

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

**MINUTES OF MEETING
October 5, 2007**

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Board of Certified Real Estate Appraisers was held October 5, 2007, at the Atwood Building, 550 W. 7th Avenue Suite 1270, Anchorage, AK.

Friday – October 5, 2007

Call to Order/Roll Call

The meeting was called to order at 8:35 a.m. by Steve MacSwain, Chairman.

Those present, constituting a quorum of the Board:

Steve MacSwain, Chairman, General Real Estate Appraiser
Gene Shafer, Vice Chair, Residential Real Estate Appraiser
Butch Olmstead, Mortgage Banking Executive
April Moore, Public Member

Excused: William Larick, General Real Estate Appraiser

In attendance from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, was:

Jan Mays, Licensing Examiner
Margo Mandel, Investigator

Guest Present:

Roger Cameron
Robert Olchin

Agenda Item 1 – Investigative Report

Margo Mandel, Investigator presented the investigative report to the Board.

During this reporting period, January 30, 2007 to September 17, 2007, the Investigation Unit opened five (5) cases and closed thirteen (13) cases. Currently there are four (4) open cases; three of the four cases are currently involved in litigation.

Open Cases:

3300-98-006 Violating Professional Ethics Litigation

3300-02-004 Violating Professional Ethics Litigation

3300-06-005 Violating Professional Ethics Active

3300-06-009 Continuing Education Active

Closed Cases:

3300-05-004 Negligence License Action

3300-05-005 Fraud/Misrepresentation License Action

3300-05-006 Incompetence License Action

3300-05-007 Violating Professional Ethics License Action

3300-06-004 Violating Professional Ethics License Action

3300-06-008 Continuing Education License Action

3300-07-001 Continuing Education License Action

3300-07-004 Violation of Agreement (MOA) License Action

3300-07-003 Fraud/Misrepresentation License Action

3300-07-001 License Application Problem No Violation

3300-07-002 Negligence No Violation

3300-07-005 Violation of Licensing Regs No Violation

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the investigative report.

Agenda Item 2 – Stephen DeMars – Notice Regarding Proposed Decision

The Board reviewed and discussed the Notice Regarding Proposed Decision for Stephen DeMars, OAH No. 06-0678-REA.

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to enter into executive session to discuss the Stephen Demars case with Dale Whitney, Administrative Law Judge.

Executive session at 9:19 a.m.; back on record at 9:43 a.m.

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to adopt the Notice of Proposed Decision on Stephen DeMars, Case OAH No. 06-0678-REA on Count I. A Non-Adoption in regards to Count II & III and refer back to the Administrative Law Judge for additional evidence and make additional findings.

Agenda Item 3 – AQB Discussion/Promissor Testing

The Board called Mary Castner with Promissor via teleconference. Ms. Castner stated that Promissor is proposing a \$50.00 fee increase (from \$200 to \$250) for all Alaska Appraiser exams. The reasons for the fee increase are as follows:

- “Seat time” for the Certified Residential exams will increase to 6 hours from 4 hours.
- “Seat time” for the Certified General exams will increase to 8 hours from 4 hours.
- Revise and reprint on the handbook and fee cards.
- Promissor website must be updated
- Programming, development and quality assurance cost with the new AQB back end reporting requirements.
- Beta testing analysis

These changes will take effect January 1, 2008. Ms. Castner also stated that during the Beta Testing Period, candidates will only receive a receipt confirming they took the Appraiser Qualification exam (AQB). The waiting period for a candidate to receive a pass or fail score will take between 30-90 days. Duration of the Beta Testing Period has not been determined.

Ms. Castner will email the AQB Manual, so that it can be forwarded to the Board. If the Board wishes to accept the fee and intends to move forward with Promissor as the administrator of the AQB exam, the Board will need to submit a Letter of Intent to AQB.

Break at 10:37 a.m.; back on record at 10:45 a.m.

