

**REAL PROPERTY APPRAISER BOARD
LOWER LEVEL, ROOM "B"
NEBRASKA STATE OFFICE BUILDING
301 CENTENNIAL MALL SOUTH, LINCOLN, NE
April 16, 2009**

OPENING

Chairman Gregg Mitchell called to order the April 16, 2009, meeting of the Nebraska Real Property Appraiser Board at 9:05 a.m., in Lower Level, Room "B" of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

NOTICE OF MEETING

Chairman Mitchell announced the notice of the meeting was duly given, posted, published and tendered in compliance with the Open Meetings Act, and all Board members received notice simultaneously by e-mail. The agenda was kept current in the Nebraska Real Property Appraiser Board Office and on the Board's website. Materials generally used by the Board for this meeting were available in the public folder for inspection by the public and in accordance with the Open Meetings Act. A copy of the Open Meetings Act was available for the duration of the meeting. For the record, Board Members R. Gregg Mitchell, Bradford Moore, Mathew 'Joe' Wilson, and James Bain, were present. Board Member David Hartman was absent and excused. Director Kitty Policky was also present.

ADOPTION OF THE AGENDA

Chairman Mitchell reminded those present for the meeting that the Agenda cannot be altered 24 hours prior to the meeting except for emergency items according to the Open Meetings Act. Vice Chair Moore moved to adopt the Agenda as printed. Board Member Wilson seconded the motion. With no further discussion, the motion carried with Moore, Wilson, Bain, and Mitchell voting aye.

Immediately following the adoption of the Agenda, Vice Chair Moore moved that the Board go into executive session for the purpose of disciplinary action concerning case #09-02. A closed session is clearly necessary to prevent needless injury to the reputation of the individual or individuals relating to the issues of the alleged violations of performance in real property appraisal practice. The time on the meeting clock was 9:15 a.m. Board Member Wilson seconded the motion. With no further discussion the motion carried with Moore, Wilson, Bain, and Mitchell voting aye.

Vice Chair Moore moved to come out of executive session at 10:41 p.m. Board Member Wilson seconded the motion. With no further discussion the motion carried with Wilson, Bain, Moore, and Mitchell voting aye.

WELCOME GUESTS

Chair Mitchell welcomed the guests to the meeting and asked that they please sign the guest log.

APPROVAL OF THE MINUTES FROM MARCH 19, 2009

Chair Mitchell asked for any additions or corrections to the March 19, 2009 minutes. Vice Chair Moore moved to adopt the minutes as presented and Board Member Bain seconded the

motion. With no further discussion the motion carried with Bain, Moore, Wilson, and Mitchell voting aye.

CHAIR REPORT

Chairman Mitchell reported that John Bredemeyer would resume working on the issues facing the task force concerning the Appraisal Management Companies issue as soon as he returned from London. Brent Rasmussen from Mortgage Specialists has volunteered to assist. Mr. Bredemeyer will make a report to the Board when a viable approach has been prepared to change the statutes for the upcoming legislative session. Chairman Mitchell would keep the Board informed of progress.

DIRECTOR'S REPORT

Monthly appraiser accounting:

The number of appraisers for April stands as follows: 122 Registered/ Conversion; 127 Licensed; 197 Certified Residential; and 386 Certified General for a total of 832 appraisers for an increase of four (4) appraisers.

New Executive Director:

The Appraisal Subcommittee (ASC) announced the hiring of Jim Parks as the new Executive Director. Mr. Parks brings over 23 years of appraisal and mortgage banking experience. Among his experiences, Mr. Parks served as the Director of Research and Technical Issues at The Appraisal Foundation. The NRPAB sent congratulations to Mr. Parks and we offer our assistance and support.

Director Policky closed the report by thanking the Board for their efforts and concerns.

RECEIPTS AND EXPENDITURES REPORT – MARCH 2009

The receipts and expenditures for March were reviewed by the Director by line item with the Board. A copy of the Budget Status Report is attached and considered part of these minutes. There were no significant expense items.

Vice Chair Moore moved to accept and file the March 2009 Receipts and Expenditures report for audit. Board Member Bain seconded the motion. With no further discussion the motion carried with Moore, Wilson, Bain, and Mitchell voting aye.

