

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.

Articles published in this issue may not be reproduced unless specific reference is made to their original publication in The Palmetto Appraiser.

Views expressed in articles by guest authors are not necessarily those of the Real Estate Appraisers Board, nor LLR, nor should they be mistaken for official policy.

South Carolina Real Estate Appraisers Board

A MESSAGE FROM THE CHAIRMAN: JOEL NORWOOD



Welcome to the first issue of the Palmetto Appraiser's Newsletter. Since this is the Board's first one, I have a lot of information to share with you.

The South Carolina Real Estate Appraisers Board has many new faces. The Board's long-time administrator, Jay Pitts, resigned last year to take a job with the State Museum. Pitts' replacement, Tracey McCarley, worked with the Board for a few months before taking another position within the Department of Labor, Licensing and Regulation (LLR). During the first quarter of this year Roderick Atkinson was named as administrator.

We've had changes on the Board, too. Long-time Chairman Herb Sass resigned his position after being elected to the Charleston County Council. Board member Terry O'Brien became the Chairman, but only served a few months, until his term expired. Governor Haley appointed three new members Jake Knight, MAI, Michael Dodds, MAI, and Chris Donato, MAI. At a subsequent meeting, I was elected by the Board to serve as Chairman.

With so many changes in a short period of time, you can imagine the learning curve for all involved. Before my service, I had many impressions about what the Appraisers Board does. I was surprised to learn that by statute our main role is to be like a judge in a courtroom, to determine licensing standards, to regulate the continuing education process, to set standards for appraisals and to promulgate regulations. Primarily, the Board listens to complaint cases and licensing issues and ultimately makes decisions on the outcomes of those cases.

By statute, the administrative duties of the Board are handled by LLR employees, not Board members. This means LLR hires Board employees and sets the budget. We cannot lower or raise license fees. Additionally, the Board can only recommend changes in legislation.

I hope that you find the content of the newsletter to be informative, interesting and relevant.

Joel



GOVERNOR

Nikki Haley

**DEPARTMENT OF
LABOR, LICENSING
AND REGULATION**

Holly Pisarik
Director

**REAL ESTATE
APPRAISERS BOARD**

Roderick Atkinson
Administrator

BOARD MEMBERS

Joel Norwood, Chair
Greenville, SC

Michael B. Dodds
Columbia, SC

Christopher D. Donato
Mount Pleasant, SC

Andrew S. Johnson
Pawleys Island, SC

Ann King
Florence, SC

George 'Jake' E. Knight, Jr.
Columbia, SC

Rhonwen L. Newton
Columbia, SC



AMC LEGISLATION UPDATE:

South Carolina must pass the Appraisal Management Company (AMC) law since it is federally mandated by the Frank-Dodd law. Last year, the bill died in committee. A new two-year legislative session has begun, and the Board recommends and supports this bill and hopes every appraiser will support it. To bolster our efforts, the Board is seeking support for the AMC legislation and other bills by the use of lobbyists hired by trade organizations. The Board does have the authority to testify before legislative subcommittees about legislation.

The AMC Bill had its third reading and has successfully passed the South Carolina Senate. Now the bill crosses the hallway and goes to the House where the same process begins again...subcommittee, committee and floor. There is about a month to get this accomplished for this year.

UPCOMING MEETINGS:

8/8/2013	10:00 AM - 5:00 PM	Kingstree Bldg, room 105	Board meeting
11/14/2013	10:00 AM -5:00 PM	Kingstree Bldg, room 105	Board meeting

HAVE YOU BEEN ASKED TO PREPARE AN EVALUATION?

The Board has seen an increase in appraisers being asked to prepare an "evaluation" for banks. This is happening primarily on the commercial side of the business, and the requests are coming from commercial AMCs.

What is an "evaluation"? Basically, it is an opinion of value, communicated in a written report, that does not have to meet USPAP requirements. FIRREA allows bank employees to prepare an evaluation when renewing a loan or if the loan is less than \$250,000.

So, can a licensed appraiser prepare an evaluation? The answer is no. Several states have legal provisions that allow licensed appraisers to produce evaluation reports. In South Carolina, the law prevents licensed appraisers from being able to communicate an estimate of value in an evaluation report.

