



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
REAL ESTATE APPRAISER COMMISSION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243-1166
615-741-1831

February 14, 2011
Second Floor Conference Room, Andrew Johnson Tower

The Tennessee Real Estate Appraiser Commission met February 14, 2011 at 8:40 a.m. in Nashville, Tennessee, at the Andrew Johnson Tower in the second floor conference room. Chairman, Thomas Carter, called the meeting to order and the following business was transacted.

COMMISSION MEMBERS PRESENT

Thomas R. Carter
Erik Sanford
James E. Wade, Jr.
Marc Headden
Nancy Point
Dr. Edward A. Baryla
William R. Flowers

COMMISSION MEMBERS ABSENT

Herbert Phillips

STAFF MEMBERS PRESENT

Nikole Avers, Administrative Director
Aminah Saunders, Staff Attorney

ADOPT AGENDA

Mr. Headden made the motion to accept the agenda and it was seconded by Ms. Point. The motion carried unopposed.

MINUTES

The January 2011 minutes were reviewed. Mr. Flowers made the motion to accept the minutes as written. It was seconded by Ms. Point. The motion carried unopposed.

GENERAL BUSINESS

Experience Interviews

Allison Michael Slater made application to upgrade from a registered trainee to become a certified general real estate appraiser. Mr. Headden was the reviewer and he recommended approval of his

experience request. Dr. Baryla made the motion to accept the recommendation and Ms. Point seconded the motion. The motion carried unopposed.

John Austin Hicks made application to upgrade from a licensee real estate appraisal to become a certified general real estate appraiser. Mr. Flowers was the reviewer and he recommended approval of his experience request. Dr. Baryla made the motion to accept the recommendation and Mr. Wade seconded the motion. The motion carried unopposed.

Robert Wayne Hunt made application to upgrade from a registered trainee to become a certified general real estate appraiser. Mr. Wade was the reviewer and he recommended approval of his experience request. Mr. Flowers made the motion to accept the recommendation and Mr. Headden seconded the motion. The motion carried unopposed.

John B Cox made application to upgrade from a registered trainee to become a certified general real estate appraiser. Ms. Point was the reviewer and she recommended approval of his experience request. Mr. Flowers made the motion to accept the recommendation and Mr. Wade seconded the motion. The motion carried unopposed.

Request for waiver of experience interview – Laura Covington

Ms. Covington attended an experience interview in January of 2010 and had her experience approved and was granted approval to take the certified residential examination. She did not pass the examination. Her prior application expired; a new application was submitted by Ms. Covington which included a request to waive a second experience interview. Dr. Baryla made a motion to approve the request to waive the experience interview. Mr. Wade seconded that motion. The motion carried unopposed.

Education Committee Report

Dr. Baryla reviewed the education and submitted his recommendation by e-mail to the Real Estate Appraiser Commission, as seen below. Ms. Avers read the recommendation into the record. Mr. Wade made a motion to accept Dr. Baryla’s recommendations. Mr. Headden seconded the motion. The motion carried unopposed.

February 2011 Education Committee Report

Course Provider	Course #	Course Name	Instructors	Hrs.	Type	Dr. Baryla
NAIFA	1452	Residential Report Skills	Mike Orman	7	CE	For
NAIFA	1453	4.6A Reviewing Residential Appraisals	Mike Orman	7	CE	For

Mckissock	1454	Relocation Appraising: New ERC Summary Appraisal Report	Dan Bradley, Wally Czekalski, Ken Guilfoyle, Charles Huntoon, Tracy Martin, Dick Mckissock, Larry Mcmillen, Steve Vehmeier, Lee Wessendorf, John Willey, Susanne Barkalow, Paul Lorenzen	7	CE	For
Career Web School, a dba of Cenage Learning	1455	Statistics Modeling and Finance	Bud Black, Mark Munizzo, Lisa Musial	14	CE	For
Mckissock	1456	On-line Appraising Manufactured Homes	Alan Simmons	7	CE	For
Greater TN Chapter of the Appraisal Institute	1457	Evaluating Commercial Construction	James C Canestaro	16	CE	For
Greater TN Chapter of the Appraisal Institute	1458	Evaluating Residential Construction	James C Canestaro	8	CE	For
Appraisal University	1460	On-line Practices and Pitfalls for the Residential Appraiser	William Pastuszek	9	CE	For
Appraisal University	1461	On-line Appraising Historic Property	Steven Spangle	7	CE	For
Appraisal University	1462	On-line Practical Application of the Cost Approach	Gregory Accetta	4	CE	For
Appraisal University	1463	On-line Retail Center Analysis for Financing	Bruce Coin	7	CE	For

