

STATE OF MICHIGAN
DEPARTMENT OF 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 17, 2008

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Board of Real Estate Appraisers met in Regular Session on June 17, 2008, at the Department of 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 9:06 a.m.

ROLL CALL

Present:	Andrew Chamberlain	- Professional Member
	Darius Dynkowski	- Public Member
	Donn Fresard	- Public Member
	Beth Graham	- Professional Member
	Craig Hufnagel	- Professional Member
	David Molenaar	- Professional Member
	John Snyder	- Professional Member
Staff:	Joseph Campbell	- Licensing Administrator
	Joyce Karr	- Licensing Division Director
	Felicia Badger	- Assistant Licensing Administrator
	Jackie Jernigan (for Sharon Murphy)	- Recording Secretary
	Jim Nelson	- Compliance/Legal/FOIA Unit
	Stephen Gobbo	- Director - Legal Affairs
	Archie Millben	- Enforcement Division Director
	Ann Paruk	- Enforcement Division
	Sue Sherman	- Testing & Education Services Manager
	Jim Farhat	- Policy Specialist
	Barrington Carr	- Enforcement Division Manager
Visitors:	Diane Ahti	- Certified General Real Estate Appraiser
	Andrea Bates	- MAR
	Michael Crawford	-
	Cara Couture Diamond	- Petitioner
	Sonte Eversvel	-
	Greg Holt	- State Licensed Real Estate Appraiser
	Diane Nauseda	- Certified General Real Estate Appraiser
	Gene Petherbridge	- Certified Residential Real Estate Appraiser
	Laura Snedeker	- Petitioner
	Patrice Uhnavey	- Certified Residential Real Estate Appraiser
	Rob Washel	

CONDOLENCE

Mr. Molenaar offered on behalf of himself and the board his deepest sympathies to Sharon Murphy whose mother passed away over the weekend. Mr. Molenaar stated for those in the Lansing area, Sharon is related to Jim and Pam Pitchford.

INTRODUCTIONS

Ms. Joyce Karr was appointed as Licensing Division Director, replacing Jean Boven; Mr. Stephen Gobbo was appointed as Director of the Legal Affairs & FOIA Division; Mr. James Farhat was appointed as Policy Specialist, replacing Amy Shell, and Ms. Sue Sherman was appointed as Manager of Testing & Education Services.

AMENDMENTS TO AGENDA

Add items 4.c. Laura Snedeker, Certified Residential Upgrade Denial; 8.d. Conversation with Governor's Appointments Office; 8.e. Current Licenses in Michigan; 8.f. 2009 Board Meeting Schedule; and 8.g. Michigan Law Course

APPROVAL OF PREVIOUS MINUTES HELD MARCH 25, 2008

MOTION: Ms. Graham moved to approve the minutes of March 25, 2008. Mr. Hufnagel seconded the motion, which carried unanimously.

Cara Couture Diamond, 12-01-003586, State Licensed Appraiser Relicensure Denial, GMC

On January 31, 2008, Ms. Diamond applied for state licensed real estate appraiser relicensure. The department denied the application on April 11, 2008, for lack of good moral character. A petition for review was received on May 15, 2008. Ms. Diamond was present at the meeting today and addressed the board. The board reviewed the petition, supporting documentation and heard the petitioner's statements.

MOTION: Mr. Fresard moved to table Ms. Diamond's petition until the December 2, 2008 meeting to allow Ms. Diamond further opportunity to demonstrate rehabilitation and her propensity to serve the public in a fair, honest, and open manner by submitting updated letters from her probation officer, employers and members of the community regarding her conduct in this six month period. Mr. Dynkowski seconded the motion, which carried unanimously. The department concurred.

Robert Thomas Washel, Limited Real Estate Appraiser License Denial, GMC

On November 8, 2007, Mr. Washel applied for a limited real estate appraiser license. The department denied the application on March 20, 2008 for lack of good moral character. A petition for review was received on April 18, 2008. Mr. Washel was present at the meeting today and addressed the board. The board reviewed the petition, supporting documentation and heard the petitioner's statements.

