

**Minutes**

**South Carolina Real Estate Appraisers Board**

**Thursday, November 15, 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 10:00 a.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: Georgia Lewis, Advice Counsel; Erin Baldwin, Office of Disciplinary Counsel; Charles Gwynne, Office of Disciplinary Counsel, Laura Smith, Administrator; Lori Gibson, Administrative Assistant; Rodney Pigford, Chief Investigator, Office of Investigations, Sharon Wolfe, Office of Investigations, Malcolm Burton, Investigator, Alice Douglas, Office of Disciplinary Counsel. Three members of the public, John Cappiello, LLR security officer and Robert Bruce, were also present.

**PLEDGE OF ALLEGIENCE** 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 absence of Mr. Clint Hammond.

Mr. Dodds seconded the motion which carried unanimously.

Mr. Donato made the motion to approve the absence of Mrs. Ann King

Mr. Dodds seconded the motion which carried unanimously.

### **MOTION FOR APPROVAL OF AGENDA**

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

### **APPROVAL OF THE MINUTES FROM AUGUST 16, 2018 MEETING**

Mr. Donato made the motion to approve the minutes as they were written. Mr. Dodds seconded the motion which carried unanimously

### **CHAIRMAN'S REMARKS**

Mr. Knight kept his remarks at a minimum. He spoke of the full agenda for the meeting. He also spoke of the AARO conference and that it would be discussed further later in the meeting.

### **ADMINISTRATORS REMARKS – LAURA SMITH**

#### **Budget Update**

Mrs. Smith provided the Budget Report for the Appraisers Board account (\$1,029,233.90) for review by the Board. She stated most of this was due to renewals and AMC registration fees coming in at the same time. She stated these numbers are as of September 1, 2018. The National Registry account (\$73,355.00) was also presented to the Board for review. This account is allocated to the Appraisal Subcommittee to pay the National Registry fees. She indicated that \$80.00 comes out of the application fees for the National Registry fees.

**LICENSURE UPDATE**

	<b>ACTIVE</b>	<b>INACTIVE</b>	<b>ACTIVE IN RENEWAL</b>	<b>TOTAL</b>
<b>Apprentice</b>	189	0	57	246
<b>Licensed</b>	124	19	31	174
<b>Certified Residential</b>	951	43	92	1086
<b>Certified General</b>	941	20	129	1090
<b>Licensed Mass</b>	44	0	5	49
<b>Certified Residential Mass</b>	63	2	7	72
<b>Certified General Mass</b>	26	2	5	33
<b>Total</b>	<b>2338</b>	<b>86</b>	<b>326</b>	<b>2750</b>

**AMC REGISTRATION**

**Active 131**

**Inactive - 3**

**TEMPORARY PERMITS**

**Issued in 2017 213**

**Issued in 2018 224**

**CONFERENCE UPDATE**

Mrs. Smith informed the Board the Fall AARO Conference was held in Washington, D.C. on October 19-22, 2018. She stated that she, Jake Knight and Mark Chapman attended the Conference. Conversation ensued about what was discussed at the conference. Also, she talked about the Spring Conference that will be held in Colorado in May 2019.

**MOTION FOR ATTENDANCE AT SPRING AARO CONFERENCE**

Mr. Casterline made the motion that the Board approve the Administrator and Investigator attend the training conference on May 2, 2019 and the AARO Spring Conference beginning May 3, 2019. In addition to that, also approve two Board members to attend the Conference. Mr. Donato seconded the motion and it carried unanimously,

### **MOTION TO MOVE BOARD MEETING DATES**

Mr. Casterline made the motion to approve for publication the Board meeting dates for 2019. The dates are: February 14 and 15, April 11 and 12, August 15 and 16, November 21 and 22. Mr. Donato seconded the motion which carried unanimously.

### **Approval of the Investigative Review Committee (IRC) Report- Charles Gwynne**

The IRC report dated November 1, 2018 presented for approval. Discussion ensued.

### **DISMISSALS**

<b>Case #</b>	<b>Investigator</b>	<b>Initial Complaint Allegations</b>	<b>IRC Logic</b>
<b>2017-59</b>	Malcolm Burton	Uniform Standards Violation	No violation. Minimum requirements met.
<b>2017-64</b>	Malcolm Burton	Uniform Standards Violation	No violation. Value dispute.
<b>2017-65</b>	Malcolm Burton	Uniform Standards Violation	No violation. Value Dispute.
<b>2018-4</b>	Malcolm Burton	Uniform Standards Violation and value dispute	No violation. Met minimum requirements.
<b>2018-5</b>	Malcolm Burton	Incomplete and/or incorrect description of physical attributes of subject; better comps available, provided three sales occurring within 6 months of effective date.	No violation. Met minimum requirements.
<b>2017-17</b>	Malcolm Burton	Respondent accepted prepayment for an appraisal to be delivered within one week. Five months have passed- no report- no refund.	No violation. Complaint withdrawn.