Individual Course Approval

Name	File #	Provider	Course Name	Hrs	Type	Rec. from Dr. Baryla
David Wills	L 1409	International Association of Assessing Officers	IAAO Course 402- Property Tax Policy	30 + 3.5hrs exam	CE?	To approve
Albert Behnke	J. 2724	CCIM Institute-Chicago Illinois	CI-104 Investment Analysis for Commercial Investment Real Estate	43+ 4hr exam	CE	To approve

Legal Report:

The Chairman is signing orders today in the following matters regarding which prior Commission approval has been obtained:

Timothy C. Douglas (approved 01/11) – signed Consent Order imposing a seven hundred and fifty dollar (\$750.00) civil penalty and the completion of a fifteen (15) hour Site Valuation and Cost Approach course, a fifteen (15) hour Residential Report Writing Course, and a fifteen (15) hour Residential Market Analysis and Highest and Best Use course. In two (2) appraisal reports, the reviewer found that the Respondent violated Standard Rules (SR's) 1-1(a)(b) 1-2 (e)(i), 1-3 (a)(b) 1-4 (a), 1-5 (a) 2-1 (a), 2-2 (b)(ii)(iii)(viii)(ix), Ethics Rule: Recordkeeping Section, Scope of Work Rule: Work Acceptability and Scope of Work Rule: Problem Identification.

Donald W. Ellis (approved 01/10) – signed Consent Order imposing a civil penalty of two thousand five hundred dollars (\$2500.00), thirty (30) day suspension, completion of a fifteen (15) hour Site Valuation and Cost Approach course, a fifteen (15) hour USPAP course, and forty-five (45) hours of coursework in Residential Report Writing and Residential Applications and Case Studies and a one (1) year probationary period. In two (2) appraisal reports the reviewer found that the Respondent violated Standard Rules (SR's) 1-1(a)(b), 1-2(e)(1), 1-4(a), 1-5(a), 2-1(a),2-2(b)(iii) & (viii) and the Ethics Rule: Conduct Section and Recordkeeping Section. The Respondent requests that the suspension start March 29, 2011.

1. **2010031431** **There was no reviewer in this matter.**

This complaint was filed by the Administrative Staff for TREAC. The complaint alleges that the Respondent knowingly made a false or misleading statement on the application for trainee registration by failing to disclose multiple misdemeanor criminal convictions and by failing to disclose Respondent's true identity.

The Respondent states that the failure to disclose the convictions was an oversight and that in the past eighteen (18) months Respondent has had to undergo eighteen (18) major surgeries - twelve (12) of which were emergent in nature. As to the identity issue, the Respondent states that there has been an ongoing search for acceptable identification documents but due to personal circumstances those efforts have been stifled. Specifically the Respondents states that in order to provide identity documents Respondent must search through over one hundred and fifty (150) boxes. The situation was exacerbated when in September 2010 the Respondent had surgery which left Respondent unable to lift in excess of five (5) pounds. In addition, the Respondent is dealing with the emotional consequences of the death of a close family member. Respondent states that the name provided on the trainee application is Respondent's legal name.

License History: Registered Trainee 12/29/2009 to Present

Prior Complaint / Disciplinary History: None

Reasoning and Recommendation: Counsel recommends the approval of a Consent Order to resolve this complaint matter by imposing **REVOCATION** of the trainee registration pursuant to T.C.A. 62-39-308 and T.C.A. 62-39-326. The revocation would serve the dual purpose of imposing discipline for the failure to disclose the criminal convictions as well as an opportunity for the Respondent to assemble identity documentation to satisfy the Staff's concerns should Respondent reapply.