MOTION: Mr. Fresard moved to accept Mr. Washel's petition to overturn the denial issued by the department based upon his demonstration of rehabilitation and his propensity to serve the public in a fair, honest and open manner. Mr. Snyder seconded the motion, which carried unanimously. The department concurred.

Laura Snedeker, Certified Residential Real Estate Appraiser License Denial

On November 14, 2007, Ms. Snedeker applied for a certified residential appraiser license. The department denied the application on June 13, 2008, as Ms. Snedeker did not meet the qualifying education requirement of 120 hours by December 31, 2007 and must meet the new 2008 AQB qualifying education criteria of 200 hours of approved prelicensure education and hold an associate degree or complete 21 semester credit hours of approved college courses as outlined by the Appraiser Qualifications Board. A petition for review was received on May 21, 2008. Ms. Snedeker was present at the meeting today and addressed the board. The board reviewed the petition, supporting documentation and heard the petitioner's statements.

MOTION: Ms. Graham moved to uphold the license application denial issued by the department based upon Ms. Snedeker's failure to complete the qualifying education requirement for licensure. Mr. Hufnagel seconded the motion, which carried unanimously. The department concurred.

STIPULATIONS

William Michael Banninga, 12-01-002000, Complaint#298588

The board reviewed the stipulation in the matter of William Michael Banninga who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to include consistent data and supporting data for the income approach.

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 14 hours of continuing education courses consisting of a 7 hour Cost Approach Method of real estate appraisal practice, and a 7 hour Scope of Work course, which may be taken online, and which may not be applied to the continuing education requirement for renewal, to be completed within six (6) months from the mailing date of the final order, and provide proof of completion of the required 14 hours of courses to the department 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. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Snyder abstaining.

Carriann Douglas Birchmeier, 12-01-006534, Complaint#303166

The board reviewed the stipulation in the matter of Carriann Douglas Birchmeier who admitted to failure to clearly and accurately set forth the appraisal report in a manner that was not misleading in that she failed to include accurate subject area data and similar comparables data.

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 consisting of Scope of Work and Identifying Neighborhoods or Sales Comparisons which may not be applied to the continuing education requirement for renewal, to be completed within six (6) months from the

mailing date of the final order, and provide proof of completion of the required 14 hours of courses to the department 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 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. Snyder abstaining.

James Clement Boudreau, 12-01-003125, Complaint#300690

The board reviewed the stipulation in the matter of James Clement Boudreau 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 proper adjustments; failure to identify the characteristics of the property that were relevant to the purpose and intended use of the appraisal including its location and physical, legal and economic attributes; 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 and proper adjustments; and failure to summarize sufficient information to identify the real estate involved in the appraisal including the physical and economic property characteristics relevant to the assignment.

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 14 hours of continuing education courses consisting of Residential Market Analysis and Highest and Best Use; at least 28 hours in the subject of General Appraiser Site Valuation and Cost Approach; and at least 7 hours in the 2008 National Uniform Standards of Professional Appraisal Practice, all of which may be applied to the continuing education requirement for renewal, to be completed within six (6) months from the mailing date of the final order; suspension of respondents license for six months (180 days) from the date of mailing of the final order; and downgrade of respondent's license to Limited real estate appraiser once the suspension period is completed. Failure to comply with all terms and conditions set forth in the stipulation shall result in a 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 by a majority vote, with Mr. Snyder abstaining.

James Clement Boudreau, 12-01-003125, Complaint#303981

The board reviewed the stipulation in the matter of James Clement Boudreau who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to include supporting valuation data; 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/or supporting comparable sales data; 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 \$5,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and immediate revocation of respondent's certified residential appraiser license upon the date of mailing of the Final Order, with respondent's license continuing as a limited real estate

appraiser only. 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. Ms. Graham seconded the motion, which carried by a majority vote, with Mr. Hufnagel abstaining.

Michael Calvin Cope, 12-01-006660, C#303102

The board reviewed the stipulation in the matter of Michael Calvin Cope who admitted to 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 in that he failed to report accurate property data.