**MOTION FOR APPROVAL OF DISMISSAL SECTION OF IRC REPORT:**

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

**DISMISS- CEAST AND DESIST**

2018-38	Malcolm Burton	Unlicensed Practice	C&D
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Mr. Casterline made the motion to accept the IRC recommendations of dismissal with the Cease and Desist. Mr. Donato seconded the motion which carried unanimously

**FORMAL COMPLAINTS**

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2018-13	Malcolm Burton	Appraisal report used sales that were 3, 9 & 10 years old. Analysis report alleged to be very weak.	Statute violation
2018-14	Malcolm Burton	Appraiser license suspended by Maryland effective 2/20/2018.	Statute Violation
2018-25	Malcolm Burton	Sanctioned by other Board.	Statute violation
2018-37	Malcolm Burton	Sanctioned by other Board	Statute Violation

**MOTION FOR APPROVAL OF FORMAL COMPLAINTS SECTION OF IRC REPORT:**

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

**LETTERS OF CAUTION**

Case #	Investigator	Initial Complaint Allegations	IRC Logic
2018-1	Malcolm Burton	Uniform Standards Violation.	Be mindful to discuss and analyze past sales within last 36 months. USPAP Standard 1-5 (b)
2018-7	Malcolm Burton	Value dispute: errors in property description.	Be mindful of discussion regarding differences in sales and opinion of value and summary of highest and best use analysis. USPAP Standards 2-2 (a) (x)

**MOTION FOR APPROVAL OF LETTERS OF CAUTION OF THE IRC REPORT:**

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

**OIE APPRAISER'S BOARD CASE REPORT- Rodney Pigford**

**Cases received from January 1, 2018 – November 13, 2018**

<b>Case Statuses</b>	<b>Total</b>
Active Investigation	36
Closed	7
Do Not Open Case	8
Pending Board Action	10
Pending CA review	2
Opened	1
Pending Expert Review	1
Pending Further Information	2
<b>Total</b>	<b>67</b>

**CASES CLOSED January 1, 2018 – November 13, 2018**

<b>Case Statuses</b>	<b>Total</b>
Closed	7
Do Not Open Case	8
<b>Total</b>	<b>15</b>

**OFFICE OF DISCIPLINARY COUNSEL (ODC) UPDATE – Charles Gwynne**

**ODC Case Load Statistics as of November 7, 2018**

<b>Board</b>	<b>Open Cases</b>	<b>Pending actions</b>	<b>Pending CA/MOAs</b>	<b>Pending Hearings</b>	<b>Pending Board Action</b>	<b>Pending Final Orders</b>	<b>Pending Appeal</b>	<b>Closed</b>	<b>Pending Closure</b>
Appraisers	6	0	0	4	0	0	1	3	1

**APPLICATION HEARING FOR JOHN CAPPIELLO**

Mr. Knight called the Application Hearing to order then turned it over to Administrator, Laura Smith to address the concerns the staff had.

**MOTION FOR DIPOSITION OF APPLICATION HEARING**

Mr. Donato made the motion to reinstate Mr. Cappiello's Certified Residential Appraisers license. Mr. Dodds seconded the motion which carried unanimously

**DISCIPLINARY HEARING FOR CASE # 2017-20**

Mr. Knight called the Disciplinary Hearing for case #2017-20 to order. Mr. Donato recused himself during the hearing. Respondent was not present although proper notice was given. Conversation between Board members, Advice Counsel and Disciplinary Counsel ensued. Witnesses were questioned by Mrs. Baldwin via telephone. They were sworn in and gave testimony in the presence of a Notary Public. Witnesses not able to travel to Columbia due to health issues.

**MOTION AS TO DISPOSITION OF CASE # 2017-20**

Mr. Casterline made the motion that the license of the Respondent be revoked. Mr. Dodds seconded the motion which carried unanimously.

**MOTION TO AMEND DISPOSITION OF CASE# 2017-20**

Mr. Casterline added that a \$5000.00 fine would be assessed as well as a cease and desist along with the revocation. Mr. Dodds seconded the motion which carried unanimously.

**MOTION TO AMEND DISPOSITION OF CASE# 2017-20**

Mr. Casterline made the motion to increase the fine to \$10,000.00 which is the maximum amount allowed. Mr. Dodds seconded the motion which carried unanimously.

**DISCIPLINARY HEARING FOR CASE # 2017-42 AND 2018-11**

Mr. Knight called the Disciplinary Hearing for Case # 2017-42 and 2018-11. After brief statements he turned the hearing over to Mr. Charles Gwynne, Disciplinary Counsel.

**MOTION TO GO INTO EXECUTIVE SESSION**

Mr. Donato made the motion to go into Executive Session for legal advice. Mr. Casterline seconded the motion which carried unanimously

**MOTION TO COME OUT OF EXECUTIVE SESSION**

Mr. Donato made the motion to come out of Executive Session. Mr. Casterline seconded the motion which carried unanimously

**MOTION FOR DISPOSITION FOR CASE # 2017-42 AND 2018-11**

Mr. Casterline made the motion that the Respondent receive a private reprimand. In addition to that he must take two continuing education classes and neither will count towards his continuing education requirements. These classes must be taken within six months of the date of the order.

Mr. Donato seconded the motion which carried unanimously.

**MOTION TO ADJOURN**

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

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