

THE NEBRASKA APPRAISER

News from the Nebraska Real Property Appraiser Board

Spring 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.

Much Accomplished, More to Do

It is that time of year where the Nebraska Real Property Appraiser Board reflects on the past fiscal year and plans for the next. Looking back, the Board has spent the past year reviewing current procedures and credentialing requirements. Two important bills were passed during this session. LB17 places the State of Nebraska in compliance with the AMC Final Rule that becomes effective on August 10, 2018. LB741 updates the Real Property Appraiser Act for compliance with the current edition of USPAP, and also addresses the Legislature's and the Governor's call for agencies to remove burdens to licensing. At its upcoming strategic planning meeting, the Board intends to continue analyzing credentialing requirements, set the framework for future changes to Title 298, prepare for legislation to address the recent changes made by the AQB, and set its priorities for its budget needs for the 2019-2021 budget cycle. If there are any topics that you would like for the Board to discuss, please feel free to call or email me with your ideas. Finally, please enjoy this edition of The Nebraska Appraiser.

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- ◆ July 19, 2018 @ NRPAB Office (Conference Room)
- ◆ August 16, 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.

Revisions to the Nebraska Real Property Appraiser Act Effective April 12, 2018

By Tyler N. Kohtz, Director

The Board's biennial USPAP update bill, [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, effective April 12, 2018, included updates to the Nebraska Real Property Appraiser Act ("Act") to meet current federal requirements, address some general administrative changes, and remove regulatory burdens as summarized below (emphasized changes shown in bold print):

- The January 1, 2016 date reference for the Dodd-Frank Wall Street Reform and Consumer Protection Act is stricken as this act is simply referenced.
- The definition of "appraisal review assignment" is changed to "appraisal review" and modified to reflect the language in the 2018-19 edition of USPAP.
- The definition of assignment is modified to reflect the language in the 2018-19 edition of USPAP.
- The definition of assignment results is added to reflect the language in the 2018-19 edition of USPAP.
- The reference to the January 1, 2016 date of course approval by the Appraiser Qualifications Board of The Appraisal Foundation for the 15-Hour and 7-Hour National Uniform Standards of Professional Appraisal Practice course is stricken.
- The words "value of" are stricken from the definition of real property appraisal activity due to redundancy. Within this definition, real property appraisal activity includes valuation assignments, which are defined as "(1) An appraisal that estimates the value of identified real estate or identified real property at a particular point in time; or (2) A valuation service performed as a consequence of an agreement between a real property appraiser and a client.
- **The definition of report is modified to reflect the language in the 2018-19 edition of USPAP.**
- The references to the effective date of USPAP throughout are modified to the 2018-19 edition of USPAP that became effective January 1, 2018.
- The definition of uniform standards of professional appraisal practice is modified to include "adopted and promulgated" to more accurately communicate the action taken by The Appraisal Foundation, which is authorized by the U.S. Congress to develop the Real Property Appraiser Qualification Criteria through its Appraiser Qualifications Board, and USPAP, through its Appraisal Standards Board.
- Neb. Rev. Stat. § 76-2222 (1) is modified to remove the language "The members shall be appointed so that the membership of the board selected from the congressional districts includes at least two certified real property appraisers." This language was outdated due to a previous change that resulted in the language "The board shall consist of five members. One member who is a certified real property appraiser shall be selected from each of the three congressional districts."
- N.R.S. § 76-2222 (5) is modified to capitalize the word "the" to correctly reference The Appraisal Foundation.
- **The requirement that an applicant demonstrate a general knowledge of Nebraska law as it pertains to real property appraisal activity found in N.R.S. § 76-2227 (6) is stricken as it created an unnecessary burden to entry into the profession.**
- N.R.S. § 76-2233 (1) is modified to remove the word "obtain," and add the phrase "qualify for" for the purpose of consistency throughout the Act.

- **N.R.S. § 76-2233 (2) is modified to lessen the burden to obtaining a credential in Nebraska for appraisers holding an active credential in another jurisdiction. The previous language required that the applicant's jurisdiction of practice specified in an application for credentialing meet or exceed the requirements of Nebraska. Because specific administrative requirements vary from state to state, this requirement was not only difficult to enforce, but was often burdensome to reciprocal applicants attempting to obtain a real property appraiser credential in Nebraska. The updated language changes the standard to require that an applicant's jurisdiction of practice specified in an application must meet or exceed the Real Property Appraiser Qualification Criteria as adopted and promulgated by The Appraisal Foundation, which are the national minimum criteria for real property appraiser credentialing.**
 - **Language is added to provide a clear standard by which the Board shall verify the standing of a reciprocal applicant's jurisdiction of practice. The basis for verification shall be through the most recent Compliance Review Report issued by the Appraisal Subcommittee.**
 - **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 N.R.S. § 76-2236 (2) is stricken. It is the Board's position that this requirement placed an unnecessary burden on Nebraska credential holders.**
 - **The requirement that the seven-hour National USPAP Update course shall be taken in a classroom and not online or by correspondence found in N.R.S. § 76-2236 (3) (a) is stricken.**
 - **The report writing update course continuing education requirement found in N.R.S. § 76-2236 (4) is stricken from the Act. It is the Board's position that this requirement placed an unnecessary burden on Nebraska credential holders.**
 - The term "appraisal review" is added to the applicable subsections under N.R.S. § 76-2238 to parallel the increased emphasis on appraisal review in the 2018-19 edition of USPAP. Appraisal review consists of both Standards 3 (development) and 4 (reporting) in the 2018-19 edition of USPAP. Appraisal review consisted of Standard 3 only in previous editions of USPAP. The definition of appraisal review is also changed to parallel the definition of appraisal in 2018-19 edition of USPAP.
 - Provisions relating to real property associate are eliminated from the Act .
- Many of the changes included in LB741 are to update the Act for compliance with the latest edition of USPAP. These changes include a modified definition of Report and an increased emphasis placed on appraisal review. In addition to the USPAP-related changes, the Board placed focus on reducing regulatory burdens. These changes include implementing a more structured approach to evaluating reciprocal appraiser applicants, and removing continuing education requirements, such as the fourteen hour in-class requirement, the seven-hour Report Writing Update Course, and the requirement that the seven-hour National USPAP Update course be taken in a classroom. Finally, the general Nebraska law exam requirement is removed to benefit reciprocal credential applicants, and those who apply for credentialing through education, experience, and examination. For any questions concerning the revisions to the Act, please contact me at the Board's office at 402-471-9015, or by email at tyler.kohtz@nebraska.gov.

