

**STATE OF MICHIGAN**  
**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH**  
**BUREAU OF COMMERCIAL SERVICES – LICENSING DIVISION**  
2501 Woodlake Circle, Okemos, Michigan 48864-5955

**BOARD OF REAL ESTATE APPRAISERS**

**BOARD MEETING MINUTES**

March 24, 2009

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Board of Real Estate Appraisers met in Regular Session on March 24, 2009, at the Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, 2501 Woodlake Circle, Conference Room 1, Okemos, Michigan. The business meeting was called to order by Chairperson, David Molenaar, at 9:02 a.m.

**ROLL CALL**

Present:	Andrew Chamberlain	- Professional Member
	Darius Dynkowski	- Public Member
	Beth Graham	- Professional Member
	Craig Hufnagel	- Professional Member
	David Molenaar	- Professional Member
	John Snyder	- Professional Member
Absent:	Donn Fresard	- Public Member
	Patricia Kelly	- Public Member
Staff:	Joseph Campbell	- Licensing Administrator
	Joyce Karr	- Licensing Division Director
	Felicia Badger	- Assistant Licensing Administrator
	Sharon Murphy	- Recording Secretary
	Ann Millben	- Licensing Administrator
	Michael Lockman	- Assistant Attorney General
	Barrington Carr	- Enforcement Division Director
	Kristie Pfeifer	- Enforcement Division
	Ann Paruk	- Enforcement Division
	Bill Wilhelm	- Legal Affairs/FOIA Unit
	Steve Gobbo	- Director - Legal Affairs
Visitors:	Marc Abood	- Certified General Appraiser
	Andrea Bates	- Michigan Association of Realtors (MAR)
	Rachel Massey	- Certified Residential Appraiser
	Brian Westria	- Michigan Association of Realtors (MAR)

**INTRODUCTION**

Mr. Molenaar congratulated Mr. Carr, formerly the Technical Support Manager of the Enforcement Division, in his new position as the Enforcement Division Director for the Bureau of Commercial Services which regulates licenses for 31 different occupations.

## **AMENDMENTS TO AGENDA**

Remove item 4.a. William Kelly, Petitioner rescheduled for June 16, 2009 meeting  
Add item 8.c. BPO Discussion (Broker Price Opinion)  
Add item 8.d. Disciplinary Action Record on License Searches  
Add item 8.e. Consistency of Stipulations  
Add item 8.f. Complaint Files for Testimony at Hearings or Compliance Conferences  
Add item 8.g. Michael Lockman, Assistant Attorney General to address the board

## **APPROVAL OF PREVIOUS MINUTES HELD DECEMBER 2, 2008**

MOTION: Ms. Graham moved to approve the minutes of December 2, 2008. Mr. Chamberlain seconded the motion, which carried unanimously.

## **STIPULATIONS**

### **Roderick Anderson, 12-01-005599, C#302731**

The board reviewed the stipulation in the matter of Roderick Anderson who admitted to violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$1,000.00 to the department within sixty (60) days from the date of mailing of the final order, successfully complete a 7 hour National USPAP update course and a 7 hour Scope of Work course, which may not be applied to the continuing education requirement for renewal, to be completed within six months from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Snyder seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

### **Victor Chenault, Jr., 12-01-068637, C#305146**

The board reviewed the stipulation in the matter of Victor Chenault who admitted to failure to identify any hypothetical conditions necessary in the appraisal assignment; and failure to exercise reasonable diligence in developing or communicating the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$3,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete at least 40 hours of continuing education courses such as Market Data Analysis, Advanced Market Data Analysis, Highest and Best Use, Unique Odd-Ball Property Appraisals, Scope of Work, Narrative Appraisal Report Writing, Multi-Family Residential Appraisal, Income Approach, or equivalent course titles, which shall not be taken over the internet and shall not be applied to licensure renewal, to be completed within 9 months from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Ms. Graham moved to accept the stipulation. Mr. Hufnagel seconded the motion, which carried unanimously.

