

1 **Minutes**

2 **South Carolina Real Estate Appraisers Board**

3 **Thursday, November 12, 2020 at 10:00 a.m.**

4 **Via Video/Teleconference**

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6  
7 **Meeting Called to Order:**

8 Jake Knight, Chairman, called the meeting of the South Carolina Real Estate Appraisers Board to  
9 order at 10:00 a.m. Other members present for the meeting included: Chris Barczak, Chris  
10 Donato, Mark Chapman, Rex Casterline, Mike Dodds and Clint Hammond.

11 Mr. Knight announced that public notice of this meeting was properly posted at the S.C. Real  
12 Estate Appraisers office, Synergy Business Park, Kingstree Building, and provided to all  
13 requesting persons, organizations, and news media in compliance with Section 30-4-80 of the  
14 South Carolina Freedom of Information Act.

15 Staff members participating during the meeting included: Mary League, Advice Counsel;  
16 Charles Gwynne, Office of Disciplinary Counsel; Malcolm Burton, Office of Investigations;  
17 Rodney Pigford, Office of Investigations; Laura Smith, Administrator; Sonya Morse, Office of  
18 Disciplinary Counsel; and Courtney Clark, Office of Disciplinary Counsel.

19 The following members of the public were present: Austin Smallwood, Robert Bundy, David  
20 Wink, Charles Watson and Stanley Dellinger. Also present was respondent in Case 2018-51,  
21 attorney for Case 2018-51 and respondent in Case 2019-30.

22  
23 **Introduction of Board Members and All Other Persons Attending**

24 Laura Smith, Administrator introduced herself and all others in attendance.

25  
26 **Approval of Excused Absences**

27 No board members were absent.

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30 **Approval of Agenda:**

31 **MOTION:**

32 Mr. Casterline made the motion to approve the agenda. Mr. Dodds seconded the motion, which  
33 carried unanimously.

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35 **Approval of the Minutes from the August 13, 2020 Board Meeting**

36 **MOTION:**

37 Mr. Casterline made the motion to approve the minutes as written. Mr. Chapman seconded the  
38 motion, which carried unanimously.

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40 **Chairman's Remarks**

41 Mr. Knight stated his appreciation for those in attendance and for being patient as we deal with  
42 these challenging situations. Mr. Knight further thanked staff for all their work. Mr. Knight  
43 discussed the full agenda today, which includes two disciplinary hearings.

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45

46 **Disciplinary Hearing for Case #2018-51**

47 Mr. Knight called the disciplinary hearing for Case #2018-51 to order. Chris Barczak and Mark  
48 Chapman were recused from this hearing. Respondent and their attorney were present and  
49 respondent was sworn in. Charlie Gwynne, Office of Disciplinary Counsel, and the respondent's  
50 attorney gave their opening statements. Mr. Malcolm Burton was called as a witness and sworn  
51 in. He was questioned by Mr. Gwynne and cross-examined by the respondent's attorney. The  
52 respondent was also questioned. Several questions were asked by board members before Mr.  
53 Gwynne and the respondent's attorney made their closing remarks.

54

55 **Motion to go into Executive Session**

56 Mr. Casterline made a motion to enter into executive session for legal advice. Mr. Dodds  
57 seconded the motion. Motion carried unanimously.

58

59 **Motion to come out of Executive Session**

60 Mr. Dodds made a motion to return from executive session. Mr. Casterline seconded the motion.  
61 Motion carried unanimously.

62

63 **Motion for Disposition**

64 Mr. Casterline made a motion for disposition of case #2018-51. The State did meet their burden  
65 of proof in the 1<sup>st</sup> and 2<sup>nd</sup> issue, but actions did not raise to level of discipline. Respondent will  
66 be issued a letter of caution and case is dismissed. Mr. Donato seconded the motion. Motion  
67 carried unanimously.

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69

70 **Disciplinary Hearing for Case #2019-30**

71 Mr. Knight called the disciplinary hearing for Case #2019-30 to order. Respondent was present  
72 and respondent was sworn in. Charlie Gwynne, Office of Disciplinary Counsel, and the  
73 respondent gave their opening statements. Mr. Malcolm Burton was called as a witness and  
74 sworn in. He was questioned by Mr. Gwynne. The respondent was allowed time to present their  
75 case. Several questions were asked by board members before Mr. Gwynne and the respondent  
76 made their closing remarks.

77

78 **Motion to go into Executive Session**

79 Mr. Casterline made a motion to enter into executive session for legal advice. Mr. Chapman  
80 seconded the motion. Motion carried unanimously.