Revisions to the Nebraska AMC Registration Act/Nebraska Real Property Appraiser Act Effective June 21, 2018

By Tyler N. Kohtz, Director

Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 was amended by the Dodd–Frank Wall Street Reform and Consumer Protection Act signed into law on July 21, 2010. This act, also known simply as Dodd-Frank, authorized states to register and supervise the operations and activities of appraisal management companies, and authorized the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, the Consumer Financial Protection Bureau, and the Federal Housing Finance Agency to jointly, by rule, establish minimum requirements to be applied by states to register and supervise the operations and activities of appraisal management companies. The AMC Final Rule was adopted on June 9, 2015, with an effective date of August 10, 2015; states have three years from the effective date to implement the AMC Final Rule.

[LB17](#) was passed by the Nebraska State Legislature on March 15, 2018, and signed into law by Governor Ricketts on March 21, 2018. The primary purpose of LB17, which becomes effective on June 21, 2018, is to update the AMC Registration Act (“AMC Act”) for compliance with the Title XI and the AMC Final Rule; however, LB17 also includes a change to the three-year supervisory appraiser jurisdictional requirement found in the Nebraska Real Property Appraiser Act (“Appraiser Act”). The following points summarize the changes included in LB17:

- Definitions that mirror those found in the AMC Final Rule are added for affiliate, appraisal management services, appraiser panel, consumer credit, covered transaction, creditor, dwelling, federally regulated appraisal management company, independent contractor, and secondary mortgage market participant.
- Definitions are also added for AMC National Registry; AMC Final Rule; Appraisal Subcommittee; AMC appraiser; assignment; credential; contact person; Financial Institutions Reform, Recovery, and Enforcement Act of 1989; jurisdiction; and registration to clarify new terms utilized in the AMC Act.
- The definition for appraisal management company is changed to mirror the definition used in the AMC Final Rule.
- The definition of board was changed to reference the definition found in the Appraiser Act.
- The definition of person is changed to reference the definition found in the Appraiser Act.
- The definition of federal financial institutions regulatory agency is changed to federal agencies to reference only those federal agencies responsible for the AMC Final Rule, and prevent confusion with the Federal Financial Institutions Examination Council Regulatory Agencies.
- The definition of valuation assignment is replaced with valuation services. The term valuation services is used throughout the AMC Act, but valuation assignment has been removed.
- The definitions for Appraisal Foundation, appraisal review, appraisal services, appraiser, controlling person, Federally Related Transaction, owned and controlled, quality control examination, Real Estate Related Financial Transaction, and relocation management company are removed. These definitions are no longer referenced in the AMC Act.
- The reporting requirements for Federally Regulated AMCs are established, and authority is granted to the Board to collect and transmit information and fees required by the Appraisal Subcommittee. Finally, application of the AMC Act to Federally Regulated AMCs is clarified.

- Authority is provided to the Board to request the information necessary in an application to administer and enforce the AMC Act. Additional requirements are also placed on AMCs to safeguard the interests of the public, such as, an AMC shall have a good reputation for honesty, trustworthiness, integrity, and competence to perform appraisal management services, and not have had a final civil or criminal judgment entered against them for fraud, dishonesty, breach of trust, or misrepresentation involving real estate, financial services, or appraisal management services within a five-year period immediately preceding the date of application. Authority is also included to allow the Board to collect and transmit information required by the Appraisal Subcommittee. Finally, the renewal requirements for an AMC are better defined.
- The appraiser panel requirements for both an AMC and AMC appraiser are defined. Language also requires that an AMC Appraiser shall be free from inappropriate influence and coercion as required by the appraisal independence standards established under section 129E of the federal Truth in Lending Act, including the requirements for payment of reasonable and customary fees to AMC appraisers when the AMC is engaged in providing appraisal management services. This language was previously included as a certification under Neb. Rev. Stat. § 76-3203. Finally, an AMC shall select an AMC appraiser from its appraiser panel for an assignment who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the assignment for the particular market and property type.
- Exemptions from the AMC Registration Act are established, which include that the AMC Act does not apply to a department or division of a person that provides appraisal management services only to itself, or a person that provides appraisal management services, but does not meet the requirement established by subdivision (5)(c) of N.R.S. § 76-3202. Subdivisions (1), (2), and (3) of N.R.S. § 76-3204 are stricken due to these issues being addressed within the definition of appraisal management company, appraisal management services, appraiser panel, and the language newly added to this section.
- The Board is granted authority to collect and transmit to the Appraisal Subcommittee any fees established by the Appraisal Subcommittee under Title XI, the AMC Final Rule, and any policy or rule established by the Appraisal Subcommittee required for inclusion on the AMC National Registry.
- Ownership requirements are clarified to mirror the AMC Final Rule.
- The previous language found in N.R.S. § 76-3208 (1) and (2) is stricken as these issues are addressed within language added elsewhere in the AMC Act. Language also is added to ensure that AMCs only conduct business in Nebraska under the legal or trade name included in the application as approved by the Board for issuance or renewal of a registration, and new language also prevents an AMC from requiring an AMC appraiser to indemnify an AMC or hold an AMC harmless for any liability, damage, losses, or claims arising out of the appraisal management services provided by the AMC.
- Language is added to clarify to whom the uniform standards of professional appraisal practice apply under the AMC Act.

