

**PUBLIC SESSION OF TUESDAY, SEPTEMBER 28, 2010**

**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, **SEPTEMBER 28, 2010**. The meeting was convened in accordance with the provisions of the Open Public Meeting Act. Board President Mr. Willis, 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	Present
Stephen P. Giocondo	Present
Cheryl A. Randolph-Sharpe	Present
Eileen M. Mannion, Esq.	Excused

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

**APPROVAL OF MINUTES OF TUESDAY, JULY 20,2010**

Following review and discussion and upon motion of Mrs. Siegel, seconded by Mr. Sharpe it was determined that the minutes of July 20, 2010 be approved . A vote was taken and the motion was carried unanimously.

**DIRECTOR’S REPORT**

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

- \*\*\* There are two Investigative Inquiries scheduled today
  
- \*\*\* It was noted that a conflict existed with the November and December Board Meeting dates, therefore, following review and discussion by the Board and upon motion of Mrs. Siegel, seconded by Mrs. Randolph-Sharpe it was determined that the November Board Meeting be changed to **November 30, 2010** and that the December Board Meeting date be changed to **December 14, 2010**. A vote was taken and the motion was carried, unanimously.

**CONTINUING EDUCATION**

<b><u>Provider</u></b>		<b><u>Course</u></b>	<b><u>Recommendation</u></b>
NAIFA	(1)	Understanding the Message	<b>4 Hrs. Of C.E.</b>
	(2)	The Appraisal Spreadsheet: Bootcamp	<b>4 Hrs. Of C.E.</b>
	(3)	General Appraiser Report Writing Update	<b>7 Hrs. Of C.E.</b>
	(4)	Institutional Fraud	<b>4 Hrs. Of C.E.</b>
Cumberland-Salem Chapter of the NAIFA	(1)	Appraisal Review	<b>2 Hrs. Of C.E.</b>
	(2)	Appraising for Appeals	<b>2 Hrs. Of C.E.</b>
NJ Institute for Continuing Legal Education		Distressed Real Estate: Defaults, Workouts & Opportunities	<b>5.5 Hrs. Of C.E.</b>
Appraisal University		Practices and Pitfalls for Residential Appraiser	<b>9 Hrs. Of C.E.</b>
McKissock	(1)	Introduction to Legal Descriptions	<b>2 Hrs. Of C.E.</b>

- (2) Appraising & Analyzing Office Buildings for Mortgage Underwriting **7 Hrs. Of C.E.**
- (3) Foundations in Sustainability **7 Hrs. Of C.E.**  
 “Greening” the Real Estate and Appraisal Industries
- (4) The Nuts and Bolts of Green Building for Appraisers **3 Hrs. Of C.E.**
- (5) Essential Elements of Disclosures and Disclaimers **5 Hrs. Of C.E.**
- (6) The Changing World of FHA Appraising **7 Hrs. Of C.E.**
- (7) Risky Business: Ways to Minimize Liability **7 Hrs. Of C.E.**
- (8) HVCC and the future of Appraising: Taking Back **4 Hrs. Of C.E.**
- (9) REO and Short Sale Appraisal Guidelines **4 Hrs. Of C.E.**
- (10) Appraising in a Post-HVCC World **4 Hrs. Of C.E.**
- (11) General Appraiser Market Analysis Highest and Best Use **30 Hrs. Of C.E. & 27 Hrs. Of Pre-Lic.**
- (12) General Appraiser Site Valuation & Cost Approach **30 Hrs. Of C.E. & 27 Hrs. Of Pre-Lic.**

PA Metro Appraisal Institute Consumer Protection in Appraisal Industry **2 Hrs. Of C.E.**

