STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
BOARD OF REAL ESTATE APPRAISERS

TELECONFERENCE

333 Willoughby Ave., 9th Floor, Conference Room C
Juneau, AK

TENTATIVE MEETING AGENDA

Thursday, March 12, 2015

TIME	TOPIC
8:30 A.M.	**Call to Order/Roll Call**
8:35 A.M.	**Review/Amend Agenda**
8:40 am	**Review/Approve Meeting Minutes (12/11/14 meeting)** - Minutes from 10/9/14 meeting s/b posted as "approved" on Board website
8:45 A.M.	**Review Board Correspondence** • Letter RE Appraisal issue in Fairbanks • Class Action Settlement/Spears v eAppraiseIT, LLC • others
8:55 A.M.	**Ethics Disclosure**
9:00 A.M.	**Investigations report (Jay Paff)**
10:00 A.M.	**Break**
10:10 A.M.	**Other Board business:** • Board member terms; Appraiser classification (Licensed v. Certified); Board Roster • Revised Appraiser Application/work log for certification, review-discuss • Status of Appraisal Regulations re-write (approved 12/11/14 meeting) • Continuing Education credit for service on State Appraisal Board • Review applications for Appraisal certification • Review applications for education credit (continuing & qualifying education); revised (abbreviated) application form
11:45 A.M.	**Public Comment** Sign-up sheets will be available. The Board encourages interested parties to sign up as it will assist in making sure everyone has the opportunity to address the Board.
12:00 P.M.	**Lunch Break**
1:00 P.M.	**Budget review with Director Hovenden, Sara Chambers & Martha Hewitt**
1:30 P.M.	**Administrative Board business:** • **Any action needed regarding Budget Review & appraiser certification fees 2015**

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING
BOARD OF CERTIFIED REAL ESTATE APPRAISERS

MINUTES OF TELEPHONIC MEETING
December 11, 2014

The staff of the Division of Corporations, Business & Professional Licensing prepared these draft minutes. They have not been reviewed or approved by the Board.

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Certified Real Estate Appraisers was held December 11, 2014 at the State Office Building, 330 Willoughby Avenue, 9th Floor, Conference Room A, Juneau, Alaska.

Call to Order/Roll Call

The meeting was called to order at 9:11 am by David Derry, Chair.

Those present, constituting a quorum of the Board:
David Derry, Chair, Licensed General Real Estate Appraiser
Alfred Ferrara, Licensed General Real Estate Appraiser
Lance Cook, Licensed Residential Real Estate Appraiser
Renee Piszczeck, Mortgage Lending Member

In attendance from the Department of Commerce, Community & Economic Development Division of Corporations, Business and Professional Licensing:
Karen Hudson, Records and Licensing Supervisor

In attendance from the Department of Law:
Todd Araujo, Assistant Attorney General

As a housekeeping matter, Chairman Derry noted that the appointment dates contained on the Board roster were incorrect. Karen Hudson will correct the roster.

Agenda Item #1 – Review Agenda

Chairman Derry had additions to the agenda, adding two matters to board correspondence for review. Chairman Derry added a staffing update and noted he had several other item penciled in on his agenda.

Upon a motion duly made by Mr. Ferrara, seconded by Renee Piszczek, and approved unanimously, it was:

RESOLVED to approve the agenda as updated.

Agenda Item #2 – Review/Approve Minutes

Chairman Derry noted several changes in the minutes from the October 9, 2014 meeting. The meeting was a regular meeting, not a teleconference. On page 5, agenda item #2, Chairman Derry noted and Fred Ferrara confirmed the minutes approved were from a June 2013 meeting, not a 2014 meeting. The board approved the agenda as corrected.

Upon a motion duly made by Mr. Ferrara, seconded by Renee Piszczek, and approved unanimously, it was:

RESOLVED to approve the October 9, 2014 minutes as corrected.

Agenda Item #3 – Review / Discuss Draft Regulation

Chairman Derry thanked Todd Araujo for his work on draft regulations. Mr. Araujo noted that the Department of Law is normally not involved this early in the process but there is a need for speed going forward and proposed he is comfortable going through each section and addressing why a change was made and going into greater detail if needed.

Mr. Araujo explained that the state has certain requirements to come into compliance under the Dodd Frank amendments promulgated by Congress several years ago, and there has been phase-in approach to accommodate states that cannot make the required changes overnight. The changes being made with these regulations bring the state into compliance with certain items but there will be other items going forward as other requirements are phased in – in 2017 and along the way. Those will be addressed at that time and as needed.

Chairman Derry concurred that this was a good approach, noting that some of the requirements were still in the process of being refined and the timelines on some things were still not known.

12 AAC 70.100 – Application for General Real Estate Appraiser.

Mr. Araujo described changes in this section as cosmetic ones that would allow the board to build in requirements that had been pushed back - such as background checks and fingerprinting.

Chairman Derry noted the AQB had postponed the effective date for background checks and fingerprinting until 1/1/17 and that the future of that may be in flex as there is some pushback on that requirement.

Mr. Araujo emphasized that the requirement is for new applicants and it is recommended that the board consider this for renewals as well, but it is up to each board.

Upon a motion duly made by Mr. Ferrara, seconded by Lance Cook, and approved unanimously by roll call, it was:

RESOLVED to adopt 12 AAC 70.100 as written.

12 AAC 70.105 – Residential Real Estate Appraiser Application

Mr. Araujo noted this section was modified in a similar fashion to the prior section, largely formatting and rearrangement in order to have consistency, the changes are cosmetic in order to build in background checks and fingerprinting going forward. The board discussed inclusion of the language "on a form provided by the department" to keep the language consistent.

Upon a primary motion duly made by Mr. Ferrara, seconded by Renee Piszczek, and a secondary motion made by Mr. Ferrara and seconded by Lance Cook , and approved unanimously by roll call, the board:

RESOLVED to adopt the proposed changes to 12 AAC 70.105, with the addition of "on a form provided by the department."

12 AAC 70.106 – Application for General or Residential Appraiser by Reciprocity

Mr. Araujo noted this was one of the most critical provisions needing to be addressed by the board. A year ago, Senate Bill 129 was passed which modified the appraiser statute to allow for this reciprocal language. 12 AAC 70.106 is the regulation that gives life to the statutory change. The new section provides the mechanism for appraisers who are licensed outside the state for reciprocal licensure in Alaska.

