

Minutes

South Carolina Real Estate Appraisers Board

Thursday, February 22, 2018 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. .

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: Mary League, Advice Counsel; Erin Baldwin, Office of Disciplinary Council; Malcolm Burton, Office of Investigations; Sharon Cook, Office of Investigations; Laura Smith, Administrator; Lori Walters, Administrative Assistant; Ty'Yona Schofield, Program Coordinator.

Four members of the public Ashley Urso, Mark Chapman, Austin Smallwood and Martin Jensen 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 Absence

Mr. Casterline made the motion to approve the absences of Ann King. Mr. 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 minutes as written.

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 showed his appreciation for everyone who was in attendance. Mr. Knight announced that AMC's fee structure and regulations were still being worked on.

Administrators Remarks - Laura Smith

Budget Update

Ms. Smith provided the Budget Report for the Appraisers Board Account (\$373,899.15). She stated this number would increase due to renewals starting in June. The National Registry Account (\$70,280.00) is allocated to the Appraisal Subcommittee to pay the National Registry fees. She mentioned that \$80.00 comes out of the application fees for the National Registry fees.

Licensure Update

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

	ACTIVE	INACTIVE	TOTAL
Apprentice	217	0	217
Licensed	147	28	175
Certified Residential	999	55	1054
Certified General	1006	32	1038
Licensed Mass	48	1	49
Certified Residential Mass	65	3	68
Certified General Mass	29	2	31
Total	2511	121	2632

AMC Registration **Issued 10/2/17 – 2/14/2018** **100**

Temporary Permits **Issued in 2017** **213** **Issued in 2018** **41**

State Ethics Commission:

Mrs. Smith stated she sent emails to all of the Board members as a reminder to file their report with State Ethics. The report must be filed by March 30, 2018. It was her understanding that you must file the report even if you have nothing to report.

Valuation Expo

Mrs. Smith told the Board members that the Valuation Expo was being held in Charleston and it begins on March 18, 2018 and ends on March 21, 2018. Mrs. Smith inquired of the Board members who was interested in going. She stated that two Board members could attend and they could vote on working this into the travel budget. Mr. Dodds indicated that he would be interested in going.

Spring AARO Conference

Mrs. Smith indicated that the conference was taking place the first week of May. She stated that she would not be able to attend due to renewals beginning the first of May. She indicated that two Board members could attend. It was also discussed about one member of the Administrative staff to attend.

Motion for Attendance Approval

Mr. Casterline made the Motion for two Board members and one Administrative staff member to attend the Spring AARO Conference.

Mr. Donato seconded the motion which carried unanimously.

AMC Commercial property

Mrs. Smith provided a letter to the Board with the question if the Appraisal Management Company registration was to include companies handling non-residential transactions based on the current statute. Mrs. Smith stated that she and Advice Counsel, Georgia Lewis reviewed the definition in the statute for Appraisal Management Companies and determined that it did not specify residential or non-residential. It is being brought to the Board for their opinion

Motion for Executive Session

Mr. Casterline made the motion to enter into executive Session.

Mr. Dodds seconded the motion which carried unanimously.

Motion for open session

Mr. Casterline made the motion to come out of executive session

Mr. Donato seconded the motion which carried unanimously.

Motion on AMC- Commercial Property.

Mr. Casterline inquired as to whether or not the AMC statute applies to commercial property and those AMC's that focus on commercial property.

Mr. Casterline made the Motion that they clarify the Board’s interpretation of South Carolina code Section 40-60-20, Subsection 1.

Mr. Donato seconded the motion which carried unanimously.

AMC State Filing Requirements

Mrs. Smith supplied the Board with an updated copy of the Appraisal Management Company registration application. Mrs. Smith indicated that there had been an argument concerning the requirement for documentation from the SC Secretary of State. After review with Advice Counsel and reviewing how other boards handle this documentation, the Secretary of State documentation will not be required or hold up a registration application. The information stating they need to contact the SC Secretary of State to register to do business in this state will remain on the application with instructions on how to contact the Secretary of State.

New Business

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

The IRC report dated January 29, 2018 presented for approval. Discussion ensued.

DISMISS

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2017-6	Malcolm Burton	Uniform Standards Violation and improper comps.	Minimum requirements of USPAP met. Standard 3 review performed.
2016-19	Malcolm Burton	Dispute of refund for incomplete appraisal.	Corrective action taken.

