

Minutes

South Carolina Real Estate Appraisers Board

Thursday, November 16, 2017 at 10:00 a.m.

Synergy Business Park, Kingstree Building, Conference Room 105

110 Centerview Drive, Columbia, South Carolina 29210

Meeting Called to Order:

Jake Knight, Chairman, called the meeting of the South Carolina Real Estate Appraisers Board to order at 10:00a.m. Other members present by telephone for the meeting included: Chris Barczak, Rex Casterline, Michael Dodds, Christopher Donato.

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

Staff members participating during the meeting included: Georgia Lewis, Advice Counsel; Erin Baldwin, Office of Disciplinary Council; Malcolm Burton, Office of Investigations; Sharon Cook, Office of Investigations; Laura Smith, Administrator; Ty'Yona Schofield, Administrative Assistant.

Four members of the public Nicolas Saldana, Pamela Moore, Ryan Broome, and David Moore were present.

Pledge of Allegiance was recited by all present.

Introduction of Board Members and All Other Persons Attending

All board members and staff were introduced by roll call. The public attendees introduced themselves.

Approval of Excused Absences

Mr. Donato made the motion to approve the absences of Clint Hammond and Ann King. M. Dodds seconded the motion which carried unanimously.

Approval of Agenda:

MOTION:

Mr. Casterline made the motion to approve the Agenda as written. Mr. Donato seconded the motion which carried unanimously.

Approval of the Minutes from September 07, 2017 Meeting

MOTION:

Mr. Casterline made the motion to approve the motion as amended.

Line 86- Correct the word assertion with insertion

Line 88-92- Insert a quotation should start before the word registration and end at the word payment.

Mr. Donato seconded the motion to approve the amended minutes which carried unanimously.

Chairman's Remarks

Mr. Knight kept his remarks at a minimum. He wanted to welcome and show his appreciation for everyone who worked on the AMC's. Mr. Knight announced that the registration paperwork is in place and AMC's are starting to register.

Administrators Remarks - Laura Smith

Budget Update

Ms. Smith provided the Budget Report for the Appraisers Board Account (\$419,817.18). She stated the collection of the AMC’s fee will not begin until Regulation is passed. She expects this number to increase next summer after renewals and payments received from AMC’s registration. The National Registry Account (\$68,780.00) is allocated to the Appraisal Subcommittee to pay the National Registry fees.

Licensure Update

**SC REAL ESTATE APPRAISERS BOARD NUMBER OF CREDENTIALS AS OF
November 14, 2017**

	ACTIVE	INACTIVE	TOTAL
Apprentice	201	0	201
Licensed	147	28	175
Certified Residential	991	55	1046
Certified General	990	32	1022
Licensed Mass	48	1	49
Certified Residential Mass	65	3	68
Certified General Mass	29	2	31
Total	2471	121	2592

AMC Registration Issued 10/2/17 – 11/14/17 15 (3 pending further documentation)

Temporary Permits Issued in 2016 239 Issued in 2017 175

307 Appraisers Lapsed as of 7/1/2017

Ms. Smith stated this is the highest number of Apprentices in several years. She noted the Temporary permits has declined due to the increase in the application fee, so more are now applying for an actual license. Discussion ensued.

2018-2019 USPAP

Ms. Smith stated it has been offered again to purchase the online version of the USPAP at a discounted price. Two years ago the Board approved to put it on the website for secure login for Licensed Appraisers to upload it free of charge.

MOTION

Mr. Casterline made the motion to repeat the downloadable USPAP program and allow it to be free to the Licensed Appraisers for the first quarter period.

Mr. Donato seconded the motion which carried unanimously. Discussion ensued.

New Business

Approval of the Investigative Review Committee (IRC) Report- Sharon Cook

The IRC report dated November 7, 2017 presented for approval. Discussion ensued.

DISMISS

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2016-57	Malcolm Burton	Value Dispute	No violation. Appraiser responded appropriately to lenders concerns. Standard 3 review performed.
2016-61	Malcolm Burton	Professional incompetence in measuring and diagramming property.	No violation. Compiled with request of lender. Standard 3 review performed.
2016-62	Malcolm Burton	Incorrect identification of property.	No violation. Standard 3 review performed
2016-64	Malcolm Burton	Uniform Standards Violation and value dispute.	No violation. Standard 3 review performed
2017-56	Malcolm Burton	Unlicensed Practice	Now licensed as an apprentice

MOTION:

Mr. Casterline made the motion to accept the IRC recommendations of dismissal. Mr. Donato seconded the motion. The votes carried unanimously.

DISMISS – CEASE AND DESIST

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2016-55	Malcolm Burton	Unlicensed Practice	C&D

MOTION:

Mr. Donato made a motion to approve the Cease and Desist Report. Mr. Dodds seconded the motion. The votes carried unanimously.