Upon a motion duly made by Mr. Ferrara, seconded by Lance Cook , and approved unanimously by roll call, the board:

RESOLVED to adopt 12 AAC 70.106, as written.

12 AAC 70.107 – Residential Real Estate Appraiser by Exam

Mr. Araujo confirmed these were revisions to format.

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Szymoniak, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.107 as written.

12 AAC 70.115(a) and (c) – regarding classroom hours for general and residential real estate appraisers

Upon a motion duly made by Mr. Ferrara, seconded by Mr. Cook, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.115(a) and (c) as written.

12 AAC 70.120 – Application for Certification by Endorsement

Mr. Ferrara asked about the regulation permitting someone to have the equivalent of a degree and the new requirement that there be a degree rather than equivalent, asking if this was a federal requirement.

Chairman Derry and AAG Araujo confirmed that the requirement for a [bachelor's] degree is a federal requirement. Mr. Araujo acknowledged that it had been possible to obtain education through either a degree or through the accumulation of continuing education credit but the new requirement is a bachelor's degree or higher. He noted that is consistent with 12 AAC 70.115(a) and (c), so the other avenue is no longer available.

Mr. Araujo further clarified that the state had no reciprocal provision – by name – although in practice that is what effectively this provision was. However, the previous board had drawn a distinction between reciprocal licensing and the endorsement provision, wanting to preserve this avenue so the board, while required to grant reciprocity to someone from a reciprocal state with the requisite certification, would have flexibility to allow others to be licensed who may check certain boxes although they don't qualify for reciprocity even though they satisfy other requirements. This provision would allow them to gain licensure nonetheless. Mr. Araujo gave the example of an applicant applying who is licensed in a state that is not in compliance but who otherwise meets all requirements, it allows the board to grant licensure.

Board members discussed situations in which this provision may be utilized, as well as questions of risk of litigation. Mr. Araujo noted that any time there is a denial there is risk of an aggrieved applicant raising an issue but that there was no additional exposure inherent in the regulation and it is already codified in statute.

Mr. Ferrara raised the issue of applicants who are currently trainees and have taken courses, passed exams and put in applications for licensing, been appraising, but they don't have the college degree just the requisite experience and background – he asked if this section would allow the board to license the applicants.

Mr. Araujo responded that there may be some ability for the board to allow that to happen by the statutory language that is in place and noted that the board has considerable discretion relative to licensure under this particular avenue. In response to a question from Chairman Derry about the impact of not adopting the regulation, Mr. Araujo noted that the regulation is codified in statute and there is nothing to stop a potential applicant from applying under the statute. He continued that the regulation doesn't do anything more than what the statute does.

Board members discussed trainees in the position of nearing the completion of their training and being in a position of not having a degree, and having the flexibility to give them licensure.

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.120 as written.

Upon the suggestion of Chairman Derry, the board reviewed 12 AAC 70.935 before the provisions relating to appraisal trainer and supervisory trainer.

<u>12 AAC 70.935 Supervision of Trainee Appraisers</u>

Mr. Araujo noted this is a new section required by the Appraisal Subcommittee. He stated that to the extent that the board authorizes trainee appraisers, it has to have a corollary regime for supervision, and previous regulations had been lacking so this brings regulations into compliance.

Chairman Derry noted a seeming redundancy and also questioned the language requiring an appraisal log to be jointly maintained by both the supervisor and the trainee. Board members discussed the possible reason for the joint maintenance of a log.

Mr. Araujo responded that he had captured language from the ASC guidelines and had reviewed what other states had included in language as well. He noted that this is the minimum that the ASC requires.

To Chairman Derry's inquiry regarding appraisal training not being allowed, Mr. Araujo confirmed it was and AQB requirement, and that he had taken no creative liberties in his drafting of these regulations.

Upon a motion duly made by Mr. Cook, seconded by Mr. Ferrara, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.935 as written.

12 AAC 70.125; application for approval as Trainee Appraiser

Chairman Derry noted that there did not appear to be a provision that the trainee license renewal required 14 hours of continuing education credit, which had been addressed in the ASC audit. Board members and AAG Araujo discussed the audit findings and need to include a provision for continuing education.

Mr. Ferrara moved that the following change be made to the proposed regulation: to add a new section as follows: "(c) to renew a registration as a real estate appraiser trainee, the applicant shall (1) submit an application for renewal on a form provided by the department, and (2) provide evidence of satisfactory completion of 14 hours of continuing education credit."

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.125 as amended.

Board members briefly discussed putting additional language regarding background check requirement but did not amend further. AAG Araujo was requested to notify the board if the 14 hours of continuing education was not found to be the correct requirement.

12 AAC 70.126; application for approval as Supervisory Appraiser

Chairman Derry asked if the provision requiring personal identification information is required, since they are already certified, commenting that he is thinking in terms of staff time handling another piece of paper. Mr. Araujo indicated it is not required per se but keeps the application in conformance with other applications.

Upon a motion duly made by Mr. Cook, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.126 as written.

12 AAC 70.140(e) – Repeal of a Provision

Chairman Derry noted that .140(e) was a provision not allowed under the Appraisal Qualifications Board.

Upon a motion duly made by Mr. Cook, seconded by Mr. Ferrara, and approved unanimously by roll call, it was:

Resolved to repeal 12 AAC 70.140(e).

12 AAC 70.210(c)(3) - in reference to the AQB approval program

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.210(c)(3) as written.

12 AAC 70.210(e) - in reference to distance education

Upon a motion duly made by Mr. Cook, seconded by Mr. Ferrara, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.210(e) as written.

12 AAC 70.215(b)(1) - repeal

Upon a motion duly made by Ms. Piszczek, seconded by Mr. Cook, and approved unanimously by roll call, it was:

Resolved to repeal 12 AAC 70.215(b)(1).

12 AAC 70.215(c)(3) - in reference to distance education

Upon a motion duly made by Mr. Ferrara, seconded by Mr. Cook, and approved unanimously by roll call, it was:

Resolved to adopt 12 AAC 70.215(c)(3) as written.

12 AAC 70.215(c)(4) - repeal

Upon a motion duly made by Mr. Cook, seconded by Mr. Ferrara, and approved unanimously by roll call, it was:

Resolved to repeal 12 AAC 70.215(c)(4).