**Andrew Corwin, 12-01-071760, C#307064**

The board reviewed the stipulation in the matter of Andrew Corwin who admitted to violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$500.00 to the department within sixty (60) days from the date of mailing of the final order, and successfully complete a 7 hour Scope of Work course, which may not be applied to the continuing education requirement for renewal, to be completed within six months from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Ms. Graham moved to accept the stipulation. Mr. Snyder seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

**William Crooks, 12-01-008304, C#307023**

The board reviewed the stipulation in the matter of William Crooks who admitted to failure to include the statement "Appraisers are required to be licensed and are regulated by the Michigan Department of Labor & Economic Growth, PO Box 30018, Lansing, Michigan, 48909" in the appraisal report.

In accordance with the stipulation, the respondent consents to pay a fine of \$3,500.00 to the department, which shall be due six months from the date of mailing of the final order, and successfully complete 40 hours of continuing education courses in Advanced Market Analysis and Cost Approach, which shall not be taken over the internet and shall not be applied to licensure renewal, to be completed within six months from the mailing date of the final order, and suspension of respondent's license for a period of six months. Failure to comply with all terms and conditions set forth in the stipulation shall result in continued suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Hufnagel moved to accept the stipulation. Ms. Graham seconded the motion, which carried unanimously.

**Sharron D'Angela, 12-01-002949, C#305782**

The board reviewed the stipulation in the matter of Sharron D'Angela who admitted to committing substantial errors of omission or commission that significantly affected the appraisal in that she failed to use accurate property data, failed to verify and disclose the source of comparables data, and failed to clarify the intended use and user; performing appraisal services for which she was not licensed; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$3,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, successfully complete a 15 hour National USPAP course and a 28 hour Basic Appraisal

Principles course, which may not be applied to the license renewal requirement, to be completed within three months from the mailing date of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Hufnagel moved to accept the stipulation. Ms. Graham seconded the motion, which carried by a majority vote, with Mr. Chamberlain abstaining.

**Marc Dehollander, 12-01-006754, C#302593**

The board reviewed the stipulation in the matter of Marc Dehollander who admitted to failure to analyze all sales of the subject property that occurred within three years prior to the effective date of the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$500.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and respondent shall provide proof of prior completion of the 2008/2009 USPAP update course within 6 months from the mailing date of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Dynkowski seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Michael Delgado, 12-01-002593, C#307639**

The board reviewed the stipulation in the matter of Michael Delgado who admitted to committing substantial errors of omission or commission that significantly affected the appraisal in that he failed to include complete property data; rendering appraisal services in a careless or negligent manner in that he committed a series of errors that affected the credibility of the appraisal; and failure to analyze such comparable sales data as available to indicate a value conclusion when the sales comparison approach was applicable in the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$3,000.00 to the department, which shall be due six months from the date of mailing of the final order, and successfully complete at least 40 hours of continuing education courses in Advanced Sales Comparison and Cost Approach including the final exam with passing results, which shall not be taken over the internet, to be completed within six months from the mailing date of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Ms. Graham moved to accept the stipulation. Mr. Hufnagel seconded the motion, which carried unanimously.

**Edward Devries, 12-01-001244, C#298509**

The board reviewed the stipulation in the matter of Edward Devries who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to include accurate property data and failed to report the assistance

of another appraiser; committing substantial errors of omission or commission that significantly affected the appraisal; rendering appraisal services in a careless or negligent manner; failure to clearly and accurately set forth the appraisal report in a manner that was not misleading; failure to provide sufficient information to enable the intended users of the appraisal to understand it properly; failure to summarize sufficient information to identify the real estate involved in the appraisal including the physical and economic property characteristics relevant to the appraisal assignment; failure to include in the appraisal report the statement "Appraisers are required to be licensed and are regulated by the Michigan Department of Labor and Economic Growth, PO Box 30018, Lansing, Michigan 48909"; failure to acknowledge the contributions of a limited licensed appraiser within the appraisal report; failure to exercise reasonable diligence in developing or communicating the appraisal; failure to conform to standards of practice governing real estate appraisers which demonstrated incompetence in developing or communicating the appraisal; violating a rule of conduct in practicing an occupation; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$1,500.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 30 hours of continuing education courses including a 15 hour National USPAP course and 15 hour Highest and Best Use course including passing final examinations for both courses, within 60 days from the date of mailing of the final order; and make restitution in the amount of \$275.00 to complainant within 60 days from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation within 60 days from the date of mailing of the final order shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Failure to comply with all terms and conditions set forth in the stipulation within 6 months from the date of mailing of the final order shall result in revocation of respondent's license.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Hufnagel seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Merritt Dietz, 12-01-069494, C#305480**

