



# THE NEBRASKA APPRAISER

News from the Nebraska Real Property Appraiser Board

Fall 2018

## Director's Comments



Director Tyler Kohtz

*Tyler Kohtz has been the Director for the Nebraska Real Property Appraiser Board since March of 2012. He is responsible for the development, implementation, and management of all programs for the agency, including the administration and enforcement of the Real Property Appraiser Act and the Appraisal Management Company Registration Act.*

## Change

When you look around outside, you can't help but notice all of the change taking place during this time of year. The trees turn from green to shades of red and yellow, then finally to bare branches, while the temperature steadily drops over time. The same changes take place every fall, yet every fall feels different. This characteristic of fall also applies to the Board during this time of year. So much of the business is the same, but it always feels different. The Board is busy processing appraiser renewal applications, receiving its annual update at the AARO Conference, preparing legislation for introduction, and preparing to say goodbye to one member and welcome another. More information on these topics and much more can be found in this edition of The Nebraska Appraiser.

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## Upcoming NRPAB Meetings:

- ◆ December 20, 2018 @ NRPAB Office (Conference Room)
- ◆ January 17, 2019 @ NRPAB Office (Conference Room)
- ◆ February 21, 2018 @ NRPAB Office (Conference Room)

\* The start time for each meeting can be found on the agenda posted to the Board's website at least 48 hours prior to the start of the meeting.

# 2019-20 Credential Renewal Reminder and Information

By Tyler N. Kohtz, Director

Real property appraiser credential renewal applications are due November 30, 2018, which is fast approaching. If your Nebraska credential expires December 31, 2018, and you have not renewed your credential please take note of the following:

If all required information is not received at the Board's office postmarked by November 30, 2018\*, a credential holder will have until July 1, 2019 to meet the requirements. A late processing fee of \$25.00 will be assessed for each month or portion of a month the credential is not renewed beginning on December 1, 2018 (The late processing fee does not apply until January 1, 2019 for new or upgraded credentials issued on or after November 1, 2018).

As a reminder, LB741 was passed by the Nebraska State Legislature on April 6, 2018, and signed into law by Governor Ricketts on April 11, 2018. This bill included the following changes to the continuing education requirements:

- All continuing education, including the Seven-hour USPAP Update Course, may now be completed online or by correspondence. The requirement that no more than fourteen hours of continuing education in each two year period may be taken online or by correspondence found in Neb. Rev. Stat. § 2236 (2) is removed.
- Report Writing Update is no longer required. The Seven-hour Report Writing Update Course continuing education requirement found in N.R.S. § 76-2236 (4) is removed.

Incomplete or incorrect applications\* will not be processed and will be returned with a letter describing the issues and explaining the next step. Applications missing any required accompanying documentation are considered incomplete.

Except for applications to renew new or upgraded credentials issued after November 30, 2018 and before January 1, 2019, all applications processed by board staff received after November 30, 2018 will go before the Board for review at its next meeting. The Board may choose to take additional action, or approve the application with an advisory letter informing the applicant of the proper submission date for renewal of a credential.

When an application received at the Board's office has been processed by board staff, and approved by the Board if required, a postcard will be mailed to the credential holder stating that the requirements for renewal of the real property appraiser credential have been met. This postcard will include directions for printing a copy of the credentialing card through the Appraiser Login on the Board's website.

If an appraiser who is required to submit fingerprints with this year's renewal application sends everything on time (on or before November 30, 2018), but the Board has not received the criminal history record check results from the State Patrol by December 31, 2018, the Board may renew a credential subject to receipt of the CHRC results. All other requirements for renewal must be met prior to the November 30 deadline for this contingent approval.

Each credential holder who successfully renews his or her credential after the second year of a two-year credential period receives one free download of the PDF version of the 2018-19 Edition of USPAP through Appraiser Login. You may print the PDF for your personal use once download is complete. You can purchase a hard copy from [The Appraisal Foundation Store](#).

Finally, any person who does not obtain renewal of his or her real property appraiser credential prior to January 1, 2018 is not authorized to engage in real property appraisal activity until renewal is approved by the Board. Per Neb. Rev. Stat. § 76-2246, "Any person required to be credentialed by the Real Property Appraiser Act who engages in real property appraisal activity or who advertises or holds himself or herself out to the general public as a real property appraiser in this state without obtaining proper credentialing under the act shall be guilty of a Class III misdemeanor and shall be ineligible to apply for credentialing under the act for a period of one year from the date of his or her conviction of such offense. The board may, in its discretion, credential such person within such one-year period upon application and after an administrative hearing."