UNFINISHED BUSINESS

1. Ed Tour / Bradford Moore & Joe Wilson

Vice Chairman Moore explained to the guests in attendance the consideration of topics for Ed Tour. Inquiries would be made into what is available from the Appraisal Foundation. Topics range from a general Q&A to the introduction of the changes to 10-11 USPAP. The tour would include the availability of the Board to answer questions as well as additional education offerings. Moore requested that the item be returned to the May agenda.

As requested, Director Policky contacted Nancy Mock at the Strategic Air & Space Museum to express an interest in the location for the educational tour. She was able to send information, a copy of which is included with the meeting materials. Nancy mentioned that because we are a state agency that we would qualify for a 10% discount and the cost for the use of the ConAgra Theater would be set at \$495.00. It was also understood that the cost for the use of the theater

also included the entrance fee for those attending the event. Although there are vendors available at the facility, the Museum has an open cater permit and provided a listing of caterers we could consider for more than snacks.

Brad and Joe will continue to work on the planning of Ed Tour and the item will be returned to the May meeting agenda.

2. Rules & Regulations Committee

The Board approved committee members, Sheila Newell, Cay Lacey, and Diane Moore for the responsibility of making the changes to Title 298, Nebraska Rules and Regulations to reflect the adopted appraiser update guidelines as well as all other adopted policies. Although there has been no new legislation this year, the changes should be made to the rules and regulations to reflect current adopted policy. Diane Moore and Cay Lacey were in attendance at the meeting and reported that the changes would soon be completed and a draft would be forwarded to the Appraiser Board office for consideration at the May meeting.

Natalee Hart, legal counsel from the Attorney General's office was in attendance and was available to answer questions concerning editing and additions to the rules and regulations. Natalee will review the edits prior to the submission to the Attorney General's office for approval before advertising the public notice.

NEW BUSINESS

1. Freddie Mac / BPO issue

Freddie Mac updated the Single-Family Seller/Service guide to reflect the requirements announced in the Bulletin 2009-10, including revisions that require any third party specifically authorized to perform certain actions on behalf of the Seller be in compliance with the HVCC Code requirements. Of particular note was the change to section 44.7P: Overview of appraisal and inspection reports and the Property Inspection Alternative (PIA) (03/31/09). In short, the Seller may not use tax-assessed valuations or Broker Price Opinions (BPOs) to determine value. The article appeared in the April 02, 2009 edition of "Appraisal Scoop."

The article was discussed because of the controversy surrounding the legality of individuals producing the valuation of properties for purposes other than the listing or sale of property.

2. Code of Conduct

Vice Chairman Moore distributed to members a copy of a proposed "Appraisal Management Company Code of Conduct." The purpose of the code of conduct was to give the Appraiser Board consideration as to where to start on the issues surrounding the Appraisal Management Companies and to prepare for upcoming legislation. Although a task force has been formed, Vice Chairman Moore wanted to present concerns for the Board to keep in mind when formulating the statute approach to the AMC issues. The Board was asked to read the "Appraisal Management Company Code of Conduct" and return the item to the May agenda for consideration.

GENERAL PUBLIC COMMENTS

Chair Mitchell asked for any public comments. With no comments, the Chair proceeded to education.

EDUCATION

Board Member Wilson moved to approve the following new and renewal continuing education seminars and respective instructors as listed:

Continuing Education New:

1. National Association of Independent Fee Appraisers (NAIFA), Chicago, IL:

- A. “Valuing Real Estate in a Changing Market” – 8-hours – C2925
Instructor: F. Dale Bynum
- B. “Reviewing Residential Appraisals” – 7-hours – C2926
Instructor: F. Dale Bynum

2. Mid-West Appraisers Association, Kearney:

- A. “Problem Solving in Appraisal Practice” – 7 hours – C2927
Instructors: Lynne Heiden and Danny Stoeber
- B. “FHA – Current Appraisal Requirements” – 7 hours – C2318
Instructors: Lynne Heiden and Danny Stoeber
- C. “Analyzing Marketing Conditions” – 7 hours – C2928
Instructors: Lynne Heiden and Danny Stoeber

Continuing Education Renew:

3. Nebraska Realtors Association, Lincoln:

- A. “Land 101” – 12-hous – C2628
Instructor: Sam Kain
- B. “GRI 105: Real Estate Investment and Management” – 12 hours – C2605
Instructor: Thomas Lundstedt

Instructor:

- A. Mid-West Appraisers Association, Kearney / Danny Stoeber for the following:
 - 1. C9963 – Appraising Manufactured Housing
 - 2. C2725 – Appraisal Principles, Procedures & Techniques
 - 3. C9807 – Residential Cost Approach
 - 4. C2233 – Residential Appraisal Forms & USPAP Compliance
 - 5. C2751 – Appraising in the Foreclosure Market
 - 6. C2849 – Residential Report Writing Skills
 - 7. C2870 – The Practice of the Income Approach, Part I
 - 8. C2871 – The Practice of the Income Approach, Part II
 - 9. C2901 – National USPAP Update – 2008 & 2009
- B. Trans-American Institute of Professional Studies, Kearney / Danny Stoeber for the following:
 - 1. Q001 – Basic Appraisal Principles
 - 2. Q002 – Basic Appraisal Procedures
 - 3. Q003 – National USPAP Course
 - 4. L/CR004 – Residential Market Analysis & Highest & Best Use
 - 5. L/CR005 – Residential Site Valuation & Cost Approach
 - 6. L/CR006 – Residential Sales Comparison & Income Approaches
 - 7. L/CR007 – Residential Report Writing & Case Studies

8. L/CR009 – Statistics, Modeling & Finance
9. CG/005 – General Appraiser Site Valuation & Cost Approach
10. QE2803 – Small Residential Income Property Appraisal

Board Member Bain seconded the motion. With no further discussion the motion carried with Wilson, Bain, Moore, and Mitchell voting aye.

Chairman Mitchell thanked those in attendance for their input and interest as the Board prepared to go into closed session.

APPLICANTS & ENFORCEMENT

Vice Chair Moore moved that the Board go into executive session for the purpose of reviewing applicants for credentialing and consideration of written complaints and disciplinary action for individuals who have not requested a public meeting. A closed session is clearly necessary to prevent needless injury to the reputation of the individual or individuals relating to the issues of credentials or qualified applicants and relating to the alleged violations of performance in real property appraisal practice and also to discuss pending litigation or litigation which is imminent with our attorney from the Nebraska Attorney General's Office, who has received a threat of litigation against the Appraiser Board. The time on the meeting clock was 11:47 a.m.. Board Member Wilson seconded the motion. The motion carried with Bain, Moore, Wilson, and Mitchell voting aye.

Vice Chair Moore moved to come out of executive session at 1:47 p.m. Board Member Wilson seconded the motion. The motion carried with Moore, Wilson, Bain, and Mitchell voting aye.

Vice Chair Moore moved to take the following action for the Supervisor / Trainee:
ST102: Approved. Continuing Education due date April 16, 2011.

Board Member Wilson seconded the motion. Motion carried with Wilson, Bain, Moore, and Mitchell voting aye.

Vice Chair Moore moved to take the following enforcement actions:

- 08-04 Offer second Consent Agreement requiring agreement be completed by December 31, 2009.
- 08-15 Quarterly log and review fee submitted. Board select report. Requested selected report for review from appraiser.
- 08-22 Litigation
- 08-23 Consent Agreement.

Board Member Wilson seconded the Motion. Motion carried with Wilson, Bain, Moore and Mitchell voting aye.

Vice Chair Moore proposed to take the following enforcement action:
09-04 – Advisory Letter. Close.

Board Member Wilson seconded the motion. Motion carried with Bain, Moore, and Wilson voting aye. Chairman Mitchell abstained.

Vice Chair Moore proposed to take the following enforcement action:

09-02 Consent Agreement.

Board Member Wilson seconded the motion. Motion carried with Moore, Wilson, and Mitchell voting aye. Board Member Bain abstained.

Vice Chair Moore proposed to take the following enforcement action:

09-07 Send requested report and workfile for Standard 3 review.

09-08 Report not returned from reviewer.

09-09 Send requested report and workfile for Standard 3 review.

Board Member Bain seconded the motion. Motion carried with Moore, Bain voting aye. Board Member Wilson and Chairman Mitchell abstained.

Tentative meeting dates were approved as follows: June 18, 2009
July 16, 2009

ADJOURNMENT

Chairman Mitchell moved to adjourn the April 16, 2009 meeting. Board Member Bain seconded the motion. Motion carried unanimously.

At 1:53 p.m. Chairman Mitchell adjourned the April 16, 2009 meeting of the Real Property Appraiser Board.

Respectfully submitted,

Kitty Policky, Director

These minutes were available for public inspection on April 27, 2009, in compliance with Nebraska Statute §84-1413(5).