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Board members briefly discussed the repeal of this section, which was confirmed by Mr. Araujo as a provision that is no longer allowable by the ASC. Chairman Derry noted that he wanted to discuss a way to streamline course approvals for anything already having AQB and IDECC distance education approval and would raise the topic again under the next section.

12 AAC 70.220(e). Continuing Education .

Chairman Derry proposed that the board consider adding language that any course or seminar that has AQB approval and International Distance Education Certification Center (IDECC) approval be streamlined for approval. The previous staff in attendance had misgivings for allowing approval at the discretion of a staffperson, so Chairman Derry proposed that AQB and IDECC approved courses be subject to review and approval by the Chair.

Mr. Ferrara noted that language had been written up and provided previously, under 70.210, that was very specific as to courses approved by the board under .200. The language provided for a simplified application for course approval with the appropriate application fee and approval by the board, and lists particular organizations.

Off record at 10:40 a.m to email language to Board; Reconvene at 10:45 a.m.

Mr. Araujo reviewed the language provided by Mr. Ferrara and Mr. Ferrara explained that the board had wanted to flesh out the process for approval of the board's acceptance of certain courses in a streamlined process. He further explained that the rationale was that most of the courses for primary certification are already submitted to the AQB education review program so if a course is already approved by them it has gone through a costly and comprehensive examination process and it is just not necessary for the state to put it through another bureaucratic process.

Mr. Araujo inquired if the application form would be provided by the department. Board members and AAG Araujo discussed the use of the word "simplified."

Mr. Araujo advised the Board that it has certain powers and can delegation certain of its powers by resolution, captured in the minutes. He further noted that if it wants to designate its powers [to approve certain applications for continuing education], it can be perhaps more properly handled through a resolution. He added that it is very unusual to designate such a power in a regulation, and confirmed that it would take another regulations project in order to change the designation if it were put into regulation. He confirmed that there would be public notice, significant effort, and cost.

Upon a motion duly made by Mr. Ferrara, seconded by Mr. Cook, and approved unanimously by roll call, it was:

> **Resolved to approve 12 AAC 70.220(e) as written.**

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

> **Resolved to further amend 12 AAC 70.210(c) to include the language: "an application provided by the department for course approval is submitted with the appropriate application fee and is adopted by the board."**

Following further discussion by the board:

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

> **Resolved that the authority to approve applications received by the department under 12 AAC 70.210(c) be granted for the term of the current chairman to that chairman.**

Chairman Derry acknowledged that this concluded the regulations review and thanked AAG Araujo for his work on this project and his attendance at the meeting.

Mr. Araujo confirmed he had one item to look into for the board, and in response to questions regarding the new timeline, confirmed that the next step will be public notice and then a 30-day comment period and a final review with a final review by Steve Weaver before it goes to the Lt. Governor's office for approval. Chairman Derry instructed Karen Hudson to be sure that board members get a copy of the new regulations.

<u>Agenda Item #4 – Board Correspondence</u>

Board members reviewed a letter from Aaron Welterlen regarding appraisal issue in Fairbanks. Renee Piszczek discussed a meeting she had attended, and described how builders are upset that builders are building new homes and appraisers are coming in low, not giving new construction / energy efficient homes the boost the builders feel they should have in order to meet payroll. She noted that they'd had this discussion a year or two ago, and afterwards started getting a $2500-5000 bump, but they are now looking for more. They feel that if appraisers use the Alaska Housing program for energy efficiency they would get a boost. Ms. Piszczek acknowledged it is hard to compare apples with apples when you are looking at a five-star home and the comparable next to it is a 1995 house that may be good construction but not energy efficient.

Mr. Cook surmised that this was not an appraisal issue, but a cost issue. He indicated that the Alaska Housing tool has no market basis, but instead is a conglomeration of utility costs from properties that aren't comparables, so when appraisers adjust comparables based on utility costs from houses that aren't comparables, it doesn't make any sense. He noted that when he has used the tool, and hunted down utility costs for my comparables, the adjustments the tool spat out based on the estimates for my subject property were lower that what I would have made not using the tool. He did not feel that he could defend making adjustments that fit USPAP requirements or defending them to an underwriter.

Mr. Ferrara suggested it does have some application and he has tried using it; however, he thought that the issue may be that appraisers don't have enough to bracket in smaller communities. Anchorage is larger and has plenty of data. But in smaller communities there is not as much data available and not as much activity in the market so not enough buyers to pay that kind of difference. Mr. Cook agreed, noting that in larger markets, people will pay over appraisals.

Chairman Derry posed the question whether underwriters are recognizing the energy efficient items by allowing borrowers to qualify for a mortgage at a higher proportion because they are saving money on energy costs? Ms. Piszczek indicated they are not.

The board discussed the issue further and determined the letter is not an appraisal board issue, but that the board should respond to it. Chairman Derry offered to write a letter of response. Members agreed there was no need to submit to them for review.

Chairman Derry discussed the letter from Fred Ferrara to the Division Director regarding taking USPAP courses. Ms. Piszczek indicated she had no problem taking the course and had thought since being on the board should do so. Mr. Ferrara recommended the 7-hour online USPAP course and suggested that would be an appropriate course for a hearing office to take as well.

Board members agreed to pay 2 non-appraiser members for the online course.

Chairman Derry noted that the letters from Director Chambers and from himself responding to the ASC audit had been copied to board members. Board members had no comments. Chairman Derry noted that the board did not get a pass on everything and that the audit remains subject to a final finding. Karen Hudson confirmed she had not seen anything else come in from ASC.

Agenda Item #5 – Other Board Business

Chairman Derry inquired to staff if all pending mail ballot votes had been received. Karen Hudson advised that the applications had been posted on the secure website and no quorum had been reached by mail ballot.

Following a discussion of the process of mail ballot voting, board members determined to vote by roll call on the following pending applications:

Real Estate Appraiser (General):
Wayne L. Hunsperger
Mark S. Weston

Real Estate Appraiser (Residential)
Casey W. Dunagan
Sara E. Rasmussen
Ellen C. Crosson

Real Estate Appraiser (Trainee)
Terri A. Barrus

Upon a motion duly made by Mr. Ferrara, seconded by Mr. Cook, and approved unanimously by roll call, it was:

> **Resolved that the applications for licensure for Wayne L. Hunsperger, Mark S. Weston, Casey W. Dunagan, Sara E. Rasmussen, Ellen C. Crosson, and Terri A. Barrus are approved.**

Continuing Education Course Applications

Karen Hudson confirmed the continuing education course applications pending review are new. Chairman Derry noted that they are renewals, previously approved for McKissock, and all AQB and IDECC approved.