Please contact the Board's office at 402-471-9015, or by email at: [nrpab.renewals@nebraska.gov](mailto:nrpab.renewals@nebraska.gov), for any questions concerning continuing education requirements or the renewal process.

**\* All required continuing education completion certificates are to be submitted along with the application for renewal.**

## NRPAB Quick Hits:

- ◆ Board Member David Hartman’s term as the At-large Representative of Financial Institutions on the Board expires on December 31, 2018. The State of Nebraska is currently accepting applications to fill this position on the Board.
- \* Anyone interested in the At-large Representative of Financial Institutions position is not required to hold a credential as a licensed or certified real property appraiser, and does not represent any of the three congressional districts; therefore no boundary restrictions apply. The term for this position will run for five years, beginning on January 1, 2019.
- \* For more information about this position, or what the Board does, please visit the NRPAB website at [www.appraiser.ne.gov](http://www.appraiser.ne.gov) or contact the Board’s office at 402-471-9015.
- \* The application can be found on the Governor’s website at <https://governor.nebraska.gov>. Select the dropdown titled “Constituent Services” at the top of the page, then select “Boards and Commissions.” The Board hopes to have a new member appointed prior to its January 2019 meeting.
- ◆ The Board thanks the University of Nebraska–Lincoln and Professor Jeff Stokes for the opportunity to discuss the real property appraiser profession and the appraiser qualifications criteria with students who represent the future of the industry. Director Kohtz gave a presentation to approximately fifty students in the Farm and Rural Property Appraisal Capstone Course on October 3, 2018. The students were engaged during the presentation and asked very well thought out and detailed questions.

## NRPAB Staff

### DIRECTOR

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### ADMINISTRATIVE SPECIALIST

Katja Duerig

402-471-9015

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Website: [www.appraiser.ne.gov](http://www.appraiser.ne.gov)



[Visit NRPAB on Facebook](#)

### *Have questions? We have answers!*

Questions related to appraisal management company registration and renewal: [nrpab.amc@nebraska.gov](mailto:nrpab.amc@nebraska.gov)

Questions related to real property appraiser credentialing: [nrpab.credentialing@nebraska.gov](mailto:nrpab.credentialing@nebraska.gov)

Questions related to real property appraiser credential renewal: [nrpab.renewals@nebraska.gov](mailto:nrpab.renewals@nebraska.gov)

Questions related to real property appraiser education (QE & CE): [nrpab.education@nebraska.gov](mailto:nrpab.education@nebraska.gov)

Questions related to investigations, or how to file a grievance: [nrpab.compliance@nebraska.gov](mailto:nrpab.compliance@nebraska.gov)

General Questions: [nrpab.questions@nebraska.gov](mailto:nrpab.questions@nebraska.gov)

## NRPAB Quick Hits:

- ◆ Director Kohtz attended the Fall AARO Conference October 19th through the 22nd in Washington, D.C. Much of the discussion centered on AQB criteria changes, AMC regulatory audits and the AMC National Registry, residential evaluations and appraisals, and the standardization of CE approval among the states. The Director noted the following highlights:
  - \* The Appraisal Subcommittee reported that the AMC Federal Registry is now open, and that the ASC will begin reviewing states for compliance after June 4, 2020. The ASC also reported that all states are implementing the AMC Final Rule; twenty-six have applied for an extension for implementation.
  - \* The Appraisal Foundation indicated that the live streaming of meetings has been a huge success, and that investigator training continues to be productive. TAF also reported that it is ahead of schedule on the preparation of the next edition of USPAP, but more work is needed to cross the finish line.
  - \* The Federal Reserve reported that the Federal Banking agencies issued a final rule raising the appraisal threshold for commercial real estate transactions from \$250,000 to \$500,000. Thresholds for residential mortgages, construction loans secured by a single 1-4 family residential property, and loans to single family developers secured by a single 1-4 family residential property remain the same. A new rule implemented on May 24, 2018, allows for an originator that has contacted three appraisers, to utilize an exemption from the appraisal requirements of customary and reasonable fee and timeliness standards for residential transactions of less than \$400,000 in value, if no State certified or licensed appraisers are available.
  - \* A presentation was made on “Practical Applications of Real Estate Appraisals” (often referred to as “PAREA” during the conference). PAREA was described as an alternative method of gaining real estate appraisal experience with the goal being to emulate actual appraisal experience utilizing virtual online experiences. The idea is to begin with the basics; however, PAREA is not intended to be qualifying education, classroom training, or a capstone. PAREA is expected to include testing throughout the entire process. Presently, there is no timetable for when PAREA will be available or incorporated into the Real Property Appraiser Qualifications Criteria.



