



**REAL ESTATE APPRAISER COMMISSION  
500 JAMES ROBERTSON PARKWAY  
NASHVILLE, TENNESSEE 37243  
615-741-1831**

**Meeting Minutes for November 15, 2022  
First Floor Conference Room 1-B  
Davy Crockett Tower**

The Tennessee Real Estate Appraiser Commission met on November 15, 2022, and the following business was transacted:

**BOARD MEMBERS PRESENT:** Michelle Alexander, Jim Atwood, Brett Mansfield, Jason Bennett, Nelson Pratt, Sandra Tuck, Dr. Pankaj Jain (Telephonically)

**BOARD MEMBERS ABSENT:** None

**STAFF MEMBERS PRESENT:** Glenn Kopchak, Anna Matlock, William Best, Megan Maleski, Taylor Hilton

**CALL TO ORDER / ROLL CALL / NOTICE OF MEETING**

Director Glenn Kopchak called the meeting to order at 9:00 am and Director Glenn Kopchak took roll call.

**AGENDA**

Michelle Alexander made a motion to adopt the agenda. This was seconded by Jason Bennett. The motion passed by unanimous voice vote.

**MINUTES**

Brett Mansfield made a motion to adopt the minutes from July 12, 2022. This was seconded by Michelle Alexander. The motion passed by unanimous voice vote.

**EXPERIENCE INTERVIEWS**

<b>Name</b>	<b>Upgrade Type</b>	<b>Recommend</b>	<b>Board Vote</b>
Laura King	CR	Yes	Yes
Christie Fraim	CR	Yes	Yes
Jacob Miller	CR	Yes	Yes
Dalton Furr	CR	Yes	Yes

Dewayne Dillard	CR	Yes	Yes
Brian Burger	CR	Yes	Yes
Tyler Camera	CG	Yes	Yes
Nada Payne	Licensed	Yes	Yes
Lewis Cosby	Licensed	Yes	Yes
Lynda Collier	CG	Yes	Yes
Sharon Arbogast	CR	Yes	Yes

Jim Atwood made a motion to accept the above Interviews. This was seconded by Michelle Alexander. The motion passed by unanimous voice vote.

### APPLICATION REVIEWS

**Donald W. Ellis:** Jim Atwood made a motion for Mr. Ellis to submit supporting documentation showing he increased competency levels by means of successful coursework, since the date Mr. Ellis surrendered his license; in addition to, submitting a list of fifteen work reports, of which the board will select two or three work samples for review. This was seconded by Jason Bennett. The motion passed by unanimous voice vote.

**Hope W. Teaster:** Brett Mansfield made a motion to accept and approve Ms. Teaster's Temporary Practice Permit. This was seconded by Michelle Alexander. The motion passed by unanimous voice vote.

### EDUCATION REPORT

#### November 15, 2022 - Education Committee Report

Course Provider	Course Number	Course Name	Instructor(s)	Type	Hours	Recommendation
McKissock	2586	Recognizing and Avoiding Mortgage Fraud	Jackie Vincent	CE	7	Approve
Appraisal Institute	2597	AI Annual Conference Day 1	Multiple	CE	5	Approve
Appraisal Institute	2598	AI Annual Conference Day 2	Multiple	CE	5	Approve
Alterra Group, LLC	2601	2022 Gold Standard Vegas	Multiple	CE	7	Approve
Alterra Group, LLC	2602	2022 Keynote Vegas	Multiple	CE	7	Approve