- Language found in the AMC Final Rule regarding the examination of books and records, and the requirement for an AMC to submit reports, information, and documents upon request, as part of the record keeping requirements for an AMC, is included in the AMC Act.
- The Board's authority to issue cease and desist orders for persons directly or indirectly engaging in or attempting to engage in business as an AMC, or advertising as engaging in or conducting business as an AMC, without first obtaining registration issued by the Board or by meeting the requirements as a Federally Regulated AMC is clarified. This language is modeled after language in the Appraiser Act. Finally, authority is provided to the Board to report any violation of appraisal related laws or rules and regulations, along with any disciplinary action taken against an AMC, to the Appraisal Subcommittee.



The Sower at the top of the Nebraska State Capitol

- Language is added to ensure that costs incurred for an administrative hearing, including fees of counsel, the hearing officer, court reports, investigators, and witnesses, shall be taxed as costs in such action as the Board may direct. This language is the same as found in the Appraiser Act.
- Language is added to clarify the Attorney General's authority within the AMC Act.
- Minor language changes are also made throughout the AMC Act to harmonize and clean up the language, and to also harmonize the AMC Act with the Appraiser Act.

- Effective July 1, 2016, the Appraiser Qualifications Board of The Appraisal Foundation adopted changes to the three-year supervisory appraiser jurisdictional requirement. While supervisory appraisers must still be certified appraisers in good standing for a minimum of three years prior to supervising, they no longer need to be certified and in good standing in the jurisdiction in which the trainee real property appraiser practices for a minimum period of time. Language was amended in the Appraiser Act to ensure that a person credentialed as a certified real property appraiser in Nebraska or who holds the equivalent in another jurisdiction for a period of three years is eligible for approval as a supervisory appraiser.

Many of the changes included in LB17 are to update the AMC Act for compliance with the AMC Final Rule as established the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, the Consumer Financial Protection Bureau, and the Federal Housing Finance Agency. These changes include new requirements for Nebraska registered AMCs and Federally Regulated AMCs, and better clarification of the existing requirements for administration of the AMC Act. Finally, a change is made to the Appraiser Act to ensure that a person credentialed as a certified real property appraiser in Nebraska or who holds the equivalent in another jurisdiction for a period of three years is eligible for approval as a supervisory appraiser. For any questions concerning the revisions to the AMC Act or Appraiser Act, please contact me at the Board's office at 402-471-9015, or by email at tyler.kohtz@nebraska.gov.

NRPAB Quick Hits:

- ◆ The Nebraska Real Property Appraiser Board adopted two new guidance document between January and March.
- * [18-01](#): Reinstatement of Supervisory Appraiser Designation upon Renewal of Real Property Appraiser Credential Obtained After January 1st – Adopted January 18, 2018
- * [18-02](#): Equivalency to Bachelor's Degree or Higher in Real Estate for Program Approved by the Appraiser Qualifications Board as Required Core Curriculum – Adopted March 15, 2018

All Guidance Documents are available for viewing on the Board's website at:

http://appraiser.ne.gov/guidance_documents.html.

- ◆ Director Kohtz attended the Spring AARO Conference May 4th through 6th in Seattle, Washington. Much of the discussion centered on implementation of the AMC Final Rule and on alternative valuation products. The Director noted the following highlights:
- * AMC participation restrictions in States choosing to not register AMCs begin on August 10, 2018. It appears that only the District of Columbia is considering non-participation at this time. The AMC Federal Registry will open no later than July 16, 2018 for States to begin reporting the registration of AMCs that meet the Federal definition. The Appraisal Subcommittee will begin reviewing States for compliance with the AMC Final Rule in 2019.
- * The Appraisal Subcommittee provided a report on Title XI requests for temporary waivers of credentialing requirements. To qualify, an application must show that a scarcity of appraisers exists that is leading to significant delays in appraisal services for FRTs, and the FFIEC concurs with the basis. The Appraisal Subcommittee denied the request made by TriStar Bank in Nashville, Tennessee.
- * The Appraisal Foundation has established a Veteran's Taskforce charged with making appraising a viable career for veterans.
- * The Appraisal Standards Board indicated that it looked at extending the USPAP effective period, but did not take any action for the next release. The ASB is still looking at reducing duplication, evaluating the effectiveness of definitions, and looking to improve clarity, enforcement, and the understandability of USPAP.

