

**PUBLIC SESSION OF TUESDAY, JUNE 26, 2012**

**MINUTES**

The regular meeting of the Board of Real Estate Appraisers was held at 124 Halsey Street on the 3<sup>RD</sup> Floor on Tuesday, **JUNE 26, 2012**. The meeting was convened in accordance with the provisions of the Open Public Meeting Act. Board President Mrs. Siegel called the meeting to order at 9:30 A.M. A roll call was taken and the following attendance was recorded for these minutes:

John A. McCann	Present
Denise Siegel	Present
Barry J. Krauser	Present
Frank A. Willis	Excused
Stephen P. Giocondo	Present
Cheryl A. Randolph-Sharpe	Excused
Joseph Palumbo	Present
John A. Young, Jr., Esq.	Present

Also, present were: Steven Flanzman, Senior Deputy Attorney General; Charles Kirk, Acting Executive Director; Emilio Aviles, staff; Grace Gurisic, staff and Barbara Lopez, Deputy Attorney General.

**APPROVAL OF MINUTES OF TUESDAY, MAY 22, 2012**

Following review and discussion by the Board and upon motion of Mr. Young, seconded by Mr. Palumbo it was determined that the minutes of May 22, 2012 be approved . A vote was taken and the motion was carried unanimously.

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**DIRECTOR'S REPORT**

Acting Executive Director, Charles Kirk made the following announcement:

- \*\*\* Board Members Cheryle Randolph-Sharpe and Frank Willis were excused for this meeting.
  
- \*\*\* There were five Investigative Inquiries scheduled for this meeting.

**CONTINUING EDUCATION**

<b><u>Provider</u></b>	<b><u>Course</u></b>	<b><u>Recommendation</u></b>
Metro NY Chapter of the Appraisal Institute	Rescue Remedy - The Art of the Deal for Distressed Properties	<b>2 Hrs. Of C.E.</b>
Loomis Appraisal School	Appraisal Issues for Appraisers 2012-2013	<b>4 Hrs. Of C.E.</b>
Delaware Association of Appraisers	2012-2013 National USPAP Update Course	<b>7 Hrs. Of C.E.</b>
Institute For Professionals in Taxation	IPT's 36 <sup>th</sup> Annual Conference	<b>15 Hrs. Of C.E.</b>
A.S.F.M.R.A.	Advanced Appraisal Exam Preparation Course	<b>20 Hrs. Of C.E.</b>
Career Webschool	2012-2013 USPAP Update Course	<b>7 Hrs. Of C.E.</b>

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NJ NAIFA	Appraisal Report Writing	<b>2 Hrs. Of C.E. &amp; 4 Hrs. Of C.E.</b>
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### **RENEWALS**

Appraisal Institute	(1)	Online Subdivision Valuation	<b>7 Hrs. Of C.E.</b>
	(2)	Online Supervising Appraisal	<b>4 Hrs. Of C.E.</b>
	(3)	Online Rates & Ratios: Making Sense of GIM's, OAR's and DCF	<b>7 Hrs. Of C.E.</b>
	(4)	Online Appraisal Curriculum Overview - General	<b>7 Hrs. Of C.E.</b>
	(5)	Online Residential Site Valuation & Cost Approach	<b>14 Hrs. Of C.E. &amp; 15 Hrs. Of Pre-Lic.</b>
McKissock	(1)	The Changing World of FHA Appraising	<b>7 Hrs. Of C.E.</b>
	(2)	Risky Business: Ways to Minimize Liability	<b>7 Hrs. Of C.E.</b>
	(3)	REO and Short Sale Appraisal Guidelines	<b>4 Hrs. Of C.E.</b>
	(4)	Appraising in a Post-HVCC World	<b>4 Hrs. Of C.E.</b>
	(5)	2-4 Family Finesse	<b>7 Hrs. Of C.E.</b>

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- (6) Appraising FHA Today **7 Hrs. Of C.E.**
- (7) The Cost Approach **7 Hrs. Of C.E.**
- (8) Appraising & Analyzing Office **7 Hrs. Of C.E.**  
Building for Mortgage Underwriting
- (9) Essential Elements of Disclosures **5 Hrs. Of C.E.**  
& Disclaimers
- (10) Foundations in Sustainability: **7 Hrs. Of C.E.**  
Greening the Real Estate & Appraisal  
Industries
- (11) Introduction to Legal Descriptions **2 Hrs. Of C.E.**
- (12) The Nuts & Bolts of Green Building **3 Hrs. Of C.E.**  
For Appraisers
- (13) Residential Appraiser Site **14 Hrs. Of C.E. &**  
Valuation & Cost Approach **15 Hrs. Of Pre-Lic.**
- (14) General Appraiser Market Analysis **27 Hrs. Of C.E. &**  
Highest & Best Use **30 Hrs. Of Pre-Lic.**

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- (15) General Appraiser Site Valuation & Cost Approach    **27 Hrs. Of C.E. & 30 Hrs. Of Pre-Lic.**
- (16) How to Analyze & Value Income Properties    **6 Hrs. Of C.E.**

**Following review and discussion by the Education Committee and the Board and upon motion of Mr. Krauser, seconded by Mr. Giocondo it was determined that the C.E. Courses listed above did meet the established criteria for the designated approved hours and that they be approved as noted above. A vote was taken and the motion was carried, unanimously**

### APPRAISAL FOUNDATION

- \*\*\* **Foundation News** -- “The Appraisal Practices Board Seeks SME’s for topic of “Valuing Contingent Consideration”
- \*\*\* **Foundation News** – “The Appraisal Standards Board Issues First Exposure Draft on Proposed USPAP changes”

The Board reviewed, discussed and duly noted the above items.