AL/MS Chapter of Appraisal Institute	2604	Conservation Eastments: 2022 Updates on Legal, Appraisal, Accounting, and Ethical Issues	Multiple	CE	5	<b>Approve</b>
Calypso	2608	Appraising Manufactured Homes in America	Francis Finigan	CE	7	<b>Approve</b>
American Society of Appraisers	2612	2022 International Conference	Multiple	CE	14	Please file full course materials (text, slides, or video content link)
Appraiser eLearning	2615	2022 Appraisal Summit – Day 1	Multiple	CE	7	<b>Approve</b>
Appraiser eLearning	2616	2022 Appraisal Summit – Day 2	Multiple	CE	7	<b>Approve</b>
Appraiser eLearning	2617	Advanced Appraisal Review	Thomas Humphreys	CE	7	<b>Approve</b>
Appraiser eLearning	2618	Appraising Limited Market Properties	Thomas Humphreys	CE	4	Please file full course materials (text, slides, or video content link)
TN Chapter of the Appraisal Institute	2619	Complex Valuation	Myra Pitts	CE	7	<b>Approve</b>
Appraiser eLearning LLC	2622	Appraiser's Guide to Appraisal Inspections (Online)	Bryan Reynolds	CE	7	<b>Approve</b>
Appraiser eLearning LLC	2623	6 Recent Appraiser Lawsuits and the Lessons from Each	Peter Christensen	CE	7	<b>Approve</b>
AL/MS Chapter of Appraisal Institute	2525	The Paperless Real Estate Appraisal Office: Ten Years Later	Andrew Sheppard	CE	3	<b>Approve</b>
TN Chapter of the Appraisal Institute	2626	Advancing the Appraisal Profession, 2022 (Mini LDAC)	Miker Tankersley	CE	4	Please file full course materials (text, slides, or video content link)
TN Chapter of the Appraisal Institute	2627	Fall Real Estate Symposium 2022	Multiple	CE	7	<b>Approve</b>

AL/MS Chapter of Appraisal Institute	2628	The Paperless Real Estate Appraisal Office: Ten Years later	Andrew Sheppard	CE	3	<b>Approve</b>
American Society of Farm Managers and Rural Appraisers	2630	ASFMAR Annual Meeting 2022	Brian Stockman	CE	7	Please file full course materials (text, slides, or video content link)
American Society of Farm Managers and Rural Appraisers	2631	Rapid Fire Case Studies 2022	Brian Stockman	CE	6	Please file full course materials (text, slides, or video content link)

### Individual Course Approvals

Licensee	Course Provider	Course Name	Hours	Type	Recommendation
Brandi N. Goodman	IAAO	300 – Fundamentals of Mass Appraisal	30	CE	Please file full course materials (text, slides, or video content link)

Dr. Pankaj Jain made a motion to approve the education committee’s recommendations. This was seconded by Michelle Alexander. The motion passed by unanimous voice vote.

Dr. Pankaj Jain made a motion to grant staff the administrative authority to approve courses by obtaining two signatures. One signature from Dr. Jain, and the second signature from another board member. This was seconded by Michelle Alexander. The motion passed by unanimous voice vote.

### DIRECTOR’S REPORT

#### Budget Report

Director Kopchak summarized the expenditures thus far and noted that large expenditures listed under “Other” for August are the Appraisal Subcommittee National Registry Fees. Regarding the technology fees for August, there is an upgrade to the cloud and other IT related support expenses. Director Kopchak pointed out that other programs also noted a slight increase for similar expenses.

## 2023 Meeting Dates

Director Kopchak presented the scheduled meeting dates for 2023 and noted that the first three meeting dates are scheduled for Monday's, but not the September meeting. Director Kopchak stated the dates will be posted online.

## LEGAL

1. 2022027791  
Opened: 8/1/2022  
License Type: Certified Residential Real Estate Appraiser  
First Licensed: 11/1/2001  
Expires: 4/24/2024  
History: None

This matter is a referral from Fannie Mae. Commission staff sent Counsel for the Commission this referral for complaint consideration on July 6, 2022, and based on the content in the referral, Counsel approved opening an administrative complaint. Therefore, Commission Staff administratively opened the complaint on July 11, 2022. However, during the July 12, 2022, meeting, the Commission voted to limit opening Fannie Mae referrals as complaints, unless these referrals are signed by an individual. This complaint was opened prior to the Commission's directive, but not sent out for expert review as the referral from Fannie Mae was not signed by an individual. Therefore, Counsel recommends this matter be dismissed with no action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

2. 2022027801  
Opened: 8/8/2022  
License Type: Certified Residential Real Estate Appraiser  
First Licensed: 10/2/2012  
Expires: 3/30/2024  
History: None