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NRPAB Quick Hits:

- * Freddie Mac summarized updates to the selling guide, which now permits appraisers to provide copies of MLS photographs for comparable sales, specifies that an unlicensed or trainee appraiser may perform and complete an appraisal report in accordance with State law provided a supervisory appraiser signs the report, and permits sales by a builder/developer to be used as comparable sales. Big data continues to drive innovation for Freddie Mac.
- * The AQB provided some background on its decision to adopt the new Real Property Appraiser Qualifications Criteria. The AQB seeks to place less importance on the education and experience components, and more importance on the exam component of the requirements. This position is based on the increased difficulty of the exam. The AQB has begun work on developing practical applications training to count for experience.



Seattle, Washington skyline with Mount Rainier in the background

Have questions? We have answers!

Questions related to appraisal management company registration and renewal: nrpab.amc@nebraska.gov

Questions related to real property appraiser credentialing: nrpab.credentialing@nebraska.gov

Questions related to real property appraiser credential renewal: nrpab.renewals@nebraska.gov

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

Questions related to investigations, or how to file a grievance: nrpab.compliance@nebraska.gov

General Questions: nrpab.questions@nebraska.gov

NRPAB Quick Hits:

- * Some States have elected to adopt the new education requirements, but not the new experience requirements of the Real Property Appraiser Qualifications Criteria effective in May 2018. Issuance of a credential by reciprocity may be affected by this State decision because, for the first time in a long time, States will have different minimum requirements for credentialing.
- * A discussion took place regarding best practices for implementation and enforcement of the AMC Final Rule.
- * A discussion took place regarding the trends towards evaluation products. The Federal Government recently adopted changes to the de minimis from \$250,000 to \$500,000 for commercial real estate. Although risk is increased with this change, evaluations will play a more prominent role where exemptions from appraisal requirements exist. In the cases where evaluations can be utilized in place of appraisals for both residential and commercial real estate, the Interagency Guidelines drive the product requirements. There is currently a House Bill that would further relax appraisal requirements. This bill would allow lenders to underwrite a loan without an appraisal for certain purchase and refinance transactions, which include single family one-unit dwellings that are primary residence or second homes where the LTV limit is less than 80%.



The 2018 Nebraska Real Property Appraiser Board -
Pictured from left to right: Gary McCormick, Tom Luhrs,
Benjamin Hynek, Christopher Mustoe, and David Hartman.



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

In the Spotlight:

Thomas Luhrs Appointed as At-Large Real Estate Broker/ Credentialed Appraiser Representative on the Board

By Tyler N. Kohtz, Director

Governor Pete Ricketts appointed Thomas M. Luhrs to the Nebraska Real Property Appraiser Board as the At-Large Real Estate Broker/Credentialed Appraiser Representative on February 21, 2018. Newly appointed Board Member Luhrs was sworn in by Chief Deputy Secretary of State Colleen Byelick at the Board's regular meeting on March 15, 2018.

“Being appointed to the Nebraska Real Property Appraiser Board is a real honor. I’ve often thought about doing it, but being so involved with the kids as they were growing up, I just never felt like I had the time to devote to such an important position. With the kids being in college, now is the right time.”

- Tom Luhrs

Luhrs graduated from the University of Nebraska at Lincoln in 1982 with a bachelor's degree in Agricultural Economics. Shortly after graduation he went into business with his father, and is now the owner of Luhrs Real Estate and Appraisals in Imperial, Nebraska.

Luhrs has been a real property appraiser and a real estate broker since 1983. In 1988 he received the ARA (Accredited Rural Appraiser) designation awarded by the American Society of Farm Managers and Rural Appraisers. In 1993 he received the MAI (Member of Appraisal Institute) designation awarded by the Appraisal Institute.

Luhrs also owns and operates Luhrs Certified Seed, a 2,000 acre farm in Chase County, along with an integrated seed business that produces, conditions, and sells certified wheat, oats, millet, barley, and pea seed along with cover crop and forage seed. A portion of the farm concentrating on producing ancient small grains like Einkorn, Red Fife, and Turkey Red wheat, along with oats and peas, is certified organic.

In his spare time, Luhrs loves to golf and spend time with his family. He has been married to his wife, Lynn, for more than twenty-five years. The Luhrs have two children; Travis is a junior at the University of Nebraska at Lincoln majoring in Ag Business, and Molly is a freshman at Texas A & M University in College Station, Texas, majoring in Agricultural Economics.

Luhrs's term on the Board will run through December 31, 2022. If you would like to offer your congratulations to Tom Luhrs, please email Director Kohtz at tyler.kohtz@nebraska.gov with your comments.



*Above: Tom Luhrs being sworn in by
Chief Deputy Secretary of State Colleen Byelick*

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 January and March of 2018.