Delaware Chapter of the Appraisal Institute Market Condition **2 Hrs. Of C.E.**

University of Montana/Value		Introduction to Appraising for Public	<b>7 Hrs. Of C.E.</b>
Consultants		Projects	
Appraisal Institute	(1)	Advanced Concepts & Applications	<b>38 Hrs. Of C.E.</b>
	(2)	Analyzing Tenant Credit Risk & Commercial Lease Analysis	<b>7 Hrs. Of C.E.</b>
	(3)	Online 2010-2011 15 Hr. USPAP	<b>15 Hrs. Of Pre-Lic.</b>
	(4)	Online 2010-2011 7 Hr. USPAP	<b>7 Hrs. Of C.E.</b>
	(5)	Analyzing the Effects of Environmental Contamination on Real Property	<b>7 Hrs. Of C.E.</b>
	(6)	Online General Appraiser Income Approach Part 2	<b>27 Hrs. Of C.E. &amp; 30 Hrs. Of Pre-Lic.</b>
	(7)	Advanced Spreadsheet Modeling For Valuation Applications	<b>14 Hrs. Of C.E.</b>
	(8)	Thinking Outside the Form	<b>7 Hrs. Of C.E.</b>
ASFMRA	(1)	Current Environmental Issues	<b>8 Hrs. Of C.E.</b>
	(2)	Rapid Fire Case Studies	<b>6 Hrs. Of C.E.</b>
	(3)	ASFMRA 81 <sup>ST</sup> Annual Convention	<b>7 Hrs. Of C.E.</b>
	(4)	Non Real Property Collateral Valuation	<b>11 Hrs. Of C.E.</b>
Institute for Professionals in Taxation		NJ One Day Tax Seminar	<b>2 Hrs. Of C.E.</b>
Allterra Group, LLC	(1)	2010 Keynote Valuation Visionaries	<b>7 Hrs. Of C.E.</b>
	(2)	2010 Appraiser Town Hall Meeting	<b>7 Hrs. Of C.E.</b>

Metro NJ Chapter of the Appraisal Institute		Mortgage Fraud	<b>2 Hrs. Of C.E.</b>
Triple Play		7 Hour USPAP	<b>7 Hrs. Of C.E.</b>
Las Vegas Chapter of the Appraisal Institute		Evaluating Commercial Construction	<b>14 Hrs. Of C.E.</b>
Van Education		Appraisal Subject matter Electives	<b>19 Hrs. Of C.E. &amp; 20 Hrs. Of Pre-Lic.</b>
Center For Government Services	(1)	Tax Appeals, Hearings, Procedures & Adjudication	<b>3 Hrs. Of C.E.</b>
	(2)	Usable vs. Non Usable Sales	<b>3 Hrs. Of C.E.</b>
American Society of Appraisers		Requirements of UASFLA “The Yellow Book”	<b>24 Hrs. Of C.E.</b>
Southern NJ Appraisal Institute	(1)	Valuation of Tidelands & Riparian Lands	<b>4 Hrs. Of C.E.</b>
	(2)	Current Real Estate Market	<b>3.5 Hrs. Of C.E.</b>
NJ IAAO		7 Hour USPAP Update	<b>7 Hrs. Of C.E.</b>
Northeast NJ Appraisal Institute		Highlands Land Valuation Update	<b>2 Hrs. Of C.E.</b>
Union County School of Real Estate		Advanced Residential Applications And Case Studies	<b>15 Hrs. Of C.E.</b>
Commercial Real Estate School of Tri-State Realtors Commercial Alliance		Green Initiatives: Implications of Sustainability in Commercial Real Estate	<b>2 Hrs. Of C.E.</b>
NJ Chapter American Guild of Appraisers		7 Hr. National USPAP Update 2010-2011	<b>7 Hrs. Of C.E.</b>
Cenage		Advanced Residential Applications Case Studies	<b>16 Hrs. Of C.E.</b>