*United States Capitol*



## NRPAB Quick Hits:

- ◆ Fall AARO Conference Continued
  - \* A presentation was made on the standardization of continuing education approval among the states. The presentation focused on universal education requirements for all states and a universal system for course registration, from the perspective of the education provider, the appraiser, and the regulatory authority.
  - \* Recently, the industry has seen an increase in evaluations used in place of full appraisals for residential mortgage loan transactions below the de minimis as determined by the federal financial institutions. A presentation was made using federal guidelines to define when an evaluation or an appraisal is required. Representatives of the Georgia Real Estate Commission & Appraisers Board gave a presentation on the state's exemption for evaluations. There is no regulation of those who provide an opinion of value under the exemption in the State of Georgia. The Georgia board has not been able to determine whether the exemption has helped or harmed appraisers in the state. Only three other states have implemented similar exemptions for evaluations.
  - \* A presentation on bifurcated appraisals centered around the hypothesis that certain loan to value ratios lend themselves to appraisals better than others. Fannie Mae provided its vision for modernization of the appraisal process, which includes a data-centric approach where analytics and technology are embedded in the valuation process. The current process was criticized as rigid, form driven, and dated. The intent of the bifurcated appraisal is to utilize many professionals for the completion of an appraisal, allowing for more specialization, quicker turnaround time, innovative data collection, and increased appraiser independence. Each professional has a specific aspect of the appraisal to focus on.
- ◆ The Nebraska Real Property Appraiser Board adopted no new guidance documents between July and September. All Guidance Documents are available for viewing on the Board's website at: [http://appraiser.ne.gov/guidance\\_documents.html](http://appraiser.ne.gov/guidance_documents.html).
- ◆ The Nebraska Real Property Appraiser Board ("Board") intends to have a legislative bill introduced during the 2019 legislative session to update the Nebraska Real Property Appraiser Act with the purpose of reducing barriers to entry into the real property appraiser profession, implementing the Real Property Appraiser Qualifications Criteria adopted by The Appraisal Foundation's Appraiser Qualifications Board on May 1, 2018, and maintaining compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. The draft legislation, along with an in-depth summary of the draft changes to the Nebraska Real Property Appraiser Act, can be found on the Board's website at [www.appraiser.ne.gov](http://www.appraiser.ne.gov) by clicking the "[2019 NRPAB Proposed Legislation](#)" link found on the right hand side of the main page.



*Sower atop the NE State Capitol*



- ◆ Between the months of July and September, there were two grievances filed against appraisers and one filed against an appraisal management company. During this time, the Board also dismissed two grievances without prejudice.

# In the Spotlight:

## Duerig Joins Staff as Administrative Specialist

Katja Duerig has joined the Board as its new Administrative Specialist. This position assists with the investigative administrative duties, coordinates the agency processes and procedures for education activities, assists with maintenance of the agency public information activities, and performs other technical or administrative duties for the agency's programs as needed. Ms. Duerig also serves as the main point of contact for the agency.



*Katja Duerig*

Duerig grew up in the Chicago, Illinois area, and graduated from the University of Nebraska–Lincoln in May of this year. During her University career, Ms. Duerig spent time on the staff of The Daily Nebraskan as the Arts and Entertainment Reporter, led the Nebraska chapter of Envirorun, and was an English tutor for Lincoln Literacy.

Duerig resides in Lincoln, Nebraska with her boyfriend, Hank, and their Brazilian Rainbow Boa Constrictor named Dre. In her free time, Duerig likes to play bass guitar, ballroom dance, volunteer, and bake.

