

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

June 16, 2009

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Board of Real Estate Appraisers met in Regular Session on June 16, 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 9:07 a.m.

ROLL CALL

Present:	Andrew Chamberlain	- Professional Member
	Darius Dynkowski	- Public Member
	Patricia Kelly	- Public Member
	Beth Graham	- Professional Member
	Craig Hufnagel	- Professional Member
	David Molenaar	- Professional Member
	John Snyder	- Professional Member
Absent:	Donn Fresard	- Public Member
Staff:	Joseph Campbell	- Licensing Administrator
	Joyce Karr	- Licensing Division Director
	Sharon Murphy	- Recording Secretary
	Barrington Carr	- Enforcement Division Director
	Bob Engle	- Enforcement Manager
	Kristie Pfeifer	- Enforcement Division
	Ann Paruk	- Enforcement Division
	Bill Wilhelm	- Legal Affairs/FOIA Unit
	Steve Gobbo	- Director - Legal Affairs
	Jim Farhat	- Policy Specialist
	Tom Cantrell	- Department of Information Technology
	Sue Sherman	- Testing & Education Services Manager
	Peggy Waugh	- Testing & Education Services
Visitors:	Andrea Bates	- Michigan Association of Realtors (MAR)
	Mark Cook	- Licensed Certified General Appraiser
	Margaret Kelly	- Wife of Petitioner
	William Kelly	- Petitioner

AMENDMENTS TO AGENDA

Add item 5.y. Sheri Huie, Certified Residential Appraiser, 12-01-068965, C#308121
Add item 8.c. Board Concerns

APPROVAL OF PREVIOUS MINUTES HELD MARCH 24, 2009

MOTION: Mr. Hufnagel moved to approve the minutes of March 24, 2009 as presented. Mr. Snyder seconded the motion, which carried unanimously.

MICHIGAN BUSINESS ONE STOP PRESENTATION

Ms. Karr introduced Tom Cantrell of the Department of Information Technology, stating Mr. Cantrell will present the Michigan Business One Stop (MBOS) online service which was developed in response to Governor Granholm's initiative to simplify and streamline the process of doing business in Michigan, providing one place to obtain information, requirements, applications, permits, etc. required to conduct business in the State of Michigan. Mr. Cantrell, who helped set up the service center, testing coordination, and conducts onsite demonstrations of the MBOS web-based application which recently launched in March 2009, presented a live demo of the Business One Stop online process, describing the three sections of the site: starting, operating and changing a business. He stated MBOS links are placed on all department websites for easy access, which tie into the MBOS portal, and a customer service center is also available to answer questions by phone or email. Mr. Cantrell stated the application will continue to be expanded to offer additional business information and services. Board and department staff thanked Mr. Cantrell for sharing this useful information with them.

PETITION

William Kelly, Certified Residential License Denial

On December 30, 2008, Mr. Kelly applied for a Certified Residential Real Estate Appraiser license. The department denied the application on March 2, 2009, as Mr. Kelly did not meet the current education requirements. Mr. Kelly had initially applied for certified residential licensure on December 14, 2007 prior to implementation of the 2008 AQB requirements and he was approved on December 28, 2007 to take the state board examination, requiring successful completion of the examination within one year. Mr. Kelly failed to take and pass the examination within the one-year time frame, voiding the application and requiring him to re-apply and meet the 2008 AQB requirements, which he declined to do. The board reviewed the petition, supporting documents, and heard the petitioner's statements.

MOTION: Ms. Graham moved to uphold the denial issued by the department based upon Mr. Kelly's failure to meet the current minimum education requirement, as he has not provided proof of obtaining the federally mandated hours of qualifying education in accordance with the 2008 AQB requirements. The board and department expressed their sympathy regarding his situation and explained they have no authority to forego the federal qualifying education requirements. Mr. Hufnagel seconded the motion, which carried unanimously. The department concurred.

STIPULATIONS

William Patrick Allar, 12-01-008331, C#308355

The board reviewed the stipulation in the matter of William Patrick Allar who admitted to failure to summarize information sufficient to identify the real estate involved in the appraisal including the physical and economic property characteristics relevant to the appraisal assignment.

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, make restitution in the amount of \$280.00 to complainant within sixty (60) days from the date of mailing of the final order, and successfully complete a minimum of 7 hours continuing education including any of the following titles: Writing Disclaimers, Defensive Appraisal Writing, and/or Market Data Analysis, listed in the order of preference to be taken according to individual course availability, which shall not be taken online, shall not be credited to licensure renewal, to be completed within six (6) 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. Chamberlain seconded the motion, which carried unanimously.