Upon a motion duly made by Mr. Cook, seconded by Mr. Ferrara, and approved unanimously by roll call, it was:

> **Resolved to approve the following continuing education applications:**
> - **The Cost Approach #10722 (7 hours)**
> - **2-4 Family Fitness #10723 (7 hours)**
> - **The Dirty Dozen #10718 (3 hours)**
> - **Risky Business – Ways to Minimize Your Liability #10721 (5 hours)**
> - **Land and Site Valuation – Live Webinar #10715 (5 hours)**

Chairman Derry inquired to Mr. Ferrara about sending an email to The Appraisal Institute, and Mr. Ferrara indicated he talked to head of education department, Dan Doepke, who is

in charge of submitting application courses to states for approval. Mr. Doepke had heard about this problem before because they'd had calls in the past and had corrected applications, initially, several years ago. He thought it was relatively informal, with a one-page application, and since all the information was already on the web, it was a simplified process, and courses were moved through. Mr. Ferrara confirmed he had submitted details to Mr. Doepke on the 4 applications for courses that had not been fully supplemented with the information needed, and requested he bring those up to date. He was also sent the application for course approval and the information on what must be included for each course approval.

Chairman Derry noted that with a new regulation in place, they will be able to do a simplified process. Mr. Ferrara commented that the way our regulations actually read, the courses were automatically approved, even without an application.

Chairman Derry led a discussion regarding timely review of license applications, noting that the state has been criticized in ASC audits for slow processing. Board members initially discussed a monthly teleconference but determined it would require public notice and noted that a monthly mail ballot with a designated date for mail ballots to be returned to the examiner would be sufficient. Board members determined that the 15th of each month would be the date for return of outstanding mail ballots.

Karen Hudson confirmed that processing requirements for courtesy licenses are 5 business days and these are issued by the division. She confirmed this is the greater number of licenses issued on a monthly basis. The board does not currently receive a report that she is aware of but a report can be provided to board members.

Chairman Derry asked for a financial / budget report to be given to the board at the next meeting, as he has questions about license fees with a renewal coming in June. He inquired if fees had to be changed for the new license. Karen Hudson advised that fee analysis is conducted by Director Chambers, who generally begins an assessment process about 6 months prior to license renewal. Lance Cook confirmed that the board does not have much to do with setting fees, that the license fee is set by the state.

Chairman Derry requested a staffing and class study update. Karen Hudson advised that former examiner Susan Johnson would be returning to the examiner position on December 16 and she had been moved into a supervisory position for the program. She further advised that the classification study is currently pending in the Department of Administration, and that it was her understanding that these studies may take some time.

Chairman Derry noted there were no members of the public present.

Mr. Ferrara raised a concern about background checks, noting that the board will have to keep an eye on it. He stated some appraisal management companies (AMCs) have been trying to have appraisers pay to get a background check, and each one wants their own background check, so it gets expensive and is not necessary because the feds are going to require background checks. He advised that when it does come up the board will want to be sure to have some input that if a background check is required by state, the licensee should not have to get background checks for every client they have.

Chairman Derry acknowledged this was a good point, and noted that the AMC issue will also have to be dealt with in the future. He pointed out that a number of states have already enacted the legislation.

Mr. Ferrara added that another interesting issue has been the question of customary and reasonable fees paid. Some AMCs trying to pay an appraiser $350 - $400, which is several hundred below what typical rates are in Alaska. Mr. Ferrara has suggested to AHFC to put out an RFC for a customary and reasonable fee for different districts in Alaska – only dealing with residential fees so we can eliminate some of the unusual situations where companies are forcing people to take a low fee if they want any work. Although it depends in part on budget, the deputy director of housing indicated they are very interested in making sure things are uniform in the state.

Chairman Derry asked the status of the Association of Appraiser Regulatory Officials (AARO) membership, which had been approved to join at the previous board meeting. Karen Hudson indicated she was unaware if this had been completed but will check the status. He further indicated that the board intended for a staffperson and a board member to attend the spring conference in Nashville on or around May 1. The attending board member is not yet identified.

Board members confirmed further license application and continuing education applications will be reviewed for mail ballot vote on the 15th of each month.

Next meeting date: March 12th – teleconference.

Upon a motion duly made by Mr. Ferrara, seconded by Ms. Piszczek, and approved unanimously by roll call, it was:

MOVED TO ADJOURN

Adjourn: 12:32 p.m.

THE STATE of ALASKA

GOVERNOR SEAN PARNELL

GOVERNOR BILL WALKER

Department of Commerce, Community, and Economic Development

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

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January 15, 2015

Aaron Welterlen, President
W.V. Builders, Inc.
3555 Davis Rd., Suite 201
Fairbanks, AK 99709

RE: Appraisal Issues in Fairbanks
Your letter to the State Appraisal Board

Dear Mr. Welterlen:

This letter is in response to your letter submitted to the State Appraisal Board regarding energy efficient building features and appraised values. Your letter was circulated to each of the Appraisal Board Members and discussed in our December 11, 2014 meeting. Following that meeting I have personally contacted residential appraisers in other geographic areas in the State to see their approach to reflecting energy features in appraisals.

First, I must report that the issue you are addressing is beyond the scope and authority of the State Board of Certified Real Estate Appraisers. Accordingly, we as a Board do not have a position on this issue or the authority to pursue any further official action. Aside from that, I assure you that each of us on the Board recognize you and your fellow builders concerns regarding this issue. The Board is composed of three certified appraisers, a mortgage broker, and a public member. All of us have extensive experience and background in our respective fields.