Trainee Real Property Appraisers

Jennifer Plate, Lincoln NE – T2018001

Certified Residential Real Property Appraisers

Allen Smith, Hartington NE –

CR2018001R

Brandon Stelling, Vermillion SD – CR2018002R

Craig Swanson, Littleton CO – CR2018003R

Certified General Real Property Appraisers

Daniel Holbrook, Cheyenne WY – CG2018001R

H Laird Goldsborough, Overland Park KS –

CG2018002R

Taylor Santoro, Philadelphia PA – CG2018003R

David Lawrence, Sioux Falls SD – CG2018004R

Tim Janssen, Newton IA – CG2018005R

Shannon Reyome, Marietta GA – CG2018006R

Leon Sweet, Chicago IL – CG2018007R

Appraisal Management Companies

No new Appraisal Management Companies

The Nebraska Real Property Appraiser Board regrets the passing of the following Real Property Appraisers as reported to the Board:

Dwight L. Johnson, Lincoln, NE

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:

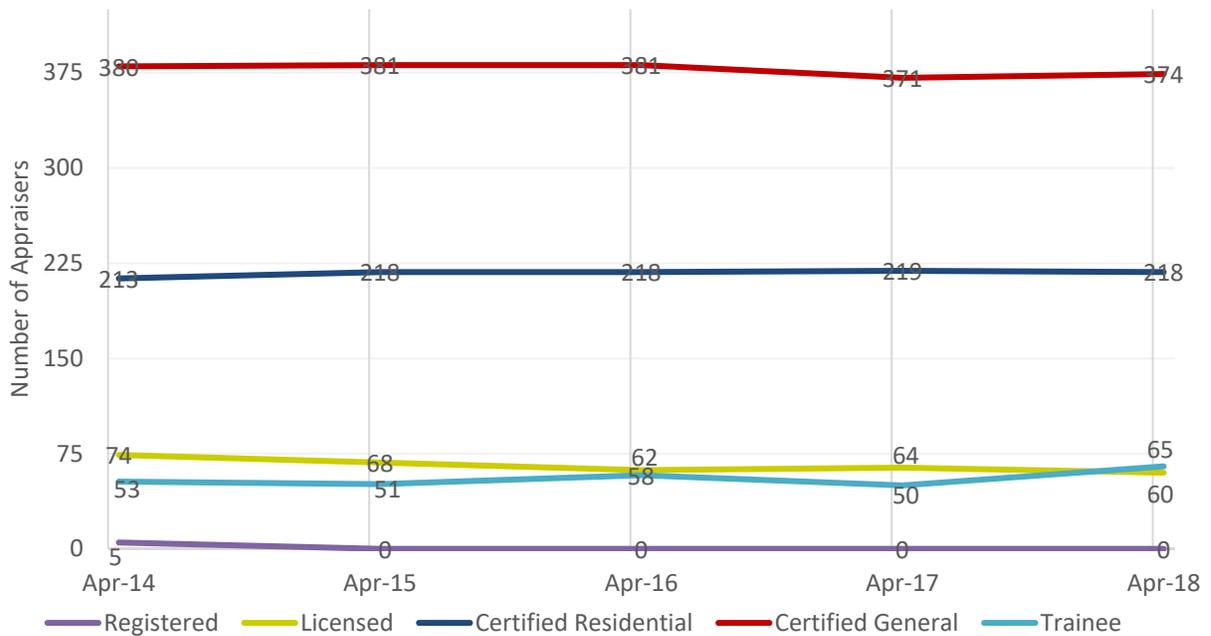
[Valuation of Green and High-Performance Property: Commercial, Multi-family, and Institutional Properties](#)

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

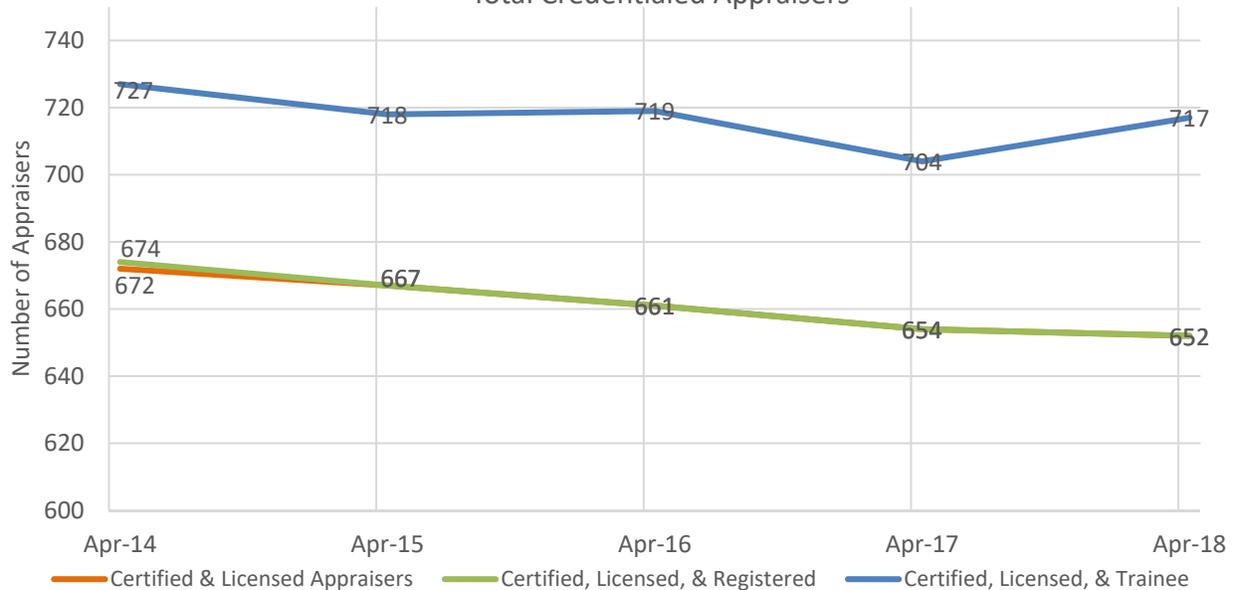
Real Property Appraiser and AMC Numbers and Trends as of April 1, 2018

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 April 1, 2018. There are currently 652 licensed residential, certified residential, and certified general real property appraisers in Nebraska, and 65 credentialed trainee real property appraisers. In addition, there are currently 100 appraisal management companies registered in Nebraska.

