

**APPRAISER LICENSING AND CERTIFICATION BOARD
HEBER M. WELLS BUILDING
ROOM 210, SECOND FLOOR**

**June 28, 2006
9:00 a.m.**

MINUTES

STAFF MEMBERS PRESENT

Derek Miller, Division Director
Mark Fagergren, Education/Licensing Director
Jon R. Brown, Enforcement Director
Dee Johnson, Chief Investigator
Shelley Wismer, Assistant Attorney General
Renda Christensen, Board Secretary
Carla Westbroek, Appraisal Secretary

BOARD MEMBERS PRESENT

J. Philip Cook, Chair
Jennifer Szczypkowski, Board Member
Lynn Christensen, Board Member
Craig Morley, Board Member

The June 28, 2006 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Cook conducting.

The minutes for the April 26, 2006 meeting were found to have two typo errors. With these corrections made, the minutes were approved.

DIVISION REPORTS

ENFORCEMENT REPORT, Jon R. Brown

Mr. Brown reported in the month of April there were 11 residential complaints logged, 5 new residential cases opened for investigation, no cases closed, leaving the number of open residential case files at 85 and 8 commercial cases.

In May the Division received 5 residential and 2 commercial complaints logged, 5 residential and 1 commercial cases opened for investigation, no cases closed, leaving the number of open cases at 90 residential and 9 commercial.

DIRECTOR'S REPORT, Derek Miller

Director Miller wanted to thank Chair Cook and Board Member Szczypkowski for their years of service on the Board. This is the last meeting for both members, and the Division wanted to thank them for their contribution to the Appraisal Board.

Director Miller said in the coming months, the Division will be clarifying to the industry the purpose of the complaint process. The complaint process isn't a process in which the

Division is acting as a mediator for personal business disputes. If there is a legal claim involving monetary damages, they should contact an attorney. The Division will be prioritizing the cases and dealing with the more serious cases first. There was an article in the Salt Lake Tribune last week regarding the appraisal industry. The person writing the article called Director Miller and asked him about the complaints being received.

Director Miller said the Division's ability to discipline or sanction non-licensees who get involved with loan fraud is one of the issues for the upcoming Legislature. The Division would like to take civil action, with the help of the Attorney General's office.

EDUCATION/LICENSING, Mark Fagergren

Mr. Fagergren said the Division is having a hard time with the reviewers getting work back to us in a timely manner. Ms. Westbroek said one file has been out for 4 months. He is asking the Board for names of people who could be helping with reviews. The need is for more residential reviewers.

Mr. Fagergren said there was a radio program on NPR which was being re-broadcast last night, about using your house as an investment. Two issues came up during the program. The first was a lady who was purchasing a house with no money down. The appraisal came in \$20,000 over what she has into the home. She was thrilled because she had now \$20,000 in equity in the home. The second item of interest was on the adjustable rate mortgages. They have originated in California, and a large number of those started happening in 2003 and 2004. In the years 2009 and 2010, many of those loans have five year locks and the estimates on the calculated rates will be going up 70% from what they are paying currently. This will have a huge impact on the industry. Mr. Brown said many of these loans are interest only.

The next newsletter is being edited now. Board Member Christensen gave the suggestion on having an article on education requirements and telling people what courses they should be taking, and about continuing education courses. There will be an article in the newsletter covering this topic.

Mr. Fagergren brought up applications with samples that are not in Utah. When most of the work is out of state, does the person apply through reciprocity, or do we accept the samples. The Board said as long as the samples are USPAP compliant, to accept them. If there is an issue on something, the Board would like to review it.

REVIEW OF LISTS:

Certified and Licensed Appraiser Applicants – Approved by both Education and Experience Review Committees:

Jim Allen, CR Candidate

Steven J. Henderson, LA Candidate

Blake Miles, LA Candidate

Christopher Ferre, CR Candidate

Geoffrey Lane, LA Candidate

James R. Shaw, CR Candidate

Certified and Licensed Appraiser Applicants – Approved by Education Review Committee, Not Approved by Experience Review Committee:

Bryce K. Homer, LA Candidate

Richard Scott, LA Candidate

Discipline List for Board Consideration

Kristy Bath, CR Appraiser Renewal

Daniel B. Goodman, CG Appraiser Renewal

Greg Livingston, LA Application

William Troy Mercer, LA Application

Stipulation

Randy K. Peterson

OTHER BUSINESS

Ms. Wismer said there were two proposed rules that were ready to be made effective. The first is R162-105-4, Trainee Status after Revocation, Surrender, or Suspension of License or Certification. The Division investigators have realized that there is a loophole in the existing rule that would allow a person whose application for renewal has been denied for professional misconduct to go to work as a trainee for another appraiser. The Division also believes that a supervising appraiser should have a duty to refrain from employing trainees whose appraiser licenses or certifications have been suspended for disciplinary reasons. A motion was made and passed unanimously to approve the rule.

The second rule is R162-102-3, Renewal. The purpose for this rule change is to provide a process by which an appraiser who is called to active military service can avoid loss of license or certification due to inability to complete the required continuing education while on active duty. A motion was made and passed unanimously to approve the rule.

Ms. Wismer handed out a draft rule of R105.3.7.1. This would add the wording to say experience points will be given to a trainee for participation in an appraisal only if the appraisal report acknowledges the participation of the trainee and describes the specific duties in which the trainee participated.

LICENSE APPLICATION HEARINGS

10:10 Jordan Bate - Experience Review
Ron K. Nichols, Attorney

11:10 Cameron C. Wright – Experience Review
Darin Grange, Certified Residential, Trainer

A motion was made to go into Executive Session from 12:07 p.m. to 1:03 p.m.

LICENSE APPLICATION HEARINGS (Continued)

1:04 Darren J. Green – Experience Review

RESULTS OF EXECUTIVE SESSION

Reviews

Jordan Bate – Denied.

Cameron C. Wright – Granted.

Darren J. Green – Granted.

Discipline List for Boards Consideration

Kristy Bath, CR Appraiser Renewal – Approved. Board Member Szczypkowski has recused herself.

Daniel B. Goodman, CG Appraiser Renewal – Approved. Chair Cook has recused himself.

Greg Livingston, LA Application – Approved.

William Troy Mercer, LA Application – Schedule for hearing.

The Board has reviewed the following list and has approved the following Applicants:

Certified and Licensed Appraiser Applicants – Approved by both Education and Experience Review Committees:

Jim Allen, CR Candidate

Steven J. Henderson, LA Candidate

Blake Miles, LA Candidate

Christopher Ferre, CR Candidate

Geoffrey Lane, LA Candidate

James R. Shaw, CR Candidate

The Board has reviewed the following list and has agreed with the Division on the following Applicants:

Certified and Licensed Appraiser Applicants – Approved by Education Review Committee, Not Approved by Experience Review Committee:

Bryce K. Homer, LA Candidate

Richard Scott, LA Candidate

Stipulation

Randy K. Peterson – Approved.

A motion was made to adjourn at 1:19 p.m.