REAL ESTATE APPRAISER BOARD

MINUTES OF MEETING

April 26, 2016

The Real Estate Appraiser Board met at the Department of Professional and Occupational Regulation, 9960 Mayland Drive, Richmond, Virginia. The following Board members were present:

Michael Miller, Chair
Chris Call, Vice-Chair
H. Glenn James
Mack Strickland
Robert Rochester
Jean Gannon
Fay B. Silverman
René Fonseca
Edythe Kelleher
Scott Mayausky

DPOR Staff present for all or part of the meeting included:

Jay DeBoer, Director
Christine Martine, Executive Director
Nick Christner, Deputy Director
Mark Courtney, Senior Director
Jeff Williams, Board Administrator
Doug Schroder, Director of Adjudication
Emily Trent, Administrative Assistant

Elizabeth Peay and Kristina Alexander from the Office of the Attorney General were present.

Call to Order

Mr. Miller called the meeting to order at 10:04 A.M.

Approval of Agenda

A motion was made by Ms. Gannon and seconded by Mr. Strickland to approve the agenda. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Mayausky, Miller, Rochester, Silverman and Strickland. Kelleher abstained from voting in this matter.

Approval of Minutes

A motion was made by Mr. Call and seconded by Ms.

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Silverman to approve the following minutes: February 23, 3016, Real Estate Appraiser Board Meeting. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Mayausky, Miller, Rochester, Silverman and Strickland. Kelleher abstained from voting in this matter.

Public Comment

Henry Daniel Salomonsky addressed the Board regarding customary and reasonable fees and questioned whether AMC's are violating regulations by e-mailing broadcast orders and work requests. No action was taken by the Board.

Michael Small addressed the Board regarding e-mail and text blasts for work orders and stated that AMC's can violate public trust by communicating work opportunities in that manner. No action was taken by the Board.

Andy Watkins addressed the Board regarding AMC's trying to get around customary and reasonable fees by staffing their companies with appraisers and has other customary and reasonable fees concerns. No action was taken by the Board.

Bernie Bugg addressed the Board expressing thanks for the implementation of a customary and reasonable fee determination but asked the Board to provide clarification. No action was taken by the Board.

Pat Turner addressed the Board concerning cases on the agenda. Additionally, Mr. Turner questions AMC's hiring appraisers since Appraisal Management Companies are not licensed as firms and informed the Board that he will file a formal complaint against UL AMC's and some AMC's are doing appraisals in violation of Dodd Frank. No action was taken by the Board.

Tom Murray addressed the Board regarding AMC's blasting work orders and feels it is not in the public's interest by having lesser qualified appraisers accepting and performing the work. No action was taken by the Board.

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File Number 2016-01800, Nadlan Valuation, Inc.

In the matter of **File Number 2016-01800, Nadlan Valuation, Inc.,** the Board reviewed the application file, the transcript, and exhibits from the Informal Fact-Finding Conference, and the Summary of the Informal Fact-Finding Conference of the presiding Board member. A motion was made by Ms. Gannon and seconded by Mr. Strickland to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference to approve Nadlan Valuations, Inc.'s application for an Appraisal Management Company license subject to amendment of Question #13 of the Appraisal Management Company License Application listing all states where the company holds a license. In addition, Nadlan Valuation, Inc. must provide the Board with certificates of good standing from all states where they are licensed that have not previously been submitted. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland.

As the presiding Board member, Mr. Rochester did not participate in the discussion or vote pertaining to this matter.

File Number 2016-01940, Lenders Allies, LLC

In the matter of **File Number 2016-01940, Lenders Allies, LLC,** the Board reviewed the application file, the transcript, and exhibits from the Informal Fact-Finding Conference, and the Summary of the Informal Fact-Finding Conference of the presiding Board member. A motion was made by Mr. Strickland and seconded by Ms. Gannon to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference to approve Lenders Allies, LLC's application for an Appraisal Management Company license. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland.

As the presiding Board member, Mr. Rochester did not participate in the discussion or vote pertaining to this matter.

File Number 2016-00670, Michael Anthony Lowe

In the matter of **File Number 2016-00670, Michael Anthony Lowe,** the Board reviewed the record which consisted of the investigative file, and exhibits from the Informal Fact-Finding Conference, and the Summary of

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the Informal Fact-Finding Conference of the presiding Board member. Michael Anthony Lowe, respondent, was present and addressed the Board. A motion was made by Mr. Strickland and seconded by Mr. Mayausky to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference and find two violations of 18 VAC 130-20-180.D (Count 1) of the Board's 2008 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland. A motion was made by Mr. Call and seconded by Mr. Strickland to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference and find a violation of 18 VAC 130-20-180.D (Count 2) of the Board's 2008 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland. A motion was made by Ms. Gannon and seconded by Mr. Call to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference and find a violation of 18 VAC 130-20-180.D (Count 3) of the Board's 2008 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland. A motion was made by Mr. Strickland and seconded by Ms. Gannon to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference and find a violation of 18 VAC 130-20-180.E (Count 4) of the Board's 2008 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland.