This matter is a referral from Fannie Mae. Commission staff sent Counsel for the Commission this referral, for complaint consideration, and based on the content in the referral Counsel approved opening an administrative complaint. Therefore, Commission Staff administratively opened the complaint on July 11, 2022. However,

during the July 12, 2022, meeting, the Commission voted to limit opening Fannie Mae referrals as complaints, unless these referrals are signed by an individual. This complaint was opened prior to the Commission's directive but was not sent out for expert review as the referral from Fannie Mae was not signed by an individual. Therefore, Counsel recommends this matter be dismissed with no action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

3. 2022016761

Opened: 5/9/2022

Type of License: Certified Residential Real Estate Appraiser

First Licensed: 11/15/1991

Expires: 11/30/2023

History: 2006 Letter of Warning; 2010 Consent Order for USPAP violations; 2021 Consent Order for Inappropriate Comparable Sales due to location

This matter is a referral from Fannie Mae. This complaint was administratively opened prior to the Commission's July 12, 2022, vote to limit opening Fannie Mae referrals as complaints, unless these referrals are signed by an individual. The referral from Fannie Mae in this complaint was not signed by an individual. Therefore, Counsel recommends this matter be dismissed with no action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

4. 2022025231

Opened: 7/5/2022

Type of License: Certified Residential Real Estate Appraiser

First Licensed: 8/27/1998

Expires: 12/31/2022

History: None

Complainant states they represented the purchasers for the sale in question. Complainant states Respondent picked up the appraisal on May 27, 2022. Complainant states the property was scheduled to close in contract on May 30, 2022. Complainant states the appraisal was not reported in time for the May 30, 2022,

closing date. Complainant states, as such, the seller extended the closing date to June 10, 2022. Complainant states the appraisal was submitted past the end of the business day on June 10, 2022. Complainant states, however, the appraisal had issues and had to be sent back for corrections. Complainant states due to the delay, the sellers refused to extend the closing date and the buyers lost the sale.

Respondent states despite the complaint alleging the appraisal was turned in after hours on June 10, 2022, the portal the report was sent to shows it was submitted at 3:25 A.M. on June 10, 2022. Respondent states, additionally, the report was sent back for a correction on the date of the sale at 9:48 A.M. on June 10, 2022. Respondent states they were out of the office on the 10<sup>th</sup>, however, when they saw the request, they made the correction. Respondent states the report with the correction was submitted on June 11, 2022, at 1:33 A.M., to the reviewer for the client. Respondent states the portal shows the report was with them until June 13, 2022, and then closed out as accepted. Respondent states they did not hear back from their client after the June 11<sup>th</sup> submission until they were notified it was closed. Respondent states they apologize for any delay, and admit the report took longer than originally expected. Respondent states they have since taken on less work in order to avoid further delays in any reports they are working on. Based on Respondent's answer, Counsel recommends dismissing the complaint.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

5. 2022023461  
Opened: 6/20/2022  
Type of License: Certified Residential Real Estate Appraiser  
First Licensed: 6/21/2005  
Expires: 3/31/2024  
History: None

Complainant is the purchaser of the home in this complaint. Complainant states Respondent was hired on May 19, 2022, by an AMC. The appraisal in question was previously completed by another appraiser from a different company. Complainant states, nevertheless, Respondent was hired to complete the conversion paperwork to go from a conventional appraisal to an FHA appraisal. Complainant states the

conversion was completed on May 27, 2022. Complainant states, though, the following week they had not heard an update from Respondent and attempted to reach out to them. Complainant states, however, they had a difficult time getting in touch with Respondent for an update. The paperwork for the conversion was processed and submitted on June 3, 2022. Complainant states they believe Respondent taking eight days to process the paperwork, with Complainant's closing approaching was unprofessional and untimely.

Respondent states they accepted the assignment from their client the AMC on May 16, 2022. Respondent states on May 17, 2022, they reached out to the contact person listed on the order, the seller. Respondent states they were denied access to appraise the home, and the seller told them the home had already been previously appraised. Respondent states they informed their client of this, and the assignment was canceled on May 17, 2022. Respondent states, however, their client assigned them a new appraisal assignment for the home in question on May 22, 2022, and they accepted the assignment on May 23, 2022. As such, Respondent states they contacted the seller again on May 24, 2022, and was again denied access to the property, and the assignment was canceled again by their client on May 25, 2022.

