

1 **Minutes**

2 **South Carolina Real Estate Appraisers Board**

3 **Thursday, May 5, 2022 at 10:00 a.m.**

4 **Via Video/Teleconference**

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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 Donato, Mike Dodds
10 and Rex Casterline.

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

15 Staff members participating during the meeting included Wick Stuart, Advice Counsel; Malcolm
16 Burton, Office of Investigations; Rodney Pigford, Office of Investigations; Laura Smith,
17 Administrator.

18 The following members of the public were present: Austin Smallwood with SC Realtors;
19 Malinda Griffin and Dale Bailey with SCPAC and Scott Dibiasio with Appraisal Institute.

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21 **Introduction of Board Members and All Other Persons Attending**

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

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24 **Excused Absences**

25 **MOTION:**

26 Mr. Casterline made the motion to approve the absences of Mark Chapman and Chris Barczak.
27 Mr. Donato seconded the motion, which carried unanimously.

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30 **Approval of Agenda**

31 **MOTION:**

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

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36 **Approval of Minutes**

37 **MOTION:**

38 Mr. Casterline made the motion to approve the minutes from the February 11, 2022 board
39 meeting. Mr. Dodds seconded the motion, which carried unanimously.

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42 **Chairman's Remarks**

43 Mr. Knight stated his appreciation for those in attendance and for being patient as we deal with
44 the challenges of a virtual meeting. Mr. Knight thanked the board and staff for their support.

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47 **Application Hearing**

48 Testimony given in regard to reinstating a Licensed appraiser license for Robert E. Newland.

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50 **MOTION:**

51 Motion to reinstate Mr. Newland's Licensed appraiser license was made by Mr. Donato. Mr.
52 Casterline seconded the motion, which carried unanimously.

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

58 The IRC report dated April 22, 2022 was presented for approval. Discussion ensued.

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60 **DISMISSALS**

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2021-26	Mac Burton	This case is a companion to 2021-29. Both appraisers, who are in the same appraisal firm, submitted appraisal reports for the same property with same effective dates, but different dates of reports.	Dismissal – Respondent submitted a report based on his own work. The report meets the minimum requirements of USPAP.
2021-30	Mac Burton	Sales used not comparable, GLA is different from a prior appraisal, which adversely affects value conclusion Comp 3 incorrectly identified as waterfront.	Dismissal - Appraisal report meets minimum requirements of USPAP.
2021-38	Mac Burton	Respondent is AMC. Allegation that because the completed appraisal requested by the AMC from an appraiser did not meet the lender's criteria to fund loan, the AMC is responsible.	Dismissal - Appraisal report meets minimum requirements of USPAP.
2021-41	Mac Burton	Complainant identified issues with: inaccurate age; inaccurate Condition & Quality; failed to support appraised value; inappropriate comp selection due to location.	Dismissal - Although the report relies heavily on the appraiser's knowledge of the market with little reliance on cited analysis of data, the report is not misleading and meets minimum USPAP Standards.
2022-10	Mac Burton	Appraisal report did not identify the numerous renovations and did not use the correct Condition rating (too low).	Dismissal - The report meets minimum requirements of USPAP.
2022-18	Mac Burton	Complainant identified several issues in report: Failure to Adjust Comparables Comparable Sale(s) Physical Features Reported Inaccurately - Gross Living Area Comparable Sale(s) Physical Features Reported Inaccurately - Other Adjusted Value of Comparable Sale(s) Failed to Support Appraised Value Inappropriate Comparable Sale(s) Selection Due to Location Use of Dissimilar Comparable Sale(s) Due to Site Characteristics	Dismissal - The report is not misleading, contains adequate support for its conclusions, and meets minimum requirements of USPAP.

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63 FORMAL COMPLAINTS

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2021-19	Mac Burton	Numerous allegations including property description inaccurate, use of old pictures in the report, rent schedule not close to actual rents received.	Statutory violation.
2021-46	Mac Burton	Value dispute. Errors in property description.	Statutory violation.
2021-32	Mac Burton	Complainant identified several issues in report: physical characteristics errors, dissimilar comparable sales based on site, age, condition, & quality, inadequate adjustments	Statutory violation.
2021-40	Mac Burton	Complainant identified the following issues: Inappropriate comp selection due to location; physically dissimilar comps due to age, condition, quality of construction, GLA	Statutory violation.