I offer the following comments from a personal perspective and not in an official capacity as Board Chair. I understand the builder concern regarding costs of construction to meet a Five Star, Five Star Plus or Six Star AHFC Energy Rating and the rebate windfall then to that subsequent buyer. Although I don't currently do 1 – 4 family residential appraisals, I have in the past and I have attended the AHFC Energy Tool Seminar. I offer the following personal comments to the bullet points in your letter:

- You report that appraisers do not reflect "full value" for energy components. The appraiser is charged with developing an estimate of Market Value which does not necessarily reflect cost. Comparable sales and identifying and extracting value components from those sales are each appraiser's responsibility. Since builder costs can vary I would suggest a consensus of the cost or premium associated with building a

house to a higher energy standard could be disseminated to and helpful to individual appraisers.

- You report that the AHFC Energy Appraisal Tool is not being used. I share your frustration with this issue. When I attended the training seminar I was the only appraiser in attendance, at a meeting that specifically invited all of the appraisers on the Kenai Peninsula. Since I don't do 1 – 4 family residential appraisals I have not had the occasion to subsequently use the tool. Regardless, the availability of access to the AHFC database (with this tool) could provide a good resource for appraisers. As part of my response to your letter I found that those appraisers that didn't attend the seminar had schedule conflicts. Some appraisers that did attend the seminar report that they have used the energy tool and determined that it either didn't provide a meaningful/reliable adjustment or in some cases the energy adjustment the appraiser was already using exceeded the adjustment generated by the AHFC tool. In any event I would urge you and the builders' associations to encourage AHFC to use an appraiser focus group, refine the tool if needed, and schedule another series of training seminars.

- You reference that 2 – 4 family properties are a particular concern due to the lack of comparable sales and again the relationship between energy feature costs and appraised value. The appraisal of 2-4 family properties emphasizes the Sales Comparison Approach which again would need market evidence of the value contribution of energy components present in the property being appraised. Using an Income Approach, (more applicable to 3 and 4 plexes), does provide a basis for the appraiser to reflect energy features in the rents and utility expenses. Then the question is, does the energy efficient multiplex generate a higher rent (for those properties with utilities paid by the tenant) or result in lower operating expenses (for those properties with utilities paid by the owner). In either case, the results should identify some component of value contribution of those energy features. But since the appraiser's work is subject to client underwriter review, the lender/ client would have to be willing to recognize and accept if the appraiser is placing more emphasis on the Income Approach than the Sales Comparison Approach.

- You report that the Cost Approach is continually "thrown out". The Cost Approach can provide a meaningful measure of value but the bottom line is the Sales Comparison Approach. In some cases the appraiser may use some relationship to cost but simply concluding value based on the Cost Approach would most likely be rejected by the lender/clients underwriters.

- You reference that the public is demanding higher energy efficiency and lower monthly costs of utilities results in "higher discretionary income". I feel the key to reflecting this issue is convincing clients/ underwriters to actually consider that energy savings in their underwriting process. If a borrower/buyer is applying for a loan on a property that meets the higher energy standard then that utility savings should be reflected in their loan qualification criteria. To date I don't think that's the case.

- Another issue not addressed in your letter, but a point identified in my discussions with other appraisers is the resale value premium of energy features. An appraiser may reflect some value premium for those energy features in a new home, particularly when the buyer is eligible for the AHFC rebate based on those energy features, but does the subsequent resale (when there is no buyer rebate) still maintain an energy premium.

Only some time and subsequent resales will provide the basis for the appraiser to quantify if and what that premium is.

In summary, I would encourage you and your building association members to work with the individual appraisers and particularly work with the lender underwriters, encouraging them to recognize and allow consideration of the energy features and ratings of the properties in your market. Again, please note that the bullet point comments are my personal observations and not the position or consensus of the State Board of Real Estate Appraisers.

Sincerely,

David M. Derry, MAI
Chair

IRELL & MANELLA LLP
A REGISTERED LIMITED LIABILITY LAW PARTNERSHIP
INCLUDING PROFESSIONAL CORPORATIONS

1800 AVENUE OF THE STARS, SUITE 900
LOS ANGELES, CA 90067-4276
TELEPHONE (310) 277-1010
FACSIMILE (310) 203-7199

840 NEWPORT CENTER DRIVE, SUITE 400
NEWPORT BEACH, CALIFORNIA 92660-6324

TELEPHONE (949) 760-0991
FACSIMILE (949) 760-5200
WEBSITE: www.irell.com

January 23, 2015

VIA FEDERAL EXPRESS OVERNIGHT

TO: ALL ADDRESSEES LISTED IN ATTACHMENT B

Re: Notice of Proposed Class Action Settlement in *Spears v. eAppraiseIT, LLC*, Case No. 5-08-CV-00868 (RMW) (N.D. Cal.)

Dear Sir or Madam:

Pursuant to Section 3 of the Class Action Fairness Act, 28 U.S.C. § 1715, you are hereby notified of a proposed settlement of the above-captioned class action lawsuit (the "Class Action") currently pending before the United States District Court for the Northern District of California (the "Court"). This notice was initially sent to relevant governmental agencies on November 26, 2014. At that time, class member records indicated that no class members resided in the states of Alaska or Mississippi. Subsequent updates to the class member records based on National Change of Address ("NCOA") data identified current addresses in Alaska for six class members, and current addresses in Mississippi for twelve class members.

A Final Fairness Hearing in this matter has been scheduled for April 24, 2015 at 9:00 a.m., before the Honorable Ronald M. Whyte in Courtroom 6, 4th Floor of the United States District Court for the Northern District of California, Robert F. Peckham Federal Building, Second Floor, 280 South 1st Street, San Jose, CA 95113.

Enclosed herewith is a CD containing the documents referred to below.

(1) The Class Action Complaint, First Amended Class Action Complaint, and Second Amended Class Action Complaint, and all attachments thereto, are included on the enclosed CD in the folder labeled "Tab 1." These documents are also available on the Internet via the federal government's PACER service at https://ecf.cand.uscourts.gov/cgi-bin/login.pl. Additional information about PACER may be found at http://pacer.psc.uscourts.gov.

(2) On November 21, 2014, counsel for lead plaintiff in the Class Action filed a motion (the "Preliminary Approval Motion") requesting preliminary approval of the proposed settlement, approval of a proposed class notice, and the scheduling of a final fairness hearing. The notice of motion, motion, supporting exhibits, and the Court's order scheduling the hearing are included on the enclosed CD in the folder labeled "Tab 2." Also included in "Tab 2" is the Court's order preliminarily approving the settlement, to which the Court attached the approved class notice.