NEW BOARD MEMBER
PROFILE

George 'Jake' E. Knight Jr.
Columbia, SC



A native of Columbia and a graduate of the University of South Carolina (May 1987), Knight has a bachelor of science degree in business administration, with a double major in real estate and finance. His real estate career began as a broker. After selling real estate, Knight began his appraisal career in 1991 and opened his own appraisal and brokerage firm in 1995. Currently, daily involvement with real estate includes a concentration in the appraisal of commercial properties, litigation support, brokerage and consulting.

As a qualified expert witness, Knight performs litigation support and provides expert testimony, having appeared in court in SC and NC. He is a member of the Greater Columbia Association of Realtors and the International Right of Way Association. A 2005 Leadership Columbia graduate, Knight continues his involvement with the Chamber of Commerce with service on the Leadership Columbia Committee and Leadership Columbia Alumni Association Board. He is also a member of the Columbia Rotary Club.



ASSOCIATION OF APPRAISER REGULATORY OFFICIALS MEETS:

Jake Knight attended the 2012 Fall Conference of the Association of Appraiser Regulatory Officials in Washington DC. The three-day conference included guest speakers

Sessions were specifically designed for:

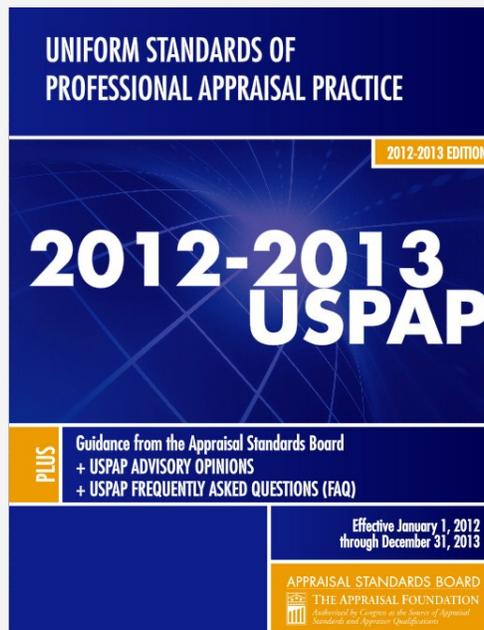
- Investigators/Attorneys/Regulators
- Board Members/Administrators
- Appraisal Management Company Representatives

An overview of the conference is available in the most recent AARO newsletter at:

[LINK TO AARO NEWSLETTER](#)

USPAP 2012-2013:

Click on the image below to view the Appraisal Foundation's USPAP 2012-2013.



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](#)



DISCIPLINARY OVERVIEW:

How are Complaints Handled?

Any initial complaint received indicating a possible violation of a professional or occupational practice act will be screened by the appropriate chief investigator to determine if an investigation is warranted.

If it is, the chief investigator will review the complaint, determine issues, assign case number and assign case to an investigator.

When an investigation is conducted, the investigator will inform the licensee in writing that an initial complaint has been filed, giving the substance of the allegation and asking for a written response to the allegation.

An investigator may draft subpoenas for records relevant to the investigation.

The investigator will complete the investigative process and submit an investigative summary to the chief investigator. The chief investigator will review and approve the investigative report.

Once the investigation is approved by the chief investigator, the case goes to a review committee for a determination of formal action, a consent agreement parameters, a dismissal with a letter of caution or a dismissal. A review committee report must be presented to the Board for approval. The Board only sees a report with case numbers, issues and recommendations. No names are revealed to the Board members at this time. Once the review committee's report is approved by the Board, letters are mailed out for dismissals. Formal complaints and consent agreement parameters are referred to LLR's Office of General Counsel. During the legal process, the appraiser will be referred to as the Respondent. The Respondent may be given an option of a consent agreement if the review committee approved the parameters for a consent agreement. If a consent agreement is agreed to, it must be approved by the Board. If a consent agreement is not allowed or is not agreed to, the case will proceed with a disciplinary hearing before the Board.

Current Disciplinary Actions

There have been six active disciplinary actions cases initiated so far this year. Including those six, there are 32 active investigations, of which three involve commercial property appraisals.

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**](#)