Vote: Mr. Wade made the motion to accept the recommendation and Dr. Baryla seconded the motion. The motion carried unopposed.

2. **2010035881** **There was no reviewer in this matter.**

This complaint was filed by a fellow practitioner and alleged that the Respondent offered to pay the complainant a fee to increase the value conclusion.

The Respondent states that on November 24, 2010 Respondent filed a complaint against Complainant regarding the appraisal Complainant performed on a residential property. Respondent states that it is Respondent's belief that this complaint is an act of retaliation. Respondent states that he was the listing agent for the subject property at issue and that he performed no appraisal services with regards to the property. Respondent states that he has completed in excess of fifteen hundred (1500) appraisals and has had never had a complaint filed. Respondent states that on November 3, 2010 the appraisal performed by Complainant was received and it was nineteen thousand dollars (\$19,000.00) less than the contract amount. Respondent states the buyer's agent indicated that the value seemed too low and that the comparables used seemed to have an inferior location. Respondent states that he sent the Complainant comparable sales and listing information but no response was received. Respondent states that the sellers were in the process of installing a new HVAC system and there was concern that the value was impacted by the condition of the property. Respondent asked Complainant to revisit the property and offered to pay the Respondent a "trip fee" to compensate Complainant for making a second trip to look at the property.

License History: Certified Residential RE Appraiser 03/15/2007 to Present

Prior Complaint / Disciplinary History: None.

Reasoning and Recommendation: Counsel recommends that this complaint be CLOSED due to insufficient documentary evidence to support the allegation.

Vote: Dr. Baryla made the motion to accept the recommendation and Mr. Wade seconded the motion. The motion carried unopposed.

3. **2010025392/2010025391** **Commissioner Point was the Reviewer in this matter.**

This complaint was file by a consumer and alleges that the Respondent undervalued a residential property, failed to analyze the sales contract, used inappropriate comparables and under valued the site in the appraisal of a proposed log home.

The Respondents state that he understands the frustrations of an appraisal when the value conclusion is less than a potential buyer/builder is willing to spend. The Respondent states that the proposed construction is an over improvement for the area where the median sales price has been 157K. The Respondent states that the comparables used are all log cabin properties within the same county. The Complainant suggested that Respondent used comparables from neighboring counties; however

Respondent states that the neighboring county is a superior area. The Respondent states that the Complainants view of vacant lot land sales is skewed and that the Complainant fails to understand the current market for vacant land. The Respondent states that his only interest is in providing the lender an accurate appraisal.

REVIEWER CONCLUSIONS [alleged violations included within brackets]:

- The Subject Property, Neighborhood, Site Description, Improvements and Sales Comparison Approach section of the appraisal report appear to be adequately reported.
- In the Cost Approach section the land sales data was not analyzed or provided within the report.

In the comments on the cost approach the reports states, “The estimate has been based upon the provided cost figures.” The cost approach does not have supporting comparable land sales or references to land sales. Cost approach is from estimates provided by the lending institution. [SR 2-1(a), 2-2 (b) (viii), 1-4 (b) (i)]

License History:

Respondent One (1): Certified Residential 01/12/2005 to present.

Respondent Two (2): Certified General 01/08/1992 to present.

Prior Complaint / Disciplinary History: None.

Reasoning and Recommendation: The Respondents have no disciplinary history. Commissioner Point recommends that this matter be **CLOSED** with a **LETTER OF WARNING** regarding the Standard Rule violation noted above.

Vote: Dr. Baryla made the motion to accept the recommendation and Mr. Flowers seconded the motion. The motion carried unopposed.

4. 2010025971 Chairman Carter was the Reviewer in this matter.