Agenda Item 4 – Review Agenda

The following items have been added to the agenda.

- Wold Decision, Item 13
- Add Correspondence to Item 16
- Following mail vote applicants were added to Item 10
 - Robert Renfro
 - Robert Olchin
 - Richard Smith
 - John Sealock
 - Monika Bethers
 - DeKay Bayliffe
 - Craig Channer
 - Sarah Graham
 - Nancy Whitmore
 - John Skan

- Vitaly Kudryn
 - Linda Harrigan
 - David Livingston
 - Brett Smith
 - Russell Rivard
 - Timothy Riley
 - Philip Swartz
- Following mail vote course approval applications were added to Item 11
 - Appraisal Institute
 - Online Basic Appraisal Procedures
 - Online Real Estate Finance, Statistics & Valuation Modeling
 - Online Basic Appraisal Principals
 - Online Condominiums, Co-Op & PUD's
 - Online Residential Market Analysis & Highest Best Use
 - What Commercial Clients Want Appraiser To Know
 - Online Introduction to International Valuation Standards
 - Feasibility, Markey Value, Investment Timing Option Value
 - McKissock, LP
 - Private Appraisal Assignment – Virtual Classroom
 - TREES
 - Environmental Hazards
 - Land & Site Valuation
 - Scope of Work & Due Diligence
 - Mobile Home Relocation Course 503
 - Residential Relocation Assistance Course 501
 - Principles of Real Estate Negotiations
 - Advanced Residential Relocation Assistance

Upon a motion by Shafer, seconded by Olmstead and approved unanimously, it was:

RESOLVED to approve the agenda as amended.

Agenda Item 5 – Review Minutes

May 14, 2007 Teleconference

The Board reviewed the May 14, 2007 teleconference minutes. No changes were made.

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the May 14, 2007 teleconference minutes.

June 14, 2007 Teleconference

The Board reviewed the June 14, 2007 teleconference minutes.

- Page 3, First Roll Call, under Butch Olmstead change “YES” to “ABSTAIN”.

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the June 14, 2007 teleconference minutes as amended.

Agenda Item 6 – Goals & Objectives

The Board reviewed and discussed the Goals & Objectives for FY08. The Board request to change number seven to read:

1. Review recommendations changes and modify current statutes and regulations to include changes as needed and encourage their implementation.
2. Seek comments/input from other organizations that are involved in our use of appraisal services in Alaska.
3. Circulate the Board meeting dates to appraisal organizations, interested individuals, and users of appraisal services.
4. Provide public notice of all meetings in the newspaper.
5. Continue to make listings of approved, denied, and expired initial certification and continuing education courses/seminars available to certified individuals.
6. Look into the set up and notice-giving possibilities of disseminating Appraiser Board activities through email database addresses of licensed appraisers.
7. At the time of initial certification and certification by endorsement the Board is to review the appraiser's qualification along with one appraisal report completed by the applicant, in accordance with 12 AAC 70.110(e).
8. To have at least two face-to-face meetings per year.

Upon a motion by Shafer, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the FY08 Goals & Objectives as amended.

The Board also discussed creating a requirement for applicants applying by endorsement to submit a copy of a work product. This requirement is already in place for applicants applying for initial certification. The change will be made on the endorsement application.

Upon a motion by Shafer, seconded by Moore and approved unanimously, it was:

RESOLVED to require all applicants applying for initial and endorsement to submit a copy of a work product at time of application.

Agenda Item 7 – Budget Report

The Board reviewed the Expenditure and Revenue Report. The Board request a breakdown regarding where the 200K came from and also wants to know if other professions revenue is based on their licensing fees.

Agenda Item 8 – Ethics Report/Video

The Board was unable to watch the Ethics Video due because there was no TV and VCR available. The Ethics Video will be scheduled for the Board to view at the next meeting, January 2008.

No ethics issues to disclose.