Total Credentialed Appraisers by Classification

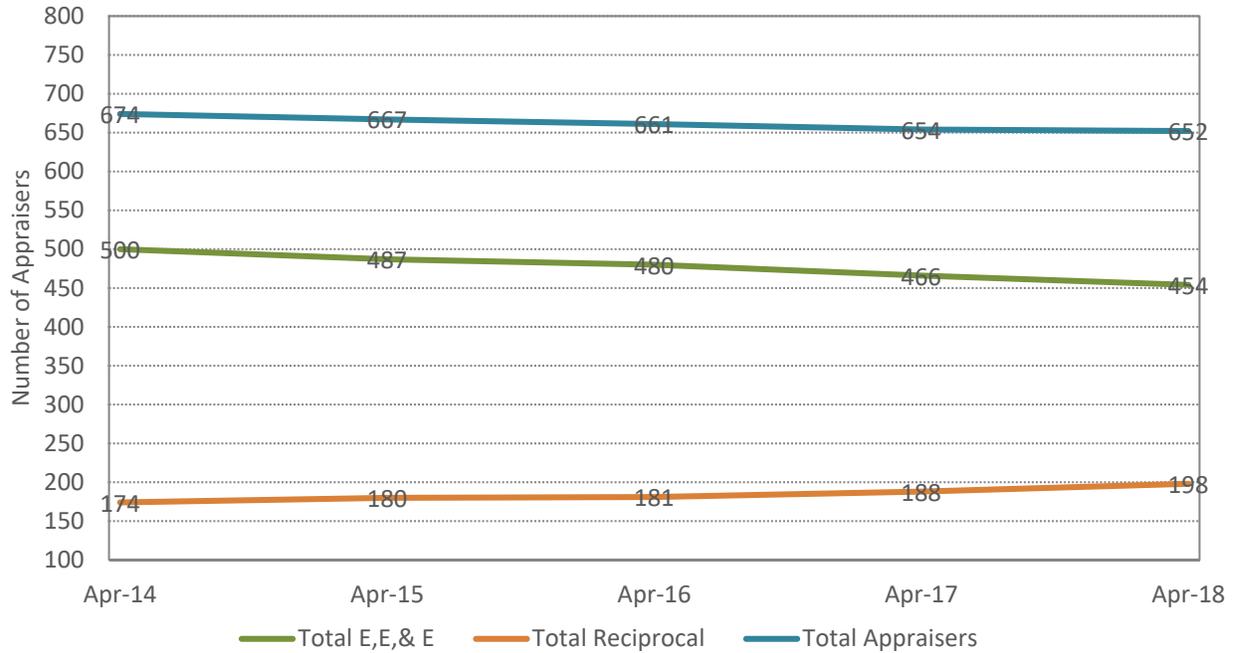


Total Credentialed Appraisers

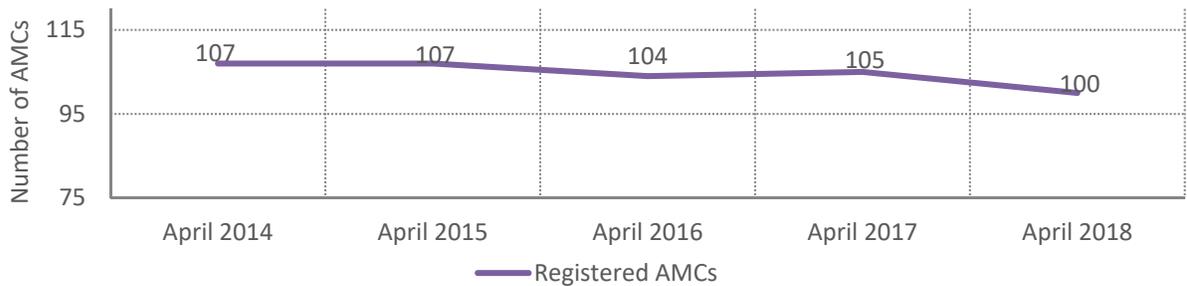


Real Property Appraiser and AMC Numbers and Trends as of April 1, 2018 (Continued)

Total Credentialed Appraisers (not including Trainee/Registered)



Number of Registered AMCs



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.