The board reviewed the stipulation in the matter of Merritt Dietz who admitted to committing substantial errors of omission or commission that significantly affected the appraisal in that he failed to include all subject property features data; failure to analyze all agreements of sale, options and listings of the subject property as of the effective date of the appraisal; failure to provide sufficient information to enable the intended users of the appraisal to understand it properly; failure to clearly and conspicuously state all extraordinary assumptions and hypothetical conditions and state that their use might have affected the assignment results; and failure to exercise reasonable diligence in developing or communicating the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$2,000.00 to the department, to be paid in two equal installments, the first installment of \$1,000.00 due and payable no later than July 1, 2009 and the second installment of \$1,000.00 due and payable no later than October 1, 2009. It is further stipulated that respondent's certified general real estate appraiser license shall become null and void, the credential of certified general having been issued by the department through administrative clerical error and having been subsequently nullified and voided through previous administrative action taken by the Licensing Division of the Bureau of Commercial Services, and respondent's credential of

certified residential real estate appraiser licensure, which respondent earned by education, experience and examination shall be rescinded as null and void and respondent's previously earned credential of state licensed real estate appraiser licensure shall be reinstated effective the mailing date of the final order. Respondent may not reapply for the certified residential real estate appraiser license for a minimum period of three years from the mailing date of the final order. It is further stipulated that respondent successfully complete 60 hours of continuing education to include the following courses or their substantial equivalent in any available combination: Market Analysis & the Sales Comparison Approach (7 hours), Problem Solving In Residential Appraisal (7 hours); Round Table Discussion of Real Estate Appraisal Practice Methods & Techniques (3 hours); Mastering Unique & Complex Real Estate Property Appraisal (18 hours); Review of Appraisal Principals, Procedures & Problems (7 hours); Advanced Sales Comparison & Cost Approaches (36 hours); and Advanced Residential Applications & Case Studies (14 hours), which shall not be taken over the internet, shall not be applied to licensure renewal, and shall total at least 60 hours to be completed within 15 months from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Hufnagel moved to accept the stipulation. Ms. Graham seconded the motion, which carried unanimously.

**Renee Durbin, 12-01-001932, C#302848**

The board reviewed the stipulation in the matter of Renee Durbin who admitted to failure to analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal; and failure to provide sufficient information to enable the intended users of the appraisal to understand it properly in that she failed to include all property data.

In accordance with the stipulation, the respondent consents to pay a fine of \$1,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 30 hours of continuing education courses to include 15 hours National USPAP and 15 hours Residential/Narrative Appraisal Report Writing, which shall not be taken over the internet, and shall not be applied to the license renewal requirement, to be completed within 90 days from the mailing date of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Dynkowski seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Patricia Gugala, 12-01-005611, C#305784**

The board reviewed the stipulation in the matter of Patricia Gugala who admitted to failure to analyze comparable sales data as available to indicate a value conclusion when a sales comparison approach was necessary for credible results; failure to reconcile the applicability or suitability of the approaches used to arrive at the value conclusion; and failure to exercise reasonable diligence in developing or communicating the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$1,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, with license placed on probation for three years from the date of mailing of the final order. If respondent is found to be in violation for careless or negligent appraisal practice, or fails to exercise reasonable diligence in developing or communicating an appraisal for any appraisal document signed/executed during the three year probation period, respondent consents to pay a fine of \$5,000.00 and a one-year suspension of her appraiser license. Failure to comply with all terms and conditions set forth in the stipulation shall result in a continued suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Hufnagel moved to accept the stipulation. Mr. Snyder seconded the motion, which carried unanimously.

**Council Irwin, Jr., 12-01-002055, C#305006**

The board reviewed the stipulation in the matter of Council Irwin, Jr. who admitted to committing substantial errors of omission or commission that significantly affected the appraisal; failure to analyze comparable sales data as available to indicate a value conclusion; failure to develop an opinion of site value by an appropriate appraisal method or technique when the cost approach was applicable in that he failed to include information and data sources; failure to analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal; failure to summarize sufficient information to identify the real estate involved in the appraisal including the physical and economic property characteristics relevant to the appraisal assignment; and failure to summarize the information analyzed, the appraisal procedures followed and the reasoning that supported the analyses, opinions and conclusions in the appraisal.

