

REAL ESTATE APPRAISER BOARD

MINUTES OF MEETING

February 23, 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:

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

Board members absent from the meeting: 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
Joseph Haughwout, Asst. Director of Adjudication
Emily Trent, Administrative Assistant

Elizabeth Peay from the Office of the Attorney General was present.

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

Call to Order

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, Miller, Rochester, Silverman and Strickland.

Approval of Agenda

A motion was made by Ms. Gannon and seconded by Mr. Strickland to approve the following minutes: November 17, 2015, Real Estate Appraiser Board Meeting. The motion

Approval of Minutes

passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Miller, Rochester, Silverman and Strickland.

A motion was made by Ms. Gannon and seconded by Mr. Miller to approve the January 12, 2016, Customary & Reasonable Fee Committee Meeting. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Miller, Rochester, Silverman and Strickland.

Jayne Allen addressed the Board regarding broadcast orders sent to appraisers via e-mail. No action was taken by the Board.

Public Comment

Scott DiBiasio, Appraisal Institute, suggested the Board form a sub-committee or working group to allow the state to use a standard of valuation practice other than USPAP when doing non-federally related work. No action was taken by the Board.

The following cases from the Board agenda were deferred to the April 26, 2016, Real Estate Appraiser Board meeting:

Deferred Cases

- 3) File Number 2016-01494 – Cheryl Ann Walsh
- 4) File Number 2016-01496 – Michele Mouris
- 5) File Number 2016-01498 – Christian Osburn
- 6) File Number 2016-01497 – Gail Froehling
- 7) File Number 2016-01499 – William D. Cole, Sr.
- 8) File Number 2016-01492 – Martin C. Cho
- 9) File Number 2016-01493 – Patrick Joseph Jewell
- 10) File Number 2016-01500 - Justin R. Stanley
- 11) File Number 2016-01501 – Jeffrey Allen Eye
- 12) File Number 2015-01502 – Joseph R. Mendicino

In the matter of **File Number 2015-01542, Priority Appraisal Management USA, 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 Mr. Call to accept the recommendation contained in the

File Number 2015-01542, Priority Appraisal Management USA, LLC

Summary of the Informal Fact-Finding Conference to approve Priority Appraisal Management USA, LLC's application for an Appraisal Management Company license. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Miller, Silverman and Strickland.

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

In the matter of **File Number 2015-02984, Raja Ahmad Raza**, the Board reviewed the Consent Order as seen and agreed to by Mr. Raza. A motion was made by Mr. Strickland and seconded by Mr. Rochester to accept the proposed Consent Order offer wherein Mr. Raza admits to a violation of 18 VAC 130-20-180.D (Count 1) of the Board's 2008 Regulations, a violation of 18 VAC 130-20-180.D (Count 2) of the Board's 2008 Regulations, a violation of 18 VAC 130-20-180.D (Count 3) of the Board's 2008 Regulations, a violation of 18 VAC 130-20-180.E (Count 4) of the Board's 2008 Regulations, and a violation of 18 VAC 130-20-180.D (Count 5) of the Board's 2008 Regulations, and agrees to a monetary penalty of \$250.00 for the violation contained in Count 1, \$250.00 for the violation contained in Count 2, \$250.00 for the violation contained in Count 3, \$250.00 for the violation contained in Count 4, and \$250.00 for the violation contained in Count 5, as well as \$150.00 in Board costs for a total of \$1,400.00. In addition, for violation of Counts 1, 2, 3, 4 and 5, Raza agrees to complete an Upper Level Residential Appraisal Course approved by The Appraisal Foundation or the Board within six (6) months of the execution of the Order. Such course shall be a minimum of 30 hours and shall include an exam. Upon successful course completion, Raza shall provide the Board with proof of passing the exam. It is acknowledged that satisfactory completion of the above-referenced course 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 Fonseca, Gannon, James, Miller, Rochester, Silverman and Strickland.

File Number 2015-02984, Raja Ahmad Raza

As the Board member who reviewed the file, Mr. Call did not participate in the discussion or vote pertaining to this matter.

Mr. James turned the position of Chair over to Mr. Miller and recused himself from the meeting.

