

PALMETTO APPRAISER



The S.C. Real Estate Appraisers Board Newsletter, The Palmetto Appraiser, is published by the S.C. Real Estate Appraisers Board of the S.C. Department of Labor, Licensing and Regulation. It is published as an informational and educational service to all licensees of the Real Estate Appraisers Board.

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South Carolina Real Estate Appraisers Board

A MESSAGE FROM THE CHAIRMAN: JOEL NORWOOD



This edition of the newsletter for the Real Estate Appraisers Board addresses several issues we hope you find interesting and useful. If you have suggestions for future articles you would like to see in the newsletter, please let us know.

On page 2 of this newsletter, Administrator Rod Atkinson discusses a recent audit of our Board done by federal regulators. In my column on page 3, I share my background with you so you know a little bit about your Board chair.

On page 4, you can learn more about the AMC Bill and other licensing and regulatory changes.

The balance of this newsletter includes quick helpful links and facts. I hope you find the content of the newsletter informative, interesting and relevant.

Joel

Joel Norwood, JD, MAI
Chairman

Number of Licensees as of March 24, 2014

Classification	Active	Inactive	Total
Apprentice	173	2	175
Licensed	194	31	225
Certified Residential	1067	54	1121
Certified General	978	19	997
Licensed Mass	57	1	58
Certified Residential Mass	68	3	71
Certified General Mass	29	1	30
Totals	2,566	111	2,677

GOVERNOR

Nikki Haley

**DEPARTMENT OF
LABOR, LICENSING
AND REGULATION**

Holly Pisarik
Director

**REAL ESTATE
APPRAISERS BOARD**

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ADMINISTRATOR'S REPORT: ROD ATKINSON



Kudos on the Federal Audit Report

In the second quarter of 2013, the South Carolina Real Estate Appraisers Board (the Board) was visited by representatives from the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council for a biennial review of our program. The purpose of this review is to evaluate and monitor appraiser regulatory programs for implementation and enforcement of USPAP and Appraiser Qualification Board (AQB) Criteria, adequacy of the State's statutory or regulatory authority, funding and staffing to successfully carry out Title XI of the Federal Financial Institutions, Reform, Recovery and Enforcement Act of 1989 (Title XI) related functions, and consistency with Title XI in the decisions of State Programs.

At the conclusion of the review, the ASC provided a "Preliminary Findings" report to the Board at its meeting on May 2nd, 2013, and later in writing to me. The ASC representatives presented a very positive review of the Board's licensing, compliance, and education program processes, record and files. The ASC representatives also expressed that they were pleased with the organization, record keeping and documentation in the investigative and legal files, which eased and expedited their review process.

It was reported that there were 17 unresolved complaints open for more than one year, which presents an item of non-compliance with federal guidelines. There was also one case which had not been opened due to the inactivity of the former licensee. The staff with the Department of Labor Licensing and Regulation (LLR) assigned to Appraisal Board functions immediately began implementing a plan and has successfully brought the program into the threshold of substantial compliance by resolving the majority of these outstanding complaints. The Board administrator provided a written response to the ASC on July 26, 2013, outlining the steps taken and the plan for immediate compliance.

The Appraisers Board and LLR staff will continue to take steps to insure that complaints are resolved in a timely manner and that they are implementing and approving proposed revisions to the Practice Act and Regulations to bring us into compliance with future federal guidelines. We look forward to continuing our positive track record of compliance with our next federal ASC audit in 2015.

CHAIRMAN PROFILE

Joel Norwood, JD, MAI



I was born and raised in Greenville and grew up in the appraisal business. My father was an MAI appraiser named Wilkins Norwood, and I wanted to be like him. My college years were spent studying and watching great basketball at Duke University. Next, I went to the University of South Carolina School of Law, since it fulfilled a dream. I never practiced law even though I passed the bar exam, but I use the legal background daily for my business.

Since 1991, I have been appraising real estate full time. I started in residential and then I transitioned into commercial. Part of my business is for litigation and I appear in court. I am married and just celebrated my 20th anniversary. We have four children that range from 5 to 15 years old, three dogs and one cat. Call me if I can ever be of assistance (864) 325-7150.



AARO MEETING REPORT: CHRIS DONATO:

Board members Chris Donato and Jake Knight, along with investigator Tom Cullinan, attended the 2013 Fall Conference of the Association of Appraiser Regulatory Officials (AARO) in Washington DC in October. Discussions centered around the following:

1. **Changes to AQB** – The Appraiser’s Qualification Board of the Appraisal Foundation adopted the following changes that will take effect January 1, 2015.

- ◆ Education and experience will have to be completed prior to taking the National Uniform Licensing and Certification Examinations.
- ◆ Applicants for CR and CG classifications will have to possess a Bachelor’s degree or higher from an accredited college or university.
- ◆ Applicants for a LR classification will have to have successfully completed 30 semester hours of college-level education, or an Associate’s degree or higher.
- ◆ All candidates will be required to undergo a background check.
- ◆ Revisions to the Trainee Appraiser classification that will include a requirement to take a course oriented to the requirements and responsibilities of Trainee Appraisers and supervisory Appraisers.
- ◆ New Supervisory Appraiser requirements.

2. **AMC Legislation** – AMC legislation has now been passed in 38 states. Several AMCs were represented at the meeting and discussed some of the problems they were experiencing with the many different requirements and fees that they must comply with. The audience of AARO members didn’t seem to have much sympathy for their plight.