MOTION:

Mr. Casterline made the motion to approve the IRC recommendations of dismissal. Mr. Dodds seconded the motion which carried unanimously.

DISMISS – CEASE AND DESIST

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2017-38	Malcolm Burton	Unlicensed Practice	C&D
2017-39	Malcolm Burton	Unlicensed Practice	C&D
2017-40	Malcolm Burton	Unlicensed Practice	C&D

MOTION:

Mr. Casterline made a motion to approve the Cease and Desist Report. Mr. Donato seconded the motion which carried unanimously.

FORMAL COMPLAINT

Case#	Investigator	Initial Complaint Allegations	IRC Logic
2017-9	Malcolm Burton	Complaint alleges two reports for the same property are misleading..	Statute violation
2017-50	Malcolm Burton	Sanctioned by other Board	Statute violation

MOTION:

Mr. Casterline made a motion to approve the Formal Complaint Report. Mr. Donato seconded the motion which carried unanimously.

LETTER OF CAUTION

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2017-3	Malcolm Burton	The complainant cited eight items that she feels violated Standards Rule 1-1.	Be cautious in communications with client. Provide sufficient support for appraisal. Same appraisal report as 2017-14
2017-5	Malcolm Burton	The complainant states the appraiser made numerous errors of omission and commission.	Be mindful of Standard Rule 2-2 (a) (viii).
2017-14	Malcolm Burton	The complainant alleges violations of four standards rules of USPAP.	Be cautious in communications with client. Provide sufficient support for appraisal.
2017-52	Malcolm Burton	Sanctioned by other Board.	Be mindful to follow rules of other states that you are licensed in. Also, to be in compliance with SC.

MOTION:

Mr. Donato made a motion to accept the Letters of Caution report. Mr. Hammond seconded the motion which votes carried unanimously.

OIE APPRAISER’S BOARD CASE REPORT

Cases received from January 1, 2017 – December 31, 2017

Case Statuses	Total
Active Investigation	29
Closed	3
Do Not Open Case	17
Pending Board Action	10
Pending Board Hearing	1
Pending IRC	1
Pending CA Review	2
Total	63

Cases closed January 1, 2017 – December 31, 2017

Case Statuses	Total
Closed	46
Do Not Open Case	14
Total	60

Cases received January 1, 2018 – February 12, 2018

Case Statuses	Total
Active Investigation	7
Total	7

Closed cases January 1, 2018 to February 12, 2018

Case Statuses	Total
Closed	2
Do Not Open Case	3
Total	5

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	2	0	0	1	0	0	5

Application Hearings

Ashley Urso

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

MOTION:

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

Unfinished Business

AMC Fees & Registration Update:

Mrs. Smith stated that both she and Jake had attended subcommittee and committee meetings regarding the AMC statues and regulations. She stated the fees have been held over in subcommittee. She discussed financial statements and surety bonds.

2018-19 USPAP Update

Mrs. Smith stated that the Board voted to allow Appraisers to download the current USPAP. She stated that she had to keep track of those numbers. As of February 21, 2018, 443 appraisers downloaded the manual for a total of \$16,612.50. She stated that she will do one more invoice and take it down April 1, 2018.

AQB Requirements

Mrs. Smith stated that they are now live streaming their meetings. She was able to view and listen to it on her computer. She stated that this was cost efficient since she did not have to fly to Washington, D.C. for a three hour meeting. Discussion ensued.

Public Comments

Mark Chapman

Motion for Executive Session

Mr. Barczak made the motion to move to Executive session

Mr. Casterline seconded the motion which carried unanimously.

Motion to open session

Mr. Donato made the motion to come out of executive session.

Mr. Dobbs seconded the motion which carried unanimously.

Motion regarding ABO requirements

Mr. Casterline stated that after receiving advice from legal counsel, he was making a motion that is permitted in South Carolina Code Section 40-60-39 that this Board adopt the AQB's change in requirements as to education. This to be effective as of May 1, 2018. However, refraining from approving AQB's change in requirements as to experience. He stated that a task force would undertake a more detailed review.

Mr. Donato seconded the motion which carried unanimously.

Motion for Executive Session

Mr. Casterline made the motion to move into Executive Session.

Mr, Donato seconded the motion which carried unanimously.

Motion for open session

Mr. Casterline made the motion to come out of Executive Session.

Mr, Donato seconded the motion which carried unanimously.

MOTION TO ADJOURN

Mr. Casterline made the motion to adjourn.

Mr. Donato seconded the motion which carried unanimously.

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