In accordance with the stipulation, the respondent consents to pay a fine of \$2,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 7 hours of continuing education courses consisting of Defensive Appraisal Writing, to be completed within six (6) months from the mailing date of the final order, and provide proof of completion of the required 7 hours of courses to the department 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 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 unanimously.

Jeffrey Norman Decker, 12-01-006781, C#304882

The board reviewed the stipulation in the matter of Jeffrey Norman Decker who admitted to violating a rule of conduct in practicing an occupation.

In accordance with the stipulation, the respondent consents to pay a fine of \$2,500.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 40 hours of continuing education courses involving Advanced Marketing and Cost Approval, to be completed within six (6) months from the mailing date of the final order; provide proof of completion of the required 40 hours of courses to the department within six months from the date of mailing of the final order; and immediate suspension of respondent's limited real estate appraiser license for a period of 6 months until all terms of the stipulation including completion of required continuing education courses occurs. 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. Mr. Snyder seconded the motion, which carried unanimously.

Joshua Jordan Griggs, 12-01-069770, C#303002

The board reviewed the stipulation in the matter of Joshua Jordan Griggs 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 and comparables sales data, failed to reconcile value differences from the cost and sales comparison approaches and

performed services which exceeded his license level; committed substantial errors of omission or commission that significantly affected the appraisal; rendered 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 exercise reasonable diligence in developing or communicating the appraisal; performed appraisal services for which he was not licensed; completed the appraisal for a purchase with a transaction value of more than \$1,000,000.00 when he was not qualified by his license level to do so; 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 immediate revocation of his appraiser license and agrees not to attempt to renew, reapply or request reinstatement of said license for at least three years from the date of mailing of the final order, and shall return his appraiser license to the department immediately upon receipt 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: Ms. Graham moved to accept the stipulation. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

David L. Huggler, 12-01-000382, C#303135

The board reviewed the stipulation in the matter of David L. Huggler who admitted to failure to analyze comparable sales data as available to indicate a value conclusion.

In accordance with the stipulation, the respondent consents to immediate and permanent revocation of his appraiser license and agrees not to attempt to renew, reapply or request reinstatement of said license at any time in the future, and shall return his appraiser license to the department within 30 days from the date of mailing of the final order or submit a notarized letter to the department stating the license is no longer in his possession and why. 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. Hufnagel moved to accept the stipulation. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Patricia Lynn Gugala, 12-01-005611, C#303115

The board reviewed the stipulation in the matter of Patricia Lynn Gugala who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that she failed to include accurate property sales and transfer data and comparable sales data; and failure to provide sufficient information in the appraisal report to enable the intended users of the appraisal to understand it properly.

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 32 hours of continuing education courses consisting of the 15 hour national Uniform Standards of Professional Appraisal Practice (USPAP) course, the 15 hour

Sales Comparison Approach course, and the 2 hour appraiser Michigan Law Update course, which may be taken online, and all of which may not be applied to the continuing education requirement for 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 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 by a majority vote, with Mr. Molenaar abstaining.

Richard L. Loken, 12-01-000744, C#303979

The board reviewed the stipulation in the matter of Richard L. Loken who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to properly identify the subject as a modular home, failed to include similar comparable property data and failed to include cost approach supporting data; failure to clearly and accurately set forth the appraisal report in a manner that was not misleading; 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 \$5,000.00 to the department, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 40 hours of continuing education courses consisting of the Advanced Sales Comparison and Cost Approaches or similar course involving the sales and cost approach, which may not be taken online, and all of which may not be applied to the continuing education requirement for 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 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. Dynkowski seconded the motion, which carried unanimously.

Richard L. Loken, 12-01-000744, C#307092

The board reviewed the stipulation in the matter of Richard L. Loken 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. 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.

Joseph L. Metzger, 12-01-007618, C#301406

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

In accordance with the stipulation, the respondent consents to a three month suspension of his appraiser license effective upon the date of mailing of the final order, and successfully complete 25 hours of continuing education courses consisting of the 15 hour national Uniform Standards of Professional Appraisal Practice (USPAP) course, the 2 hour appraiser Michigan Law Update course, and the 8 hour Business Practices and Ethics course, all of which may not be applied to the continuing education requirement for renewal, to be completed within nine (9) 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.

