

# NORTH DAKOTA REAL ESTATE APPRAISER QUALIFICATIONS AND ETHICS BOARD

February 6, 2015 MINUTES  
Teleconference Call

Chairperson Ibach called the meeting to order. Roll call was taken.

Board Members present:	Chairperson Joseph Ibach	Tim Timian
	Kathy Maier	Brock DesLauriers
Staff Present:	Jodie Campbell	David Campbell
Others Present:	Derek Mosset	Reed Danuser
	Nathan Krahn	Matthew Schlevogt

**Applications:** Derek Mosset is making application for certified residential and was present online for discussion. Review of Mr. Mosset's application indicates he meets the education and experience hour requirements for certified residential. Reports were reviewed by an independent reviewer. The reviews indicated noncompliance with USPAP. Board members discussed the areas of noncompliance, some of which included: 1) lack of support or rationale for adjustments in sales comparison approach; 2) no reasoning provided behind sales price ratio; 4) one report states that the appraiser does not consider the cost approach credible or necessary, yet, the reconciliation states the sales comparison approach is supported by the cost approach; 5) did not address or identify GBA/basement; 6) no rationale behind site value; 7) in all three reports there is conflicting information relative to replacement versus reproduction cost; 8) no analysis of rental data was provided; need rental analysis to support estimated market rent - should provide explanation of variables; 9) dimensions of the drawing did not match the gross living area; 10) site comments (and comments in general) should be specific to the assignment; 11) did not address/reconcile the units of comparison; 12) the appraiser was unaware that one of the properties was a flooded property. The Board then questioned whether the appraiser(s) know the Minot market. The extent of the flood damage and what has been done to rehabilitate the structure should have been addressed in the appraisal; 13) there was no analysis of prior sales reported; 14) under site dimension is the comment "see tax records". It is the appraiser's responsibility to report the dimensions; and 15) there is a consistent lack of explanation and support throughout the reports.

The Board members encouraged Mr. Mosset to expand his comments to provide enough information in the report to make it a credible report.

Based on review of work product and discussion with Mr. Mosset, the reports submitted do not meet the minimum standards of USPAP. Dave Lanpher moved to table the Derek Mosset's application for certified residential. Mr. Mosset must submit two additional reports for review for compliance with USPAP. One report must be of an income producing property and include all three approaches to value. Brock DesLauriers seconded the motion.

Discussion continued. Tim Timian did not agree that providing additional work was sufficient. The quality of work product submitted did not meet the certified residential level. Mr. Timian suggested additional education. Board members discussed online versus classroom setting. Mr. Mosset indicated all of his education had been completed online. Board members were in agreement that a classroom setting, where there is interaction with other appraisers, could be very beneficial. In light of this discussion, Brock DesLauriers withdrew his second to the motion made by Dave Lanpher.

Dave Lanpher modified his motion to require Mr. Mosset successfully complete the following courses: 1) report writing; 2) sales comparison approach; and 3) cost approach. All courses must be in a classroom setting. The two reports submitted for review must be completed after completion of all three courses.

Kathy Maier seconded the motion. Dave Lanpher, Brock DesLauriers, Tim Timian, Kathy Maier and Joe Ibach all voted yes to the motion. The vote was unanimous. Motion carried.

Chairperson Ibach called for adjournment.

Respectfully submitted,

Jodie R. Campbell, Executive Secretary