



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

June 15, 2010
Second Floor Conference Room, Andrew Johnson Tower

The Tennessee Real Estate Appraiser Commission met June 15, 2010 at 8:30 a.m. in Nashville, Tennessee, at the Andrew Johnson Tower in the second floor conference room. Chairman, Herbert Phillips, called the meeting to order and the following business was transacted.

COMMISSION MEMBERS PRESENT

Herbert Phillips
James E. Wade, Jr.
Kenneth Woodford
Thomas R. Carter
William R. Flowers, Jr.
Najanna Coleman
Erik Sanford
Dr. Edward A. Baryla
Marc Hadden

COMMISSION MEMBERS ABSENT

STAFF MEMBERS PRESENT

Nikole Avers, Administrative Director
Aminah Saunders, Staff Attorney

ADOPT AGENDA

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

MINUTES

The April 2010 minutes were reviewed. Mr. Carter made the motion to accept the minutes as written. It was seconded by Ms. Coleman. The motion carried unopposed.

GENERAL BUSINESS

Applicant Conferences

Justina Oramah submitted an application to become a registered trainee under the supervision of Okechukwu Didiacus Ohanaka.

- **Licensure History** – None in the United States of America
- The **Education Log** of the trainee application had identified “University of Nigeria” as the courses the applicant submitted for credit in lieu of the required Basic Appraisal Principles and Basic Appraisal Procedures courses.

The applicant requested that the Tennessee Real Estate Appraiser Commission grant her application for registration as a trainee with credit for the Basic Appraisal Principles and Basic Appraisal Procedures courses based on a foreign degree from the University of Nigeria. The request could not be granted by the Commission because there is no mechanism in place to review her foreign degree program course work for compliance with the AQB requirements for education without details of the course content. Ms. Oramah submitted a course evaluation report from “Educational Credential Evaluators, Inc.” which indicated they considered her foreign degree equivalent to a Bachelor of Science in Estate Management. She also submitted a copy of her certificate as an “Estate Surveyor and Valuer throughout the Federation of Nigeria” dated March 3, 2004. The Commission regretted that they could not assist the applicant further, but this documentation was deemed insufficient to determine compliance with AQB requirements. Mr. Wade made the motion to deny the request and Dr. Baryla seconded the motion. The motion carried unopposed; however, Mr. Flowers recused from vote. The Commission did vote to grant an extension to Ms. Oramah on the period of time her application to become a registered trainee can remain in an incomplete/pending status. The application will expire on October 26, 2010 if she has not completed all requirements to become a registered and submitted them to TREAC before that date. Mr. Sanford made that motion; Mr. Headden seconded the motion. The motion carried unopposed.

Experience Interviews

Liesa C. Pope McGowan made application to upgrade from a registered trainee to become a licensed real estate appraiser. Mr. Carter was the reviewer and recommended approval of her experience request. Mr. Flowers made the motion to accept the recommendation and Ms. Coleman seconded the motion. The motion carried unopposed.

Elmore Moore, III made application to upgrade from a registered trainee to become a certified residential real estate appraiser. Mr. Headden was the reviewer and he indicated there were some minor issues with the reports. He recommended that the applicant correct these reports and resubmit them and if the reports were satisfactory then approval of his experience request would be granted. Mr. Carter made the motion to accept the recommendation and Mr. Woodford seconded the motion. The motion carried unopposed.

Kevin Ronald Kral made application to upgrade from a registered trainee to become a certified residential real estate appraiser. Mr. Phillips was the reviewer and recommended approval of his experience request. Mr. Headden made the motion to accept the recommendation and Mr. Woodford seconded the motion. The motion carried unopposed.

D. Marvin Badger made application to upgrade from a registered trainee to become a certified residential real estate appraiser. Mr. Flowers was the reviewer and recommended approval of his experience

request. He made note that he advised the applicant to take a seven (7) hour USPAP update course. Mr. Carter made the motion to accept the recommendation and Mr. Wade seconded the motion. The motion carried unopposed.

Catherine Loraine Anderson made application to upgrade from a registered trainee to become a certified residential real estate appraiser. Mr. Wade was the reviewer and recommended approval of her experience request. Mr. Headden made the motion to accept the recommendation and Mr. Flowers seconded the motion. The motion carried unopposed.

