West Virginia Real Estate Appraiser Licensing and Certification Board

MINUTES

MARCH 10, 2014

A meeting of the West Virginia Real Estate Appraiser Licensing and Certification Board was held on March 10, 2014, in the Board's office located at 2110 Kanawha Boulevard East, Charleston, West Virginia. The following Board members were in attendance: Scott Barber-Chair, The Honorable Anthony Julian, David Shields, Glenn Summers, Linda York, Darlene Ratliff-Washington – Counsel, and Sandy Kerns – Executive Director. Absent: Mary Beth Aliveto. Mr. Barber called the meeting to order at 10:08 am. Dale Dawson-Clowser joined the meeting at 10:30 am.

Reading of the Minutes

A motion was made by The Honorable Judge Julian and seconded by Mr. Summers to approve the February 24, 2014 Board Minutes as submitted. Motion carried.

Committee Reports

Upgrades Committee

The Upgrades Committee had not met since the last Board Meeting and therefore, a report was not given.

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Standards Committee

Mr. Barber stated the Standards Committee met on December 4, 2013. Eight items were placed on the agenda.

A motion was made by Mr. Summers and seconded by Mr. Shields that the Board move into Executive Session for the purpose of discussing standards and legal matters.

A motion was made by Mr. Summers that regular session be reconvened. Mr. Shields seconded the motion. Motion carried.

The Board proceeded as follows:

*Complaint 11-020 Appraisers failed to comply with the terms of the Administrative Pre-Charge Diversion Agreement entered on March 14, 2013. A motion was made by Mr. Shields and seconded by Ms. Dawson-Clowser to issue a Formal Complaint and Notice of Hearing.

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Complaint 12-029 On October 29, 2013, the Appraiser entered into a Consent Decree and Order with the Board whereby he was to complete certain educational requirements by October 29, 2014. By Letter dated February 20, 2014, the Appraiser requested a time extension to complete the education requirement due to various personal and health issues. After a review of the Consent Decree and the Appraiser's request, along with the on-line availability of the courses required, the Board determined that there is sufficient time for the Appraiser to complete the courses by the October 29, 2014 deadline. A motion was made by Mr. Summers and seconded by The Honorable Judge Julian that the request be denied. Motion carried.

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Complaint 13-007 A motion was made by Mr. Summers and seconded by The Honorable Judge Julian that since this individual is not a licensee of this Board that he be notified to cease and desist performing Broker Price Opinions (BPO's) for compensation. Motion carried.

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Complaint 13-008 A motion was made by Mr. Summers and seconded by The Honorable Judge Julian that since this individual is not a licensee of this Board that she be notified to cease and desist performing Broker Price Opinions (BPO's) for compensation. Motion carried.

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Complaint 13-014 A motion was made by Mr. Summers and seconded by The Honorable Judge Julian that the Standards Committee conduct further investigation. Motion carried.

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Complaint 13-019 A motion was made by Mr. Summers and seconded by The Honorable Judge Julian that the Standards Committee conduct further investigation. Motion carried.

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On August 29, 2011, Alex Rahmi requested the Board to review certain information regarding an appraisal performed by Thomas Motto which was the subject of a pending lawsuit. The documentation was reviewed and it was determined there was no merit to warrant further investigation. On September 17, 2013 Mr. Rahmi again requested that this matter be reviewed. By Memorandum Decision filed May 3, 2013, the Supreme Court of Appeals upheld the Circuit Court's decision in this matter and stating specifically "the circuit court noted that it reviewed the various appraisals conducted by Mr. Motta and found that "[t]hey contradict [petitioner, Alex D. Rahmi]'s contention regarding the value of the [property] when it was foreclosed upon by [respondent]." The circuit court noted "Mr. Motta's expertise and candor in responding to questions posed by [petitioner], [respondent's counsel], and the Court" and found that Mr. Motta's testimony was "very credible." A motion was made by Mr. Summers and seconded by Ms. Clowser that the matter has been determined by the Supreme Court, further, this issued is not under the Board's jurisdiction or scope of the Board to review the matter. Motion carried.

Executive Director's Report

Ms. Kerns and Mr. Shields attended the AARO Conference in Washington, D.C. in October 2013. A report was given on the subject matter discussed during the conference.

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The Board's Annual Report for Fiscal Years 2012 and 2013 was submitted to the Governor's Office. Ms. Kerns presented a copy of the Annual Report to Board members for review.

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Financial Comparison, Expense and Revenue Reports for the period of July 1, 2013 through December 31, 2013, were presented to the Board for review.

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A License Statistics Report reflecting the number of apprentice permits and appraiser licenses issued, as of January 6, 2014, was presented to the Board for review.

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A report from the period of August 2013 through November 2013, listing the expenditures made on the state authorized VISA purchasing card, was presented to the Board for review.

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A report listing Temporary Permits issued in 2013 and a report listing Temporary Permits issued January 1, 2014 through March 7, 2014, was presented to the Board for review.

