

PUBLIC SESSION OF TUESDAY, SEPTEMBER 24, 2013

MINUTES

The regular meeting of the Board of Real Estate Appraisers was held at 124 Halsey Street on the 3RD Floor on Tuesday, **SEPTEMBER 24, 2013**. The meeting was convened in accordance with the provisions of the Open Public Meeting Act. Board President Mrs. Sharpe called the meeting to order at 9:30 A.M. A roll call was taken and the following attendance was recorded for these minutes:

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|---------------------------|---------|
| John A. McCann | Present |
| Barry J. Krauser | Present |
| Stephen P. Giocondo | Present |
| Cheryl A. Randolph-Sharpe | Present |
| Joseph Palumbo | Present |

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

APPROVAL OF MINUTES OF TUESDAY, JULY 23, 2013

Following review and discussion by the Board and upon motion of Mr. McCann, seconded by Mr. Giocondo it was determined that the minutes of July 23, 2013 be approved. A vote was taken and the motion was carried, unanimously.

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DIRECTOR'S REPORT

Acting Executive Director, Mr. Charles Kirk made the following announcements:

- *** Darlene Kane, Division Budget Officer will meet with the Board, at this meeting, to discuss the Board's 2013-2014 Budget

Ms. Kane advised the Board that the Real Estate Appraisal Board will be giving a one-time credit of \$550.00 to all current licensees towards their renewal for the upcoming 2013-2014 cycle. However, all licensees will still be required to pay the \$80.00 Federal Surcharge Fee due to the Appraisal Qualifications Board (AQB). This one-time credit applies to current licensees renewing and not to new applicants applying licensure or certification.

- *** Burt Leibman, Regulatory Analyst, will also be meeting with the Board regarding the adoption of rules implementing P.L. 2013, c49, which notes Rules for Veterans with Substantially Equivalent Training, which "...provides, by regulation, waivers or exemptions from requirements toward licensure or certification for any applicant who receiving training, education, or experience while serving as a member of the Armed Forces of the United States that is substantially equivalent to the training, education, or experience required for licensure or certification."

Mr. Leibman appeared before the Board, at this meeting, and presented his report regarding P.L. 2013, Chapter 49, Assembly No. 2882. Following review and discussion by the Board regarding this matter it was noted to Mr. Leibman that the Real Estate Appraisal Board differs regarding the minimum standards of education, whereas, the "Board" must comply with the Appraisal Foundation. Mr. Leibman has advised and assured the Board that he would recognize same within the regulations when he prepares the regulation.

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CONTINUING EDUCATION

| <u>Provider</u> | | <u>Course</u> | <u>Recommendation</u> |
|---------------------------------------------|-----|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Business Learning Center | (1) | Square Footage: Methods & Standards | Consideration placed hold pending receipt of additional information. |
| | (2) | Appraisal Practices Board Valuation Advisories | 7 Hrs. Of C.E. |
| Metro NJ Chapter of the Appraisal Institute | (1) | Advanced Spreadsheet Modeling for Valuation Applications | 14 Hrs. Of C.E. |
| | (2) | The Lending World in Crisis; What Clients Need Their Appraisers to Know Today | 7 Hrs. Of C.E. |
| Dwellworks Residential Services, LLC | | Fundamentals of Relocation Appraising | 7 Hrs. Of C.E. |
| American School of Business | | Methodology & Application of Sales Comparison | 7 Hrs. Of C.E. |
| NJ NAIFA - Northern Chapter | | Recognized Methods & Techniques For Adjusting Comparable Sales | 2 Hrs. Of C.E. |
| NJ League of Municipalities | | Reinventing New Jersey's Obsolete Suburban Office Campuses | 4 Hrs. Of C.E. |

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| The Commercial Real Estate School of Tri-State Realtors Commercial Alliance | (1) | Current Issues in Real Estate Law | 3.5 Hrs. Of C.E. |
| | (2) | Taxation of Commercial Real Estate | 2 Hrs. Of C.E. |
| NJ Association of Realtors | (1) | New Construction | 3 Hrs. Of C.E. |
| | (2) | House Talk | 3 Hrs. Of C.E. |
| | (3) | USPAP 2014-2015 | 7 Hrs. Of C.E. |
| | (4) | Bullet Proof Your Appraisal | 3 Hrs. Of C.E. |
| American Society of Appraisers | (1) | Sharpening your Appraisal Tools | 8 Hrs. Of C.E. |
| | (2) | 2013 International Appraisers Conference | 14.25 Hrs. Of C.E. |
| NAIFA | (1) | 2013 Conference - Wednesday | 7 Hrs. Of C.E. |
| | (2) | 2013 Conference - Thursday | 7 Hrs. Of C.E. |
| McKissock | (1) | The Income Approach | 6 Hrs. Of C.E. |
| | (2) | Live Webinar: The Green Guide to Appraising | 7 Hrs. Of C.E. |
| | (3) | Reviewer's Checklist | 7 Hrs. Of C.E. |