81

82 **Motion to come out of Executive Session**

83 Mr. Casterline made a motion to return from executive session. Mr. Donato seconded the  
84 motion. Motion carried unanimously.

85

86 **Motion for Disposition**

87 Mr. Casterline made a motion for disposition of Case #2019-30. State did meet its burden of  
88 proof, respondent violated 40-60-110 (22) and 40-60-38. The board issued a public reprimand, a

89 6 month suspension of respondent's Certified Residential license. The suspension will be stayed  
90 for a 6 month supervision by an approved Certified Residential appraiser and respondent must  
91 submit experience logs at the end of 6 months for staff to review. Mr. Donato seconded the  
92 motion, which carried unanimously.

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95 **Application Hearing for Harold Hembree**

96 Mr. Knight call the application hearing for Mr. Hembree to order. Applicant was present along  
97 with his potential supervisor, Robert Wayne Lovett, both were sworn in. Documents were  
98 reviewed by the board and questions from board members were answered by Mr. Hembree.

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100 **Motion to Grant a License**

101 Mr. Donato made a motion to grant Mr. Hembree an apprentice license. Mr. Hammond  
102 seconded the motion. The motion carried with a 4 to 3 vote of the board members.

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105 **Approval of the Investigative Review Committee (IRC) Report- Rodney Pigford**

106 The IRC report dated November 3, 2020 presented for approval. Discussion ensued.

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108 **DISMISSALS**

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2020-10	Malcolm Burton	Value dispute, improper comps, inaccurate property description, possible sexual bias	No violation.
2020-12	Malcolm Burton	License Revoked by Florida	No violation.

2020-13	Malcolm Burton	Respondent, who is domiciled in Georgia, prepared a hybrid desk report for property in Mount Pleasant. Complaint (owner of property & an appraiser) states sales are inappropriate resulting in under-valuation.	No violation.
2020-21	Malcolm Burton	Complaint is based on phone calls to him allegedly trying to influence him into changing his opinion of value in an appraisal. Complainant completed an appraisal of respondent's home. Complainant alleges that because respondent is an appraiser, he should be aware that this undue influence may be a violation of the Ethics Rule.	No violation.

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111 **LETTER OF CAUTION**

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2020-15	Malcolm Burton	Value dispute - appraiser used improper sales tax appeal appraisal report that overvalued the property. Sales were provided by Complainant.	Be mindful of reporting analysis of subject sales history. 2-2 (a) (viii)
2020-49	Malcolm Burton	Sanctioned by Other Board	Based on Resolution Guidelines.
2020-52	Malcolm Burton	The Oklahoma Appraiser's Board reprimanded Respondent effective 04/30/2020.	Based on Resolution Guidelines.
2020-53	Malcolm Burton	Nebraska imposed probation and monetary fine on Respondent.	Based on Resolution Guidelines.

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113 **FORMAL COMPLIANTS**

Case #	Investigator	Initial Compliant Allegations	IRC Logic
2020-6	Malcolm Burton	Comp selection, value dispute, incorrect property description	Statute Violation

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116 **MOTION:**

117 Mr. Casterline made the motion to accept the IRC recommendations. Mr. Donato seconded the  
 118 motion, which carried unanimously.

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**OIE APPRAISER’S BOARD CASE REPORT**

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<b>Case Statuses</b>	<b>Total</b>
Active Investigation (Avg days: 113)	36
Closed (Avg days: 247)	4
Do Not Open Case (Avg days: 26)	21
Pending Board Action (Avg days: 203)	9
Pending CA Review (Avg days: 28)	2
Pending Further Information ( Avg days: 18)	3
<b>Total</b>	<b>75</b>

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<b>OIE INVESTIGATIONS</b>	
<b>2017 Real Estate Total Investigations</b>	<b>63</b>
<b>2018 Real Estate Total Investigations</b>	<b>77</b>
<b>2019 Real Estate Total Investigations</b>	<b>63</b>
<b>2020 Appraiser Total Investigations</b>	<b>75</b>
	<b>Active</b>
	<b>36</b>
<b>TOTAL</b>	<b>36</b>

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**Office of Disciplinary Counsel (ODC) Update – Charles Gwynne**

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**ODC Case Load Statistics as of January 30, 2020**

<b>Board</b>	<b>Open Cases</b>	<b>Pending Review</b>	<b>Pending CA/MOAs</b>	<b>Pending Hearings</b>	<b>Pending Board Action</b>	<b>Pending Appeal</b>	<b>Pending Final Orders</b>	<b>Pending Closure</b>	<b>Closed*</b>
<b>Appraisers</b>	3	0	0	3	0	0	0	0	2

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**\*Closed Cases 8/3/20 to 10/29/20**

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135 **Administrators Remarks - Laura Smith**

136 Mrs. Smith spoke briefly about the current number of appraisers, who has not renewed, CE  
137 Broker account, and the current CE audit. A discussion ensued.