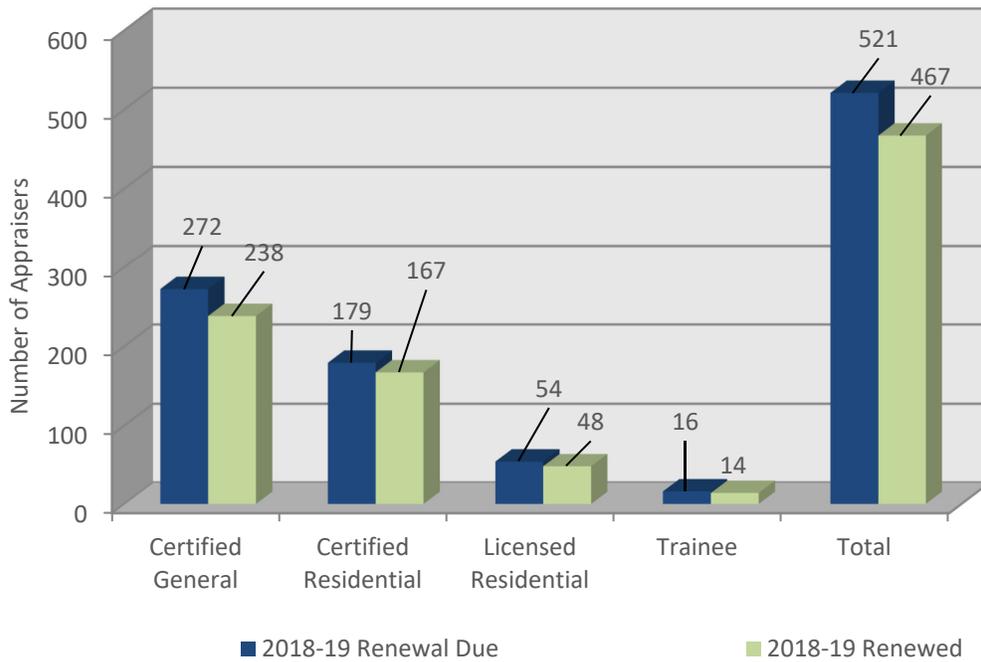
For more information on the Forum and how to register, please visit our Q&A webpage located at https://www.appraisalfoundation.org/imis/TAF/Standards/Q_As/TAF/QAs.aspx.

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

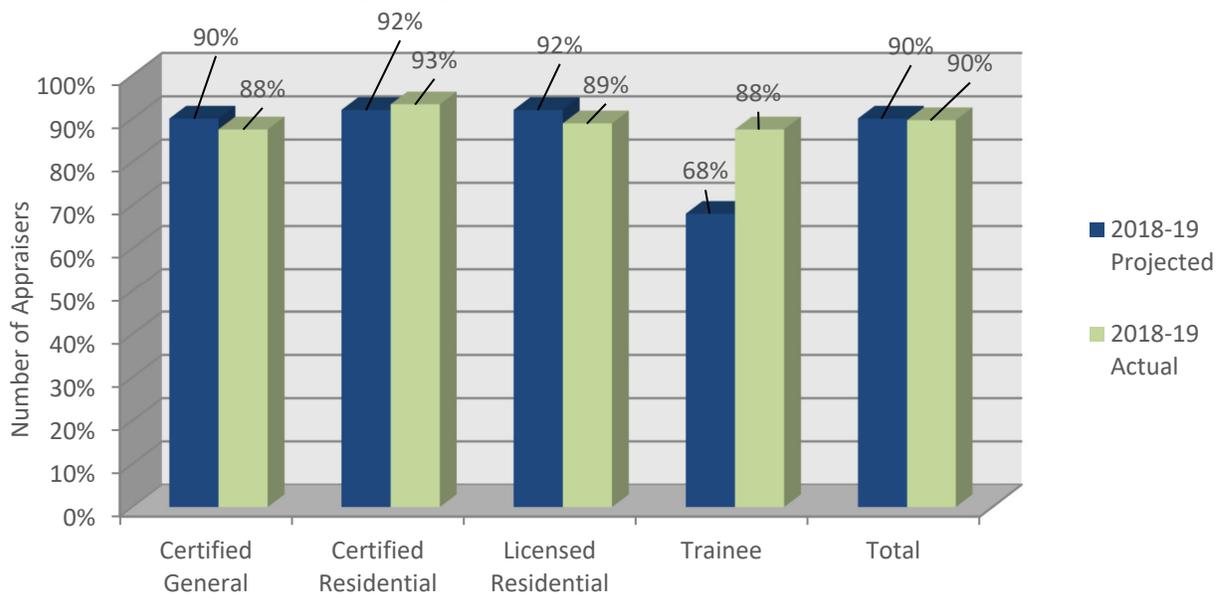
Real Property Appraiser Renewal Report as of May 2018

The charts below outline the real property appraiser renewal counts and percentages as of May 2018. There were 521 trainee, licensed residential, certified residential, and certified general real property appraiser renewals due, and 467 credentials have been renewed.