This complaint was filed by a consumer and alleges that the Respondent incorrectly performed his duties in appraising the subject property. The Complainant states that the Respondent refused to use comparable properties that were just across the street from the subject but instead used the lowest priced homes for comps. The Complainant states that this caused the residential property to be valued sixty thousand dollars (\$60,000.00) less than it had ever been valued in the previous eight (8) years. The Complainant states that the Respondent failed to look at the workmanship present in the home and instead based the value opinion on the measurements.

In his response to the complaint, the Respondent defended the comps used in the appraisal report and states that the devaluation of the residential property is market driven. The Respondent states that he

understands the Complainants frustration but that the applicable standards were used in the development of the appraisal report.

REVIEWER CONCLUSIONS [alleged violations included within brackets]:

- The allegations are based on numerous misconceptions about the appraisal process and the methods used to determine value. The allegations were found to be without merit.
- There were no errors or discrepancies and the appraisal report under review was found to complete and well documented. The data provided in the report was adequate and the methods and techniques used were appropriate to form an opinion of value.

License History: Licensed Residential Appraiser 10/12/2004 to Present

Prior Complaint / Disciplinary History: None.

Reasoning and Recommendation: Chairman Carter recommends **DISMISSAL** of this matter as there were no violations of TN law or USPAP noted in the review.

Vote: Mr. Wade made the motion to accept the recommendation and Mr. Flowers seconded the motion. The motion carried unopposed.

5. 2010027031 Commissioner Flowers was the Reviewer in this matter.

This complaint was filed by a consumer and alleges that the Respondent improperly inflated the value of Complainant's residential property. The Complainant states that her residential property is located in a predominately minority neighborhood that has bad schools, a low market value and the exterior of the property is synthetic stucco which has been banned in the South. The Complainant states that the Respondent used comparables from outside the area to increase the value. The Complainant states that as a result of the inflated appraisal the Complainant will have to pay more as part of a divorce settlement.

The Respondent states that she was contacted by Complainant who accused Respondent of having a personal interest in the value conclusion, specifically that the Respondent may "like" the Complainants former spouse. The Respondent states that Complainant asked Respondent to change the value opinion. As to the specific allegations, the Respondent defended the appraisal and concluded by stating that the Commission will find the report thorough and credible.

REVIEWER CONCLUSIONS [alleged violations included within brackets]:

- The allegations are without merit.

License History: Certified Residential 12/28/2006 to Present

Prior Complaint / Disciplinary History: None.

Reasoning and Recommendation: Commissioner Flower's recommends the **DISMISSAL** of this matter.

Vote: Mr. Wade made the motion to accept the recommendation and Ms. Point seconded the motion. The motion carried unopposed.

6. 2010036101 There was no reviewer in this matter.

This complaint was filed by a consumer and alleged that the Respondent failed to close the back gate after performing an appraisal. As a consequence, Complainant's dog escaped the yard and was hit by a car. The Complainant states that he attempted to contact the Respondent regarding the veterinarian bills but that the Respondent failed to return his calls. The Complainant states that he believes the Respondent's behavior in dealing with the situation has been unprofessional. Complainant states that he is most upset that the Respondent did not return his calls and it would be nice if the Respondent accepted responsibility for his actions.

The Respondent states that he observed the dog get out of the fence and immediately notified the Complainant who said not to worry that the dog would come back. Respondent next noticed the dog in the street and called the Complainant's spouse who stated that he should not worry, the dog would come back. The Respondent states that he returned the \$325.00 appraisal fee to defray veterinarian expenses.

License History: Certified Residential 03/08/1994 to Present

Prior Complaint / Disciplinary History: 200500454 Closed w/ Letter of Caution.

Reasoning and Recommendation: Counsel recommends the **DISMISSAL** of this complaint. The conduct alleged falls outside the scope of the State Licensing and Certified Real Estate Appraiser Law and the Rules promulgated there under.

Vote: Mr. Headden made the motion to accept the recommendation and Mr. Flowers seconded the motion. The motion carried unopposed.

**7. 2010031171/ 20100290131
Commissioner Wade was the Reviewer in both matters.**

2010031171

This complaint was filed by a consumer and alleged that the Respondent undervalued the value of the subject property by using comparables that are in a neighborhood where the property values are less known. The Complainant alleges that the Respondent "red lined" the property due to Complainant's race.