FORMAL COMPLAINT

Case#	Investigator	Initial Complaint Allegations	IRC Logic
2016-50	Malcolm Burton	There are alleged errors in the report that mislead users and materially affect the conclusions of the report.	Statute violation
2016-63	Malcolm Burton	Uniform Standards Violation	Statute violation
2017-66	Malcolm Burton	Alleged USPAP violations- credibility of appraisal review report.	Statue violation
2016-6	Malcolm Burton	Uniform Standards Violation	Statute violation

MOTION:

Mr. Casterline made a motion to approve the Formal Complaint Report. Mr. Dodds seconded the motion. The votes carried unanimously.

LETTER OF CAUTION

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2016-51	Malcolm Burton	Uniform Standards Violation and improper comps.	Be mindful to include sufficient explanation for sales selection and adjustments. Standard 3 review performed.
2016-52	Malcolm Burton	Respondent completed an appraisal for a property but failed to research all available sources of market area sales. The area is covered by two MLS systems that do not share data.	Be mindful of thoroughly researching all available sales.
2016-60	Malcolm Burton	Complainant alleges numerous errors & omissions in report	Be mindful of retention of documents in final and draft form. Standard 3 review performed.
2016-68	Malcolm Burton	Value Dispute.	Be mindful to check licensure of all employees. Standard 3 review performed.
2017-10	Malcolm Burton	A QC review revealed numerous material defects in the respondent's report. The respondent's rebuttal did not support his opinion of value and did not adequately explain the errors noted in the review.	Be mindful to use better communication with clients.

RELINQUISHMENT

Case#	Investigator	Initial Complaint Allegations	IRC Logic
2016-65	Malcolm Burton	Uniform Standards Violation	Statute violation.
2017-27	Malcolm Burton	Sanctioned by Other Board	Statute violation.

MOTION:

Mr. Dodds made a motion to accept the Relinquishment report. Mr. Casterline seconded the motion. The votes carried unanimously.

OIE APPRAISER'S BOARD CASE REPORT

Cases received from January 1, 2017 – November 8, 2017

Case Statuses	Total
Active Investigation	30
Closed	1
Do Not Open Case	13
Opened	5
Pending Board Action	2
Pending Further Information	2
Total	54

31 TOTAL ACTIVE CASES

Cases closed January 1, 2017 – November 8, 2017

Case Statuses	Total
Closed	33
Do Not Open Case	12
Total	45

Office of Disciplinary Counsel (ODC) Update - Erin Baldwin

ODC Case Load Statistics as of November 6, 2017

Board	Open Cases	Pending actions	Pending CA/MOAs	Pending Hearings	Pending Board Action	Pending Final Orders	Closed
Appraisers	3	1	2	0	0	0	1

******Closed Cases on or after 8/7/17**

1

Ms. Baldwin gave an update on the cases currently on her desk and the three open cases technically reduced to two now have already received consent agreements. Discussion ensued.

Schedule Conflict

Ms. Smith is scheduled to speak at the SPAC Conference on February 16, 2018 conflicting with the next Board Meeting dates.

MOTION:

Mr. Casterline made a motion to move the February 2018 meetings currently scheduled for February 15th & 16th to be rescheduled for February 22nd & 23rd at a room to be determined by the Administrator. Mr. Donato seconded the motion. The votes carried unanimously.

Unfinished Business

AARO Conference Update

- Ms. Smith attended the AARO Conference back in October in Washington, DC. A lot of changes will be made regarding Appraisers and AMC's.
- The National Registry fee for AMC's is now \$25.00 for the number of Appraisers on the panel within a 12 month period.
- AQB changes
 - o Licensed Appraisers can now have a High School Diploma
 - o Meeting on February 1, 2018 to pass the Fourth Exposure Draft
 - o Certified Residential 3 Options
 1. Associates Degree in a business type category
 2. 30 hours of specific College Courses in lieu of an Associate's Degree
 3. 5 years of experience as a Licensed Appraiser in good standing
- The next AARO Conference is on May 4, 2018 in Washington State.

AMC Registration Update

- The registration process began October 2, 2017 and no complaints have been heard.
- Any current existing AMC's already working in the State have 120 days to register.
- New AMC's coming in the State have to register immediately before conducting business.

Application Hearings

Pamela Moore

The board held a hearing to determine the reinstatement of Pamela Moore's Certified Residential Appraiser License. Ms. Moore did not have legal counsel. Ms. Moore presented testimony regarding the reinstatement of her license. Discussion ensued.

MOTION:

Mr. Donato made the motion to approve the reinstatement of Ms. Moore's Certified Residential license. Mr. Dodds seconded the motion which carried unanimously.

Nicolas Saldana

The board held a hearing to determine the reinstatement of Nicolas Saldana's Certified Residential Appraiser License. Mr. Saldana did not have legal counsel. Mr. Saldana presented testimony regarding the reinstatement of his license. Discussion ensued.

MOTION:

Mr. Casterline made the motion to approve the reinstatement of Mr. Saldana's Certified Residential license. Mr. Donato seconded the motion which carried unanimously.

(This proceeding was recorded by a court report in order to produce a verbatim transcript if requested in accordance with the law.)

Executive Session

None.

Public Comments

None

Adjournment

Mr. Donato made the motion to adjourn the meeting. Mr. Dodds seconded the motion which carried unanimously.