Respondent states their client once again re-ordered an appraisal assignment for the house in question on May 25, 2022, and it was assigned to Respondent once again on May 25, 2022. Respondent states they contacted the seller once again on May 27, 2022, to set up the appraisal. Respondent's office was closed May 28<sup>th</sup>- May 30<sup>th</sup>, for the weekend and Memorial Day. Respondent completed and submitted the report on June 3, 2022. During the assignment Respondent states, they had limited contact with Complainant. However, Respondent alleges, Complainant did call them on the phone at one point and told Respondent they were upset they were not working fast enough. Respondent states they explained to Complainant they could not convert a previous appraiser's report and needed to conduct an appraisal themselves. Respondent states it was never their intent to delay closing, and they did their best to complete the assignment in a timely manner.

Based on the provided information, there does not appear to be a violation. As such, Counsel recommends dismissing this complaint with no further action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**



6. 2022025881  
Opened: 7/11/2022  
Type of License: Certified Residential Real Estate Appraiser  
First Licensed: 3/27/2001  
Expires: 7/31/2023  
History: None

Complainant is the homeowner of the property appraised in this complaint. Complainant alleges Respondent was making threats to them via text messages to pull their appraisal. Complainant states Respondent initially was a no-show for the appraisal on the day it was scheduled. Complainant alleges Respondent then showed up a day late to conduct the appraisal, and then only stayed in the home for five minutes to conduct the appraisal. Complainant alleges Respondent repeatedly misled them and encouraged them to "cheat the system." Complainant states Respondent told them if they did not cheat the system then Respondent would make it harder for them to get the appraisal approved.

Respondent states Complainant called their office on June 24, 2022, after the appraisal was submitted. Respondent states Complainant was upset due to the report being "subject to" a handrail being installed on the home's front porch stairs. Respondent states in turn they explained the FHA safety/health property requirements for the property to Complainant. Respondent states Complainant was unhappy with the explanation. Respondent states Complainant then proceeded to text them demanding an immediate call while Respondent was working with other homeowners. Respondent states Complainant threatened to trash them and their company. Respondent states they run a small business and have been in business for 25-years. Respondent states Complainant was happy with the market value of the home but was upset about having to install a handrail and was demanding for the requirement to be amended in the report.

Respondent states they do not submit to homeowner's demands that would compromise the report or them professionally. Respondent states after they continued to receive threatening text messages, they explained to Complainant they would remove themselves from the order if the inappropriate message continued. Respondent states Complainant threatened to involve their corporate attorney. Respondent states the final report was submitted to their client, who was not Complainant, on June 21, 2022. Respondent states they informed Complainant they

would not be communicating with them anymore because Complainant was not their client, and the report had been submitted. Respondent states at no point did they encourage Complainant to “cheat the system.”

Counsel recommends dismissing the complaint with no action, as based on Respondent’s answer, there do not appear to be any actionable violations.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel’s recommendation.**

- 7. 2022027361  
Opened: 7/11/2022  
Type of License: Certified Residential Real Estate Appraiser  
First Licensed: 4/5/2002  
7/31/2024  
History: None

Complainant is the purchaser of the property appraised in this complaint. Complainant states Respondent texted them on July 7, 2022, explaining they could not make any corrections to an appraisal dated May 4, 2022, without a new engagement or assignment from the lender, their client. Complainant states, however, on July 6, 2022, they were notified by their lender there was an error in the report that needed to be corrected and instructed them to reach out to Respondent. Complainant alleges Respondent failed to check the PUD checkbox and left the amount of the HOA dues blank. Complainant states they called and texted Respondent on July 6th and 7th, with no resolution.

Respondent states they do not believe the complaint is valid. Respondent states they had previously informed Complainant they could not do the requested revisions without a new assignment from the Lender. Respondent states they never received any request from the Lender and, accordingly, did not make any changes to the report.