In accordance with the stipulation, the respondent consents to immediate revocation of licensure upon the date of mailing of the final order, and immediate return of appraiser licenses to the department. Failure to comply with all terms and conditions set forth in the stipulation shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Snyder seconded the motion, which carried unanimously.

**Ronald Jenneman, 12-01-001707, C#302757**

The board reviewed the stipulation in the matter of Ronald Jenneman who admitted to failure to exercise reasonable diligence in developing or communicating the appraisal property.

In accordance with the stipulation, the respondent consents to pay a fine of \$500.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete the 7 hour National USPAP update continuing education course to be completed within 60 days from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Snyder seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Elizabeth Livingston, 12-01-005499, C#306392**

The board reviewed the stipulation in the matter of Elizabeth Livingston who admitted to failure to conform to standards of practice governing real estate appraisers which demonstrates incompetence in the practice of an occupation.

In accordance with the stipulation, the respondent consents to immediate revocation of licensure upon the date of mailing of the final order, and consents to pay a fine of \$750.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Dynkowski seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Matthew McBrien, 12-01-006365, C#308061**

The board reviewed the stipulation in the matter of Matthew McBrien who admitted to failure to analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal; and failure to clearly and accurately set forth the appraisal report in a manner that was not misleading in that he failed to include accurate and complete property data.

In accordance with the stipulation, the respondent consents to pay a fine of \$750.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete at least 15 hours of National USPAP courses, including passing the final examination, which shall not be taken online. Failure to comply with all terms and conditions set forth in the stipulation within 6 months from the date of mailing of the final order shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Ms. Graham seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

**Harold Morgan, 12-01-068225, C#305143**

The board reviewed the stipulation in the matter of Harold Morgan who admitted to failure to provide sufficient information to enable the intended users of the appraisal to understand it properly; failure to summarize sufficient information to identify the real estate involved in the appraisal including the physical and economic property characteristics relevant to the appraisal assignment; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$500.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 14 hours of continuing education courses including the 7 hour National USPAP update course, and the 7 hour Scope of Work course, all of which shall not be taken over the internet, to be completed within 8 months from the mailing date of the final order.

Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Snyder seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Michael Rager, 12-01-007724, C#308900**

The board reviewed the stipulation in the matter of Michael Rager who admitted to failure to exercise reasonable diligence in developing or communicating the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$500.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete at least 15 hours National USPAP courses with satisfactory test results within six months from the mailing date of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Ms. Graham moved to accept the stipulation. Mr. Hufnagel seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

**Michele Ramon, 12-01-007215, C#303682**

The board reviewed the stipulation in the matter of Michele Ramon who admitted to failure to summarize the information analyzed, the appraisal procedures followed and the reasoning that supported the analyses, opinions and conclusions in the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$750.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete a 15 hour National USPAP course within 90 days of the mailing date of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Failure to comply within 6 months of the mailing date of the final order shall result in revocation of all licenses and denial of any future applications for licensure.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Snyder seconded the motion, which carried unanimously.

**Joseph Saad, 12-01-070688, C#302532**

The board reviewed the stipulation in the matter of Joseph Saad who admitted to violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$750.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order. Failure to comply with all terms and conditions set forth in the stipulation shall result in a suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Mr. Hufnagel seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Michael Stuart, 12-01-007462, C#306977**