Agenda Item 9 – Public Comment

Roger Cameron

Mr. Cameron joined the meeting to discuss the reinstatement of his general real estate appraiser license no. 185, which lapsed on June 30, 2003. Mr. Cameron had some questions regarding the continuing education hours required to reinstate his license. Mr. Cameron also stated that he submitted course approval applications for seven courses that he had already taken, but was informed by Mrs. Mays that the courses needed to be approved by the Board in order for them to be counted towards his reinstatement. Mrs. Mays stated that his courses were submitted to the Board via mail vote on August 31, 2007, but would be reviewed by the Board today at 1:45 p.m. since a final decision was not made by mail vote. The Board explained that they will also review his application for reinstatement at 1:00 p.m.

Robert Olchin

Mr. Olchin joined the meeting to discuss his application for certified residential real estate appraiser by endorsement. Mr. Olchin would like to the Board to consider the courses that he submitted with his application. The courses were not approved by the Board, but do meet the education requirements.

Lunch at 12:03 p.m.; back on record at 1:04 p.m.

Agenda Item 10 – Application Review

General

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the following for certification as General Real Estate Appraisers, pending receipt of the \$600.00 license fee:

- **Judy Robinson**
- **Russell Rivard**
- **Robert Renfro**

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the following for certification as General Real Estate Appraiser:

- **Reid Erickson**

- **David Livingston**
- **Philip Swartz**
- **Timothy Riley**
- **Brett Smith**

Reinstatement

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve reinstatement of Roger Cameron's General Real Estate Appraiser License No. 185.

Residential

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to deny Richard Smith for certification as Residential Real Estate Appraiser in accordance with AS 08.87.110(c) (1) and 12 AAC 70.120 (a) (b). Mr. Smith holds a license not certificate as an appraiser in the State of Michigan. Michigan education and work experience requirements are not equivalent to the State of Alaska requirements.

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve Nancy Whitmore for certification as Residential Real Estate Appraiser, pending receipt of \$600.00 licensing fee.

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the following for certification as Residential Real Estate Appraisers:

- **Vitaly Kudryn**
- **John Sealock**
- **Monika Bethers**
- **Sarah Graham**
- **Craig Channer**
- **Robert Olchin**
- **DeKay Bayliffe**

Registered Trainee

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve Linda Harrigan as a Registered Trainee.

Agenda Item 11 – Course Approval

Upon a motion by Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the following courses by the Appraisal Institute for continuing education:

- **Online The Professional's Guide to the Uniform Residential Appraisal Report**
- **Online Scope of Work: Expanding Your Range of Services**
- **Valuation of Conservative Easements**
- **Online Basic Appraisal Procedures**
- **Online Real Estate Finance, Statistics & Valuation Modeling**
- **Online Small Hotel/Motel Limited Service Lodging**
- **Online Basic Appraisal Principals**
- **Online Condominiums, Co-Op & PUD's**
- **Online Residential Market Analysis & Highest & Best Use**
- **Online What Commercial Clients Want Appraiser To Know**
- **Online Introduction to International Valuation Standards**
- **Online Feasibility, Market Value, Investment & Timing Option Value**

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the following courses by International Right of Way Association, Chapter 49 for continuing education:

- **Eminent Domain Law Basics Course 803**
- **Mobile Home Relocation Course 503**
- **Advance Residential Relocation Assistance Course 505**
- **Residential Relocation Assistance Course 501**
- **Principals of Real Estate Negotiations Course 200**

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the following course by McKissock, LP for continuing education:

- **Private Appraisal Assignment – Virtual Classroom**

Upon a motion Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to approve the following course by Tennessee Real Estate Education System (T.R.E.E.S) for continuing education:

- **Environmental Hazards**
- **Land and Site Valuation**
- **Scope of Work & Due Diligence**

Agenda Item 12 – Continuing Education Audit

The Board reviewed the CE Audits that were presented to them.