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*"I am very happy to be at the Board and I look forward to working with you all."*

*- Katja Duerig*

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*Chairperson of the Board*  
**Benjamin J. Hynek, Lincoln**  
Certified Residential Appraiser  
1st District Representative  
Term Expires: January 1, 2021

*Vice Chairperson of the Board*  
**Christopher M.A. Mustoe, Omaha**  
Certified General Appraiser  
2nd District Representative  
Term Expires: January 1, 2022

*Board Member*  
**David L. Hartman, Omaha**  
Financial Institutions Rep  
Term Expires: January 1, 2019

*Board Member*  
**Gary L. McCormick, North Platte**  
Certified General Appraiser  
3rd District Representative  
Term Expires: January 1, 2020

*Board Member*  
**Thomas M. Luhrs, Imperial**  
Certified General Appraiser  
Licensed Real Estate Broker Rep  
Term Expires: January 1, 2023

# Who's New?

The Nebraska Real Property Appraiser Board congratulates the following individuals who received real property appraiser credentials, and the organizations newly registered as appraisal management companies, between July and September of 2018.

## *Trainee Real Property Appraisers*

Rich Wilberger, Lincoln NE – T2018010  
Matthew Keating, Kearney NE – T2018011  
Kristen Ferguson, Gordon NE – T2018012

## *Certified General Real Property Appraisers*

David Glauber, Louisville KY – CG2018017R  
Jerome Witte Jr, Houston TX – CG2018018R  
William Lundquist, Loveland CO – CG2018019R  
Colin Giff, Bellevue NE – CG2018020  
Roger Willcut, Yankton SD – CG2018021R  
Timothy Garey, Portland OR – CG2018022R  
Jeffrey Rouse, Independence MO – CG20180023R

## *Appraisal Management Companies*

Ascend Appraisal Solutions Group, LLC –  
NE2018003  
RRR Appraisal Services Management, Inc. –  
NE2018004  
Appraisal Management Specialists, LLC –  
NE2018005

## Free Voluntary Guidance for Appraisers

Looking for guidance on recognized valuation methods and techniques? The Appraisal Foundation has issued *Valuation Advisories*, which are available for free on the Foundation's web site. The following *Valuation Advisories* are currently available:

APB VFR Valuation Advisory #1:  
[Identification of Contributory Assets and Calculation of Economic Rents](#)

APB VFR Valuation Advisory #2:  
[The Valuation of Customer-Related Assets](#)

APB Valuation Advisory #2:  
[Adjusting Comparable Sales for Seller Concessions](#)

APB Valuation Advisory #3:  
[Residential Appraising in a Declining Market](#)

APB Valuation Advisory #4:  
[Identifying Comparable Properties – Revised](#)

APB Valuation Advisory #5:  
[Identifying Comparable Properties in Automated Valuation Models for Mass Appraisal](#)

APB Valuation Advisory #6:  
[Valuation of Green and High Performance Property: Background and Core Competency](#)

APB Valuation Advisory #7:  
[Valuation of Green and High Performance Property: One- to Four-Unit Residential](#)