Paulette Boundy, 12-01-008162, C#310211

The board reviewed the stipulation in the matter of Paulette Boundy who admitted to possessing and maintaining unauthorized items in the real estate appraiser examination area, which constitutes fraud, deceit or dishonesty in the practice of an occupation.

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, and successfully complete at least twelve (12) hours of continuing education courses including eight (8) hours on the subject of Ethics, and four (4) hours on the subject of Fair Housing, which shall not be taken over the internet and shall not be applied to licensure renewal, to be completed within six (6) months from the date of mailing of the final order. It is further stipulated that respondent shall forever be prohibited from applying for the Certified General Real Estate Appraiser license, thereby forever barring respondent from sitting for the examination related to the Certified General Real Estate Appraiser license. 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. Hufnagel seconded the motion, which carried unanimously.

Tyrone Emory Brown, 12-01-006009, C#306729

The board reviewed the stipulation in the matter of Tyrone Emory Brown who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to develop and support the sales comparison and cost approaches; committing substantial errors of omission or commission that significantly affected the appraisal in that he failed to include accurate property data; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$2,000.00 to the department within ninety (90) days from the date of mailing of the final order, and successfully complete either a thirty (30) hour Advanced Market Analysis & Highest & Best Use course or a forty (40) hour Advanced Sales Comparison & Cost Approach course, to be completed within nine (9) months from the date of mailing of the final order, which shall not be taken over the internet and may not be applied to the continuing education requirement for renewal. 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. Chamberlain seconded the motion, which carried unanimously.

William Crooks, 12-01-008304, C#309360

The board reviewed the stipulation in the matter of William Crooks 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 \$2,500.00 to the department within sixty (60) days from the date of mailing of the final order, and successfully complete nine (9) hours of continuing education courses including the seven (7) hour National USPAP update course, and the two (2) hour Michigan Law update course, which shall not be taken over the internet and shall not be applied to licensure renewal, to be completed within six (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 continued 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. Kelly seconded the motion, which carried by a majority vote with Ms. Graham abstaining.

Sharron D'Angela, 12-01-002949, C#307931

The board reviewed the stipulation in the matter of Sharron D'Angela who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal; committing substantial errors of omission or commission that significantly affected the appraisal in that she failed to use accurate comparable properties data; 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 the report properly; failure to make available to the department books and records required to be kept; failure to exercise reasonable diligence in developing or communicating the appraisal; failure to conform to standards of practice governing real estate appraisers; 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 within sixty (60) days from the date of mailing of the final order, and immediate revocation of licensure. 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: Ms. Graham moved to accept the stipulation. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Hufnagel abstaining.

Peter Anthony Fuciarelli, 12-01-002676, C#308365

The board reviewed the stipulation in the matter of Peter Anthony Fuciarelli 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 within 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 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. Dynkowski seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Lynn Rae Hamady, 12-01-005960, C#306926

The board reviewed the stipulation in the matter of Lynn Rae Hamady 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 \$2,500.00 to the department within 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 suspension of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

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

Jeffrey C. Hautala, 12-01-002037, C#307029

The board reviewed the stipulation in the matter of Jeffrey C. Hautala who admitted to rendering appraisal services in a careless or negligent manner by committing a series of errors that affected the credibility of the appraisal in that he failed to include accurate property data; failure to analyze comparable sales data as available to indicate a value conclusion in the appraisal when the sales comparison approach was necessary for credible assignment results; failure to summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supported the analyses, opinions and conclusions in the appraisal; failure to include in the appraisal report the statement "Appraisers are required to be licensed and are regulated by the Michigan Department of [Energy] Labor and Economic Growth, PO Box 30018, Lansing, Michigan 48909"; rendering appraisal services in a careless or negligent manner; 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 base projections of future rent and/or income potential and expenses on reasonable, clear and appropriate evidence when the income approach was necessary for credible assignment results; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to pay a fine of \$2,500.00 to the department within sixty (60) days from the date of mailing of the final order, and successfully complete 45 hours of continuing education courses including the 15 hour National USPAP course, 15 hour Narrative Report Writing course, and 15 hour Residential Market Analysis and Highest and Best Use course, including passing final examinations for all courses, to be taken within twelve (12) months from the date of mailing of the final order; and make restitution by issuing full invoice credits to the complainant for the two subject appraisals. 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. Chamberlain seconded the motion, which carried unanimously.