ATTACHMENT A

State	Number of Class Members	Proportionate Share of Claims[1]		State	Number of Class Members	Proportionate Share of Claims[1]
AK	6	0.007%		MT	82	0.12%
AL	153	0.22%		NC	390	0.55%
AR	137	0.19%		ND	20	0.03%
AZ	1,784	2.54%		NE	41	0.06%
CA	29,882	42.47%		NH	169	0.24%
CO	870	1.24%		NJ	2,010	2.86%
CT	766	1.09%		NM	129	0.18%
DC	112	0.16%		NV	958	1.36%
DE	108	0.15%		NY	4,123	5.86%
FL	6,424	9.13%		OH	235	0.33%
GA	1,209	1.72%		OK	81	0.12%
HI	75	.11%		OR	2,566	3.65%
IA	52	.07%		PA	937	1.33%
ID	473	.67%		RI	100	0.14%
IL	2,807	3.99%		SC	187	0.27%
IN	210	0.30%		SD	24	0.03%
KS	83	0.12%		TN	217	0.31%
KY	100	0.14%		TX	2,736	3.89%
LA	136	0.19%		UT	805	1.14%
MA	865	1.23%		VA	647	0.92%
MD	619	0.88%		VT	29	0.04%
ME	62	0.09%		WA	5,857	8.32%
MI	414	0.59%		WI	144	0.20%
MN	197	0.28%		WV	24	0.03%
MO	282	0.40%		WY	24	0.03%
MS	12	0.015%		GU	1	0.00%

[1] The estimated "Proportionate Share of Claims" was calculated by dividing the estimated number of settlement class members in each state by 70,356, the total number of individuals in the settlement class.

Log of Appraisal Experience

Type of Property	Date of Report	Effective Date of Value	Property Address	Describe Work by Trainee	Describe Supervisory Scope of Review/Supervision	Trainee Work Hours	Supervisory State Cert. #	Supervisor Signature	Comments

EXPERIENCE LOG FORMAT

THE APPRAISAL FOUNDATION
Authorized by Congress as the Source of Appraisal Standards and Appraiser Qualifications

APPRAISER QUALIFICATIONS BOARD

AQB GUIDE NOTE 6 (GN-6)

This Guide Note relates to the verification of experience credit as specified in the *Real Property Appraiser Qualification Criteria* that became effective on January 1, 2008.

Under "Criteria Applicable to All Appraiser Classifications" in the 2008 Criteria, Section V.G. (*Generic Experience Criteria*) reads as follows:

> G. *The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:*
>
> 1. *Type of property;*
> 2. *Date of report;*
> 3. *Address of appraised property;*
> 4. ***Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;***
> 5. *Number of actual work hours by the trainee/applicant on the assignment; and*
> 6. *The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.*
>
> (Bold added for emphasis)

As indicated above, the Criteria mandates that the forms used to verify experience credit include <u>all</u> of the identified items. Five of the six items listed are fairly self-explanatory; however, the AQB has received inquiries regarding the intent of item #4 above (the bolded text).

It is the intent of the AQB that the verification of experience clearly identifies three things under item #4:

1) A description of the work performed by the trainee or applicant;
2) The scope of the review performed by the supervising appraiser; and
3) The level of supervision performed by the supervising appraiser.

Although the scope of review and level of supervision performed by the supervising appraiser might appear to be redundant at first glance, they are not. For example, in certain assignments a supervising appraiser might determine that a lesser level of supervision is required, but that might not impact the level of review performed.

The AQB recognizes that assignments may differ significantly; therefore the level of review and supervision by the supervising appraiser may also differ from assignment to assignment. Also, depending on the assignments involved, it might be expected that the supervising appraiser's level of review and supervision diminish over time as the trainee/applicant gains competency.

The following page includes an example of an experience log that includes the information required by the Criteria. The attached is merely one possible example of an experience log. Any format that includes the items listed under Section V.G., *Generic Experience Criteria*, as specified in the 2008 *Real Property Appraiser Qualification Criteria* is acceptable.

It should be noted that experience logs or other forms prescribed by a state appraiser regulatory agency to verify experience credit might appear very different, including requiring substantially more information than is identified in the example on the following page. However, as stated above, all forms must, at a minimum, include the items listed under Section V.G., *Generic Experience Criteria*, as specified in the 2008 *Real Property Appraiser Qualification Criteria*.

Date of Report	Property Address, City, State, Zip	Type of Property (SFR, Condo, 2-4 Units)	Description Of Applicant's Work Performed	Scope of Supervising Appraiser's Review	Scope of Supervising Appraiser's Supervision	Number of Actual Hours Worked By Applicant
1/3/06	123 Oak Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/sales comparison approaches, final reconciliation	Reviewed workfile and report, verified subject sales history, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first SFR appraisal for applicant)	7
6/7/06	455 Pine Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/ sales comparison approach, final reconciliation	Reviewed workfile and report, verified all comparable data and analyses, verified homeowner's association info, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in site value analysis used in cost approach, did not physically inspect subject property	7
1/10/07	202 Spruce Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	10
1/24/07	115 Pennsylvania Ave. Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first commercial appraisal for applicant)	30
8/14/07	200 S Broadway Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in DCF analysis used in income approach, did not physically inspect subject property	40
1/10/08	300 Capitol Avenue Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation n	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	40
2/12/08	144 Elm Avenue Washington, DC 20005	Golf Course	Completed entire appraisal process	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process	60

Thomas D. Trainee
Applicant/Trainee

Sally A. Supervisor
Supervising Appraiser

State
Certification No.

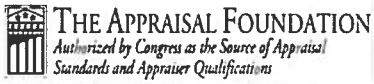
Proposed addition to provide Continuing Education credit to Alaska Certified appraisers for service on the State Board of Certified Real Estate Appraisers.

This change follows Appraiser Qualifications Board (AQB) Adopted Guide Notes & Interpretations, listed as "Interpretations", effective 1/1/2008. Copy included.

Proposed Sec. 08.87.120, add:

(3) Served as a member of the State of Alaska Board of Certified Real Estate Appraisers. Credit will be granted to a credentialed appraiser for a maximum of 7 hours per continuing education cycle, for attendance and participation in board meetings, each open to the public and with a minimum duration of 2 hours. Continuing education credit will be calculated based on the cumulative number of hours the credentialed appraiser attended during each continuing education cycle.