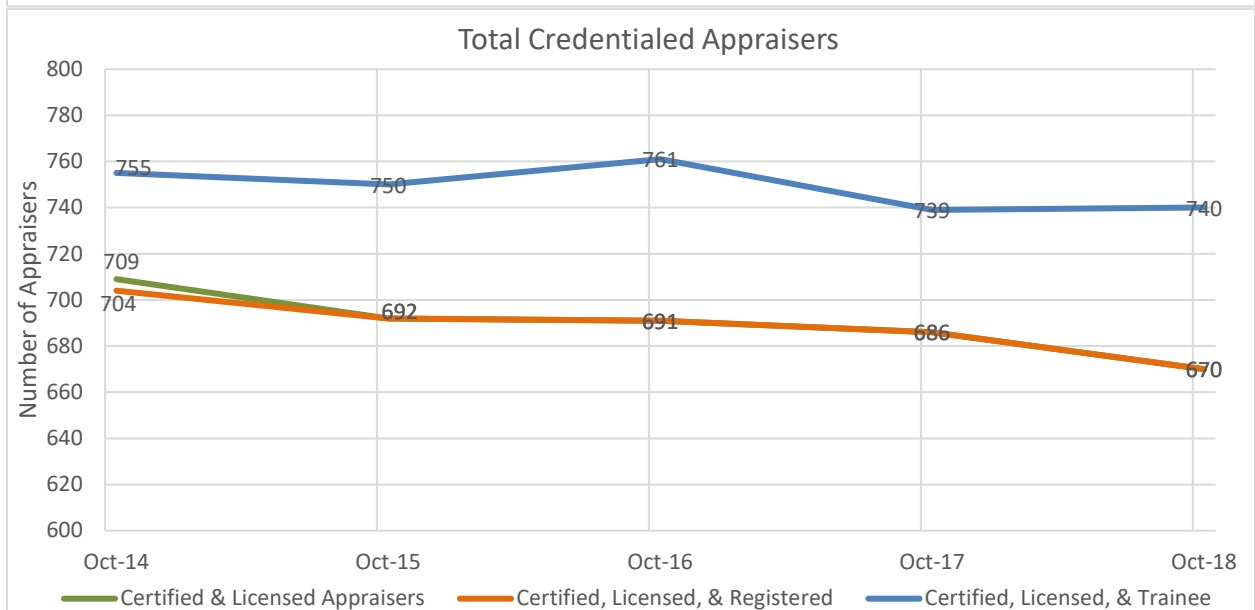
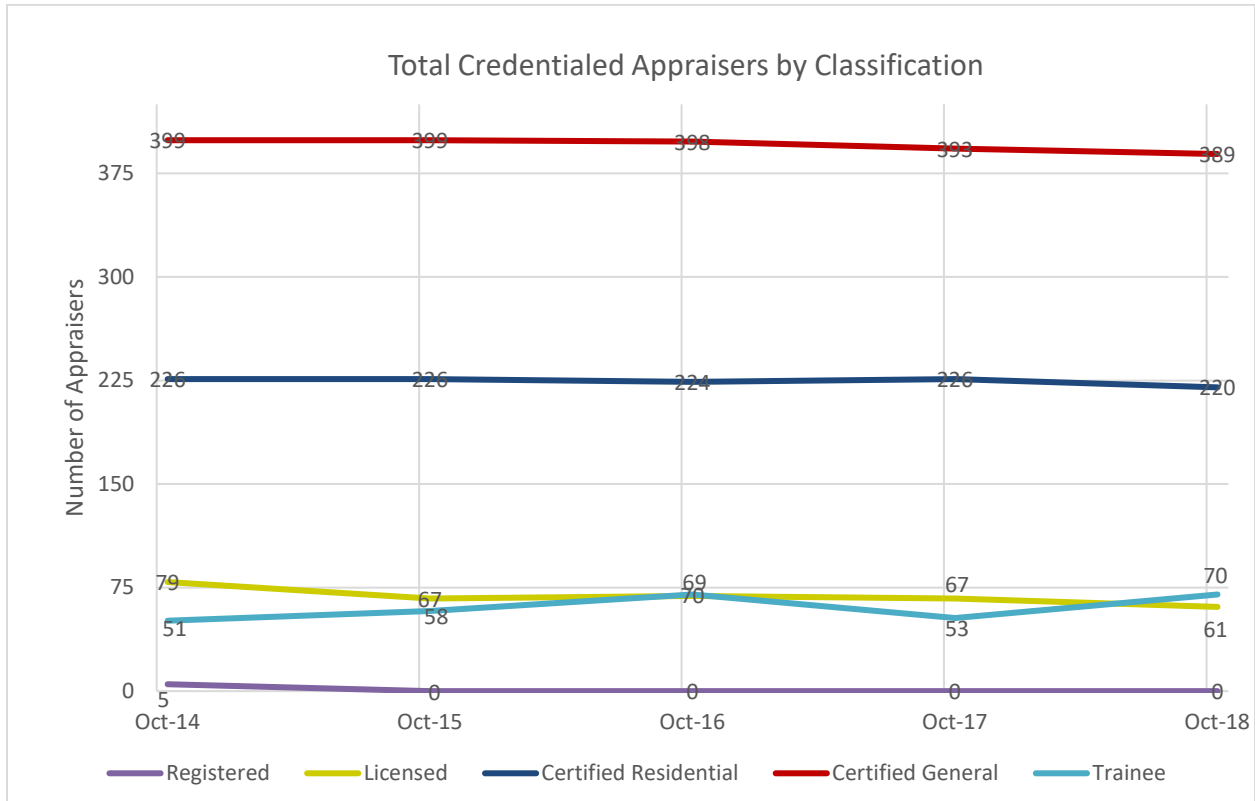
APB Valuation Advisory #8:  
[Collection and Verification of Residential Data in the Sales Comparison Approach](#)

APB Valuation Advisory #9:  
[Valuation of Green and High-Performance Property: Commercial, Multi-family, and Institutional Properties](#)

To learn more about the APB's *Valuation Advisories* and what advisories are under development, click [here](#).