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LETTERS OF CAUTION

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2020-20	Mac Burton	Value dispute based on improper comps	Letter of Caution to be mindful to include necessary data in work file to support conclusions in an appraisal report...
2021-28	Mac Burton	Numerous errors in physical description and incorrect market trend, and sales selection. Complainant said it is not a value dispute, rather excessive mistakes in the report.	Letter of Caution to be mindful to carefully review reports for errors or statements cloned from previous reports before submitting to clients...
2021-29	Mac Burton	This case is a companion to 2021-26. Both appraisers, who are in the same appraisal firm, submitted appraisal reports for the same property with same effective dates, but different dates of reports.	Letter of Caution to be mindful to disclose appraisal assistance within the report or have the individual sign the report as the appraiser or supervisor. If no assistance is given, make sure report does not include another appraiser's license information.
2021-36	Mac Burton	Value dispute based on use of comps with fewer bedrooms, not being in the same subdivision, not adequately describing nor crediting recent updates to the home.	Letter of Caution to be mindful to carefully review reports for errors or statements cloned from previous reports before submitting to clients...

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69 **MOTION:**

70 Mr. Casterline made the motion to accept the IRC recommendations for formal complaints,
71 letters of caution and dismissals. Mr. Dodds seconded the motion, which carried unanimously.

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74 **OIE APPRAISERS BOARD CASE REPORT – Malcolm Burton**

75 **OIE Status Report as of May 5, 2022**

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Total Complaints Received 1/1/2021-12/31/2021	77
Active Investigations (Average Age 221 days)	13
Closed	20

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

80 **ODC Case Load Statistics as of April 18, 2022**

Board	Open Cases	Pending Hearings & Agreements	Pending Closure	Closed	Appeals
Appraisers	0	0	0	1	0
			*Closed since last report:	1	
			*Closed since 1/1/22	4	

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86 **Administrators Remarks - Laura Smith**

87 **Licensure Update**

88 **SC REAL ESTATE APPRAISERS BOARD NUMBER OF CREDENTIALS**

89 **AS OF May 2, 2022**

	ACTIVE	INACTIVE	TOTAL
Apprentice	307	0	307
Licensed	138	17	155
Certified Residential	1048	47	1095
Certified General	1069	29	1098
Licensed Mass	52	1	53
Certified Residential Mass	77	3	80
Certified General Mass	29	3	32
Total	2720	100	2820

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91 **AMC Active 144 AMC Inactive 20 AMC Lapsed 14**

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93 **TEMPORARY PERMITS**

ISSUED IN 2021	ISSUED IN 2022
202	70

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96 **Budget Update**

97 Mrs. Smith provided the Budget Report for the Appraisers Board Account (\$940,458.34) for
98 review by the Board. The National Registry Account (\$86,157.08) was also presented to the
99 Board for review, this account is allocated to pay the National Registry fees to the Appraisal
100 Subcommittee. These numbers are ending balances as of March 31, 2022.

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102 **Appraiser Conferences**

103 Mrs. Smith asked the board members to check their calendars for the dates September 7-9 for the
104 Valuation Expo Conference. Also, September 26-27 for the Appraisal Summit Conference.

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106 **MOTION:**

107 Mr. Casterline made a motion for the board to approve the Administrator and two board
108 members to attend both conferences. Mr. Donato seconded the motion. The board will vote on
109 the AARO Conference at the August board meeting.

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111 **Unfinished Business**

112 **Statute and Regulations**

113 Update given concerning the proposed changes to the statute and regulations. The new session
114 will begin in January.

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116 **ASC Grants**

117 Appraisal Subcommittee grants were discussed based on discussions Mrs. Smith had with LLR
118 Counsel and HR Director. Mrs. Smith stated she was still waiting to be notified by her
119 supervisors as to when they can meet to discuss these grant. Several ideas are being considered,
120 which would be acceptable to the ASC for grant requests. These ideas include, funds for travel
121 expenses, hiring contract employees for staff assistance and/or salary increases or bonuses for
122 current staff. A discussion ensued.

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124 **New Business**

125 None

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127 **Public Comments**

128 Malinda Griffin thanked Mr. Casterline and Mrs. Smith for attending the ACTS conference,
129 commending the two for participation and disclosed the success of the conference.

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131 **Adjournment**

132 Mr. Casterline made the motion to adjourn. Mr. Dodds seconded, which carried unanimously.

133 The next Real Estate Appraisers board meeting is scheduled for August 11, 2022.