The Respondent states that there were no sales in the subdivision in the year prior to the appraisal therefore there were no comparables available in the Complainant's subdivision. The Respondent states that the comparable are from a neighboring subdivision and appear to be of similar quality and design and therefore are good indicators of market value. Regarding the allegation that the Complainant's race played a part in the appraisal the Respondent states that the allegation is "especially heinous and unsubstantiated." The Respondent further states that the race based conduct alleged is illegal and discrimination of any kind is strictly forbidden by USPAP, the lender and the AMC. Respondent reiterated that the allegation is completely false.

REVIEWER CONCLUSIONS [alleged violations included within brackets]:

- The report is incomplete due to substantial errors of omission or commission that significantly affects the appraisal. The accuracy of the data is in question. The appraisal services were rendered in a careless or negligent manner, such as by making a series of errors that in total may affect the value conclusion.

Exposure Time: The appraiser did not develop an opinion of reasonable exposure time. (e. g. [SR1-2(c)])

Sales Comparison Approach: In the comparable sales grid, the appraiser indicates that comparable sale two (2) was on the market 874 days, while the MLS information indicates that the property has been on the market for 221 days. The difference in the marketing time periods is not explained in the analysis.

The actual age of comparable sale two (2) is shown to be new, but the information provided indicates that the dwelling was completed in 2007, but did not sell until April 2010. No adjustment or comments were made for the difference in the age of the nine (9) year old subject property and the sale. The appraiser did not provide an analysis or explanation of the adjustments to the sales in the grid. (e. g. [SR1-1(b), (c); SR1-4(a)])

According to the listing information, comparable sale two (2) has a fireplace. The grid indicates that the sale has no fireplace and an adjustment of +\$1,000.00 is incorrectly made to the sale. The appraiser did not provide an analysis or explanation of the adjustments to the sales in the grid. The appraiser did not provide an analysis or explanation of the adjustments to the sales in the grid. (e. g. [SR1-1(b), (c); SR1-4(a)])

Comparable three (3) is adjusted for both size and number of bedrooms. It appears that the adjustments are in conflict. The heated area square foot adjustment for size should reflect the bedroom count or vise versa. The appraiser did not provide an analysis or explanation of the adjustments to the sales in the grid. (e. g. [SR1-1(b), (c); SR1-4(a)])

Overall, the appraiser did not analyze the adjustments to the sales data in this report. (e.g. [SR 1-4, SR1-4(a), SR 2-2, SR2-1(a)])

Cost Approach: In the cost approach to value section of the report, the appraiser indicates that the opinion of site value was based on the appraised land valuation in tax records. Using the tax records as a basis for the estimated land value is unacceptable. (e.g. [SR1-1], [SR1-4(b) (i)])

20100290131

This complaint was filed by a consumer and alleges that the Respondent under valued the subject property and made numerous errors within the appraisal such as failing to state that the property is zoned PUD commercial, stating that there is no floored attic when there is, misstating the number of bathrooms, stating that the workshop/barn value is only \$15,000.00, stating that an attached office is storage space and using inappropriate comparables.

The Respondent addressed each of the Complainant's allegations. As to the zoning, Respondent states that the appraisal report is for a residential property only and that he is not licensed to perform commercial appraisals. The Respondent states that due to the location of the "attic" it is considered an attachment rather than an attic and the space was given no additional value. The Respondents states that the room not included in the GLA or counted in the room count on page one (1) of the report was considered in the final value estimate. The Respondent states that the area described as a workshop/barn was not finished to the quality of living space. The Respondent states that the office space is attached to the carport and requires one to leave the GLA of the property and go outside and enter through the carport therefore it was not included in the GLA. The Respondent addressed the additional allegations made by the Complainant.

REVIEWER CONCLUSIONS [alleged violations included within brackets]:

- The report by Respondent is incomplete due to substantial errors of omission or commission that significantly affects the appraisal. The accuracy of the data is in question. The appraisal services were rendered in a careless or negligent manner, such as by making a series of errors that in total may affect the value conclusion.