Jerry Clifton Mullins, 12-01-001506, C#301929

The board reviewed the stipulation in the matter of Jerry Clifton Mullins who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to include accurate comparable sales data; failure to clearly and accurately set forth the appraisal report in a manner that was not misleading; failure to provide sufficient information in the report to enable the intended users of the appraisal to understand it properly; failure to exercise reasonable diligence in developing or communicating an appraisal; 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 22 hours of continuing education courses consisting of the Business Practices and Ethics course, Scope of Work: Expanding Your Range of Services, and the 7 hour National USPAP update course, to be completed within 120 days from the date of mailing of the final order, all of which may 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. Failure to comply with all terms and conditions set forth in the stipulation within six (6) months from the date of mailing 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 by a majority vote, with Mr. Snyder abstaining.

Robert Paul Phillips, 12-01-006511, C#301409

The board reviewed the stipulation in the matter of Robert Paul Phillips who admitted to failure to identify the characteristics of the property that were relevant to the purpose and intended use of the appraisal including its location and physical, legal and economic attributes.

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 make restitution in the amount of \$300.00 to complainants 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: Ms. Graham moved to accept the stipulation. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Daniel Haisam Rahal, 12-01-004468, C#303493

The board reviewed the stipulation in the matter of Daniel Haisam Rahal who admitted to 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 in that he included a map that contained misleading comparable sales data; failure to analyze comparable sales data as available to indicate a value conclusion; 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 summarize the information analyzed, the appraisal procedures followed and the reasoning that supported the analyses, opinions and conclusions in the appraisal in that he failed to include and analyze similar comparable sales; failure to exercise reasonable diligence in developing or communicating the appraisal; failure to conform to standards of practice governing real estate appraisers, demonstrating incompetence in developing or communicating the appraisal; failure to conform to standards of practice governing real estate appraisers by demonstrating incompetence in the practice of an occupation; and violating a provision 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, which shall be due sixty (60) days from the date of mailing of the final order, and successfully complete 14 hours of Residential Market Analysis and Highest and Best Use courses, and the 7 hour 2008 National Uniform Standards of Professional Appraisal Practice update, all of which may be applied to the continuing education requirement for renewal, with proof of completion to be submitted to the department within 90 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: Ms. Graham moved to accept the stipulation. Mr. Chamberlain seconded the motion, which carried unanimously.

Calvin Lamyatt Roberts, 12-01-005735, C#88314

The board reviewed the stipulation in the matter of Calvin Lamyatt Roberts 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 \$200.00 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 immediate 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 by a majority vote, with Ms. Graham abstaining.

Terry W. Van Dis, 12-01-068946, C#303812

The board reviewed the stipulation in the matter of Terry W. Van Dis who admitted to failure to correctly employ recognized methods and techniques necessary to produce a credible appraisal in that he failed to include all available comparable sales and similar property sales data.

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, make restitution in the amount of \$300.00 within sixty (60) days from the date of mailing of the final order; and successfully complete 30 hours of continuing education courses consisting of the 15 hour national Uniform Standards of Professional Appraisal Practice course, and 15 hours in any combination of the following: Market Data Analysis, Sales Comparison Approach, or Cost Approach, all of which may not be applied to the license renewal requirement, 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. Dynkowski seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Stephanie Lynn Wells, 12-01-070480, C#304344

The board reviewed the stipulation in the matter of Stephanie Lynn Wells who admitted to rendering appraisal services in a careless or negligent manner in that she committed a series of errors that affected the credibility of the appraisal results by failing to include accurate size, location, and expense data; failure to reconcile the applicability or suitability of the approaches used to arrive at the value conclusion in the appraisal; and failure to include in the appraisal report the required statement: "Appraisers are required to be licensed and are regulated by the Michigan Department of Consumer and Industry Services (now known as the Department of Labor & Economic Growth), PO Box 30018, Lansing, Michigan 48909."

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 consisting of Residential Sales Comparison and Income Approaches, which shall be in addition to the continuing education requirement for license 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.