Upon a motion Olmstead, seconded by Shafer and approved unanimously, it was:

RESOLVED to approve the following CE Audits.

- Gerald V. Randall Jr
- Robert J. Young
- Alan G. Olson
- David M. Derry
- Charles E. Horan
- Steve J. MacSwain
- Randolph S. Seaman
- Robert G. Ameen
- Benjamin C. Lally
- Richard E. Dolman
- Cheryl A. Lubeck
- Steven E. Carlson
- Robert P. Conn
- Russell F. Farrington
- Leonard Paul Mayo
- Charles Jay Clifford

Agenda Item 13 – Wold Case

Margo Mandel, Investigator, Division of Corporations Business & Professional Licensing and Jim Stanley, Administrative Law Judge, Office of Administrative Hearing joined the meeting. The Board also called Robert Auth, Attorney, Department of Law and Clay Keene, Attorney, representing Kim Wold, via teleconference.

Butch Olmstead indicated that he would be abstaining from voting on the decision.

The Board discussed the new proposed decision that was forwarded to Board members by Mrs. Mays on October 3, 2007. The Board decided to postpone the decision on the Wold Case and to discuss it via teleconference. This allows all Board members to attend and gives the Board some time to review the New Proposed Decision.

Upon a motion Shafer, seconded by Moore and approved unanimously, it was:

RESOLVED to postpone the discussion on the New Proposed Decision on the Kim Wold Case. This will be discussed via teleconference.

The Board will decide via email regarding when to schedule the teleconference. Once a date and time has been sent, Mrs. Mays will give that information to Ms. Mandel.

Agenda Item 14 – Mail Vote Procedure

The Board discussed a formal procedure for how to handle future mail votes. The Board decided the time frame should be thirty days from the date of mailing. After 30 days, if there's a quorum of three for approval to proceed with that action and to send an email out to the Board regarding the final decision.

Agenda Item 15 – Appraisal Subcommittee Field Review Findings

The Board decided to have Margo Mandel, Investigator respond to the Appraisal Foundation letter regarding case issues. Mrs. Mays will address the other issues listed in the letter and will follow-up with the Board on the status.

Agenda Item 16 – Board Business

Correspondence

Mae Sprague

The Board reviewed and had a brief discussion regarding Ms. Sprague's correspondence. Mr. MacSwain responded to this correspondence via email and requested that Mrs. Mays forward that email to Ms. Sprague's.

Kentucky Real Estate Appraiser Board

The Board does not want to receive the Kentucky Real Estate Appraiser Quarterly newsletters.

ASC Policy Statement 10

The Board reviewed the ASC Policy Statement. The Board had no comment.

The Appraisal Foundation

The Board reviewed The Appraisal Foundation – 2006 Summary Annual Report Update. The Board had no comments.

John Skan

The Board discussed Mr. Skan's request regarding mass appraisal. The Board decided to only allow no more than 50% of mass appraisal towards work experience.

Sign Wall Certificates

The Board signed one wall certificate for Douglas DeLaGrange, Residential Real Estate Appraiser License No. 569.

Schedule Next Meeting

The Board will decide via email regarding when to schedule the next meeting. The Board is looking at early January.

Sign Meeting Minutes

The Board chair signed the May 14, 2007 meeting minutes.

Sign TA's and Collect Receipts

Travel Authorization forms were given to each Board member to sign.

Task List

Jan Mays

- Email AQB Manual to all Board members.
- Request a breakdown report from Chris Wyatt regarding the 200K on the Expenditure & Revenue Report. Email report to the Board.
- Schedule teleconference to discuss the Wold Decision anytime after October 15, 2007.

Upon a motion by Olmstead, seconded by Moore and approved unanimously, it was:

RESOLVED to adjourn the meeting.

There being no further business, the meeting adjourned at 4:51 p.m.

Respectfully Submitted:

Jan Mays
Licensing Examiner

Approved:

Steve MacSwain, Chair

Date: _____

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