Note this may require revision of 12.AAC 70.200; after c, new **d**, with d renumbered as **e**.



Appraiser Qualifications Board
Real Property Appraiser Qualification Criteria
Interpretation – Continuing Education Credit for Attendance at State Appraiser Regulatory Agency Meetings

This communication is for the purpose of issuing an Interpretation of the *Real Property Appraiser Qualification Criteria*. Interpretations are essential to a proper understanding of the requirements set forth in the *Criteria* and as such, are binding upon users of the *Criteria*. Interpretations will be incorporated into the published version of the *Real Property Appraiser Qualification Criteria* at its next printing.

Date Issued: **January 8, 2007**

Effective Date: **January 1, 2008**

Interpretation of Criteria Section(s):

Trainee Real Property Appraiser Classification **(2003 Criteria)**
Licensed Real Property Appraiser **(2003 Criteria)**
Certified Residential Real Property Appraiser **(2003 Criteria)**
Certified General Real Property Appraiser **(2003 Criteria)**
Continuing Education Section 4

Criteria Applicable To All Appraiser Classifications **(2008 Criteria)**
Criteria Specific to Continuing Education Section III (G)

Issue(s):
State-licensed and state-certified appraisers often attend meetings of their respective State appraiser regulatory agencies. These meetings can often be educational and beneficial to appraisers. However, it is currently unclear under what circumstances appraisers may receive continuing education credit for attending these meetings.

Background:
The *Real Property Appraiser Qualification Criteria* states the purpose of continuing education is to ensure that appraisers participate in a program that maintains and increases their skill, knowledge, and competency in real property appraising. In March 2006, the AQB exposed this Interpretation and received feedback causing it to reconsider allowing continuing education credit

for certain meetings of State appraiser regulatory agencies. As a result, in August 2006 the AQB exposed another Interpretation disallowing credit for meetings of State appraiser regulatory agencies. Exposure of that Interpretation resulted in additional feedback that supported the AQB's original position on this issue. The purpose of this Interpretation is to make clear that under certain circumstances, credentialed appraisers may be able to receive continuing education credit for attendance at State appraiser regulatory agency meetings.

It should be noted that special continuing education programs (i.e. seminars or workshops) offered by a state appraiser regulatory agency would be eligible for continuing education credit under other, already allowable education categories.

Criteria Section(s) Affected and New Interpretation

Trainee Real Property Appraiser Classification **(2003 Criteria)**

4. Continuing Education
An appraiser trainee who remains in this classification in excess of two years shall be required in the third and successive years to obtain:

a. The equivalent of fourteen classroom hours of instruction in the courses or seminars for each year during the period preceding the renewal. (For example, a two year appraiser trainee term would require twenty-eight hours.) Continuing education hours may be obtained anytime during the term…

Licensed Real Property Appraiser **(2003 Criteria)**
Certified Residential Real Property Appraiser **(2003 Criteria)**
Certified General Real Property Appraiser **(2003 Criteria)**

4. Continuing Education

a. The equivalent of fourteen classroom hours of instruction in the courses or seminars for each year during the period preceding the renewal. (For example, a two-year continuing education term would require twenty-eight hours.) Continuing education hours may be obtained anytime during the term…

Criteria Applicable to All Appraiser Classifications **(2008 Criteria)**

G. Criteria Specific to Continuing Education

11. The equivalent of fourteen class hours of instruction in courses or seminars for each year during the period preceding the renewal is required. For example, a two-year continuing education cycle would require twenty-eight hours. The class hour requirement can be fulfilled at any time during the cycle.

New Interpretation Language

Interpretation (for all sections):

State appraiser regulatory agencies may award continuing education credit to credentialed appraisers who attend a state appraiser regulatory agency meeting, under the following conditions:

Credit may be awarded for a single state appraiser regulatory agency meeting per continuing education cycle. The meeting must be open to the public and must be a minimum of two (2) hours in length. The total credit cannot exceed seven (7) hours.

The state appraiser regulatory agency must ensure that the credentialed appraiser attends the meeting for the required period of time.

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Board of Certified Real Estate Appraisers
Schedule of Revenues and Expenditures

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15 1st & 2nd Qtr
Licensing Revenue	22,875	203,055	42,190	269,948	56,250	32,870
Allowable Third Party Reimbursement*	-	-	-	-	1,499	-
Total Revenue	22,875	203,055	42,190	269,948	57,749	32,870
Direct Expenditures						
Personal Services	50,733	65,321	78,181	46,148	34,915	22,246
Travel	10,479	10,138	8,534	3,759	2,920	1,617
Contractual	59,383	87,668	56,720	44,699	14,955	18,805
Supplies	425	150	233	61	24	-
Equipment	-	-	-	-	-	-
Total Direct Expenditures	121,020	163,276	143,668	94,667	52,815	42,667
**Indirect Expenditures	14,166	11,311	15,739	18,583	20,937	10,664
Total Expenses	135,186	174,587	159,407	113,250	73,752	53,331
Annual Surplus (Deficit)	(112,311)	28,468	(117,217)	156,697	(16,002)	(20,461)
Beginning Cumulative Surplus (Deficit)	101,666	(10,645)	17,823	(99,395)	57,302	41,300
Ending Cumulative Surplus (Deficit)	(10,645)	17,823	(99,395)	57,302	41,300	20,839

*The allocation of the $20,000 in allowable third party reimbursements will be completed at year-end

**Current year indirect costs are based on the prior fiscal year's total budgeted amount. These costs are averaged over the current fiscal year, then adjusted after the close of the year.