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:

Cedric Steven Bass, 12-01-005517, C#303814, Docket #2008-313

The board reviewed the hearing report in the matter of Cedric Steven Bass for committing fraud, deceit or dishonesty in practicing an occupation; violating a provision of the act or rule for which a penalty is not 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. 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 appraiser licensure. Mr. Fresard seconded the motion, which carried unanimously.

Gary Wayne Cannon, 12-01-004023, C#95387, Docket #2007-1054

The board reviewed the hearing report in the matter of Gary Wayne Cannon for violating any other provision of the act or rule for which a penalty is not 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: Ms. Graham moved to immediately revoke respondent's license. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

William Darrell Creech, 12-01-005290, C#303001, Docket #2007-1657

The board reviewed the hearing report in the matter of William Darrell Creech for violating any other provision of the act or rule for which a penalty is not 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. 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 respondent's license. Mr. Fresard seconded the motion, which carried by a majority vote, with Molenaar abstaining.

Daniel Kevin Frushour, 12-01-000511, C#303551, Docket #2007-1662

The board reviewed the hearing report in the matter of Daniel Kevin Frushour for violating any other provision of the act or rule for which a penalty is not 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. Dynkowski moved to impose a fine in the amount of \$200.00 to be paid to the department within 60 days from the date of mailing of the final order, suspension of respondent's license for a period of six months, successful completion of a 15 hour National USPAP course as a condition of probation in addition to the continuing education requirement for renewal within six months from the mailing date of the

final order, and provide proof of completion of the required 15 hour USPAP course to the department within six months from the date of mailing of the final order. Mr. Fresard seconded the motion, which carried unanimously.

Robert Everette Hogans Jr, 12-01-006118, C#304096, Docket #2008-168

The board reviewed the hearing report in the matter of Robert Everette Hogans Jr for violating any other provision of the act or rule for which a penalty is not 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: 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 respondent's license. Mr. Hufnagel seconded the motion, which carried unanimously.

Jad J. Judeh, 12-01-006115, C#301727, Docket #2007-1648

The board reviewed the hearing report in the matter of Jad J. Judeh for violating any other provision of the act or rule for which a penalty is not 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: 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 respondent's license. Mr. Dynkowski seconded the motion, which carried by a majority vote, with Mr. Chamberlain abstaining.

Joel B. Nanzer, 12-01-007973, C#303422, Docket #2008-323

The board reviewed the hearing report in the matter of Joel B. Nanzer for violating any other provision of the act or rule for which a penalty is not 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: Ms. Graham 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 immediate revocation of respondent's license. Mr. Hufnagel seconded the motion, which carried unanimously.

Alexander Abraham Sawyer, 12-01-005137, C#301574, Docket #2008-114

The board reviewed the hearing report in the matter of Alexander Abraham Sawyer for violating any other provision of the act or rule for which a penalty is not 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: Ms. Graham moved to impose a fine in the amount of \$2,000.00 to be paid to the department within 60 days from the date of mailing of the final order, restitution of

\$3,300.00 to the complainant within 60 days from the date of mailing of the final order; and immediate revocation of respondent's license. Mr. Chamberlain seconded the motion, which carried by a majority vote, with Mr. Molenaar abstaining.

Linda Rene Tillery (Beets), 12-01-004400, C#302588, Docket #2007-1317

The board reviewed the hearing report in the matter of Linda Rene Tillery (Beets) for violating any other provision of the act or rule for which a penalty is not 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. 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 continued revocation of respondent's license. Mr. Fresard seconded the motion, which carried by a majority vote, with Mr. Chamberlain abstaining.

EDUCATION COMMITTEE REPORT

The board received three Education Committee Reports as follows: March 2008, April 2008, and May 2008.