Education Committee Report

Dr. Baryla reviewed the education and submitted his recommendations to the Real Estate Appraiser Commission, as seen below. Mr. Wade made a motion to accept Dr. Baryla's recommendations. Mr. Headden seconded the motion. The motion carried unopposed.

June 2010 Education Committee Report

Course Provider Course # Course Name Instructors Hrs. Type Rec.

McKissock, LP	1391	REO AND SHORT SALE APPRAISAL GUIDELINES	KENNETH GUILFOYLE	4	CE	for
McKissock, LP	1390	HVCC AND THE FUTURE OF APPRAISING: TAKING BACK OUR PROFESSION	KENNETH GUILFOYLE	4	CE	for
DYNASTY SCHOOL	1392	ON-LINE FHA & VA APPRAISAL BASICS	ROBERT ABLESON	7	CE	for
ASFMRA	1393	LEGAL DESCRIPTIONS	HOWARD AUDSLEY	4	CE	for
ASFMRA	1394	EXPERT WITNESS PREPARATION AND TESTIMONY	RICHARD WISE	8	CE	for
ASFMRA	1395	MINERALS APPRAISAL SEMINAR	JOHN WIDDOSS	8	CE	for
ASFMRA	1396	SIX FUNCTIONS OF THE DOLLAR	HOWARD AUDSLEY	4	CE	for
ASFMRA	1397	APPRAISING AGRICULTURAL LAND IN TRANSITION	JEFF BERG	8	CE	for
ASFMRA	1398	TAX IMPLICATIONS OF REAL ESTATE	LES A. MARTI	16	CE	For: 16 hours includes a one hour test.
ASFMRA	1399	INCOME APPROACH FOR GENERAL APPRAISERS, PART 1 (A303)	MARK LEWIS	30	BOTH	For 30 QE and 27+3CE
ASFMRA	1400	COST APPROACH FOR GENERAL APPRAISERS (A301)	SCOTT SEELY & PAUL BIERSchWALE	30	BOTH	For 30 QE and 27+3CE
APPRAISAL INSTITUTE	1401	WHATEVER HAPPENED TO QUALITY ASSURANCE IN RESENTIAL APPRAISALS	KATHY COON	7	CE	for
The Columbia Institute	1402	STATISTICS, MODELING & FINANCE, NO 225	George Harrison Bernerd Boarnet Amelia Brown Edmond Fisher Diana Jacob	15	Both	For 15 Q and 14 + 1 CE

			Sam Henderson Martin Molloy Bryan Reynolds			
The Columbia Institute	1403	RESIDENTIAL REPORT WRITING & CASE STUDIES NO. 202	George Harrison Bernerd Boarnet Amelia Brown Edmond Fisher Diana Jacob Sam Henderson Martin Molloy Bryan Reynolds	15	Both	For 15 Q and 14 + 1 CE
Appraisal Institute	1404	ADVANCED MARKET ANALYSIS AND HIGHEST + BEST USE	Robert Duaham Robert Lennhoff	30	CE	for
Appraisal Institute	1405	APPRAISAL OPPORTUNITY: THE LENDING WORLD IN CRISIS	Larry T. Wright	7	CE	for
The Spearman Center	1406	FHA 2010	William Lewis Spearman	7	CE	for

Individual Course Approval

Name	License #	Provider	Course Name	Hrs	Type	Recommendation from Dr. Baryl	
Benjamin Ross Sellers	4560	Texas A & M University	Master of Real Estate Program	285	QE	for	
JAMES BEASLEY WHITE II	4560	Trees	Foundations of Real Estate Appraisal- Course 100	30	QE	for	

LEGAL REPORT

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

Robert Kibble (approved 04/09) – signed Consent Order imposing a \$1500.00 civil penalty and requiring a fifteen (15) hour Highest and Best Use course. In an appraisal report, Respondent violated (SR's) 1-1(a), 1-1 (b), 1-2 (e) (i), 1-4 (a), 2-1(a), 2-2 (b)(iii) & (viii) & the Recordkeeping Section of the Uniform Standards of Professional Appraisal Practice. (255)