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A report listing current apprentices along with their supervisors was presented to the Board for review.

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A motion was made by Mr. Summers and seconded by Mr. Shields that the Board move into Executive Session for the purpose of reviewing license applications.

A motion was made by Mr. Summers that regular session be reconvened. Mr. Shields seconded the motion. Motion carried.

The Board proceeded as follows regarding license applications submitted to the Board:

James Ruffner, licensed in Commonwealth of Virginia, District of Columbia and the State of Maryland, is applying through reciprocity from the Commonwealth of Virginia. A review of

documentation submitted, by Mr. Ruffner with his application, was copy of a Consent Order entered on March 14, 2005 that was signed between Mr. Ruffner and the Virginia Real Estate Appraiser Board. The Consent Order indicated that Mr. Ruffner made minor errors on a report that cumulatively rose to the level of being misleading. The Board has no record of any other criminal activity or disciplinary actions since the 2005 action. A motion was made by Mr. Shields and seconded by The Honorable Judge Julian to approve the application. Motion carried.

Matthew Wood seeks reciprocity from the State of Maryland where he is currently licensed. A review of documentation submitted with the application revealed that Mr. Wood has a 1983 conviction which resulted in a suspended sentence and probation. Mr. Wood was 19 years old at the time of the 1983 offense. The Board has no record of any other criminal activity or disciplinary actions since the 1983 action. A motion was made by Mr. Shields and seconded by The Honorable Judge Julian to approve the application. Motion carried.

Old Business

Ms. Kerns stated she is compiling a list of Appraisal Management Companies (AMCs). She stated a questionnaire will be mailed to the AMCs to gather information regarding how AMCs possibly registering with the State of West Virginia.

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Ms. Kerns stated she is researching a new database for the Board. A report will be given at the next scheduled Board Meeting.

New Business

Two Board-sponsored continuing education classes were held on January 17, 2014 and January 31, 2014. Ms. Kerns stated the Board's profit after expenses was $2,925.70.

Ms. Kerns stated the Board will sponsor two additional continuing education classes on March 14, 2014 and March 15, 2014. A report will be given at the next scheduled Board Meeting.

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A letter from Ronna Hatfield was presented to the Board. The letter addressed her concerns regarding Corelogic's (an Appraisal Management Company) requirement that appraisers provide additional insurance (E&O $5,000,000) and, the terms written in the Independent Contractor Agreement. After discussion, the Board stated her items of concern would be considered when rules regarding Appraisal Management Companies were drafted.

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A copy of a letter sent on December 18, 2013, to license apprentices and appraisers was presented to the Board for review. The letter addressed what is required of an apprentice or

an appraiser to complete their upgrade or apprenticeship under the current AQB Criteria requirement.

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Appraiser Qualification Board (AQB) requirements for criminal and state background checks was discussed. Further discussion is necessary and therefore, the matter will be readdressed at a future Board meeting.

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An email from Rich Heltzel, Alternative Valuation Manager, Accurate Title Group, LLC was given to the Board for review. He asked that the Board clarify the status of Property Condition Reports (PCR) under West Virginia's laws and regulations governing real estate brokers and other real estate professionals. After review, the Board stated it did not have any jurisdiction over Real Estate Brokers or Salespersons.

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The Board reviewed a letter from Samuel Henderson requesting the Board to sponsor jointly with him, a program entitled "Individual Mentoring Enrichment Plan" (IMEP). After review of the program, the request was denied.

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Ms. Kerns stated there are two appraisers that were previously approved as supervisors. These supervisors have been subject to disciplinary action, therefore not meeting AQB Requirement nor, WV Title 190, Series 2 Rules. After discussion, the Board determined to withdrawal supervisor approval for both appraisers. A letter will be sent notifying them of the action taken.

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The West Virginia Real Estate Appraiser Licensing and Certification Board National Registry Access Policy, required from the Appraisal Subcommittee, was presented to the Board for their review. After discussion, a motion was made by Ms. Dawson-Clowser and seconded by The Honorable Judge Julian to adopt the policy. Motion carried.

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A list of proposed meeting dates for Board Meetings, Upgrades Committee Meetings and Standards Committee Meetings was given to Board members.

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A motion was made by Mr. Summers and seconded by Mr. Shields that the Board move into Executive Session for the purpose of discussing Personnel and Staff. Motion carried.

A motion was made by Mr. Summers that regular session be reconvened. Mr. Shields seconded the motion. Motion carried.

The Board proceeded as follows:

A motion was made by The Honorable Judge Julian and seconded by Mr. Summers to employ Ms. Radcliff-Washington, Senior Assistant Attorney General, on the agreed upon contractual basis with the WV Office of the Attorney General. Motion carried.

Election of Officers

Election of Officers was not held. The Election of Officers will be held at an upcoming Board Meeting.

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Being no further business to be brought before the Board, Mr. Barber declared the meeting adjourned at 4:00 pm.

Scott Barber, Chair