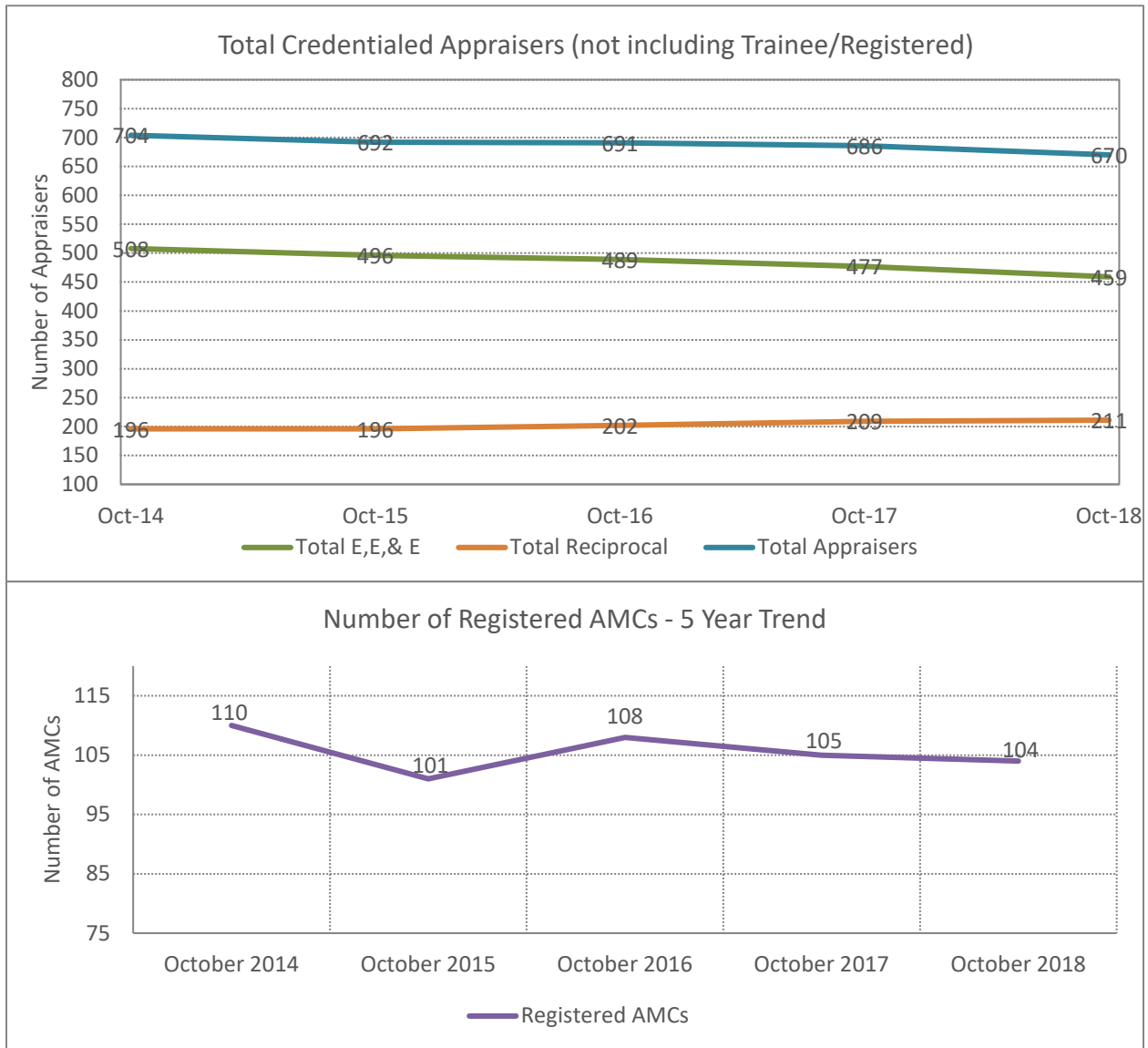
# Real Property Appraiser and AMC Numbers and Trends as of October 1, 2018

The charts below outline the five-year trend for the number of Nebraska credentialed real property appraisers and Nebraska registered appraisal management companies up to October 1, 2018. There are currently 670 licensed residential, certified residential, and certified general real property appraisers in Nebraska, and 70 credentialed trainee real property appraisers. In addition, there are currently 104 appraisal management companies registered in Nebraska.