An expert review was conducted. The expert found the report to be credible and compliant without any substantial issues. As such, Counsel recommends dismissing the complaint with no action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

8. 2022024651  
Opened: 7/18/2022  
Type of License: Certified Residential Real Estate Appraiser  
First Licensed: 7/27/2012  
Expires: 12/31/2022  
History: 2017 Consent Order for USPAP Violations

Complainant is the purchaser of the property appraised in this complaint. Complainant states Respondent listed the incorrect square footage for their home in the appraisal report. Complainant further alleges Respondent inaccurately labeled areas of their home in the report as well.

Respondent states the property was measured using ANSI standards and is separated in the report by above-grade and below-grade square footage in the report. Respondent states they personally measured the dwelling to determine the above-grade square footage, and correctly labeled all areas in the home.

An expert review was conducted. The expert reviewer determined that there were no observations in Respondent's report that reflected non-compliance with 2020/2021 USPAP Standards and that the review was credible. As such, counsel recommends dismissing the complaint without action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

9. 2022030081  
Opened: 8/8/2022  
License Type: Certified Residential Real Estate Appraiser  
First Licensed: 12/31/2002  
Expires: 4/30/2023  
History: None

Complainant states Respondent conducted an appraisal for their VA loan on March 16, 2022, and a re-inspection of the property on April 11, 2022. Complainant alleges Respondent's appraisal did not meet the requirements for an appraisal for a VA loan. Complainant alleges Respondent's appraisal was not reliable. Complainant additionally states Respondent was negligent in creating their appraisal report and it resulted in them losing money making required repairs that were not noted in Respondent's appraisal.

Respondent states they believe the majority of the items Complainant has problems with are beyond the scope of an appraiser and appear to be more home inspection related. Respondent states as for the alleged defective VA conditions of the home, that these conditions were not evident on the day of the property visit and would not have been evident unless the trim was removed. Respondent states additionally, the VA recommends a home inspection as well.

An expert review was conducted. The expert reviewer determined that there were no observations in Respondent's report that reflected non-compliance with 2020/2021 USPAP Standards and that the review was credible. As such, counsel recommends dismissing the complaint without action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

10. 2022033431  
Opened: 8/15/2022  
License Type: Certified Residential Real Estate Appraiser  
First Licensed: 7/17/1997  
Expires: 4/30/2023  
History: None

Complainant states while attempting to list their home for sale, their real estate agent went to the house at the end of their neighborhood to ask if they could put a sign in their yard for Complainant's sale. Complainant states the individual who lived in the home was Respondent, a licensed appraiser. Complainant states Respondent was very hateful and rude. Complainant states Respondent told Complainant they were "stupid and crazy" for their listing price. Complainant states their main concern was

Respondent would slander their house and hurt the value of their home. Complainant states they believe Respondent acted unprofessional.

Respondent states their husband has dementia and was outside in their driveway waiting for them when Complainant's agent approached Respondent's home. Respondent states the realtor was speaking with Respondent's husband when they came out, and Respondent went up and introduced themselves. Respondent states the agent requested to put a sign in front of their home, and Respondent informed them they would have to check with the property manager for the subdivision. Respondent states they informed the realtor of where they could find the person, and they needed to request permission for the sign display. Respondent states the only comment they made about the price of the house to the realtor was "that sounds high to me." Respondent states they were cordial to the realtor, had a nice conversation, and did not use the words "stupid and crazy," to describe Complainant's listing. Respondent states they believe their comments were taken out of context and construed negatively and believe Complainant's sale would be good for the neighborhood as a whole. Respondent states they were not acting as an appraiser at any time during their contact with the agent or Complainant.

Based on the fact Complainant and Respondent did not have a working relationship, and there do not appear to be any actionable violations, Counsel recommends dismissing the complaint with no further action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

11. 2022036501  
Opened: 9/26/2022  
License Type: Certified General Real Estate Appraiser  
First Licensed: 8/9/2004  
Expires: 8/31/2024  
History: None

This complaint was administratively opened after Respondent reported being disciplined in Oklahoma and surrendering their Oklahoma Appraiser's License.

