

July 13, 2018

## **REAL ESTATE APPRAISER BOARD MINUTES**

There was a meeting of the Real Estate Appraiser Board on July 13, 2018. The following were present: Sherman, Schubert, Martin, Lamprey, and Griffin. Also present were staff members Rick Wisler, Dawn Couture and Bobbie Carter. Not present were Board members St. Germain and Dupuis.

### **1. Call to order** – 9:02 a.m.

### **2. Interview/meeting/hearing** –

- a. Ken Currier - regarding the recent change in the *de minimus* threshold for commercial bank appraisals – Mr. Currier informed the Board that many banks are now doing evaluations instead of Appraisals on properties. This is taking the expertise away from the appraisers and giving it to unlicensed/uncertified or less qualified individuals. Tennessee and Georgia have exempted appraisers from following USPAP when doing evaluations.
- b. John Crafts - regarding the recent change in the *de minimus* threshold for commercial bank appraisals – Mr. Crafts gave a history of his experience as a past Board member as well as his experience as an appraiser. Mr. Craft would like the Board to consider issuing a declaratory ruling that would allow appraisers to do evaluations as a Restricted Appraisal report, this appraisal report is covered under the guidelines of USPAP. If a complaint came before the Board, the Board would apply the scope of work rule to documents in the workfile.
- c. Barry Shea - regarding the recent change in the *de minimus* threshold for commercial bank appraisals – Barry Shea spoke to the Board and clarified that New Hampshire statute defines an appraisal as the practice of developing an opinion of the value of real property in conformance with the Uniform Standards for Professional Appraisal Practice as developed by the Appraisal Foundation therefore an evaluation is essentially still an appraisal. Anything that takes an appraiser out of the equation regarding the valuation of a property is not in the public's interest. The major difference between the requirements of the restricted report and an evaluation is that the evaluation requires photos and descriptions where the restricted report does not. An evaluation also does not have to adhere to the Standards of USPAP.

**3. Reading and approval of the minutes of the May 18, 2018 meeting** – Board member Griffin made a motion which was appropriately seconded by Board member Martin to approve the public minutes as written. The motion passed unanimously.

### **4. Communications** –

- a. Letter from William McLean regarding the recent change in the *de minimus* threshold for commercial bank appraisals – Mr. McLean wrote to the Board to inform them of his concern that banks are now doing evaluations on properties. Tennessee and Georgia have exempted appraisers from following USPAP when doing evaluations and he would like the New Hampshire Board to consider the same.

July 13, 2018

Page 2

**4. Communications, continued –**

- b. E-Mail from Kristi Klament regarding the ASC's position on the *de minimus* threshold for commercial bank appraisals - Board staff wrote to the ASC regarding their opinion on how Tennessee and Georgia handled the *de minimus* threshold and their response was that the ASC does not enforce appraisal requirements/standards for non-federally related transactions. Requirements/standards for non-federally related transactions are determined by the banking agencies and the States. However, if a State exempts evaluations from USPAP compliance, the ASC would expect the State to prohibit applicants from using evaluation experience to qualify for a federally recognized appraiser credential.

**5. Unfinished Business – None.**

**6. New Business –**

- a. Upon the motion of Sherman and the second of Schubert, the Board voted by roll call vote, to conduct a non-public session for the purpose of discussing pending investigations and noting that such a non-public session is authorized by RSA 91-A:3, II (c) & (j), RSA 91-A:5, IV, *Lodge v. Knowlton*, 11 N.H. 574 (1978), and the Board's executive and deliberative privileges. Each member recorded his or her vote on the motion, which passed by the unanimous vote of all members present.
- b. Upon the motion of Griffin and Sherman, the Board by roll call vote resumed public session.
- c. Upon the motion of Lamprey and the second of Griffin, the Board, by roll call vote, resolved to withhold the minutes of the preceding non-public session from public disclosure pursuant to RSA 91-A:3, III on the grounds that public disclosure would be likely to render the proposed action ineffective. Each member recorded his or her vote on the motion, which passed by the unanimous vote of all members present.
- d. Report on chair meeting with executive director Peter Danles – Chair Sherman reported on the OPLC chairs meeting, the large topic at the meeting was SB 531 which changes the OPLC from a 125% agency to a self-funded agency. This bill also allows the OPLC to standardize the 100-300 rules for all Boards within the agency and will allow Boards to review and adjust fees as needed.
- e. Recent change in the *de minimus* threshold for commercial bank appraisals – The Board will wait for a written request from John Crafts for a declaratory ruling. Board staff will then forward the request to Board counsel for review.

July 13, 2018

Page 3

**7. New Business, continued –**

- f. Courses for Approval – Board member Griffin made a motion which was appropriately seconded by Board member Lamprey to approve following courses. The motion passed unanimously.

2018 Keynote Vegas  
2018 Regulatory Update Vegas  
Advanced Exam Preparation Course  
Advanced Concepts & Case Studies - Synchronous  
Advanced Residential Report Writing part 1  
Advanced Residential Report Writing part 2  
Basic Appraisal Principles  
Basic Appraisal Procedures  
Contract or Effective Rent: Finding the Real Rent  
General Appraiser Income Approach/Part 1  
General Appraiser Income Approach/Part 2  
Ignorance Isn't Bliss: Understanding an Investigation by a State Regulatory Agency or Board  
Online Data Verification Methods  
Online The Discounted Cash Flow Model: Concepts, Issues and Applications  
Online Thinking Outside the Form  
Quantitative Analysis  
Residential Report Writing and Case Studies  
Residential Site Valuation and Cost Approach  
Review Theory General - Synchronous  
Unraveling the Mystery of Fannie Mae Appraisal Guidelines  
Valuation by Comparison: Residential Analysis  
FHA Property Analysis  
Better to be Safe Than Sorry  
Residential Sales Comparison and Income Approach: Concepts and Techniques  
Online - Better to be Safe Than Sorry  
Online 2018-2019 7 hour Equivalent USPAP Course  
Res. Sales Comparison and the Income Approach  
Ad-Hoc  
Appraising Easements  
Online Covering all the Bases in Residential Reporting  
Eminent Domain and Condemnation Appraising in Massachusetts-2018  
Appraising Small Apartment Properties  
  
2018-2019 7 HR Equivalent USPAP Course  
Identifying and Correcting Appraisal Failures

- g. Date and time of next meeting – ***Friday, September 7, 2018 @ 9:00 a.m.***

**8. Adjournment** – 11:23 a.m.

Respectfully Submitted,



Bobbie Carter  
Supervisor II