

# NORTH DAKOTA REAL ESTATE APPRAISER QUALIFICATIONS AND ETHICS BOARD

Minutes – December 18, 2020 – 9:00AM CT  
Zoom/Teleconference Call Board Meeting

Chairperson Timian called the meeting to order at 9:01. Roll call was taken.

Board Members present online: Chairperson Timian, Corey Kost, Matt Schlenvogt, Joe Sheehan  
and Brock DesLauriers  
Staff Present: Jodie Campbell and David Campbell  
Board Legal Counsel Present: Allyson Hicks  
Counsel with the  
Attorney General's Office: Mike Pitcher

## **Educational Reviews:**

Erin Sand submitted a report for review as part of the Board's educational review process. An independent review was completed. Board members discussed the review with Ms. Sund. Ms. Sund was encouraged to utilize the review, as well as Board member comments, when completing future reports. Corey Kost moved to allow Ms. Sund's report to be used as one of three reports for future licensure or certification. Matt Schlenvogt seconded the motion. Matt Schlenvogt, Brock DesLauriers, Joe Sheehan, Corey Kost and Tim Timian all voted yes to the motion. The vote was unanimous. Motion carried.

David Whartnaby submitted a report for review as part of the Board's educational review process. An independent review was completed. Board members discussed the review with Mr. Whartnaby. Mr. Whartnaby was encouraged to utilize the review, as well as Board member comments, when completing future reports. Corey Kost moved to allow Mr. Whartnaby's report to be used as one of three reports for future certification. Matt Schlenvogt seconded the motion. Matt Schlenvogt, Brock DesLauriers, Joe Sheehan, and Corey Kost voted yes to the motion. Tim Timian voted no. Motion carried.

## **Investigations:**

**Case 220-110:** An allegation has been filed against Brent Haaland. Joe Ibach, Board Investigative Reviewer, completed a preliminary review on the allegation. He provided the Board with a brief overview of the allegations; the property owner alleges 1) the value reported by the appraiser was too low and 2) the appraiser inaccurately described the property.

Discussion took place. As part of the allegation, the property owner provided comparable sales to substantiate his opinion that the appraised value was too low. After review of the information provided, the comparable sales provided by the owner did not appear to be comparable. The appraiser reported the property was in average condition. After review of the appraiser's description, it may be inaccurate. However, Board members found the inaccuracies did not appear to have a bearing on the value. Discussion continued. When it comes to the areas of "updates to a property" and "conditions of a property", 1) what consumers think is going to add to extraordinary value, 2) what the actual market reaction is, and 3) how the appraiser looks at it for their specific scope of work, often are not synonymous. In this Case, it does not appear that the issues noted in the allegations affected the value, and therefore, do not rise to the level of a complaint at the Appraiser Board level. Concerns and questions similar to those noted in this Case should have been addressed at the Lender level.

Corey Kost moved to dismiss the allegation against Brent Haaland. Matt Schlenvogt seconded the motion. Chairman Timian called for the vote. Matt Schlenvogt, Brock DesLauriers, Corey Kost, Joe Sheehan, and Tim Timian voted yes. The vote was unanimous. Motion carried.

**Case 220-111:** A preliminary review report was completed by Board Investigative Reviewer, Joe Ibach. Board members were provided a copy of the allegations and preliminary review report. Discussion took place.

Board members noted additional concerns above those addressed in the preliminary review report. Some of concerns discussed included: 1) highest best use of the property did not address: a) the property's location across

from the college and b) based on the statement that the residence included a kitchen basement, the possibility of converting this single family residence to a duplex; 2) income approach was not developed; 3) misidentification of the HVAC system; 4) lack of support or analysis for site value; and 5) adjustments were made for amenities and no rationale reported.

Board Reviewer agreed with the Board Members additional concerns. He acknowledged that in his preliminary review report he focused his attention on the allegation and failed to recognize that as the Investigator he is not only responsible for investigating the allegation, but also has the responsibility to determine if the appraisal report meets the minimum standards of USPAP.

Corey Kost moved to elevate the allegation to a complaint and request a formal review be completed by the Board Investigative Reviewer. Brock DesLauriers seconded the motion. Chairman Timian called for the vote. Matt Schlenvogt, Brock DesLauriers, Corey Kost, Joe Sheehan, and Tim Timian all voted yes. The vote was unanimous. Motion carried.

**Future meetings:** Meetings will continue via Zoom until further notice.

**Administrative Complaint:** The next item on the agenda is the administrative complaint regarding Mark Thelen. This item must be discussed in executive session. The legal authority to NDCC 44-04-19.1 sub 2 attorney consultation. At this time, a motion would be in order to discuss in executive session rather than an open meeting. Chairman Timian entertained a motion to move into executive session.

Brock DesLauriers made a motion to move into executive session. Joe Sheehan seconded the motion. Chairman Timian called for the vote. Matt Schlenvogt, Brock DesLauriers, Corey Kost, Joe Sheehan, and Tim Timian all voted yes. The vote was unanimous. Motion carried.

The executive session will be recorded, and all members of the governing body are reminded to limit their discussion during the executive session to the announced topic. Any collective decision, collective commitment or other final action by the governing body must occur after it reconvenes in an open meeting unless final action specifically required by law be taken during the executive session.

Chairman Timian asked the members of the public who are attending the meeting to leave the line. It is anticipated the executive session will adjourn and reconvene the open portion of the meeting at approximately 10:30AM.

Executive session adjourned at 10:39, Chairman Timian invited the public back into the meeting. The Board is now in public session.

Brock DesLauriers moved to accept Mark Thelen's counteroffer to the administrative complaint filed against him by the Board. Matt Schlenvogt seconded the motion. Chairman Timian called for the vote. Matthew Schlenvogt, Brock DesLauriers, Corey Kost, Joe Sheehan, and Tim Timian all voted yes to the motion. The vote was unanimous. Motion carried.

Chairman Timian called for adjournment.

Respectfully submitted,

Jodie R. Campbell, Executive Secretary