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| Appraisal Institute | (1) | Litigation Assignments for Residential Appraisers | 4 Hrs. Of C.E. |
| | (2) | Review Theory - Residential | 15 Hrs. Of C.E. & 17 Hrs. Of Pre-Lic. |
| | (3) | Review Theory - General | 30 Hrs. Of C.E. & 33 Hrs. Of Pre-Lic. |
| | (4) | International Valuation Standards Overview | 7 Hrs. Of C.E. |
| | (5) | Advanced Market Analysis & Highest and Best Use | 32 Hrs. Of C.E. & 35 Hrs. Of Pre-Lic. |

RENEWALS

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| Appraisal Institute | Online Business Practices & Ethics | 5 Hrs. Of C.E. |
| McKissock | “Risky Business: Ways to Minimize Your Liability | 5 Hrs. Of C.E. |

INDIVIDUAL REQUEST

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| Robert Ruggles | NCREIF Summer Conference | 4 Hrs. Of C.E. |
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Following review and discussion by the Education Committee of the Board and upon motion of Mr. Palumbo, seconded by Mr. Krauser it was determined that the C.E. Courses, Renewals and Individual Requests 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

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APPRAISER NEWS ONLINE

- *** **Appraiser News Online: 8-21-13** – “New Jersey Governor Vetoes BPO Legislation” as well as the article on the NJ Veto of BPO Legislation

- *** **Appraiser News Online: 7-31-13** – “Borrowers with Modified Loans Re-defrauding at Alarming Rates”

- *** **Appraiser News Online: 8-14-13** – “Government Accuses Bank Of American Of Mortgage Fraud”

- *** **Appraiser News Online - 8-28-13** – “White House Wants Faster Wall Street Reform”

- *** **Appraiser News Online – 9-4-13** - “Appraisal Fraud Risk Declines”

- *** **Appraiser News Online — 9-11-13** — “Arizona Allegedly Ignored Market-Value Appraisals”

- *** **Appraiser News Online: 9-18-13** - “GSE’s Still Finding Problems with Home Appraisals”

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

THE APPRAISAL FOUNDATION

Appraisal Practices Board

- *** **“APB Seeks Subject Matter Experts”** – Deadline Extended to September 30, 2013 – needed Experts to assist in the research and development of voluntary guidance on several topics

- *** **APB has adopted several Valuation Advisories**

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- *** **APB issues Concept Paper - Valuation Issues in Separating Tangible and Intangible Assets**

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

Appraiser Standards Board

- *** **Public Meeting to take place in San Diego, September 13, 2013 – Meeting Agenda**
- *** **USPAP Q and A's; August 1, 2013**
- *** **USPAP Q and A's; September 3, 2013**

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

ALLIANCE FOR VALUATION EDUCATION

- *** **Press Release of August 8, 2013 – National Education Alliance Elects Governing Body and Holds Organizational Meeting – note: Charles Blau from New Jersey was elected to the Board of Regents**

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

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PUBLIC ANNOUNCEMENTS OF DISCIPLINARY ACTION TAKEN

*** **IMO --- DONN C. LAMON** - Consent Order Filed August 19, 2013 imposing:

- *** Formal Reprimand
- *** \$1,500.00 Civil Penalty
- *** \$374.75.00 in Costs

*** **IMO --- TODD M. AKNAY** - Administrative Action – Order of Summary Suspension Filed August 15, 2013 imposing:

- *** Suspension of License by operation of N.J.S.A. 45:1-7.1 without a hearing on January 30, 2012.
- *** Must appear before the Board prior to reinstatement pursuant to this Order.

*** **IMO --- RAMESH H. SHAH** – Administrative Action – Order of Summary Suspension Filed August 30, 2013 imposing:

- *** Suspension of License by operation of N.J.S.A. 45:1-7.1 without a hearing on January 30, 2012.
- *** Must appear before the Board prior to reinstatement pursuant to this Order.

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

OTHER

*** **Consumer Wise, July/August, 2013**

*** **Consumer Alert issues from the Division** — “New Report Warns of Hidden Credit Card “Grey Charges”; August 9, 2013.

*** **Received from Board Member Palumbo** - “ASC 5-year Strategic Plan —

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2014-2018" Mission Statement.

The Board reviewed discussed and duly noted the above items.

PENDING APPLICATIONS

Evan Scott Davis (RC)

Sean J. Hoerster (RA)

Thomas A. Lyons (RC)

Richard K. Moule (RG)

Melissa Savage (RA)

Debra K. Davis (RA)

Brian H. Lutzker (RC)

Joseph M. Malgier (RC)

Eugene Samuelson (RA)

Following review and discussion by the Board of the above noted applicants and upon motion of Mr. McCann, seconded by Mr. Palumbo, with the abstention of Board Member Mrs. Sharpe, it was determined that the above noted candidate did meet the established criteria for Licensure and that their application be approved. A vote was taken and the motion carried, unanimously.

PUBLIC COMMENT

Bruce Shapiro and Robert Solotist, Daniel Drelich and Richard Seibel of the Appraisal Community addressed the Board with mutual concern.

ADJOURNMENT

Upon motion of Mr. Giocondo, seconded by Mr. Palumbo 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