Mollie L. Hill, 12-01-005733, C#303685

The board reviewed the stipulation in the matter of Mollie L. Hill who admitted 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 within sixty (60) days from the date of mailing of the final order, and successfully complete 15 hours of continuing education to include the eight (8) hour Market Data Analysis, and the seven (7) hour Highest & Best Use course, which shall not be taken over the internet, and shall not be applied to licensure renewal, to be completed within six (6) 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. Dynkowski moved to accept the stipulation. Mr. Hufnagel seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Council Boyd Irwin, Jr., 12-01-002055, C#308060

The board reviewed the stipulation in the matter of Council Boyd Irwin, Jr who admitted to failure to exercise reasonable diligence in developing or communicating an appraisal.

In accordance with the stipulation, the respondent consents to immediate revocation of licensure and understands and agrees that the license shall not be restored, reinstated or renewed except that an application for a new license or reinstatement of a license may be submitted to the department and the license must be approved by both the Board of Real Estate Appraisers and the department. 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: Ms. Kelly moved to accept the stipulation. Mr. Dynkowski seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

Clark Gerard Jabiro, 12-01-006934, C#308584

The board reviewed the stipulation in the matter of Clark Gerard Jabiro 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 within 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. Snyder moved to accept the stipulation. Ms. Graham seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Kristopher L. Jones, 12-01-073182, C#309337

The board reviewed the stipulation in the matter of Kristopher L. Jones 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 \$2,500.00 to the department within sixty (60) days from the date of mailing of the final order, and successfully complete nine (9) hours of continuing education courses including the seven (7) hour National USPAP update course, and the two (2) hour Michigan Law update course, 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. 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. Ms. Kelly seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

William L. Marra, 12-01-002052, C#305339

The board reviewed the stipulation in the matter of William L. Marra 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 pay a fine of \$1,500.00 to the department within sixty (60) days from the date of mailing of the final order, immediate suspension of license, and successfully complete fourteen (14) hours of continuing education courses including a seven (7) hour Highest & Best Use course, and a seven (7) hour Market Data Analysis course, which shall not be taken over the internet and shall not be applied to licensure renewal, to be completed within six (6) 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 continued 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.

Pamela Sheila Notturmo, 12-01-007060, C#305321

The board reviewed the stipulation in the matter of Pamela Sheila Notturmo who admitted to committing substantial errors of omission or commission that significantly affected the appraisal in that she failed to include accurate and available subject property data; failure to clearly and accurately set forth the appraisal report in a manner that was not misleading in that she failed to include accurate and available subject property data and relevant listing and sales data; failure to exercise reasonable diligence in developing or communicating the appraisal; and violating provisions for which penalties are not otherwise prescribed.

In accordance with the stipulation, the respondent consents to continued revocation of licensure and understands and agrees that the license shall not be restored, reinstated or renewed except that an application for a new license or reinstatement of a license may be submitted to the department and the license must be approved by both the Board of Real Estate Appraisers and the department. 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. Hufnagel seconded the motion, which carried unanimously.

Donna M. Parsons, 12-01-073160, C#308989

The board reviewed the stipulation in the matter of Donna M. Parsons who admitted to performing appraisal services for which she was not licensed.

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, make restitution in the amount of \$400.00 within sixty (60) days from the date of mailing of the final order, and immediate revocation of licensure. Failure to comply with all terms and conditions set forth in the stipulation within sixty (60) days from the date of mailing of the final order shall result in a further penalty amount of \$2,000.00 payable to the department prior to the performance of licensed occupational services in any capacity.

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

Richard Pastula, 12-01-006199, C#308505

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

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 15 hours of continuing education courses to include the Residential Report Writing course, which shall not be taken over the internet and shall not be applied to licensure renewal, to be completed within six (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 revocation of all licenses and denial of any future applications for licensure, relicensure, or renewal until full compliance is made.

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

Richard Keith Petrak, 12-01-000918, C#305977

The board reviewed the stipulation in the matter of Richard Keith Petrak who admitted to failure to include the statement "Appraisers are required to be licensed and are regulated by the Michigan Department of Consumer & Industry Services, PO Box 30018, Lansing, Michigan 48909" in the appraisal report.

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 at least the seven (7) hour National USPAP update course within six (6) months from the mailing date of the final order, which shall not be taken over the internet and shall not be applied to licensure renewal. 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. Kelly moved to accept the stipulation. Mr. Dynkowski seconded the motion, which carried by a majority vote, with Ms. Graham abstaining.