The board reviewed the stipulation in the matter of Michael Stuart who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to include accurate property data; committing substantial errors of omission or commission that significantly affected the appraisal in that he failed to include accurate property data; rendering appraisal services in a careless or negligent manner in that he committed a series of errors that affected the credibility of the appraisal results; failure to identify the characteristics of the property that were relevant to the type and definition of value and intended use of the appraisal; failure to analyze such comparable sales data as available to indicate a value conclusion when the sales comparison approach was necessary for credible assignment results; failure to develop an opinion of site value by an appropriate appraisal method or technique when the cost approach was necessary for credible assignment results; failure to analyze comparable cost data as available to estimate the cost new of the improvements when the cost approach was necessary for credible assignment results; failure to analyze comparable data as available to estimate the difference between the cost new and the present worth of the improvements when the cost approach was necessary for credible assignment results; failure to analyze the effect on value of personal property, trade fixtures or intangible items included in the appraisal; failure to reconcile the applicability or suitability of the approaches used to arrive at the value conclusion in the appraisal; failure to clearly and accurately set forth the appraisal report in a manner that was not misleading in that he failed to include accurate property data; failure to summarize the information analyzed, the appraisal procedures followed and the reasoning that supported the analyses, opinions and conclusions in the appraisal; failure to state in the appraisal the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal and did not summarize the support and rationale for the opinion of highest and best use in the appraisal; failure to exercise reasonable diligence in developing or communicating the appraisal of the property; failure to include in the appraisal report the statement "Appraisers are required to be licensed and are regulated by the Michigan Department of Labor and Economic Growth, PO Box 30018, Lansing, Michigan 48909"; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$10,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete at least 40 hours of continuing education courses including Advanced Market Analysis, Cost Approach, and Highest and Best Use courses, to include successful completion of relevant examinations. Failure to comply with all terms and conditions set forth in the stipulation within 60 days from the mailing date of the final order shall result in suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Failure to comply with all terms and conditions set forth in the stipulation within 6 months from the mailing date of the final order shall result in revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved to accept the stipulation. Ms. Graham seconded the motion, which carried unanimously.

**Leon Whitfield, 12-01-004563, C#302186**

The board reviewed the stipulation in the matter of Leon Whitfield who admitted to failure to exercise reasonable diligence in developing or communicating the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$1,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete two continuing education courses as follows: 7 hour Business Ethics course, and either the Scope of Work course or a Sales Comparison Approach course, which may be taken online, may not be used toward licensure renewal, and must be completed within one year from the mailing date of the final order. It is further stipulated that respondent may not supervise, employ or use the services of a limited licensed appraiser for one year after the mailing date of the final order and until he becomes a certified residential real estate appraiser, whichever period is longer. Failure to comply with all terms and conditions set forth in the stipulation shall result in suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

MOTION: Mr. Chamberlain moved **to reject the stipulation** based upon the numerous amount and seriousness of violations committed and recommends a fine of \$10,000.00 and immediate revocation of respondent's license. Mr. Hufnagel seconded the motion, which carried by a majority vote, with Mr. Snyder abstaining.

**HEARING REPORTS**

MOTION: Ms. Graham moved to receive the following hearing reports. Mr. Hufnagel seconded the motion, which carried unanimously.

The following actions were taken on the hearing reports presented to the Board:

**Michael Cope, 12-01-006660, C#306300, Docket #2008-1326**

The board reviewed the hearing report in the matter of Michael Cope for demonstrating incompetence; violating a provision of the act or rule for which a penalty is not otherwise prescribed; failure to prepare an appraisal in compliance with USPAP; violating standards for the development and communication of real property appraisals; failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal; and demonstrating incompetence in developing or communicating an appraisal.

MOTION: Ms. Graham moved to impose a fine in the amount of \$10,000.00 to be paid to the department within 60 days from the date of mailing of the final and continued revocation of respondent's license. Failure to comply with the final order shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Hufnagel abstaining.

**Angela Dale, 12-01-007666, C#307638, Docket #2008-1484**

The board reviewed the hearing report in the matter of Angela Dale for violating a provision of the act or rule for which a penalty is not otherwise prescribed; failure to prepare an appraisal in compliance with USPAP; violating standards for the development and communication of real

property appraisal; failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal; and failure to make available to the department upon request books and records required to be kept under this article.

MOTION: Mr. Chamberlain moved to impose a fine in the amount of \$10,000.00 to be paid to the department within 60 days from the date of mailing of the final order and immediate revocation of respondent's license. Failure to comply with the final order shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Dynkowski seconded the motion, which carried unanimously.

**Jeffrey Decker, 12-01-006781, C#308515, Docket #2008-1579**

The board reviewed the hearing report in the matter of Jeffrey Decker for violating a rule of conduct; violating a provision of the act or rule for which a penalty is not otherwise prescribed; signing an appraisal without authority; failure to prepare an appraisal in compliance with USPAP; failure to include an opinion of defined value of adequately described real property as of a specific date and be supported by the presentation and analysis of relevant market information; violating standards for the development and communication of real property appraisal; failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal; and performing appraisal services for which the individual is not licensed under this article.