2018-19 Appraiser Count Renewal Report - May 2018



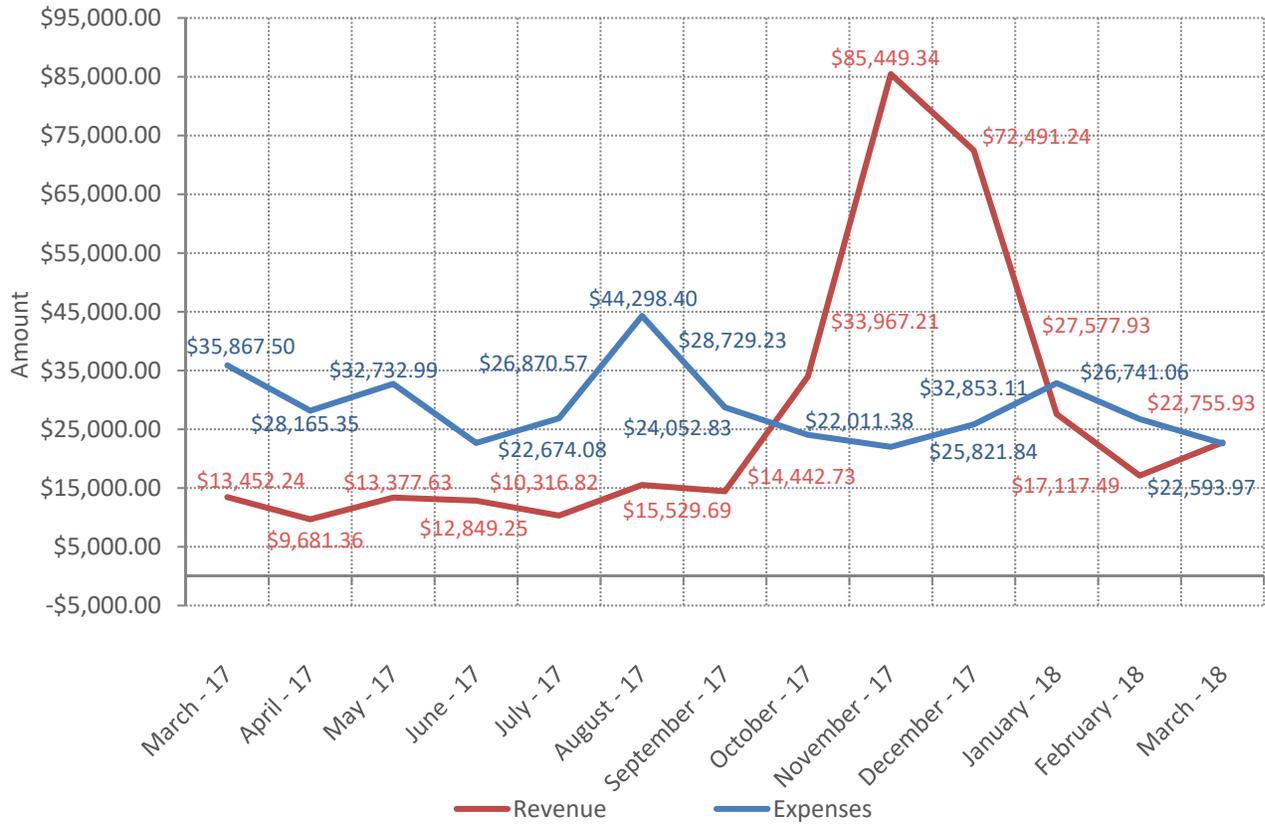
2018-19 Percentage Projections/Actuals Renewal Report - May 2018



NRPAB Financial Snapshot as of March 31, 2018

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$253,972.39 in expenditures and \$299,648.38 in revenues were recorded as of March 31, 2018. Actual expenses registered at 52.33 percent of the budgeted expenditures for the fiscal year; 75.07 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.

Official Nebraska Government Website

Nebraska Real Property Appraiser Board

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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.

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Compliance Corner:

Between the months of January and March, there have been no grievances filed against appraisers or AMCs. The Board voted to file formal charges in relation to one investigation, and has also dismissed three grievances during this period.



Mixing Business with...Business

Recently, the Board was asked for its opinion regarding possible violations of the Nebraska Real Property Appraiser Act ("Act") or the Uniform Standards of Professional Appraisal Practice ("USPAP") concerning the practice by firms of offering appraisal service discounts to customers that utilize the firm for both appraisal and broker services. During its discussion, the Board placed focus on the language in the Act and USPAP, and concluded that the business practice as described would not be a violation of the Act or USPAP. The following information was utilized by the Board in support of its position.

The Act is mostly silent on the business practice of appraisal firms, and alludes to USPAP for the ethical obligations of appraisers. USPAP has specific language that is relevant to the matter as described. Lines 222 through 236 found on page 8 in management section of the Ethics Rule found in the 2018-19 Edition of USPAP states:

An appraiser must disclose that he or she paid a fee or commission, or gave a thing in connection with the procurement of an assignment.

Comment: The disclosure must appear in the certification and in any transmittal letter in which conclusions are stated; however, disclosure of the amount paid is not required. In groups or organizations engaged in appraisal practice, intra-company payments to employees for business development do not require disclosure.

An appraiser must not accept an assignment, or have a compensation arrangement for an assignment, that is contingent on any of the following:

- 1. The reporting of a predetermined result (e.g., opinion of value);*
- 2. A direction in assignment results that favors the cause of the client;*
- 3. The amount of value opinion;*
- 4. The attainment of a stipulated result (e.g., that the loan closes, or taxes are reduced); or*
- 5. The occurrence of a subsequent event directly related to the appraiser's opinions and specific to the assignment's purpose.*

An appraiser must not advertise for or solicit assignments in a manner that is false, misleading, or exaggerated.

The 2018-19 Edition of USPAP offers additional information in the Frequently Asked Questions 32-49 beginning on page 202. Specifically, FAQ #33 pertains to the use of a discount coupon as a marketing tool to attract potential clients. It is the position of The Appraisal Foundation that use of a coupon as a marketing tool would not be a violation of the Ethics Rule if properly disclosed.

If you have any questions regarding this topic or any other appraiser or AMC compliance issues, please do not hesitate to contact the Board's office by email at nrpab.compliance@nebraska.gov, or by phone at 402-471-9015.