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139 **Licensure Update**

140 **SC REAL ESTATE APPRAISERS BOARD NUMBER OF CREDENTIALS AS OF**  
141 **November 12, 2020**

	<b>ACTIVE</b>	<b>INACTIVE</b>	<b>ACTIVE IN RENEWA L</b>	<b>TOTAL</b>
<b>Apprentice</b>	219	0	57	276
<b>Licensed</b>	124	17	19	160
<b>Certified Residential</b>	956	47	76	1079
<b>Certified General</b>	961	31	121	1113
<b>Licensed Mass</b>	49	0	6	55
<b>Certified Residential Mass</b>	60	2	10	72
<b>Certified General Mass</b>	25	3	3	31
<b>Total</b>	<b>2394</b>	<b>100</b>	<b>292</b>	<b>2786</b>

142

143 **AMC Active            140    AMC Inactive            8            AMC Lapsed            15**

144

145 **TEMPORARY PERMITS**

<b>ISSUED IN 2019</b>	<b>ISSUED IN 2020</b>
249	140

146

147 **Budget Update**

148 Mrs. Smith provided the Budget Report for the Appraisers Board Account (\$1,123,905.99) for  
149 review by the Board. The National Registry Account (\$115,147.08) was also presented to the  
150 Board for review, this account is allocated to pay the National Registry fees to the Appraisal  
151 Subcommittee. These numbers are ending balances as of September 30, 2020.

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154 **Conferences and Travel Budget**

155 Mrs. Smith discussed with the board members about upcoming conferences that are available  
156 through May of 2021. SCPAC Conference is scheduled for Myrtle Beach, March 12-13, which  
157 Mrs. Smith plans to attend. ACTS Conference is scheduled for April 14-16 and AARO is  
158 scheduled April 30 – May 2, with trainee classes for investigators and administrators on April  
159 29<sup>th</sup>. These conferences are currently being planned with hopes of personal appearance.  
160 However, there is a possibility the conferences could still be virtual. She stated that the travel  
161 budget approved for this year was the same as last year’s budget. Discussion ensued.

162

163 **Motion for Travel Approval**

164 Mr. Casterline made a motion to allow attendance by staff and board members for the upcoming  
165 conferences if travel is allowed. Mr. Casterline further made the motion to approve the  
166 Administrator and up to two Board Members to attend the ACTS Conference in April. Mr.  
167 Donato seconded the motion, which carried unanimously.

168

169 **Motion for Travel Approval**

170 Mr. Casterline made a motion to approve the Administrator, the Investigator and up to two Board  
171 Members to attend the AARO Conference in April, with Ms. Smith and Mr. Burton attending the  
172 training the day before the start of the conference. Mr. Chapman seconded the motion, which  
173 carried unanimously.

174

175 **New Business**

176 A discussion ensued concerning the new AQB requirements to include PAREA (Practical  
177 Applications for Real Estate Appraisals) as of January 1, 2021. The Board discussed  
178 establishing a task force to discuss PAREA and determine if they would recommend PAREA as  
179 part of the minimum requirements for South Carolina appraiser experience.

180

181 **MOTION:**

182 Mr. Casterline made the motion to form a task force to include 3 Board Members, Board  
183 Administrator, and representatives from SCPAC, Appraisal Institute, Realtors, Bankers  
184 Association and a newly licensed Certified appraiser, to discuss PAREA and report to the Board  
185 at the next meeting. Mr. Chapman seconded the motion, which carried unanimously.



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188 **Unfinished Business**

189 A discussion ensued regarding changes made to the statute to include Appraisers Qualification  
190 Board (AQB) minimum requirements. The Board reviewed all changes that were discussed at  
191 the August meeting.

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194 **MOTION:**

195 Mr. Casterline made the motion to accept the amended changes to the statute (Chapter 60). Mr.  
196 Dodds seconded the motion, which carried unanimously.

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198 **Public Comments**

199 None.

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201 **Adjournment**

202 Mr. Casterline made the motion to adjourn the meeting. Mr. Donato seconded the motion, which  
203 carried unanimously.

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205 The next Real Estate Appraisers board meeting is scheduled for May 13 & 14, 2021.