MOTION: Mr. Chamberlain moved to impose a fine in the amount of \$8,000.00 to be paid to the department within 60 days from the date of mailing of the final order, and immediate revocation of licensure. Failure to comply with the final order shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Snyder seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

**Ronald Keller, 12-01-001566, C#305319, Docket #2008-1131**

The board reviewed the hearing report in the matter of Ronald Keller for violating a provision of the act or rule for which a penalty is not otherwise prescribed; failure to prepare an appraisal in compliance with USPAP; failure to include an opinion of defined value of adequately described real property as of a specific date and be supported by the presentation and analysis of relevant market information; violating standards for the development and communication of real property appraisal; and failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal.

MOTION: Mr. Dynkowski moved to impose a fine in the amount of \$10,000.00 to be paid to the department within 60 days from the date of mailing of the final order, and immediate revocation of licensure. Failure to comply with the final order shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Snyder seconded the motion, which carried unanimously.

**Ronald Keller, 12-01-001566, C#306381, Docket #2008-1274**

The board reviewed the hearing report in the matter of Ronald Keller for violating a provision of the act or rule for which a penalty is not otherwise prescribed; failure to prepare an appraisal in

compliance with USPAP; violating standards for the development and communication of real property appraisal; and failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal.

MOTION: Mr. Hufnagel moved to impose a fine in the amount of \$10,000.00 to be paid to the department within 60 days from the date of mailing of the final order, and immediate revocation of licensure. Failure to comply with the final order shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Snyder abstaining.

**Randall Manigault, 12-01-004074, C#305657, Docket #2008-1273**

The board reviewed the hearing report in the matter of Randall Manigault for violating a provision of the act or rule for which a penalty is not otherwise prescribed; failure to prepare an appraisal in compliance with USPAP; violating standards for the development and communication of real property appraisal; failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal.

MOTION: Ms. Graham moved to impose a fine in the amount of \$5,000.00 to be paid to the department within 60 days from the date of mailing of the final order, and immediate revocation of licensure. Failure to comply with the final order shall result in a continued revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Hufnagel seconded the motion, which carried by unanimously.

**EDUCATION COMMITTEE REPORT**

The board received three Education Committee Reports as follows: December 2008, January 2009, and February 2009.

MOTION: Ms. Graham moved to accept the Education Committee reports as presented. Mr. Hufnagel seconded the motion, which carried unanimously.

**ITEMS FOR CONSIDERATION FROM BOARD MEMBERS/STAFF**

Legislative Update – Mr. Molenaar inquired of the status to amend Section 2603(2) regarding the board composition that was discussed and approved by the board last December. Ms. Graham stated MAR is seeking a sponsor to move ahead with that legislative change.

Mr. Molenaar and Mr. Campbell informed board that HB 4234 is in the Senate and it will repeal MCL 339.2629 and therefore require appraisers to comply with the Appraiser Qualifications Board's (AQB) continuing education requirements for renewals.

Case Review Backlog Update – Mr. Molenaar asked board members to report the status of outstanding case file reviews for the department, and it was reported that there were no outstanding files at this time.

Broker Price Opinion's – Mr. Molenaar stated he is in the process of getting clarification from the Legislative Affairs Office regarding an opinion recently posted by an attorney with MAR about BPO's. Mr. Gobbo stated the department could refer the issue to Mr. Martin's office, but clarity regarding the legality of BPO's as used in courts will require legislative changes. Mr. Molenaar stated many appraisers are not in agreement with the letter by MAR's attorney and want to know what is and is not allowed. Mr. Molenaar will continue to pursue a third party opinion, and he will pass any information he receives to department staff and board members once received.

Disciplinary Action Record on License Searches – Mr. Molenaar discussed the concern that disciplinary action taken against an appraiser does not carry over to the next level of licensure when a license upgrade occurs. He stated he spoke with Ms. Sherman, Bureau of Commercial Services, Testing & Education Program Services Manager, regarding this issue and was advised that disciplinary action taken against a licensee will appear when an overall license search is conducted using the licensees' name or license number on the data base, which brings up all the license levels ever issued to that individual and the status. Mr. Molenaar stated the Testing & Education Program Services unit is aware of the problem and is looking into resolving it.