Mac A. Vaughn (approved 04/09) – signed Consent Order imposing a \$1000.00 civil penalty and requiring a fifteen (15) hour Residential Report Writing and fifteen (15) hour Applications and Case Studies course. Respondent violated Standards Rules (SR's) 1-1(a), 1-4 (a), 1-5 (b), 2-2 (b) (v)(viii), 2-1(a) and Scope of Work Rule: Problem Identification Section and the Recordkeeping Section of the Uniform Standards of Professional Appraisal Practice. (221/215)

Manning S. White (approved 04/09) – signed Consent Order imposing a \$1500.00 civil penalty and one (1) year probationary period during which time the Respondent shall not have any NEW trainees. Respondent violated Standard Rules (SR's) 1-2(e)(i), 1-5(b), 2-2(b)(iii)(viii) and Scope of Work Rule: Problem Identification Section of the Uniform Standards of Professional Appraisal Practice. (254)

John Swift (approved 03/09) – signed Consent Order imposing a \$1000.00 civil penalty and requiring a fifteen (15) hour Residential Report Writing course. Respondent violated Standard Rules (SR's) 1-1(a), 1-1(b), 1-2(e)(i), 1-2(h), 1-4(a), 1-5(a), 21-(a), 2-2(b)(iii) & (viii) and Scope of Work Rule: Work Acceptability and Problem Identification and Recordkeeping Section of the Uniform Standards of Professional Appraisal Practice. (251)

Debra Wickliffe (approved 04/09) – signed Consent Order imposing a civil penalty of two thousand dollars (\$2000.00) and a fifteen (15) hour Residential Market Analysis and Highest and Best Use course, a fifteen (15) hour USPAP course, and at least forty-five (45) hours of coursework in Residential Report Writing and/or Residential Applications and Case Studies. Respondent violated Standard Rule's (SR's) 1-1(c), 1-2(e)(i), 1-5(b), 2-1(a), 2-2(b)(iii)(vii) & (viii) Scope of Work Rule: Problem Identification Rule & Ethics Rule: Recordkeeping Section of the Uniform Standards of Professional Appraisal Practice. (380)

Jeffrey Jones (approved 04/09) – signed Consent Order imposing a civil penalty of one thousand five hundred dollars (\$1500.00) and a fifteen (15) hour Residential Market Analysis and Highest and Best Use course and a fifteen (15) hour Site Valuation & Cost Approach course. In two appraisal reports 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),(v) & (viii) and the Scope of Work Rule: Scope of Work Acceptability Section & Ethics Rule: Recordkeeping Section. (355/257)

1. 200901090 Danny Wiley was the Reviewer.

On March 09, 2010, the Commission approved for issuance to Respondent in this complaint a Consent Order imposing a \$2,000 civil penalty and downgrade of the Certified Residential credential to Licensed Credential for a period of one hundred and eighty (180) days. Respondent would also be required to successfully complete the following courses: Residential Appraiser Site Valuation and Cost Approach (15 hours); Course on Residential Report Writing and Case Studies (15 hours); Course on Advanced Residential Applications and Case Studies (15 hours); and a USPAP Course (15 hours).

An informal conference was conducted with the Respondent on April 5, 2010. The allegations in the complaint are significant. The Respondent used comparable properties situated on inferior lots to the subject property. The Respondent conceded that there were errors in the report and stated that in hindsight the Respondent should not have been working in the spring of 2008 as Respondent's child was very sick with cancer and shortly after succumbed to the disease. The Respondent has no other disciplinary history and has been licensed since 2003.

Recommendation and Reasoning: Counsel proposes revising the Consent Order to impose a \$2,000 civil penalty and downgrade of the license from Certified Residential to Licensed for a period of thirty (30) days. The Respondent would also be required to successfully complete the sixty (60) hours of coursework as previously approved. In addition, Respondent would have a one (1) year probation during which time Respondent would be required to submit the entire work log for review, the Administrative Director would pick at least one (1) appraisal for review for USPAP compliance. Counsel is of the opinion that the violations noted in the Consent Order reflect competency issues as opposed to intentional misconduct and that the public can be adequately protected by requiring the sixty (60) hours of education. The additional probation requirement should assist the Commission in monitoring the Respondent for the next

year. Counsel respectfully recommends if Commissioner Members concur that the Commission approve the revised proposed consent order as set forth above. The complaint is 368 days old.

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

2. 200901366 Danny Wiley was the Reviewer.