Real Property Appraiser and AMC Numbers and Trends as of October 1, 2018 (Continued)



# THE APPRAISAL FOUNDATION

*Authorized by Congress as the Source of Appraisal Standards and Appraiser Qualifications*



**New!**  
The Appraisal Foundation  
Q&A Forum



Do you have a question for the Appraiser Qualifications Board or Appraisal Standards Board that is not addressed in the existing Q&As?

The Appraisal Foundation is pleased to announce a new Q&A Forum that is now available. You can post your questions on appraisal standards or appraiser qualifications and receive a timely answer from Foundation staff.

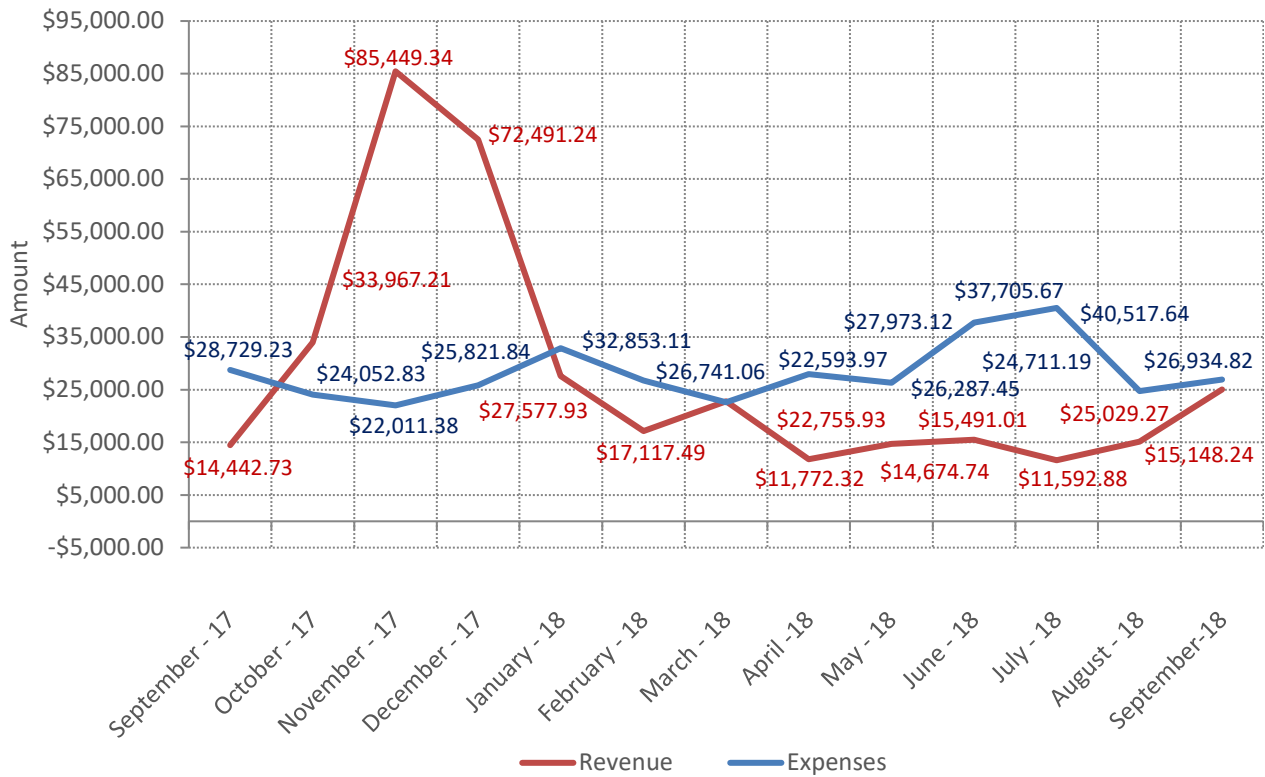
For more information on the Forum and how to register, please visit our Q&A webpage located at [https://www.appraisalfoundation.org/imis/TAF/Standards/Q\\_As/TAF/QAs.aspx](https://www.appraisalfoundation.org/imis/TAF/Standards/Q_As/TAF/QAs.aspx).

To access the Forum directly, visit <http://www.appraisal.answerbase.com/>.