Ruben K. Ramon, 12-01-008059, C#304041

The board reviewed the stipulation in the matter of Ruben K. Ramon who admitted to committing substantial errors of omission or commission by failing to include prior property sales or transfers data.

In accordance with the stipulation, the respondent consents to pay a fine of \$3,000.00 to the department within sixty (60) days from the date of mailing of the final order, and successfully complete a course in Advanced Sales Comparison and Cost Approaches, to be completed within eight (8) months from the mailing date of the final order, which shall not be taken over the internet and shall not be applied to licensure renewal. 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. Chamberlain moved to accept the stipulation. Mr. Dynkowski seconded the motion, which carried unanimously.

Calvin Lamyatt Roberts, 12-01-005735, C#306566

The board reviewed the stipulation in the matter of Calvin Lamyatt Roberts 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. 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. Ms. Graham seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Kimberly A. Rudolph, 12-01-006994, C#308005

The board reviewed the stipulation in the matter of Kimberly A. Rudolph 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, and successfully complete the fifteen (15) hour Uniform Standards of Professional Appraisal Practice course within six (6) months from the mailing date of the final order, which shall not be taken over the internet and shall not be applied to licensure renewal. 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. Snyder seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining and Mr. Chamberlain opposed.

Brian P. Sexton, 12-01-006077, C#308354

The board reviewed the stipulation in the matter of Brian P. Sexton who admitted to failure to summarize information sufficient to identify the real estate involved in the appraisal including the physical and economic property characteristics relevant to the appraisal assignment.

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, pay restitution of \$250.00 to complainant within sixty (60) days from the date of mailing of the final order, and successfully complete a minimum of seven (7) hours continuing education which shall include any of the following courses: Writing Disclaimers, Defensive Appraisal Writing, and/or Market Data Analysis, which shall not be taken online and may not be used toward licensure renewal, to be completed within six (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: Ms. Graham moved to accept the stipulation. Mr. Snyder seconded the motion, which carried unanimously.

Joseph Robert Slayton, 12-01-006287, C#304375

The board reviewed the stipulation in the matter of Joseph Robert Slayton who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal by failing to include accurate subject property data, inspection information and accurate similar comparable property data; failure to clearly and conspicuously state all assumptions and hypothetical conditions by failing to state their use might have affected the assignment results; 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 within sixty (60) days from the date of mailing of the final order, and successfully

complete the following continuing education courses: 15 hour National USPAP course, and the seven (7) hour Business Practices and Ethics course, to be taken within six (6) months from the date of mailing of the final order, which shall not be taken online and may not be used toward licensure renewal. 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. Ms. Kelly seconded the motion, which carried by a majority vote, with Mr. Hufnagel abstaining.

Douglas Keith Smith, 12-01-068411, C#305323 & 305324

The board reviewed the stipulations in the matter of Douglas Keith Smith who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal by failing to include the subject's listing history, accurate property size, comparable sales data, and valuation differences in the cost and sales comparison approaches; failure to exercise reasonable diligence in developing or communicating the appraisal of property; failure to summarize sufficient information to identify the real estate involved including the physical and economic property characteristics relevant to the assignment; and failure to analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal.

In accordance with the stipulation, the respondent consents to pay a fine of \$5,000.00 to the department within sixty (60) days from the date of mailing of the final order, successfully complete at least thirty (30) hours of continuing education courses including Basic Appraisal Principles, and Business Practices & Ethics, to be taken within six (6) months from the date of mailing of the final order, which shall not be taken online and may not be used toward licensure renewal, and immediate suspension of licensure for a period of six (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 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 by a majority vote, with Mr. Snyder abstaining.

Sheri Y. Huie, 12-01-068965, C#308121

The board reviewed the stipulation in the matter of Sheri Y. Huie who admitted to 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.

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, successfully complete at least twenty-one (21) hours of continuing education courses including at least two of the following subjects: Cost Approach, Land Valuation, or Highest and Best Use, to be taken within six (6) months from the date of mailing of the final order, which shall not be taken online and may not be used toward licensure renewal. 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. Snyder seconded the motion, which carried unanimously.