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

ITEMS FOR CONSIDERATION FROM BOARD MEMBERS/STAFF

Legislative Update – Mr. Farhat provided copies and discussed Senate Bill 1364 in process to amend Section 2603 (2) “Of those board members who are appraisers, 3 shall be certified general real estate appraisers, 1 shall be a certified residential real estate appraiser, and 2 shall be **EITHER** state licensed real estate appraisers **OR ADDITIONAL CERTIFIED RESIDENTIAL REAL ESTATE APPRAISERS**. At least 1 of those appraisers shall be employed by a state or nationally chartered bank, a state or federally chartered savings and loan or savings bank, a state or federally chartered credit union, an entity of the federally chartered farm credit system, or an entity regulated under the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684.”

Mr. Molenaar inquired whether the language change was in process to require the Michigan Law update course every renewal cycle since the state law portion of the examination will no longer be given to new licensees. Mr. Campbell stated this would require a rule change which the department will be pursuing in the near future.

Testing Services Update – Ms. Sherman stated Mr. Longworth, who could not attend the meeting today due to a family emergency, forwarded an email to the board chair outlining the Appraiser Qualifications Board's (AQB) overall examination pass rates from their website. Mr. Molenaar stated he forwarded the pass rate information to board members the end of March 2008. Ms. Sherman stated Mr. Longworth had also discussed this issue with the AQB last April 2008 when he met with them. Mr. Hufnagel asked if a more recent report could be given regarding the overall examination pass rates. Mr. Molenaar stated Mr. Longworth was

working on getting a quarterly report for Michigan pass rates and also statistics regarding pass rates in other states. Ms. Sherman stated she didn't know whether Mr. Longworth had obtained updated examination statistics. Mr. Molenaar stated he will email Mr. Longworth regarding the pass fail rates for all three categories of licensure in Michigan and whether national statistics are available, which he will then forward to the board.

Patrice Uhnavy spoke to the department and board regarding problems she encountered when taking the certified general real estate appraiser examination under the new contractor, PSI Services which is now administering the national examination approved by the AQB. Ms. Uhnavy stated the proctors were rude and disruptive during the examination, and she believes her inability to pass the exam by only three points is directly related to the negative atmosphere presented in the exam center by PSI representatives. She also stated candidates need some guidelines and preparation for this eight hour examination. Ms. Uhnavy stated she filed a complaint with the AQB regarding the difficulties she encountered with the examination. Ms. Sherman stated the AQB has responded in writing to Ms. Uhnavy regarding her concerns with the examination content, but she can contact PSI regarding Ms. Uhnavy's issues with the methods of administration, rudeness, lack of breaks, etc.

Case Review Backlog Update – Mr. Molenaar asked board members to report the status of outstanding case review files for the department. All members stated they had no outstanding case files to be reviewed.

Experience Committee Files Backlog- Mr. Snyder stated he had 24 experience committee files to be reviewed for pending upgrade applications. Mr. Molenaar discussed adding an additional board member to the experience committee to assist Mr. Snyder with these reviews, since Mr. Brulez had resigned from the board. Mr. Chamberlain stated he would assist Mr. Snyder with the experience reviews. Mr. Molenaar appointed Mr. Chamberlain to the experience committee and Mr. Molenaar asked Mr. Snyder to work with Mr. Chamberlain to explain the review process and give 10 of the pending experience review files to him today.

Conversation with the Governor's Appointment Board – Mr. Molenaar stated he had a lengthy conversation with an attorney for the Governor's Appointment Board—whom he referred to Mr. Campbell—and the attorney stated he will decide which licensed appraisers to appoint to the board regardless of their level of licensure. Mr. Molenaar and Mr. Campbell referred the attorney to the statute which describes the composition required for licensed appraisers to be appointed to the board; however, the attorney stated their office would make appointments based upon their interpretation of the occupational code. Mr. Campbell referred the attorney to Mr. Metcalf, Director of the Bureau of Commercial Services, who referred the attorney to the Office of Policy and Legislative Affairs for their review and determination.

Current Licenses in Michigan - Mr. Molenaar stated for the board's information there are 3,956 licensed appraisers in Michigan (not counting limited appraisers), as follows: 2,168 state licensed, 740 certified residential, and 1,048 certified general.

2009 Board Meeting Schedule – Mr. Molenaar stated the 2009 Board of Real Estate Appraisers meeting schedule was emailed to board members, as follows: March 24, 2009, June 16, 2009, September 29, 2009, and December 1, 2009.