# NRPAB Financial Snapshot as of September 30, 2018

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$103,540.57 in expenditures and \$54,452.19 in revenues were recorded as of September 30, 2018. Actual expenses registered at 22.75 percent of the budgeted expenditures for the fiscal year; 25.21 percent of the fiscal year has passed.

Agency 13 Month Expenses/Revenue



**Your credentialing card, continuing education requirements, education history, and USPAP download are all found in the Appraiser Login on the Board's website.**

**Mission: Appraiser Login Button**  
 The Mission of the Nebraska Real Property Appraiser Board is to administer and enforce the Nebraska Real Property Appraiser Act and Nebraska Appraisal Management Company Registration Act with efficiency, equity, and integrity to ensure that the citizens of Nebraska are protected and served, and that the appraisal services community is highly qualified through education, experience, and examination.

**Vision:**  
 The Nebraska Real Property Appraiser Board's vision is to provide leadership for the appraisal industry in the State of Nebraska. The Board will generate interest by promoting the appraiser profession, building positive public awareness of the industry throughout the State, and identifying and resolving issues faced by the public and appraisal services community. The Nebraska Real Property Appraiser Board will also establish and maintain standards for appraisers and appraisal management companies that lays the foundation for a highly qualified, motivated, dependable, and ethical appraisal services community in Nebraska.

- [AMC Registration](#)
- [Appraiser Credentialing](#)
- [Board Meetings](#)
- [Education](#)
- [Enforcement](#)
- [Laws, Regulations, and Guidance Documents](#)
- [Public Information](#)
- [Request Forms](#)
- [Standard 3 Review Forms](#)
- [2018-2019 Renewal Application](#)
- [2018 Proposed Legislation](#)

# 2019-2021 NRPAB Biennial Budget Request Highlights

## Base Appropriations

	FY2018-19
CASH FUND	383,056
SALARY LIMIT	165,103

## Budget Request Issues (Requested budget change relevant to the Base Appropriations)

- 2019-2021 Employee Salary Increase** - An estimation of the cost of employee salary increases equivalent to 2% each for FY20 and FY21 as specified by the Department of Administrative Services (FY20: 3,494.00, FY21: 7,058.00).
- 2019 January 1 Salary Annualization** - Include the cost of annualizing the January 1, 2019 increase for affected employees as specified by the Department of Administrative Services. This issue also includes the cost of employee salary increase equivalent to 2% each for FY20 and FY21 for this amount (FY20: 644.00, FY21: 657.00).
- 2019-2021 Employee Health Insurance** - An estimate of the cost to the agency for employee health insurance with an increase of 3.3% over the base for FY20 and a 5.2% increase over FY20 for FY21 as specified by the Department of Administrative Services (FY20: 990.00, FY21: 2,601.00).
- Administrative Services Assessment Changes** - The Department of Administrative Services charges an assessment based on usage. The Board's request includes the necessary adjustments based on the changes to assessments for the 2019-21 biennial budget cycle (FY20: -703.00, FY21: -703.00).
- Board Member Travel Costs Increase** - Request funding in the amount of \$2,653.00 for board and lodging, and \$3,123.00 for personal vehicle mileage, for the increased lodging and mileage costs to the Board for the additional western Nebraska board member.
- CIO Applications and Development Support Increase** – Request for funding to account for increased database maintenance costs. As the NRPAB Database has grown in complexity and use, the maintenance fees associated with fixing bugs, making changes to reflect law, rule, or policy changes, and operation enhancements has increased as well (FY20: 3,600.00, FY21: 3,600.00).
- Legal Related Expense Increase** – Request for funding to absorb future hearing costs. The costs for the most recent administrative hearing (court reporter, hearing documents, hearing officer) totaled \$14,690.00. (FY20: 5,000.00, FY21: 5,000.00).

## Summary

<b>FY20</b>	<b>FY21</b>
Base: \$383,056.00	Base: \$383,056.00
Request: \$401,857.00	Request: \$407,045.00
Difference: \$18,801.00	Difference: \$23,989.00
Projected Expenditures: \$361,671.00	Projected Expenditures: \$366,340.00
Projected Revenues: \$342,445.00	Projected Revenues: \$375,693.00
Appraiser Fund Balance: \$242,223.00	Appraiser Fund Balance: \$259,662.00
AMC Fund Balance: \$254,895.00	AMC Fund Balance: \$246,849.00