HEARING REPORTS

MOTION: Mr. Chamberlain 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:

Catheryn Ann Albright, 12-01-004298, C#307111, Docket #2009-36

The board reviewed the hearing report in the matter of Catheryn Ann Albright for 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 violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Mr. Hufnagel 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. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Thomas Robert Graczyk, 12-01-002848, C#308197, Docket #2009-178

The board reviewed the hearing report in the matter of Thomas Robert Graczyk for failure to disclose any limitations on the type of analysis, valuation, or opinion; 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; demonstrating incompetence in developing or communicating an appraisal; failure to make available to the department upon request books and records required to be kept under this article; and violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Ms. Graham 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. Chamberlain seconded the motion, which carried unanimously.

Wanda Henley, 12-01-002735, C#305317, Docket #2009-179

The board reviewed the hearing report in the matter of Wanda Henley for 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; demonstrating incompetence; and violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Mr. Hufnagel 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. Ms. Kelly seconded the motion, which carried unanimously.

Thomas David Krause, 12-01-068704, C#306975, Docket #2008-1621

The board reviewed the hearing report in the matter of Thomas David Krause for 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 violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Ms. Graham moved to impose a fine in the amount of \$3,500.00 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. Molenaar abstaining.

Noah Joseph Lenk, 12-01-068327, C#307575, Docket #2008-1760

The board reviewed the hearing report in the matter of Noah Joseph Lenk for 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 violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Ms. Graham moved to impose a fine in the amount of \$3,500.00 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 unanimously.

John Wheeler McAnally, 12-01-000155, C#305072, Docket #2008-848

The board reviewed the hearing report in the matter of John Wheeler McAnally for failure to disclose any limitations on the type of analysis, valuation, or opinion; 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; performing appraisal services for which the individual is not licensed under this article; and violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Mr. Chamberlain 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. Dynkowski seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Sam Alan McGowan, 12-01-002349, C#308509, Docket #2009-183

The board reviewed the hearing report in the matter of Sam Alan McGowan for 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 violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Mr. Hufnagel 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. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Sam Alan McGowan, 12-01-002349, C#308541, Docket #2009-181

The board reviewed the hearing report in the matter of Sam Alan McGowan for 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 violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Mr. Chamberlain moved to impose a fine in the amount of \$4,000.00 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 a majority vote, with Mr. Molenaar abstaining.

Jerry Clifton Mullins, 12-01-001506, C#307225, Docket #2008-1617

The board reviewed the hearing report in the matter of Jerry Clifton Mullins for failure or refusal without good cause to exercise reasonable diligence in developing or communicating an appraisal; failure to make available to the department upon request books and records required to be kept under this article; and committing fraud, deceit or dishonesty in practicing an occupation.

MOTION: Ms. Kelly 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 pay restitution in the amount of \$400.00 within sixty (60) days from the date of mailing of the final order. Failure to comply with the final order within sixty (60) days shall result in an increased fine of \$10,000.00 and immediate revocation of licensure, and 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 unanimously.

Charles E. Pantera, 12-01-002168, C#300330, Docket #2008-1132

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

MOTION: Mr. Chamberlain moved to impose a fine in the amount of \$1,500.00 to be paid to the department within 60 days from the date of mailing of the final order, and successful completion of 21 classroom hours of continuing education courses on the subjects of Ethics, Residential Sales Comparison, and Residential Cost Approach, to be taken within six (6) months from the date of mailing of the final order, which shall not be taken over the internet and shall not be applied to licensure renewal. Failure to pay the fine within sixty (60) days shall result in an increased fine of \$3,000.00, suspension of licensure, and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Failure to comply with the continuing education requirement within six (6) months shall result in a suspension 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 by a majority vote, with Mr. Hufnagel abstaining.

Robert J. Prymak, 12-01-069281, C#305783, Docket #2008-1341

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

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 continued revocation of licensure and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Hufnagel seconded the motion, which carried unanimously.

David Lewis Thomas, Jr., 12-01-002153, C#302281, Docket #2008-924

The board reviewed the hearing report in the matter of David Lewis Thomas, Jr. for 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 violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Mr. Chamberlain moved to impose a fine in the amount of \$3,000.00 to be paid to the department within 60 days from the date of mailing of the final order, and successful completion of 22 classroom hours of continuing education courses on the subject of Sales Comparison Approach (7 hours), the 2008 Uniform Standards of Professional Appraisal Practice (15 hours) course, to be taken within six (6) months from the date of mailing of the final order, which shall not be taken over the internet and shall not be applied to licensure renewal. Failure to pay the fine within sixty (60) days shall result

in an increased fine of \$6,000.00, suspension of licensure, and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Failure to comply with the continuing education requirement within six (6) months shall result in a suspension 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 by a majority vote, with Mr. Hufnagel abstaining.