### APPRAISAL INSTITUTE

- \*\*\* **Appraiser News Online** — 5-30-12 – “Valuation Lead Bank of America to Repurchase Mortgages”
- \*\*\* **Appraiser News Online** - - **6-6-12** — “Watchdog Blames OCC for Underestimating Mortgage Scandal”
- \*\*\* **Appraiser News Online** – 6-13-12 – “Appraiser Loff Gets Hefty Fine For Failing to Pay Appraisers”

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### \*\*\* Annual Meeting, August 1-3, 2012 in San Diego

The Board reviewed, discussed and duly noted the above items.

### APPRAISAL SUBCOMMITTEE

- \*\*\* **Letter from James R. Park, Executive Director re: ASC Preliminary Compliance Review of Board's Appraiser Regulatory Program concerning their review of March 26-28 – response to this letter must be within sixty (60) days from date of letter – May 22, 2012.**

**Following review and discussion by the Board it was determined that a letter be drafted in response to Mr. Park's letter and presented to the Board at the July Board Meeting for review and approval.**

### APPRAISAL STANDARDS BOARD

- \*\*\* **Memo from Carl Schultz, Jr., Chair of ASB re: *First Exposure Draft of proposed changes for the 2014-2015 edition of the Uniform Standards of Professional Appraisal Practice.***
- \*\*\* **E-Mail exchanges from Board Members Mrs. Siegel and Mr. Palumbo regarding the above noted proposed changes for the 2014-2015 edition of USPAP.**

**Following review and discussion by the Board of the proposed changes as well as review of the e-mail exchanges it was determined by the Board that a response be drafted and forwarded to the Appraisal Standards Board advising of the Board's position in this matter regarding certain aspects of the proposed changes. The two concerns of the Board are as follows:**

- 1. The Board is against retiring Standards 4 and 5.***
- 2. The Board is in agreement and support of the changes brought forth regarding the Record Keeping Rule.***

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**PUBLIC ANNOUNCEMENTS OF DISCIPLINARY ACTION TAKEN**

**\*\*\* IMO -- JUSTIN T. SAVINO - CONSENT ORDER Filed on June 6, 2012 imposing:**

**\*\*\* \$2,500.00 Civil Penalty**

**\*\*\* \$287.00 in Costs**

**\*\*\* Successful completion of 15 Hour USPAP Course**

**\*\*\* IMO -- RICHARD G. DUESS, JR. - Consent Order Filed June 11, 2012 imposing:**

**\*\*\* 2 year stayed suspension**

**\*\*\* Must work under the supervision of a pre-approved supervisor during the duration of the stayed suspension**

**\*\*\* \$10,000.00 Civil Penalty**

**\*\*\* Satisfactorily completion of the requirements set forth in the 2008 Real Estate Appraisal Qualification Criteria (150 hours)**

**\*\*\* IMO -- THOMAS L. FAZIO - Consent Order Filed June 15, 2012 imposing:**

**\*\*\* 1 year stayed suspension**

**\*\*\* Must work under the supervision of a pre-approved supervisor during the duration of the stayed suspension**

**\*\*\* \$234.00 in Costs**

**\*\*\* Successful completion of a 15 Hour USPAP Course**

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**\*\*\* IMO -- BEN COHEN - Denial of Application for Real Estate Trainee Permit based on Criminal Conviction Disqualification dated May 25, 2012.**

**\*\*\* Denial of Trainee Permit Application**

**The Board reviewed, discussed and duly noted the above Orders**

**OTHER**

**\*\*\* Star Ledger News Article of 6-10-12 re: First a Price, Then the Appraisal”**

**\*\*\* News Release from the Office of the Attorney General of May 29, 2012 re: “New Smart Phone App from N.J. Division of Consumer Affairs Lets Consumers Investigate Charities with Ease”**

**\*\*\* Memo from June Levy, Assistant Director of the Division re: Year End Guidelines Cutoff Date for Processing Travel Reimbursement Request and Payment Vouchers.**

**The Board reviewed, discussed and duly noted the above items.**

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**PUBLIC COMMENT**

Michael Jonny of the Appraisal Community addressed the Board regarding issues of mutual concern.

**ADJOURNMENT**

Upon motion of Mr. Palumbo, seconded by Mr. Krauser it was determined that the Public Meeting be adjourned at 11 A.M. and the Board proceed to the Executive Session. A vote was taken and the motion carried, unanimously.

Respectfully submitted,

**CHARLES F. KIRK**

For the Board