## **RENEWALS**

McKissock	(1)	Land and Site Valuation	<b>7 Hrs. Of C.E.</b>
	(2)	Residential Sales Comparison and Income Approaches	<b>27 Hrs. Of C.E. &amp; 30 Hrs. Of Pre-Lic.</b>
Allied Business Schools		Appraisers Guide to Real Estate Principles	<b>15 Hrs. Of C.E.</b>
Appraisal Institute	(1)	Office Building Valuation of Small Mixed Use Properties	<b>7 Hrs. Of C.E.</b>
	(2)	Valuation of Green Residential Properties	<b>7 Hrs. Of C.E.</b>
	(3)	Subdivision Valuation	<b>7 Hrs. Of C.E.</b>
	(4)	Online Appraising Manufactured Housing	<b>7 Hrs. Of C.E.</b>
	(5)	Condemnation Appraising: Principles & Applications	<b>22 Hrs. Of C.E.</b>
	(6)	Market Analysis Multi-family	<b>7 Hrs. Of C.E.</b>
Van Education Center	(1)	Residential Environmental Hazards Screening	<b>7.5 Hrs. Of C.E.</b>
	(2)	Residential Report Writing & Case Studies	<b>14.5 Hrs. Of C.E. &amp; 15 Hrs. Of Pre-Lic.</b>

**Following review and discussion by the Education Committee and the Board and upon motion of Mrs. Siegel, seconded by Mrs. Sharpe it was determined that the C.E. Courses and Renewals 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 INSTITUTE

- \*\*\* **Appraiser News Online** - September 15, 2010 - “HUD Releases First Post-Katrina Housing Survey of New Orleans”
- \*\*\* **Appraiser News Online** - September 8, 2010 - “Appraisal Institute Withdraws as Sponsor of the Appraisal Foundation”
- \*\*\* **Appraiser News Online** - September 1, 2010 - “Appraisal Institute Releases FAQ on Dodd-Frank Financial Reform Law”
- \*\*\* **Appraiser News Online** - August 25, 2010 - “Fannie, Freddie Future Debated at Treasury Housing Summit”
- \*\*\* **Appraiser News Online** - August 18, 2010 - “Fed: Lending Standards for Small Business Easing”
- \*\*\* **Appraiser News Online** - August 11, 2010 - “FHA Launches Refinance Opportunity for Underwater Homeowners”
- \*\*\* **Appraiser News Online** - August 4, 2010 - “Geithner Touts Financial Reforms, Seeks to Ease Wall Street Fears”
- \*\*\* **Appraiser News Online** - July 28, 2010 - “FHA Board Slaps Mortgage Lenders for Non-Compliance”
- \*\*\* **Appraiser News Online** - September 22, 2010
- \*\*\* **Memo, August 6, 2010** - “Now Available: 2010 Washington Appraisal Summit Package”
- \*\*\* **Memo, September 8, 2010** - “Now available: Valuation Magazine, 3<sup>rd</sup> Quarter 2010 Issue”

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

## APPRAISAL FOUNDATION

- \*\*\* **The “Board’s” letter to Carrie Cadle**, Standards Administrator of the Appraisal Foundation concerning the Second Exposure Draft of Proposed Changes for the 2012-2013 Edition of USPAP

**\*\*\* Issue of the Appraisal Institute’s withdrawal of sponsorship of the Appraisal Foundation**

- 1. Foundation News of September 10, 2010**
- 2. Statement of the Appraisal Foundation Regarding the Suspension of the Appraisal Institute as an appraisal sponsor.**
- 3. Letter from the Appraisal Institute to the Board of Trustees of the Appraisal Foundation on their withdrawal.**