On March 09, 2010, the Commission approved for issuance to Respondent in this complaint a Consent Order imposing a civil penalty of five hundred dollars (\$500.00) and a fifteen (15) hour Residential Report Writing course.

The consent order alleges that the Respondent failed to comply with a Fannie Mae rule regarding the legal subdivision of the subject property as well as what appeared to be use of a data source that was not reported. Additional information was provided by Respondent's counsel that indicated that the Respondent failed to report a complete analysis of the method used to calculate square footage. After conferring with the expert reviewer Counsel is satisfied that this omission reflects a reporting error. On the more substantive issue regarding the Fannie Mae rule, after further review Counsel is of the opinion that there is insufficient evidence to prove violation of the Fannie Mae rule at issue.

Recommendation and Reasoning: The Respondent has been Certified Residential since 2001 and has no disciplinary history. Counsel recommends that this Respondent be issued a Letter of Warning regarding the reporting issue. This complaint is 365 days old.

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

3. 200901156 Danny Wiley & Commissioner Carter were the Reviewers.

On April 12, 2010 the Commission approved for issuance to the Respondent a Consent Order imposing a civil penalty of five thousand dollars (\$5000.00) and DOWNGRADE of Respondent's credential to Certified Residential status for a period of one (1) year and successful completion of ninety (90) hours of coursework. At issue are four residential and four commercial appraisals that the Respondent provided to a client for assistance in a tax assessment matter.

An informal conference was conducted with the Respondent and Counsel on June 1, 2010. Respondent advised that his business is generally limited to federal commercial appraisal assignments and that he does almost no residential work. Respondent states that he accepted this assignment at a time when he was under substantial financial pressure due to the slow economy, a failing marriage and difficulties with his child. Respondent states that he intended to complete the assignment in a "consultant" capacity but soon found he was providing services beyond what he initially intended. Specifically, Respondent states that his role was initially for the purpose of internal portfolio management relating to the tax assessment and re-appraisal performed by the County Property Assessor's office. Respondent stated that these properties were included in the client's overall portfolio and were part of a larger consulting and subsequent appraisal assignment. Respondent concedes the violations as contained in the Consent Order. Respondent states that the Downgrade of his license would effectively put him out of business. The Respondent has been licenses since 1998 and has no disciplinary history.

Recommendation and Reasoning: Counsel proposes revising the Consent Order to impose the \$5000 civil penalty, a fifteen (15) hour USPAP course, a forty five (45) hour(s) of Report Writing and Case Studies course(s) and a sixty (60) hour General Appraisal Income Approach course and the imposition of one (1) year of probation. Counsel is of the opinion that the issues noted in the Consent Order, although serious, do not reflect intentional misconduct. The imposition of the \$5000 civil penalty could act as a sufficient economic deterrent while the education component will serve to assist the Respondent in becoming a more competent and thoughtful appraiser. As mitigation Counsel notes the Respondent's lack of disciplinary history and personal issues at the time the appraisals were prepared. Counsel respectfully recommends if Commissioner Members concur that the Commission approve the revised proposed consent order as set forth above. The complaint is 361 days old.

Vote: Mr. Wade amended the above motion to include that the Respondent submit an experience every six months for audit for USPAP compliance and that the education should be submitted within 180 days of execution of the order. Mr. Woodford seconded the motion. The motion carried unopposed.

4. 200902373 Danny Wiley was the Reviewer.

This complaint was filed by a mortgage lender and included allegations that the Respondent over valued a residential property by indicating a value opinion of \$390,000 on October 24, 2006. The Complainant provided a filed review appraisal which indicated a value conclusion of \$275,000 on the same effective date.

In the response, Respondent indicated that he measured the subject property and the cost approach indicated value was a conservative value estimate and was described in the final value conclusion. Respondent states that the complainant's reviewer failed to account for the excellent quality and craftsmanship of the subject property. Respondent states that at the time of the appraisal, home values in the area were increasing. Respondent acknowledges that he used comparable properties that were further away from the subject but were more similar in size and quality to the subject property.

EXPERT CONCLUSIONS [alleged violations included within brackets]:

- The neighborhood description contains some inaccurate/inconsistent information.
- Sales in the subject's community appear to have been omitted in favor of sales with higher prices from other communities.