Michigan Law – Ms. Graham stated she is getting negative feedback from appraisers across the state about taking the Michigan Law update continuing education course every renewal cycle. Mr. Campbell stated the board made a motion at their December 2007 meeting to amend the rule to require licensees to take the two-hour Michigan Law Update every cycle (2 years) instead of every other cycle (4 years) which the current rule requires, since the state law portion of the examination is no longer included in the new national examination now being administered to new applicants. Mr. Campbell stated the department has not begun the process of rule promulgation due to recent staff changes, but as discussed earlier in the meeting today regarding legislative activity, the department will be pursuing this rule change soon. Following further discussion, it was the consensus of the board to continue to pursue a rule change to require licensees to complete the two-hour Michigan Law Update course for every renewal cycle (2 years).

Continuing Education Credit – Ms. Graham stated she had not received continuing education credit for attending the last board meeting. Mr. Campbell and Ms. Badger stated those interested in receiving con ed credit for board meeting attendance must enter their name, license number and their intention to earn continuing education credit for that meeting on the sign-in sheet, as this information is given to Testing & Education Services to enter the continuing education credits into the system. Following the meeting today, it was clarified that according to the AQB's Interpretation effective Jan. 1, 2008 for crediting con ed for appraisers who attend the board meetings, "Credit may be awarded for a single state appraiser regulatory agency meeting per continuing education cycle. The meeting must be open to the public and must be a minimum of two hours in length. The total credit cannot exceed seven hours. The state appraiser regulatory agency must ensure that the credentialed appraiser attends the meeting for the required period of time." Therefore, one hour credit may be granted for each hour of board meeting attendance if the meeting is at least 2 hours long, with no more than 7 hours being credited for a 7 hour meeting, and continuing education credit for board meeting attendance can only be granted once per renewal cycle according to the AQB's Interpretation.

PUBLIC COMMENT

Greg Holt, State Licensed Real Estate Appraiser since May 1995, employed with Mercantile Bank in Grand Rapids, stated he runs the appraisal review section at the bank, ordering and reviewing all commercial appraisals. He stated his certified general appraiser application is pending a review of his work experience, and he came to the meeting today to meet the board and department staff and see if there is anything more he can submit to assist the board and department in reviewing his application. Ms. Badger stated his application is under review by the experience committee at this time to determine if he meets minimal competency based upon the work samples he submitted.

Mr. Hufnagel asked what the policy is for an examination candidate who took and failed the examination but wants to retake the examination before his license renews in July 2008, and whether he needs to pay the renewal fee and complete the 28 hours of continuing education credit in case he doesn't successfully complete the examination before the end of July, and if he meets the renewal requirement but also passes the examination prior to July 31, 2008, will he lose his renewal fees and the 28 hours con ed credit. Ms. Badger explained the difference between renewing a license and upgrading a license. Mr. Campbell stated it is the applicant's choice whether he renews the license now or takes the risk of not renewing in hopes that he will pass the exam and receive the upgrade of his license. Mr. Campbell stated that if the license lapses, the

applicant cannot conduct appraisal business until the license is reactivated through late renewal (within 60 days of expiration) or relicensure. Mr. Hufnagel stated examination candidates are required to pay the examination fee to PSI prior to being told what dates are available to test, the examination times are extremely limited, and he was told there may not be available testing until August 2008. Mr. Campbell and Ms. Sherman stated Testing & Education Services should be notified if candidates are having difficulty scheduling an examination time, because the contract with PSI states if the volume of examination candidates increases, PSI is required to open additional testing slots to accommodate the increased demand. Ms. Sherman stated she would check with PSI about getting more examination dates for appraisers.

NEXT MEETING DATE

The next regularly scheduled meeting of the Board of Real Estate Appraisers will be held on September 16, 2008.

ADJOURNMENT

There being no further business to be brought before the Board at this time, the meeting was adjourned at 11:09 a.m.

David Molenaar /s/
Board Chairperson

9/16/2008
Date

Sharon Murphy /s/
Recording Secretary

9/16/2008
Date