Respondent is represented by counsel. Respondent's Attorney (hereinafter "Attorney") states Respondent properly disclosed their voluntary relinquishment of their Oklahoma Appraiser's license to the state of Tennessee. Attorney states Respondent's nonrenewal/voluntary relinquishment was just a voluntary business decision based upon the limited amount of business Respondent was processing in Oklahoma, and not a result of discipline. Attorney explains Respondent came to them in 2021 when they had a complaint filed against them with the Oklahoma Appraiser's Board. Attorney states the complaint was questionable and without merit. Attorney states, rather, the complaint was spurred from a personal dispute over a difference of opinion the Oklahoma complainant had with Respondent.

Attorney states while they believed Respondent had strong arguments against the complaint, Respondent made the choice to voluntarily relinquish their license in Oklahoma rather than fight the complaint. Attorney states Respondent weighed the cost of litigating the matter in comparison to the amount of work they conduct in the state and made the business decision to not renew their Oklahoma license. Attorney states, further, relinquishment was arrived at on the agreement that no disciplinary reporting was necessary, nor would any occur. Attorney states Respondent properly disclosed their involvement with the Oklahoma board when renewing their Tennessee Appraiser's License. Attorney states, further, out of all the states Respondent is licensed in and self-reported to, Tennessee is the only one that opened a complaint on a disclosed matter against Respondent.

Based on Respondent's answer and self-disclosure of their voluntary relinquishment of their Oklahoma License, Counsel recommends dismissing this matter with no further action.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

12. 2022026781  
Opened: 7/11/2022  
Type of License: Appraisal Management Company  
First Licensed: 12/14/2012  
Expires: 12/13/2022  
History: None

This is an administratively opened complaint. Respondent failed to complete Tennessee's AMC National Registry transaction. Notices were sent to Respondent.

Based on Respondent's failure to complete their registration, Counsel recommends authorizing issuing a Letter of Caution to Respondent, allowing them thirty (30) days to complete their Tennessee AMC National Registry transaction. However, if there is no compliance from Respondent within thirty (30) days then Counsel recommends authorizing issuing a Consent Order for a \$250 civil penalty and requiring Respondent to provide proof of registration within 30 days.

**Recommendation: Authorize issuing a Letter of Caution to Respondent, allowing them thirty (30) days to complete their Tennessee AMC National Registry transaction. However, if there is no compliance from Respondent within thirty (30) days then authorize issuing a Consent Order for a \$250 civil penalty and requiring Respondent to provide proof of registration within 30 days.**

**Commission Decision: The Commission accepted counsel's recommendation.**

13. 2022031161

Opened: 8/22/2022

License Type: Certified Residential Real Estate Appraiser

First Licensed: 12/18/1998

Expires: 1/31/2024

History: 2013 Consent Order for alleged bias in the appraisal of manufactured housing

Complainant is the seller of the home appraised in this complaint. Complainant alleges Respondent made numerous mistakes and violations in their appraisal of the home. Specifically, Complainant states Respondent made incorrect adjustments, used improper comparables, and did not take the time to properly conduct the appraisal.

Respondent states the notes and adjustments made in the report include the correct data. Respondent believes their report was credible, and all adjustments made and comparables used in the report were supported by the market data. Respondent states there was a typo present pertaining to the roof material section of the report. Respondent states they spent over an hour on the 1,200 sq. ft. home, and that it was

not a rush job. Respondent states it is “clear the seller does not understand common appraisal practices or [they] would not be insulting my profession, calling it a rush job[.]”

An expert review was conducted. The expert found the following:

**Neighborhood Section:**

- The neighborhood boundary description sets out a very large area. One-unit housing price range is stated to be from \$30,000 to \$2,000,000 with the predominant value of \$260,000. The appraisal sets out 5 sales within 0.07 to 2.77 miles of the subject with a value range from \$625,000 to \$740,000.