The one-unit housing price range appears to be in error. The report states that housing in the area varies in price from \$40,000 to \$190,000, with a predominant value of \$150,000. Public records indicate many sales in the area with prices exceeding \$150,000. The field review reports include several sales in the area at prices over \$190,000. The appraisal report indicates that the age range is from 10 to 50 years. Comments that the Respondent provided to the lender in a rebuttal to the field review state that there is significant new construction in the area. [SR 2-2(b)(iii)]

The subject property is in (redacted), Tennessee. The appraisal report submitted by the Respondent includes five (5) comparable sales. None are in (redacted). One of the sales is in (omitted), and four are in (removed). In a response to the lender dated 10/2/2009, the Respondent stated that it was necessary to use sales from several miles away because of the extremely high quality of the subject property. The appraisal report states that the quality of the subject property is average.

The workfile documents include land sales in support of the estimated site value. There is no data supporting the estimated cost. If supporting data was not used, the report is misleading. [SR 2-1(a)]

If supporting data was used but not retained, then record keeping requirements have not been met. [ETHICS RULE: Record Keeping section]

None of the sales included in the Respondent's appraisal report are located in the same community as the subject. The sales in the Respondent's report sold at prices far exceeding the sale prices of the homes in the subject's community that were used in the field review report. [ETHICS RULE: Conduct section]

The copy of the report submitted with the complaint differs from the copy of the report provided by the Respondent. The signature date on the report submitted with the complaint is 10/24/2006. The signature date on the report submitted by the Respondent is 11/15/2006. The report submitted by the Respondent includes five (5) comparables. The report submitted with the complaint contains only 3 comparable. It appears that a report was submitted to the client and that another report, with two additional comparable sales, was submitted a few days later. The Respondent was directed by the TREAC to provide copies of all reports. [ETHICS RULE: Record Keeping section]

Prior Complaint / Disciplinary History: None.

Recommendation and Reasoning: The Respondent has been licensed as a Certified General Appraiser since 1992 and has had no prior disciplinary history. Counsel and the Administrative Director recommend that Respondent be offered a Consent Order imposing a civil penalty of two thousand five hundred dollars (\$2500.00) and completion of a thirty (30) hour Sales Comparison and Income Approach course and a fifteen (15) hour USPAP course. This complaint is 221 days old.

Vote: Dr. Baryla made the motion to accept the recommendation and Mr. Flowers seconded the motion. Discussion was held. A roll call vote was held. Mr. Wade, Mr. Carter, Dr. Baryla, Ms. Coleman and Mr. Phillips voted for approval of the recommendation. Mr. Headden, Mr. Flowers, Mr. Sanford and Mr. Woodford voted against the written recommendation. The motion carried 5 to 4.

5. 201000089 Chairman Phillips was the Reviewer.

This complaint was filed by a consumer and included allegations that the Respondent over-valued a residential condominium unit on May 4, 2009. The Complainant alleges that the Respondent misreported closed units in the building and the market conditions of the subject area and that the Respondent failed to reconcile in the sales comparison approach elements such as: HOA fees, square footage, view, privacy, ceiling finish and condominium amenities.

The Respondent stated in his response letter that he indicated in the report in the addendum that the number of units sold was obtained from the management company. The condo budget was not provided to the appraiser for analysis, but the HOA dues of \$0.35 per heated square foot is similar to other developments and sales used in the appraisal report. He wrote that he made positive adjustments to the comparable sales because the subject had a fireplace and two balconies. The Respondent described the rationale for the remaining adjustments or lack of adjustments applied in the sales comparison approach and submitted field notes and a building sketch with his workfile documentation. He indicated the size

calculations agreed with the builder, but were independently verified. He indicated that the appraisal was done prior to a change in the market conditions for condominium units.

EXPERT CONCLUSIONS [alleged violations included within brackets]:

- **No violation of USPAP was found.**

Prior Complaint / Disciplinary History: None.

Recommendation and Reasoning: Chairman Phillips recommends that this complaint be DISMISSED as there have been no violations of USPAP. This complaint is 145 days old.

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

6. 200902312 There was no Reviewer.

This complaint was filed by a fellow practitioner and included allegations that the Respondent communicated a misleading appraisal report by failing to accurately measure the subject property, misreporting market data on the 1004MC form, and misreporting comparable sale information including sale price, room counts and square footage.

