

NORTH DAKOTA REAL ESTATE APPRAISER QUALIFICATIONS AND ETHICS BOARD

March 28, 2016 - MINUTES
Teleconference call

Chairperson Lanpher called the meeting to order at 9:00 AM. Roll call was taken.

Board Members present:	Chairperson Dave Lanpher	Tim Timian
	Kathy Maier	Brock DesLauriers
	Joe Ibach	
Staff Present Online:	Edward Erickson, Legal Counsel	Jodie Campbell
		David Campbell
	Eric Oberg	Sheila Ressler
	Keana Schuler	Kim Badenhop

Investigations:

Case 216-156: A request has been made from the respondent's attorney to table the investigation, as the allegations registered with the Board are also the subject of pending civil litigation. Joe Ibach recused himself from this investigation. Legal counsel indicated the Board was within its right to hold off due to pending litigation.

Kathy Maier moved to table Case 126-156 pending the outcome of the civil case. Tim Timian seconded the motion. The appraiser must provide notice upon settlement of the proceedings. Brock DesLauriers, Tim Timian, Kathy Maier and Dave Lanpher all voted yes to the motion. Joe Ibach recused himself from voting. Motion carried.

Case 216-157: Board members reviewed the allegations and response to the allegations. Discussion took place. The allegations appear to center on the appraiser 1) improperly defining the homeowner's property at a Q2 UAD quality rating and 2) manipulating market data that resulted in underestimating the market value of the property.

After review and discussion of all the information provided, the Board determined the appraiser had fully addressed each of the allegations. The appraiser appeared to have obtained and analyzed good market data to support her quality rating of Q2 as well as her opinion of value.

Based on the information received and reviewed, the Board determined no further action was required. Kathy Maier made a motion to dismiss the allegations. Joe Ibach seconded the motion. Joe Ibach, Brock DesLauriers, Tim Timian, Kathy Maier and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried.

Edward Erickson, legal counsel is requesting Board guidance relative to the following two investigations.

John Hraba: Mr. Hraba indicated on his 2014 Renewal Application that he had no disciplinary action against him. However, research by Staff found that Mr. Hraba had been disciplined in MN in 2013. At the meeting of November 11, 2014, the Board proposed revocation of Mr. Hraba's ND certified general permit. Mr. Hraba has responded that he is not willing to accept this offer.

Discussion moved to another matter before the Board involving Mr. Hraba. A complaint filed against Mr. Hraba (Inv 214-135) was tabled at the meeting of June 25, 2014 because of pending litigation. No further action was taken on Inv 214-135 because of the proposed revocation of Mr. Hraba's permit. Discussion concluded. The Board decided to table consideration of Mr. Hraba's request and revisit Inv 214-135.

Vince Salzer has requested the Board reconsider the proposed offer of settlement. Mr. Salzer has moved out of the country and has indicated he has no funds to pay a fine. Discussion took place. Joe Ibach made a motion to move forward with revocation of Mr. Salzer's license and should Mr. Salzer re-enter the United States he must pay the \$2000.98 fine. Tim Timian seconded the motion, motion carried.

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Applicants:

Leah Reynolds is making application for certified residential and was present for discussion. Ms. Reynolds' initial application was discussed at the meeting of December 14, 2015. Based on review of work product the Board tabled Ms. Reynolds' application for certified residential and requested she submit one additional work product for review. Discussion took place. The report was found to meet the minimum standards of USPAP.

Kathy Maier moved to approve Leah Reynolds' application for certified residential. Joe Ibach seconded the motion. Discussion took place. Kathy Maier, Brock DesLauriers, Joe Ibach and Dave Lanpher all voted yes to the motion. Tim Timian voted no. Motion carried.

Keana Schuler is making application for certified residential and was present online for discussion. Review of Ms. Schuler's application indicates she meets the education and experience hour requirements for certified residential. Reports were reviewed by an independent reviewer. Issues were noted in the reviews as well through Board member review. Some of the issues included: 1) the appraisal should contain enough information to replicate the cost approach, it does not; 2) lack of support/explanation for adjustments; 3) no signed certification page; 4) comments should be specific to the assignment; 5) weak income approach; 6) appraiser refers to market approach versus sales comparison approach; and 7) the work file is of concern as it lacks support for adjustments, land value, and in general, support for analysis, opinions and conclusions relative to all three approaches..

Based on review of work product and discussion with Ms. Schuler, the reports submitted do not meet the minimum standards of USPAP. Kathy Maier moved to table Keana Schuler's' application for certified residential. Ms. Schuler must submit one additional report for Board review. The report submitted must include all three approaches to value. Tim Timian seconded the motion. Joe Ibach, Brock DesLauriers, Tim Timian, Kathy Maier and Dave Lanpher all voted yes to the motion. The vote was unanimous. Motion carried.

Public Comment: Kim Bodenhop requested she be allowed to address the Board. Chairperson Lanpher allowed her request. In brief, Ms. Bodenhop had filed allegations against an appraiser and expressed her frustration with the lack of communication and the timeliness in receiving information.

Chairperson Lanpher adjourned the meeting.

Respectfully submitted,

Jodie R. Campbell
Executive Secretary