**Building/Improvement Description:**

To the extent verifiable by the reviewer the improvement issues are as follows:

- Roof:
  - o The roof on the home is actually metal, however, it is reported as shingle in the original appraisal (in the appraisal submitted for review Respondent changed the roof type to metal). A true copy of the appraisal was requested but the roof type remained metal.
- Replacements:
  - o The Appraisal has a statement that no improvements in the past 15 years have been made. However, the owner cites that a new metal roof was put in just 2 years prior, as well as a new central HVAC 8 years prior.
- Bath count:
  - o The Appraisal states there are 2 bathrooms, while the owner states the home has two and a half bathrooms. Additionally, the listing brief also has both a reference to 2 baths as well as a reference to 2.5 in the grid. The narrative reports a half-bath location.
- Other:
  - o The General description section for the design states Ranch as opposed to Basement Ranch.
  - o House has a walk-in basement which reportedly houses water storage tanks for the subdivision for which the owner reportedly receives a use



fee. Appraisal noted tank storage but reports the structure to have crawl space as opposed to the basement.

#### **Cost Approach Section:**

- Cost approach was applied, although the reliance appears limited and confusing. The cost approach conclusion was \$564,357 which is \$62,643 below the final value conclusion. However, the reconciliation states the cost approach is supportive of comparable sale value analysis. This statement is misleading to the reader.
- Within the development of the cost approach the allowance for land value is not supported. A review of the submitted work file did not note the derivation of lot value support. The depreciation section states no functional obsolescence while the general discussion related to the market approach states obsolescence related in comments for step access to the living area.
- No obsolescence is stated in the cost approach, yet obsolescence is a significant component in sale comparison adjustment.

#### **Sales Comparison Approach Section:**

- Adjustments:
  - o An across-the-board negative adjustment of \$30,000 is confusing to the reader as the grid associates adjustment with community water tank storage in the basement while other comments lean on step access to the living area. The reader is unable to find support for adjustment.
  - o Quality rated Q3 for the subject and all comps but had an unexplained adjustment for comp number three.
  - o The bath count was listed as two should have been two and a half.

#### **RECONCILIATION & CONCLUSION Section:**

- Primary issues in the appraisal relate to errors. The extensive number of errors leave a non-credible report.

#### **USPAP Standard 1-1 (a & c):**

- Appraisal used Cost, Sale Comparison, and Income approaches. Clarity between approaches was not recognized as obsolescence was noted in sale comparison adjustments and comments but not recognized in cost approach

comments. The cost approach was stated as supportive of the value conclusion but was not supportive.

- Numerous statements or listings that misstated actual conditions i.e. roof type, number of baths, etc.

**USPAP Standard 1-4 (a & b):**

- A cost approach was used but depreciation was stated to not contain obsolescence while comments in the sale comparison section referred to obsolesce of design (stair access).
- Cost approach was stated to be supportive of value, yet the indication was significantly below the final conclusion.
- Land value was cited but no sales data for the development of value was located in the workfile.

**USPAP Standard 2-1 (a):**

- The significant number of errors leave the report non-credible.

Based on Respondent's history and on the USPAP violations found in Respondent's appraisal by the expert reviewer, Counsel recommends a Consent Order requiring Continuing Education to be completed within 180 days of the execution of the Consent Order, and for these classes to be completed in addition to the continuing education minimum requirements for license renewal. Counsel further recommends for the Commission discuss and decide on the appropriate Continuing Education classes to be included in the Consent Order.

**Recommendation: Authorize a Consent Order requiring Continuing Education to be completed within 180 days of the execution of the Consent Order, and for these classes to be completed in addition to the continuing education minimum requirements for license renewal. Counsel further recommends for the Commission discuss and decide on the appropriate Continuing Education classes to be included in the Consent Order.**

**Commission Decision: The Commission voted to authorize a formal hearing with the authority to settle via a Consent Order assessing a \$500 civil penalty and requiring Respondent to complete Thirty (30) Hours CE in Sales Comparison above and beyond what is required for licensure renewal and to be completed within 180 days.**

**ADJOURNMENT**

There being no new business, Michelle Alexander made a motion to adjourn the meeting. This was seconded by Sandra Tuck. The motion passed by unanimous voice vote. The meeting adjourned at 10:45 a.m.