Respondent indicated that a former clerical employee sent the appraisal to the client without his knowledge, consent or approval. The Respondent indicated that there are no records in the file that support the appraisal, and he believes the employee prepared the report using fabricated data. Respondent stated that he contacted his former employee but the former employee offered no explanation. Respondent states that the former employee had worked for the Respondent in a clerical capacity but she had been terminated for an unrelated reason. The Respondent states he had no knowledge of this appraisal and was unaware of any problem until the complaint was received. The Respondent provided a notarized affidavit attesting to the same and providing the name of the former employee.

Prior Disciplinary History: None.

Recommendation and Reasoning: The Respondent has been a Certified General Appraiser since 1992 and states that he has been in the appraising business for thirty seven (37) years and has never been disciplined by this Commission. The Respondent's counsel states that the Respondent is no longer actively engaged in the appraisal business and Respondent's credential expires June 23, 2010.

T.C.A 62-39-308 Commission – Power to discipline and penalize - The commission has the power to discipline and penalize a license or certificate holder for violations of this chapter or the rules and regulations of the commission.

Counsel recommends **CLOSING** the complaint June 24, 2010. In the event the Respondent renews the license within the next six (6) months the Administrative Director will reopen the complaint. This complaint is 230 days old.

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

7. 201000361 There was no Reviewer.

This complaint was filed by a government sponsored enterprise and included allegations that the Respondents over valued at least seven residential properties by 10 to 33% and using inappropriate comparable sales. The complainant identified two properties in their complaint (of the seven) and reported that the other five used the same or similar comparable and established similar values.

Staff contacted the Complainant by e-mail to request that they submit a list of all properties appraised and the appraisal reports, if possible.

The Respondents replied to the complaint by indicating that the properties referenced in the complaint were conducted in 2003 and 2004 and they no longer have the appraisals and workfiles because they destroy the files after the five years required by the Record Keeping requirement of USPAP. One of the Respondents indicated that he remembered that there was very limited construction going on in the locations of the properties included in the complaint at the time of the appraisals and they had to use sales from competing neighborhoods.

Prior Disciplinary History: None.

Recommendation and Reasoning: Counsel recommends that this complaint be **CLOSED due to INSUFFICIENT EVIDENCE** as the complainant failed to provide appraisal reports for the subject properties. This complaint is 110 days old.

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

8. 2009026151 Danny Wiley was the Reviewer.

This complaint was filed by a consumer and included alleges that the Respondent failed to consider a finished bonus room in the square footage of the dwelling because the owners did not have a permit to build the bonus room. Complainant stated that a previous appraisal did include this area, but did not submit a copy of that report.

The Respondent stated in his response letter that during the property inspection the home owner indicated that since the purchase of the home they finished a bonus room and built an additional deck on the property. He wrote when he asked them if they had obtained a permit to build the deck, the owner was not sure if they had. He indicated he contacted the local building codes department to inquire if permits were necessary and found that it was required and the homeowner had not filed for any permit. He wrote that he communicated this information to his client, including photos, and that the client communicated back that they did not want the additional area included in the gross living area. He further wrote that the lender did not want "full value" attributed to these improvements and that had the lender wanted him to, he "would have been willing to include the bonus room in the GLA and to give the deck value if the lender had been willing to accept either of the other opinions that would have allowed me to do so." He indicated he did not give the bonus room any value as storage space or the deck any value. He wrote that the lender advised the deck could be given minimal value; however they did not want the report "subject to" permits and inspections, nor did they want the appraisal done subject to a hypothetical condition. He concluded that the report fully disclosed the issues concerning the bonus room and deck.

EXPERT CONCLUSIONS [alleged violations included within brackets]:

- The complaint alleges that the appraiser did not properly analyze and report the gross living area. It appears this complaint does not have merit.
- Multiple reports were provided by the client but only one report was provided to TREAC by the Respondent.

Prior Complaint / Disciplinary History: None.

Recommendation and Reasoning: Counsel and the Administrative Director recommend that this complaint be CLOSED with a Letter of Warning regarding providing all copies of the appraisal reports upon request. This complaint is 186 days old.

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

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Being no further business, the meeting was adjourned at 11:00 a.m.

Chairman, Herbert E. Phillips

Nikole Avers, Administrative Director