Transfer of Chair

In the matter of **File Number 2015-01449, Travis Lee Clements**, 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. Travis Lee Clements, respondent, was present and addressed the Board. A motion was made by Mr. Rochester and seconded by Ms. Silverman 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 2008 Regulations, a violation of 18 VAC 130-20-180.D (Count 2) of the Board's 2008 Regulations, a violation of 18 VAC 130-20-180.D (Count 3) of the Board's 2008 Regulations, and a violation of 18 VAC 130-20-180.E. of the Board's 2008 Regulations. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, Miller, Rochester, Silverman and Strickland. A motion was made by Mr. Rochester and seconded by Ms. Gannon to reject the recommendation contained in the Summary of the Informal Fact-Finding Conference and instead impose the following sanctions: a monetary penalty of \$250.00 for the violation contained in Count 1, \$250.00 for the violation contained in Count 2, \$250.00 for the violation contained in Count 3, \$250.00 for the violation contained in Count 4, for a total of \$1,000.00. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, Miller, Rochester, Silverman and Strickland.

File Number 2015-01449, Travis Lee Clements

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

In the matter of **File Number 2016-01218, Asset Management Outsourcing Servicing, Inc.**, the Board reviewed the application file, the transcript, and exhibits from

File Number 2016-01218, Asset Management

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 accept the recommendation contained in the Summary of the Informal Fact-Finding Conference to approve Asset Management Outsourcing Servicing, Inc.'s application for an Appraisal Management Company license. The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, Miller, Rochester, Silverman and Strickland.

Outsourcing Servicing, Inc.

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

Mr. James returned and assumed the position of Chair.

Transfer of Chair

Ms. Martine reviewed the proposed guidance document regarding customary and reasonable fees with the Board. The Board discussed the customary and reasonable fee committee meeting findings. The Board opened the floor to public comments regarding customary and reasonable fees.

Administrative Issues

T. C. Cookley addressed the Board with concerns that appraisal clients are getting substandard appraisals due to AMCs using cost cutting measures.

Public Comment

Tom Murray addressed the Board and asking the Board to use the VA panel fees.

Pat Turner addressed the Board with his concerns about accuracy and reliability of the Virginia Tech study.

Damian Diatis addressed the Board regarding AMC's use of appraisers based on fees and not qualifications.

Bernie C. Bugg, Jr., voiced support of the VA fee schedule and stated fees should be the net to the appraisers with no deduction taken by the AMCs.

Denise Verlander opposed the Board setting fees and expressed that fees should be determined and set by appraisers.

Frank Wright addressed the Board stating that Dodd-Frank has unintended consequences. Fees, turn times and number of revisions are the top three items an AMC looks at when assigning work.

Gary Denny addressed the Board with concerns that the appraisal industry is losing appraisers due to low fees and compensation. He would like the Board to use a study to find an effective customary and reasonable fee schedule.

Mary Byrd feels there is currently a disconnect between the AMCs and mortgage lenders.

Leo Regensburger, Executive Vice-President of the American Guild of Appraisers, agrees with the VACAP position to adopt the VA fee schedule.

Tony Grubb addressed the Board with concerns about reduced fees from AMCs who send broadcast requests for appraisals. He is in support of the VA fee schedule.

The Board recessed from 12:13 P.M. to 12:25 P.M.

Break

The Board continued to discuss customary and reasonable fees. Mr. Rochester voiced concerns with the VA schedule. A motion was made by Mr. Strickland and seconded by Mr. Rochester to adopt the Virginia Real Estate Appraiser Board Guidance Document for Customary and Reasonable Compensation for Fee Appraisers as presented with amendments as noted. The motion passed by majority vote. Members voting "Yes" were Fonseca, James, Miller, Rochester and Strickland. Members voting "No" were Gannon and Silverman. Mr. Call abstained from voting in the matter.

Administrative Issues

A motion was made by Mr. Call and seconded by Mr. Miller to adopt the following resolution to honor the years of dedicated Board service by former Board Member Laura Sanchez del Solar:

Resolution – Laura Sanchez del Solar

RESOLUTION IN HONOR OF

Laura Sanchez del Solar

WHEREAS, Laura Sanchez del Solar, has faithfully and diligently served as a member of the Real Estate Appraiser Board since 2010; and

WHEREAS, Laura Sanchez del Solar, has devoted generously of her time, talent and leadership to the Board; and

WHEREAS, Laura Sanchez del Solar, has endeavored at all times to render decisions with fairness, good judgment, and in the best interest of the Board; and

WHEREAS, the Real Estate Appraiser Board wishes to acknowledge its gratitude and deepest appreciation for devoted service of a person who is held in high esteem by the members of the Board and the citizens of the Commonwealth.

NOW THEREFORE BE IT RESOLVED, by the Real Estate Appraiser Board this twenty-third day of February, 2016 that Laura Sanchez del Solar be given all honors and respect due her for her outstanding service to the Commonwealth, citizens and the Real Estate Appraiser Board; and

BE IT FURTHER RESOLVED, that this Resolution be presented to her and be made a part of the official minutes of the Board so that all may know of the high regard in which she is held.