Stephanie Lynn Wells, 12-01-070480, C#307024, Docket #2008-1622

The board reviewed the hearing report in the matter of Stephanie Lynn Wells for 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; failure to include in any appraisal or report provided to a client the following statement: "Appraisers are required to be licensed and are regulated by the Michigan Department of Labor & Economic Growth, PO Box 30018, Lansing, Michigan 48909; and violating a provision of the act or rule for which a penalty is not otherwise prescribed.

MOTION: Ms. Graham moved to impose a fine in the amount of \$15,000.00 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 continued revocation of licensure and denial of any future applications for licensure, relicensure, or renewal until full compliance is made. Mr. Hufnagel seconded the motion, which carried unanimously.

EDUCATION COMMITTEE REPORT

The board received three Education Committee Reports as follows: March 2009, April 2009, and May 2009.

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

ITEMS FOR CONSIDERATION FROM BOARD MEMBERS/STAFF

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 as of that day.

Legislative Update – Mr. Farhat stated the department recently received approval from the State Office of Administrative Hearings and Rules (SOAHR) to proceed with the rule making process to make the following changes: establish rules for compliance with the Appraisal Qualifications Board (AQB) requirements, update instructor requirements for USPAP education, and update rules regarding course credit for instructors earning continuing education. He stated some obsolete rules will be rescinded as follows: Rule 305 - Assessor Education, and Rule 327 – Continuing Education Requirement. Mr. Farhat stated the department has one year to complete the rule making process by drafting the rules, pre-hearing, review by SOAHR, public hearing, final draft to the Joint Committee on Administrative Rules (JCAR), with rules filed once approved.

Mr. Molenaar inquired regarding progress towards updating the board composition as discussed at previous meetings. Ms. Graham stated a sponsor is being sought to support this legislative change.

Board Concerns – Mr. Snyder presented handouts and discussed five findings the State of Illinois adopted in March 2009, outlining their board’s interpretation of USPAP and Illinois law, and Mr. Snyder suggested the same policy be adopted for Michigan as follows: Finding One— Client and Intended User; Finding Two—The Issue of An Agent’s Authority; Finding Three— Disclosing Appraisal Fees Within the Report; Finding Four—Unlicensed Review Appraisers; and Finding Five—Delivery of Appraisal. Mr. Campbell referred the issue to the Enforcement Division for their response. Mr. Carr acknowledged his awareness of the proposal in Illinois, stating his understanding was the Illinois board adopted these findings due to specific appraisal issues in their state resulting from Appraisal Management Companies (AMC’s) acting as appraisers. He stated the Illinois findings would have no real implication for the investigation of complaints in Michigan since the five findings are already addressed within the Uniform Standards of Professional Appraisal Practice. Upon further discussion by the department and board, Mr. Molenaar appointed a committee of Mr. Snyder and Ms. Graham to prepare a proposal similar to the “Findings” of the Illinois board for the board’s review in September 2009.

Ms. Karr asked Ms. Sherman and Ms. Waugh from the Testing & Education Services unit to respond to a board member’s question regarding whether appraisal courses can be offered by a sponsor prior to receiving official approval from the State of Michigan. Ms. Sherman and Ms. Waugh stated a course cannot be advertised or offered until the department has reviewed and approved it, and they suggested a complaint be filed with the Enforcement Division if someone has knowledge of a sponsor/provider offering unapproved courses.

Mr. Carr introduced Bob Engle, recently appointed enforcement unit manager, to the board.

Mr. Molenaar advised board members who assist the department with stipulated agreements bring an approved education course list with them to each compliance conference as a reference tool when assessing sanctions, because many courses listed as part of the stipulation are incomplete, incorrect or unavailable. He asked board members to be very specific with course types and quantity, and stated he would forward this information to Mr. Davis, the state contracted consultant who also assists with compliance conferences.

Mr. Campbell stated the Broker Price Opinion discussion on the Licensing Division’s website for Real Estate Questions and Answers has been changed to only cite the state law requirements for conducting market analyses, also known as BPO’s.

PUBLIC COMMENT

None

NEXT MEETING DATE

The next regularly scheduled meeting of the Board of Real Estate Appraisers will be held on September 29, 2009.

ADJOURNMENT

There being no further business to be brought before the Board at this time, the meeting was adjourned at 12:10 p.m.

David Molenaar /s/
Board Chairperson

9/29/2009
Date

Sharon Murphy /s/
Recording Secretary

9/29/2009
Date