Exposure Time: The appraiser did not develop an opinion of reasonable exposure time. (e. g. [SR1-2(c)])

Neighborhood: The location of the property is shown as rural in the neighborhood characteristics portion of the report and in the sales comparison grid, but according to CRS information the property is located in within the city. The appraiser fails to provide an explanation. (e. g. [SR1-1(c), SR2-1(a), SR2-1(b)])

Site: Based on available information, the property is connected to public water and well water for heating/cooling. The report indicates only that public water is available. The description of the specific zoning classification as a PUD and the zoning description as "can be residential or commercial land use" are inadequate to provide a clear understanding of the highest and best use of the property. (e. g. [SR1-1(c), SR1-3(b), SR2-1(a), SR2-1(b)])

Improvements: The description of the mother-in-law suite, the bathroom in this area and the detached shop is at best minimal on pages one (1) and nine (9) of the report. A more detailed description of

these improvements is needed to clearly and adequately describe them and the value that they contribute to the property in this FHA appraisal report. (e. g. [SR1-1(c), SR2-1(a), SR2-1(b)])

Sales Comparison Approach: The quality of construction of this property is shown as good. The good quality rating is in conflict with the information in CRS that indicates that the quality is average. The quality of construction of the three (3) comparable sales is shown as average. The report does not explain the good quality rating given the property by the appraiser.

The subject dwelling was constructed in 1980. The actual ages of comparable sales one (1), two (2), and three (3) are shown to be 27 years, 38 years and 9 years, respectively. No adjustment or comments were made for the difference in the age of the 30-year old subject property and the sale. The adjustments to the two (2) comparable listings on page seven (7) of the report reflect the same problems. The appraiser did not provide an analysis or explanation of the lack of adjustments to the sales in the grid. (e. g. [SR1-1(b), (c); SR1-3(a), SR1-4(a)])

The three (3) sales are adjusted for both size and number of bedrooms. It appears that the adjustments are in conflict. The heated area square foot adjustment for size should reflect the bedroom count or vice versa. The appraiser did not provide an analysis or explanation of the adjustments to the sales in the grid. (e. g. [SR1-1(b), (c); SR1-4(a)])

The appraiser did not discuss the in-law apartment mentioned in the MLS data for comparable one (1).

Overall, the appraiser did not adequately analyze the adjustments to the sales data in the summary of sales comparison approach on page 9 of this report. (e.g. [SR 1-4, SR1-4(a), SR2-1(a), Sr2-1 (b), SR 2-2 (b) (iii,)]

Cost Approach: In the cost approach to value section of the report, the appraiser indicates that the opinion of site value was based on the appraised land valuation in tax records. Using the tax records as a basis for the estimated land value is unacceptable. (e.g. [SR1-1], [SR1-4(b) (i)])

License History: Certified Residential 08/18/2005 to Present

Prior Complaint / Disciplinary History: None.

Reasoning and Recommendation: Commissioner Wade recommends the imposition of a Consent Order to resolve both complaints which would impose a one thousand dollar (\$1,000.00) civil penalty and the successful completion of a fifteen (15) hour Residential Report Writing course and a fifteen (15) hour Residential Site Valuation and Cost Approach Course. The corrective education should assist the Respondent in becoming a more competent appraiser thereby protecting the interests of the public.

Vote: Dr. Bryla made the motion to accept the recommendation and Ms. Point seconded the motion. The motion carried unopposed.

8. **201003495 Commissioner Wade was the Reviewer in this matter.**

This complaint was filed by a lender and alleges that the Respondent over valued a residential property by communicating a misleading appraisal, misreported comparable sales data and failed to properly identify the location of the subject property and close proximity to commercial properties. The Complainant alleges that the Respondent used comparables located within a superior neighborhood and failed to properly adjust the comparables given the fact that the subject property is a much older home.