The motion passed unanimously. Members voting "Yes" were Call, Fonseca, Gannon, James, Miller, Rochester, Silverman and Strickland.

Christine Martine opened the floor for nominations for the position of Chair of the Real Estate Appraiser Board. H. Glenn James nominated Michael Miller for the position and Jean Gannon seconded the nomination. With no other nominations, Mr. Miller succeeds to the position of Chair by

Administrative Issues

acclamation.

Jean Gannon nominated Chris Call for Vice-Chair and Rene Fonseca seconded the nomination. With no other nominations, Mr. Call succeeds to the position of Vice-Chair by acclamation.

Ms. Martine updated the Board regarding the ASC compliance review and procedure changes implemented by staff. No action was taken by the Board.

Old Business

Mr. Christner addressed the Board regarding complaint intake and asked Board members to return requested information to staff within 10 days to assist staff in meeting deadlines.

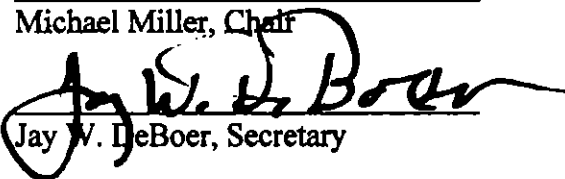
New Business

There being no further business, the meeting adjourned at 1:19 P.M.

Adjourn



Michael Miller, Chair



Jay W. DeBoer, Secretary

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: H. Glenn James
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)

5. I have a personal interest in the following transaction:

NONE
(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

NONE

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

Certified General/ Real Estate Appraiser

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.

H. Glenn James
Signature

Feb 23, 2016
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: Robert Rochester
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)

5. I have a personal interest in the following transaction:

(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

I declare that I am a member of the following business, profession,
occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the
public interest.

or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.

Robert Rochester
Signature

2/23/16
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: René Fonseca
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)

5. I have a personal interest in the following transaction:

(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.


Signature

2-23-16
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: Thomas "Mack" Strickland, Jr.
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)

5. I have a personal interest in the following transaction:

None
(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.


Signature

2/23/2016
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: Jean M. Gannon
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)

5. I have a personal interest in the following transaction:

(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

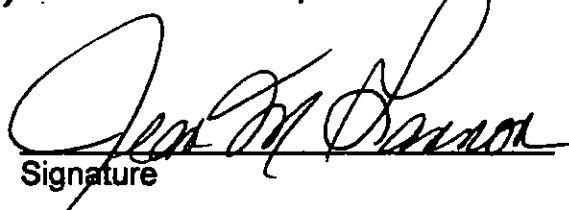
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.


Signature

2/23/16
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: Fay B. Silverman
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)


5. I have a personal interest in the following transaction:

(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

I declare that I am a member of the following business, profession,
occupation or group, the members of which are affected by the transaction:

- I am able to participate in this transaction fairly, objectively, and in the
public interest.
- or
- I did not participate in the transaction.
6. I do not have a personal interest in any transactions taken at this meeting.


Signature

2/23/16
Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**

1. Name: Michael Miller
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)

5. I have a personal interest in the following transaction:

(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

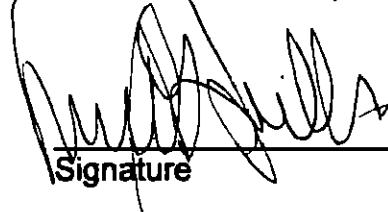
I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

I am able to participate in this transaction fairly, objectively, and in the public interest.

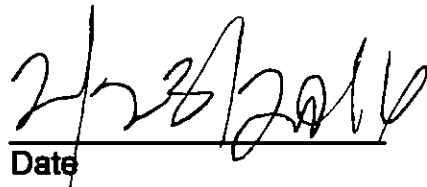
or

I did not participate in the transaction.

6. I do not have a personal interest in any transactions taken at this meeting.



Signature



Date

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

**TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government**


1. Name: Christopher S. Call
(Name of Board Member)
2. Title: Board Member
3. Agency: Real Estate Appraiser Board
(Name of Board)
4. Meeting/IFF Date: February 23, 2016
(Date)
5. I have a personal interest in the following transaction:

(Agenda Item)

Nature of Personal Interest Affected by Transaction: _____

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

- I am able to participate in this transaction fairly, objectively, and in the public interest.
- or
- I did not participate in the transaction.
6. I do not have a personal interest in any transactions taken at this meeting.



Signature

2/23/2016
Date