A motion was made by Mr. Call and seconded by Mr. Strickland to reject the recommendation contained in the Summary of the Informal Fact-Finding Conference and instead impose the following sanctions: a monetary penalty of $100.00 for each violation contained in Count 1, $100.00 for the violation contained in Count 2, $100.00 for the violation contained in Count 3, $100.00 for the violation contained in Count 4, for a total of $500.00. The Board also imposes the following sanctions: For violations of Counts 1, 2, 3, and 4, Lowe is placed on probation and shall be

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required to complete a 15-hour course on Residential Report Writing and Case Studies approved by the Appraisal Foundation or the Board and a 15-hour USPAP course approved by the Appraisal Foundation or the Board, within six (6) months of the effective date of the Order. The courses shall include an examination. Upon successful completion of the courses, Lowe shall provide the Board with proof of passing the examinations. Satisfactory completion of the above-referenced courses will not count towards any continuing or pre-license education requirements needed for license renewal, reinstatement, or upgrade. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland.

As the presiding Board member, Mr. Rochester did not participate in the discussion or vote pertaining to this matter.

File Number 2016-00672, Alison Seymour McWilliams

In the matter of **File Number 2016-00672, Alison Seymour McWilliams,** the Board reviewed the record which consisted of the investigative file, and exhibits from the Informal Fact-Finding Conference, and the Summary of the Informal Fact-Finding Conference of the presiding Board member. A motion was made by Mr. Strickland and seconded by Mr. Call to reject the recommendation contained in the Summary of the Informal Fact-Finding Conference and instead find a violation of 18 VAC 130-20-180.D (Count 1) of the Board's 2008 Regulations. The motion passed by majority vote. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky and Strickland. Mr. Miller and Ms. Silverman abstained from voting in the matter.

A motion was made by Mr. Strickland and Mr. Call to impose a monetary penalty of $100.00 for the violation contained in Count 1, for a total of $100.00. The Board also imposes the following sanctions: In addition, for violation of Count 1, McWilliams is placed on probation, and required to complete a 15-hour USPAP course approved by the Appraisal Foundation or the Board within six (6) months of the execution of the Order. Upon successful completion of the course, McWilliams shall provide the Board with proof

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of passing the examination. It is acknowledged that satisfactory completion of the above-referenced course will not count toward any continuing or pre-license education requirements needed for license renewal, reinstatement or upgrade. The motion passed by majority vote. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky and Strickland. Mr. Miller and Ms. Silverman abstained from voting in the matter.

As the presiding Board member, Mr. Rochester did not participate in the discussion or vote pertaining to this matter.

File Number 2016-01007, Jeffrey Scot Phillips

In the matter of **File Number 2016-01007, Jeffrey Scot Phillips,** the Board reviewed the record which consisted of the investigative file, and exhibits from the Informal Fact-Finding Conference, and the Summary of the Informal Fact-Finding Conference of the presiding Board member. Jeffrey Scot Phillips, respondent, was present and addressed the Board. A motion was made by Mr. Call and seconded by Ms. Gannon to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference and find a violation of 18 VAC 130-20-180.D (Count 1) of the Board's 2015 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland. A motion was made by Mr. Strickland and seconded by Ms. Gannon to accept the recommendation contained in the Summary of the Informal Fact-Finding Conference and find a violation of 18 VAC 130-20-180.D (Count 2) of the Board's 2015 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland. Mr. Fonseca abstained from voting in the matter.

A motion was made by Mr. Strickland and seconded by Ms. Silverman to amend the recommendation contained in the Summary of the Informal Fact-Finding Conference and impose the following sanctions: For violations of Counts 1 and 2, Phillips is placed on probation and shall be required to complete a 15-hour course on Residential Report Writing and Case Studies approved by the Appraisal Foundation or

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the Board within six (6) months of the effective date of the Order. The courses shall include an examination. Upon successful completion of the courses, Phillips shall provide the Board with proof of passing the examinations. Satisfactory completion of the above-referenced courses will not count towards any continuing or pre-license education requirements needed for license renewal, reinstatement, or upgrade. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Kelleher, Mayausky, Miller, Silverman and Strickland.

As the presiding Board member, Mr. Rochester did not participate in the discussion or vote pertaining to this matter.

Administrative Issues

Ms. Martine informed the Board that the ASC sent a letter dated March 14, 2016, to the Board advising that those individuals who were credentialed or in the process of being credentialed under the 2008 criteria and relied on incorrect information from the State may be credentialed as AQB compliant. The Board's Secretary drafted a letter to the affected licensees advising them of the outcome on March 22, 2016 and staff closed the pending cases. No action was taken by the Board.

Ms. Martine advised the Board that the guidance document regarding customary and reasonable fees issued by the Board had initiated additional questions so staff has posted a statement about the Customary & Reasonable Fee Guidance Document on the board's website. The Board agreed with Ms. Martine's suggestion to mail all appraiser licensees and licensed AMC's a copy of the statement and Customary & Reasonable Fee Guidance Document.

New Business

Elizabeth Peay introduced Kristina Alexander, Section Chief, Office of the Attorney General to the Board.

Adjourn

There being no further business, the meeting adjourned at 11:47 A.M.

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Michael Miller, Chair

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Jay W. DeBoer, Secretary

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