Consistency in Stipulations – Mr. Molenaar discussed the need for consistency among board members and department staff when assessing sanctions against licensees during disciplinary conferences and administrative hearings, advising them to be clear on continuing education requirements and whether the additional education can also be counted toward renewal or relicensure. Board members stated they make the general statement during the conference that the sanctioned education cannot be used for license renewal, upgrade, or relicensure, but the stipulation doesn't always reflect that detail. Mr. Molenaar also advised board members to require an examination if requiring a 15 hour USPAP course, as the last hour of the course is the final examination. It was the consensus of the board to update the minimum recommended sanctions document, and to require that stipulations be proofread by the consulting board member/contract person prior to finalization, as stated in the following motions:

MOTION: Mr. Chamberlain made a motion that drafted stipulations be presented to consulting board members/contract person for their review and approval prior to sending the final stipulations to the respondents. Mr. Hufnagel seconded the motion, which carried unanimously.

MOTION: Mr. Hufnagel made a motion that any courses and/or education required as part of the stipulation, unless specified otherwise, not be counted toward renewal, upgrade or relicensure, with this requirement to be included in the board's recommended minimum sanctions document. Mr. Chamberlain seconded the motion, which carried unanimously.

Mr. Molenaar advised board members when reviewing complaint files to be more specific in defining the violations according to the occupational code.

Complaint Files for Testimony at Hearings or Compliance Conferences – Mr. Molenaar advised board members when writing up complaint file reports, they are not performing as 'review' appraisers but evaluating the complaint with allegations presented to determine whether USPAP was applied in developing the appraisal. Mr. Carr stated board members are

performing an administrative review not a value opinion. Following a lengthy discussion by board members and department staff, Mr. Molenaar stated he will forward the complaint review guidelines document to board members again to clarify this issue and assist them with developing case reports for the department.

Michael Lockman, Assistant Attorney General – Ms. Karr stated she invited Mr. Lockman to meet with the occupational boards to provide training and answer questions regarding board procedure. Mr. Lockman addressed the board commending them in their efforts to assist the department, stating the occupational boards in conjunction with the department recommend changes based upon their assessments of occupational code violations, developing policy to regulate the profession. Mr. Lockman answered questions regarding the role of administrative law examiners and legal decisions, stating the agency and board cannot appeal a conclusion of law; however, the expert witness opinion given by the consulting professional board member is an important part of reaching a final conclusion. Mr. Lockman discussed the Former Offenders Act which requires the department and board to consider current proof of rehabilitation for license applicants with a prior conviction history who demonstrate their ability to serve the public in the licensed area in a fair, honest and open manner. He discussed the importance of documenting in the board meeting minutes what the petitioner has brought to the good moral character review and how it affects their ability to serve in that profession fairly, openly and honestly. The board and department discussed the current procedure to report disciplinary action taken against a licensee on the website, which remains on the record indefinitely, making it difficult for some appraisers to retain and conduct business. Mr. Lockman suggested it be determined if the department has discretion regarding a time limit for reporting disciplinary action against a licensee, and if so, whether the database reporting system can be updated accordingly. The board thanked Mr. Lockman for attending the meeting and answering their questions regarding board issues.

### **PUBLIC COMMENT**

Brian Westria of MAR addressed the board regarding the Broker Price Opinion letter in question, stating the letter was solicited by MAR to clarify the purpose of broker price opinions and who can provide them, and stating the opinion was intended for use by MAR only.

Rachel Massey, licensed appraiser, commented she wanted the MAR broker price opinion issue brought to the department's attention, as she is looking for clarification regarding what is allowed. She stated she works in a bank and sees BPO's frequently unsigned and unidentified as BPO's.

### **NEXT MEETING DATE**

The next regularly scheduled meeting of the Board of Real Estate Appraisers will be held on June 16, 2009.

**ADJOURNMENT**

There being no further business to be brought before the Board at this time, the meeting was adjourned at 11:05 a.m.

David Molenaar /s/  
Board Chairperson

6/16/2009  
Date

Sharon Murphy /s/  
Recording Secretary

6/16/2009  
Date