**\*\*\* Memo re:** Voluntary Disciplinary Action Matrix together with copy of the same.

**\*\*\* August 10, 2010** – “Deadline for Applicants to the AQB and ASB Extended to August 20<sup>th</sup>.”

**\*\*\* Press Release of August 5, 2010** - “Boards Application Deadline Approaching on August 13<sup>th</sup>”

**\*\*\* Press Release of August 5, 2010** – “Monograph Released on Contributory Assets”

**\*\*\* August 2, 2010 Memo** – “New Video: 2010 USPAP Update for State Regulators”

**\*\*\* Press Release of July 19, 2010** – “Global Property Organization Joins The Appraisal Foundation”

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

**APPRAISAL STANDARDS BOARD**

**\*\*\* Memo of September 3, 2010** - “ASB Meeting Summary for July 30, 2010 in Indianapolis, Indiana”

**\*\*\* Public Meeting Announcement** – November 19, 2010 in Coconut Grove, Florida.

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

## **APPRAISER QUALIFICATIONS BOARD**

- \*\*\* **Memo of July 29, 2010 re:** AQB Meeting Summary for June 25, 2010 held in Minneapolis, MN.
- \*\*\* **Memo of July 29, 2010 re:** AQB Public Meeting to be held on October 1, 2010 in Washington, D.C.
- \*\*\* **Memo of August 18, 2010 re:** AQB Public Meeting in Region
- \*\*\* **Public Meeting Announcement** – October 1, 2010
- \*\*\* **Public Meeting Announcement** - December 3, 2010

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

## **APPRAISAL PRACTICES BOARD**

- \*\*\* **Memo of September 8, 2010 re:** “Solicitation letter from the Appraisal Practices Board”

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

## **APPRAISAL SUBCOMMITTEE**

- \*\*\* **Letter from James R. Park, Executive Director re:** encouraging participation in the 2010 Fall Joint Conference of the Association of Appraiser Regulatory Officials (AARO), the Appraisal Foundation and the Appraisal Subcommittee to be held on October 1 - October 5, 2010 in D.C.

Also noted was Director Kirk’s Memo to Larry DeMarzo, Deputy Director of the Division forwarding a copy of the aforementioned Memo as well as requesting guidance on how the “Board” might participate.

- \*\*\* **E-Mail Exchange with Subcommittee re:** a follow-up Field Review which is now scheduled for May 20, 2011.

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

\*\*\* IMO -- **RONALD G. BRANDON** - Consent Order Filed August 4, 2010

\*\*\* IMO -- **JOSEPH CAMPBELL** - Consent Order Filed September 1, 2010

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

## **LEGISLATION**

\*\*\* **Re-adoption of N.J.A.C. 13:45C License Duty to Cooperate and comply expires on January 26, 2011.** These rules are being proposed for re-adoption without change.

## **OTHER**

\*\*\* **From the Illinois Department of Financial and Professional Regulation -** Their Newsletter of September, 2010 – “Illinois Appraiser”

\*\*\* **Newsletter from the Department** – “Consumer Wise” - July/August, 2010 issue

\*\*\* **Memo from Acting Director Calcagni’s office** – “This Past Week at Consumer Affairs” - 8-6-10

\*\*\* **News Release from AG Dow** – “New State Law Regulates Credit Card Offerings Made on College and University Campuses”

\*\*\* **Memo from Jenny re: REVOCAION OF DISTANCE EDUCATION CERTIFICATION of DYNASTY SCHOOL** as of 9-22-10

\*\*\* **Memo from Acting Director Calcagni’s office** - “This Past Week at Consumer Affairs” - 9/17/10

\*\*\* **Memo from Acting Director Calcagni’s Office** - “This Past Week at Consumer Affairs” - 9/24/10

**Public Session Minutes of Tuesday, September 28, 2010 – Page # 11**

\*\*\* **News Release from AG Dow** - “New State Law Protects Senior Investors from Deceptive Advisors Who Use Bogus “Senior Adviser” Titles”

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

**PENDING APPLICATIONS**

**Residential License**

*Helen F. Montagnaro*

**Certified Residential**

*David Dembinski  
Robert G. Warncke  
Mark E. Waldron*

*Robert J. Larkin  
Kathleen A. Loughran*

**Certified General**

*Lisa Knor-Heeney*

**The Board reviewed and discussed the above noted applicant and upon motion of Mr. Giocondo, seconded by Mrs. Siegel that the above noted candidates did meet the established criteria for Licensure and that their applications be approved. A vote was taken and the motion carried, unanimously.**

**PUBLIC COMMENT**

Former Board Member Carmen Mistichelli, Daniel Drelich, Walter Kirk and Rich Seibel of the Appraisal Community addressed the Board regarding issues of mutual concern.

**ADJOURNMENT**

Upon motion of Mr. Giocondo, seconded by Mrs. Siegel 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**  
Acting Executive Director