite assessment.

Mrs. Brooks reported that the Examiners of Public Accounts has concluded their Legal Compliance Audit on the Board, but that she has not received their report to date.

17.0 The Board discussed proposed changes to 780-X-9, Classification of Real Estate Appraisers. The Appraisal Experience/Discipline Committee recommended amendments at the committee meeting held on Wednesday, September 21st.

Mr. Watson suggested the Board research the Mississippi Parallel Appraiser Training (MPAT) program developed by Melissa Bond.

The Appraisal Experience/Discipline Committee also recommended granting experience credit for hybrid appraisals, measurement standards for appraisal reports, and hiring, or contracting with, an appraiser to review work products for experience log reviews and upgrade applications. Ms. Conway will draft proposed amendments and bring them to the Board in November.

On motion by Mr. Anderson and second by Mr. Watson, the Board voted to have Mrs. Brooks move forward with the process to hire an appraiser to review work products. Motion carried by unanimous vote.

Mr. Watson discussed the mid-point review for Trainees.

The Board discussed the Experience Handbook and on motion by Mr. Watson and second by Mr. Haller, voted for the Appraisal Experience/Discipline Committee to review and make updates to the handbook. Motion carried by unanimous vote.

18.0 Mr. Butler asked if license renewals could be changed to every two years.

Mr. Anderson asked the Board to submit any suggestions to him for discussion by the panel he is on at the upcoming Fall 2022 AARO conference. The panel's presentation will be on Appraisal Professionalism & USPAP.

19.0 At 11:19 a.m., on motion by Mr. Cotter and second by Mr. Anderson, the Board voted to adjourn the regular Board meeting. Motion carried by unanimous vote. The Board's tentative remaining meeting schedule for 2022 is 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