The Respondent states that the appraisal report contains a street map and states that the subject property is on a corner lot and although commercial properties are located within one mile of the subject, the majority of the area is residential. The Respondent states that adjustments were made to the comparables for age and no adjustment was made to one of the comparables as it – like the subject – had been completely remodeled. Respondent concluded by stating that the comparables used are the most representative of the subject property at the time of the appraisal.

REVIEWER CONCLUSIONS [alleged violations included within brackets]:

- The report is incomplete due to substantial errors of omission or commission that significantly affects the appraisal. The accuracy of the data is in question. The appraisal services were rendered in a careless or negligent manner, such as by making a series of errors that in total may affect the value conclusion.

Exposure Time: The appraiser did not develop an opinion of reasonable exposure time or explain why an opinion was not provided in the report. (e. g. [SR1-2(c)])

Contract: he appraiser states that the property was listed by the owner, but that no listing information was provided to the signing appraiser other than the contract. The appraiser failed to explain why he was unable to provide the listing information. (e.g. [SR1-5(a)])

Site: The specific zoning classification is shown as R-2/Commercial. The zoning description is shown as SFR, which is assumed to be single-family residential. Page one (1) of the report references the attached addendum (page 13 of the report) for additional information, but no additional information or analysis is provided regarding the zoning or highest and best use of the property. (e.g. [SR1-2(e) (i), SR2-2 (b) (iii)])

Improvements: The report mentions a cellar, but no dimensions or description of the area is provided other than it is used as laundry room. The description is incomplete and unclear.

The dwelling was constructed approximately 58 years ago. The report indicates that the effective age of the improvement is ten (10) years without any information provided other than it was remodeled. The description of the remodeling is incomplete and unclear. Based on the photographs provided in the report, the description of the quality of construction as “good” on page one (1) of the report appears to be incorrect and misleading. The appraiser describes the quality of construction as “average” on page two (2) of the report. [SR1-2(e), SR2-1 (b)]

Sales Comparison Approach: The MLS information provided for sale one (1) indicates that the property was listed at an asking price of \$119,000.00. The property sold for \$122,000.00. The listing

indicates that the seller would pay \$3,000.00 in closing cost if a full price offer was made on the property. The appraiser indicates that there were no sale concessions per MLS, which appears to be in error.

The appraiser fails to discuss that sale one (1) has a cathedral ceiling and a tray ceiling, which is a more modern design or style.

As noted in the Improvement section, the quality of construction has been changed in the subject description from good to average.

In the actual age section of the grid, the appraiser compares the 58-year old/10-year effective age of the subject with a dwellings constructed in 2006, 1972, 2003, 1975 and 1974 without an adjustment or explanation for the lack of an adjustment to the 5 comparable sales. The appraiser did not provide an analysis or explanation of the adjustments to the sales in the grid and the adjustments the adjustments that were do not appears to be correct or logical. (e. g. [SR1-1(b), (c); SR1-4(a)])

Overall, the appraiser did not analyze the adjustments to the sales data in this report. (e.g. [SR 1-4, SR1-4(a), SR2-1(a), SR2-2 (b) (iii) and (viii)])

License History: Certified General 05/02/2007 to Present

Prior Complaint / Disciplinary History: None.

Reasoning and Recommendation: Commissioner Wade recommends the imposition of a Consent Order imposing a five hundred dollar (\$500.00) civil penalty and successful completion of a fifteen (15) hour Residential Market Analysis and Highest and Best Use course. The Respondent would receive continuing education credit for the coursework. The corrective education should assist the Respondent in becoming a more competent appraiser thereby protecting the interests of the public.

Vote: Mr. Baryla made the motion to accept the recommendation and Ms. Point seconded the motion. The motion carried unopposed.

Discussion of Proposed Appraiser Education Rules Changes

Legal Counsel, Aminah Saunders, submitted to the Commission a Notice of Rulemaking Hearing. Mr. Carter recommended revisiting the Proposed Appraiser Education Rules Changes on next Commission meeting.

Vote: Mr. Wade made the motion to accept the recommendation and Dr. Baryla seconded the motion.

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Being no further business, the meeting was adjourned at 9:30 a.m.

Chairman, Thomas Carter

Nikole Avers, Administrative Director