AARO

AARO – COMMITMENT TO SUCCESS AND ADVANCEMENT OF APPRAISER AND AMC REGULATORY PROGRAMS THROUGH LEADERSHIP, COOPERATION, COMMUNICATION AND EDUCATION

Spring Conference

Hilton Downtown

Nashville, Tennessee

May 1-3, 2015

FRIDAY May 1, 2015

9:00—12:00a APB– Public Meeting at Hilton Downtown

Open meeting to all, but please register on The Appraisal Foundation website:

https://netforum.avectra.com/eweb/DynamicPage.aspx?Site=TAF&WebCode=EventDetail&evt_key=1036301e-68da-4402-85f9-dde3f3a4e984

12:00p – 4:00p REGISTRATION

1:00p –2:45p OPENING SESSION

TAF, ASC & ASCAC Updates

Nikole Avers-AARO President & Ambassador to Nashville

David Bunton—The Appraisal Foundation

Jim Park - The Appraisal Subcommittee

Roberta Ouellette —ASCAC

2:45p - 3:00p BREAK

3:00p—5:00p CFPB and Fannie Mae Updates

SATURDAY May 2, 2015

8:00a – 4:00p REGISTRATION

7:45a – 8:30a CONT'L BREAKFAST

8:30a – 10:30a COLLABORATION:

INVESTIGATOR TRAINING/APB/USPAP ADVISORY

TYING METHODS, TECHNIQUES AND REPORTING REQUIREMENTS TO THE APPRAISAL INVESTIGATION

10:30a – 10:45a BREAK

10:45a – 12:00p Creating A Disaster Plan:

Developing a Business Impact Analysis

Continuity of Operations Plan (COOP)

12:00p – 1:00p LUNCH On your Own

12:00p - 1:00p AARO BOARD OF DIRECTORS MEETING

Meeting Open to All AARO Members

1:15p - 3:30p AMC Audit Process and SOP Development

3:30p – 3:45p BREAK

3:45p - 4:30 p Trainee / Supervisor Issues

6:00p – 8:00p PRESIDENT'S RECEPTION:

DENIM AND DIAMONDS

SUNDAY May 3, 2015

7:45a – 8:30a CONT'L BREAKFAST

All conference sessions of AARO are open to registered attendees, except those specific sessions that are announced as being CLOSED.

8:30a - 10:30a GROUP BREAK-OUTS

AMCs

Board Members- dialogue with TAF

Administrative and Legal

Industry Representatives (course providers, software vendors, professional organizations, exam providers, etc.)

10:30a –10:45a BREAK

10:45a – 12:00a AQB Background Checks Interpreting the 2017 Requirements and Current Implementation Issues

12:00p – 1:00p LUNCH Sponsor/Vendor Demonstration Tables

1:00p—2:30p Appraisal Industry Issues and Professional Topics

2:30p - 2:45p BREAK

2:45p – 4:30p Effective Communication, Trust and Building Relationships— Adult guests of registered AARO attendees are welcome to join us for this session

4:15p - 4:30p CLOSING REMARKS - Nikole Avers

AARO CONFERENCE REGISTRATION FORM

ASSOCIATION OF APPRAISER REGULATORY OFFICIALS
2015 SPRING CONFERENCE being held MAY 1-3, 2015
HILTON NASHVILLE DOWNTOWN 121 FOURTH AVE SOUTH NASHVILLE, TN 37201

PLEASE COMPLETE ONE REGISTRATION FORM PER ATTENDEE

First and Last Name: _____

Preferred Name for Badge: _____

State Agency or Organization: _____

Position or Title: _____

Mailing Address: _____

Phone: _____ Fax: _____ E-Mail: _____

Please list any special needs you might have (dietary, food allergies, physical, etc.)_____

Is this your first AARO Conference? _____ Request Education Attendance Certificate:_____

Registration received **by** March 20, 2015	AARO member jurisdiction/org	$475.00
	Non-members	$500.00
Registration received **after** March 20, 2015	AARO member jurisdiction/org	$500.00
	Non-members	$525.00

Total registration fee(s) enclosed: $ _____

Indicate method of payment: Enclosed check _____; Electronic Transfer _____; On-Site payment _____;

State to Process & Forward: _____

NOTE: AARO does not accept payment by credit card!

Cancellation Policy: When requested in writing, a refund of the registration fee will be made up to Friday, April 17, 2015. **NO REFUNDS** will be made after this date, including any no shows at the conference.

Make Checks Payable to: AARO or Association of Appraiser Regulatory Officials

Return Registration Forms to:
AARO
13200 Strickland Road.
Suite 114-264
Raleigh, NC 27613
Or Fax to: (919) 870-5392

AARO Federal Identification Number: 91-1545335

For questions contact Brent Jayes at (919) 235-4544 or by e-mail at Brent.Jayes@MeetingsonCue.com. Room reservations may be made at: **Hilton Nashville Downtown, (615) 620-1000 @ *$229 rate plus 16.34% effective tax***

(HOTEL WILL HOLD AARO ROOM BLOCK UNTIL **FRIDAY, APRIL 3, 2015**) DAVIES LAPTOP
— DAVIES FILES 2014
— CONF. FORMS 2015 —

THE STATE of ALASKA
GOVERNOR BILL WALKER

Department of Commerce, Community, and Economic Development
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
550 West Seventh Avenue, Suite 1500
Anchorage, Alaska 99501-3567
Main: 907.269.8160
Text phone: 907.465.5437
Programs fax: 907.269.8156

DATE: March 3, 2015

TO: Alaska Board of Certified Real Estate Appraisers

THRU: Alvin M. Kennedy, Senior Investigator
Angela G. Birt, Chief Investigator

FROM: Jay H. Paff, Investigator

SUBJECT: Certified Real Estate Appraisers Report for March 2015 Board Meeting.

The following information was compiled as an investigative report to the Board for the period from August 1, 2014 through March 2, 2015. Including cases, complaints, and intake matters, since the last report, the Division opened **four (4)** matters and closed **seven (7)** matters. A total of **one (1)** matter remains on-going under active investigation or is pending litigation (*as indicated by italics*).

CASE#	OPENED	VIOLATION	PROFESSION
2015-000086	01/14/2015	Incompetence	Appraiser

OPEN CASES AND COMPLAINTS: TOTAL = 1 *(does not include intakes)*

INVESTIGATIVE ACTIONS CLOSED SINCE LAST MEETING:

2014-000551	Violating Professional Ethics (Appraiser)	Closed – Letter of Advisement
2014-001037	Violating Professional Ethics (Appraiser)	Closed – Letter of Advisement
2014-001210	License Application Problem (Appraiser)	Closed – Review Complete
2014-001397	Violating Professional Ethics (Appraiser)	Closed – Incomplete Complaint
2014-001766	Violating Professional Ethics (Appraiser)	Closed – Letter of Advisement
2014-002194	License Application Problem (Appraiser)	Closed – Review Complete
2014-002421	Negligence (Appraiser)	Closed – No Action – No Violation

CLOSED CASES AND COMPLAINTS: TOTAL = 7