3. **Changes to USPAP** – Barry Shea, chair of the Appraisal Standards Board, introduced the upcoming changes to USPAP. Most time was spent on the change to the type of reports. Stand Alone and Summary reports have been eliminated and replaced with Appraisal Report. The quantity of information in the report will now depend upon the Scope of the Appraisal. Restricted Reports are still permissible, but can only be done when the client is the intended user. Appraisers are encouraged to take a USPAP update course as soon as possible in order to be in a position to educate lenders.



USEFUL LINKS

The following links include websites that may be of interest to appraisers. The South Carolina Real Estate Appraisers Board does not endorse any of these companies or products.

General Appraisal

[The Appraisal Foundation](#)

[Mortgage Fraud Blog](#)

[FEMA](#)

[USPAP](#)

Commercial Appraisers

[CoStar](#)

[Reis](#)

[PwC Investor Survey](#)

[Loopnet](#)

Residential Appraisers

[Marshall & Swift](#)

[Apex Sketching Software](#)



CLOSED DISCIPLINARY ACTIONS:

Past disciplinary orders are available for review in portable document format (PDF) and require the Adobe Acrobat Reader to view and print.

[*Link to Alphabetical Listing of Orders and Board Actions*](#)

UPCOMING MEETINGS:

Date	Time	Location	Description
5/15/2014	10:00 AM - 5:00 AM	Kingstree Bldg, room 105	Board Meeting
5/16/2014	10:00 AM - 5:00 PM	Kingstree Bldg, room 105	Board Meeting Continued (if needed)
8/14/2014	10:00 AM - 5:00 PM	Kingstree Bldg, room 105	Board Meeting
8/15/2014	10:00 AM - 5:00 AM	Kingstree Bldg, room 105	Board Meeting Continued (if needed)
11/13/2014	10:00 AM - 5:00 PM	Kingstree Bldg, room 105	Board Meeting
11/14/2014	10:00 AM - 5:00 PM	Kingstree Bldg, room 105	Board Meeting Continued (if needed)

AMC BILL UPDATE:

The AMC Bill, S. 349, successfully made it through the state Senate and crossed the aisle to the House. The bill was heard on May 28, 2013 in the House LCI Business and Commerce Subcommittee; however, the subcommittee adjourned debate on the bill. This bill remains in the House LCI committee. The committee has taken no action on the bill.

2015 AQB CHANGES:

As you know, licensing changes will be taking effect in 2015 as mandated by the Appraisal Qualifications Board. These changes require state legislative action to be incorporated into the South Carolina state licensing law. It is imperative that the bill is passed before the session ends so SC can maintain the minimum requirements mandated by the AQB.

Holly Beeson and Grant Gillespie, our LLR Government Affairs support team, have provided assistance and support at the Statehouse as we continue to work on these important changes. We also need to recognize the leadership and support that has been provided by the SC Chapter of the Appraisal Institute, the SC Professional Appraisers Coalition, and their lobbying team at Capital Consultants to get these important items of legislation passed. The AQB bill unanimously passed the Senate LCI Committee on March 27th, 2014 and will go before the full Senate for a vote.

REDESIGNED WEBSITE

LLR has redesigned its website to make it more customer friendly for all of its users. The goal of the redesign was to make it easier for the users to find what they need quickly on the website.

Sections on the new website include:

- ◆ Licensure Information
- ◆ Publications
- ◆ Complaint/Board Order Information
- ◆ Board Information/Laws and Policies
- ◆ Contact Us

The Agency also has changed its [web address](#) and incorporated it into a new logo (shown below).

Please let us know what you think. We welcome your comments and suggestions at socialmedia@llr.sc.gov.



USPAP 2014-2015 RELEASED:

The Appraisal Foundation announced that the 2014-15 edition of the Uniform Standards of Professional Appraisal Practice (USPAP) has been released. USPAP is the generally accepted standards of practice for the appraisal profession in the US, and congressionally authorized for real estate appraisers.

The 2014-15 edition of USPAP will be valid for two years. It includes the standards of professional practice as well as guidance from the Appraisal Standards Board (ASB) in the form of USPAP Advisory Opinions and USPAP Frequently Asked Questions (FAQs). Changes to the document include:

- ◆ *Revisions to the DEFINITIONS of “Assignment Results” & “Scope of Work”*
- ◆ *Revisions to the PREAMBLE*
- ◆ *Revisions to the Conduct section of the ETHICS RULE*
- ◆ *Revisions to the COMPETENCY RULE*
- ◆ *Revisions to Reporting Requirements, including type & number of Report Options*
- ◆ *Revisions to Standards Rule 3-5*
- ◆ *Retirement of STANDARDS 4 and 5*
- ◆ *Revisions to Advisory Opinion 11, Content of the Appraisal Report Options of Standards Rules 2-2 and 8-2 and Advisory Opinion 12, Use of the Appraisal Report Options of Standards Rules 2-2 and 8-2*

DIGITAL VERSION OF USPAP FOR YOU:

The 2014-15 USPAP book is available electronically. It has been placed on our secure website for appraisers to log in and download it to electronic devices. You would log in using your user I.D. and password under Online Services. This downloadable version is printable, unlike the one that can be viewed on the Appraisal Foundation website. Users are instructed that this document can only be downloaded once and cannot be shared with anyone. Appraisers still have to order their 7 hour USPAP Student Manual from the Foundation or their instructor teaching the 7 hour course, but can order the electronic version of the student manual and it is cheaper than the paper copy.

[LINK TO DOWNLOADABLE USPAP](#)