



THE NEBRASKA APPRAISER

News from the Nebraska Real Property Appraiser Board

Winter 2019

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.

Winter

There have been some cold days here in Lincoln during the past couple of months. Hopefully, we have experienced the last polar vortex for the year. Although it is frigid outside, the Board is just heating in 2019. A bill is before the Nebraska State Legislature to update the Nebraska Real Property Appraiser Act, a hearing took place in January for changes to Title 298 of the Nebraska Administrative Code, a hearing will take place in February on the Board's 2019-2021 biennial budget, officers have been elected for this year, and the Board is preparing to say goodbye to Board Member Hartman and welcome a new board member. Katja Duerig has also joined the staff as its new Administrative Specialist. This position assists with investigations and coordinates the agency procedures for education activities. These topics and much more can be found in this edition of The Nebraska Appraiser.

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- 2019 NRPAB Real Property Appraiser Act Update (LB77)
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- 2019 NRPAB Title 298 Update
- NRPAB Director Speaks to UNL Students
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Coming and Going:

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- Real Property Appraiser and AMC Numbers and Trends as of January 1, 2019
- January 1, 2019 Real Property Appraiser Credential Renewal Report as of February 2019

Financial Snapshot:

- December 31, 2018 Financial Report
- 2019-2021 Biennial Budget

Upcoming NRPAB Meetings:

- ◆ March 21, 2019 @ NRPAB Office (Conference Room)
- ◆ April 18, 2019 @ NRPAB Office (Conference Room)
- ◆ May 16, 2019 @ 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.

NRPAB Quick Hits:

- ◆ Congratulations to Ben Hynek, who was elected as the Board's chairperson for 2019, and to Chris Mustoe, who was elected as the Board's vice chairperson. Board Member Hynek has served on the Board since 2016, and was the vice chairperson in 2017 and chairperson in 2018. 2019 will be Hynek's second stint as chairperson. Board Member Mustoe completed his first year as a board member in 2017, and also served as the Board's vice chairperson in 2018. Both individuals have displayed the leadership qualities needed to continue the Board's momentum into 2019 and beyond.
- ◆ Board Member David Hartman's term as the At-large Representative of Financial Institutions on the Board expired 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 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."

NRPAB Staff

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[Visit NRPAB on Facebook](#)

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:

- ◆ 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 one new guidance document between July and December.
 - * [18-03](#): Supervisor Appraiser and Trainee Course Instructor Completion —
Adopted October 17, 2018

All Guidance Documents are available for viewing on the Board's website at: http://appraiser.ne.gov/guidance_documents.html.

- ◆ LB77 was introduced by Senator Williams on January 10, 2019 to update the Nebraska Real Property Appraiser Act to reduce barriers to entry into the real property appraiser profession, implement the Real Property Appraiser Qualifications Criteria adopted by The Appraisal Foundation's Appraiser Qualifications Board on May 1, 2018, and maintain compliance with Title XI of the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989. The hearing before the Banking, Commerce, and Insurance Committee took place on January 22, 2019. LB77 was passed to General File on an 8-0 Committee vote. LB77 has progressed through the legislative process and has been placed on Final Reading. More information can be found on the Nebraska State Legislature's website at: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=36978



Sower atop the NE State Capitol

NRPAB Quick Hits:

- ◆ In addition to LB77, the Board is also interested in many other legislative bills active during the current session. A summary of these bills, along with the link to the legislative information, can be found on the main page of the Board's website at: www.appraiser.ne.gov. Select the hyperlink titled "2019 Legislation of NRPAB Interest" on the right hand side of the page. If you have any comments regarding any of the bills listed in this document, please feel free to contact the Board's office at 402-471-9015, or email Director Kohtz at tyler.kohtz@nebraska.gov.
- ◆ The Board held a public hearing on Thursday, January 17, 2019, for proposed changes to Title 298 of the Nebraska Administrative Code. The changes to Title 298 reduce unnecessary regulatory burden, remove barriers to entry into the real property appraiser profession, include general updates for better clarification and administration, harmonize Tile 298 with the changes made to the Nebraska Real Property Appraiser Act through LB741 in 2018, and harmonize Tile 298 with the changes made to the Nebraska Appraisal Management Company Registration Act through LB17 in 2018. One written comment expressing a neutral position was entered into the record during the hearing and no one appeared to testify before the Board. Title 298 is currently being reviewed by the Nebraska State Attorney General's Office, and the Governor's Policy and Research Office.
- ◆ 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.

- ◆ The Board has made some recent changes to the "Appraiser Listing" section of the NRPAB website. A map showing the distribution of real property appraisers has been added to the main Appraiser Listing page (Appraiser Listing button found at bar at top of main page). This map can be viewed at: http://www.appraiser.ne.gov/appraiser_listing.html.

When the hyperlink "Appraiser Listing/Nebraska County Map" found on the Appraiser Listing page is selected, a new

search option has been added to complement the existing search for appraiser by county map. One now has the option to search for a credential holder by first name, last name, county, license ID, and/or license type (See picture). This additional search option can be found at: https://nrapb-appraiserce.ne.gov/appraiser/public/search_appraiser.xhtml

- ◆ Between the months of July and December, there were five grievances filed against appraisers and no grievances filed against appraisal management companies. During this time, the Board also dismissed two grievances without prejudice, dismissed two grievances with prejudice, and issued one cease and desist order.

Nebraska Real Property Appraiser

Home Board Members and Staff Contact Appraiser Login Approved Education Activities Appraiser Listing

Search for active Nebraska Real Property Appraisers:
Fill out one or more of the following fields and Search

First Name:

Last Name:

County:

License ID:

License Type:

Certified General Certified Residential Licensed Trainee



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.

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

- Katja Duerig



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 December of 2018.

Trainee Real Property Appraisers

Rich Wilberger, Lincoln NE – T2018010
Matthew Keating, Kearney NE – T2018011
Kristen Ferguson, Gordon NE – T2018012
Alisha White, Pierce NE – T2018013
Anthony Milana, Lincoln NE – T2018014
Jayme Shelton, Lincoln NE – T2018015
Sean Payne, Ravenna NE – T2018016
Chelsey King, Omaha NE – T2018017
Collin Freeman, Norfolk, NE – T2018018
Christopher Address, Omaha NE – T2018019

Certified Residential Real Property Appraisers

Scott Pfeiffer, Norfolk NE – CR2018006

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
Wade Buck, Rapid City SD – CG2018024R
Randall Kancel, Leawood KS – CG2018025R

Appraisal Management Companies

Ascend Appraisal Solutions Group, LLC – NE2018003
RRR Appraisal Services Management, Inc. – NE2018004
Appraisal Management Specialists, LLC – NE2018005
Saint Louis Appraisal Partners Limited Partnership – NE2018006
Applied Valuation Services, Inc. – NE2018007

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](#)

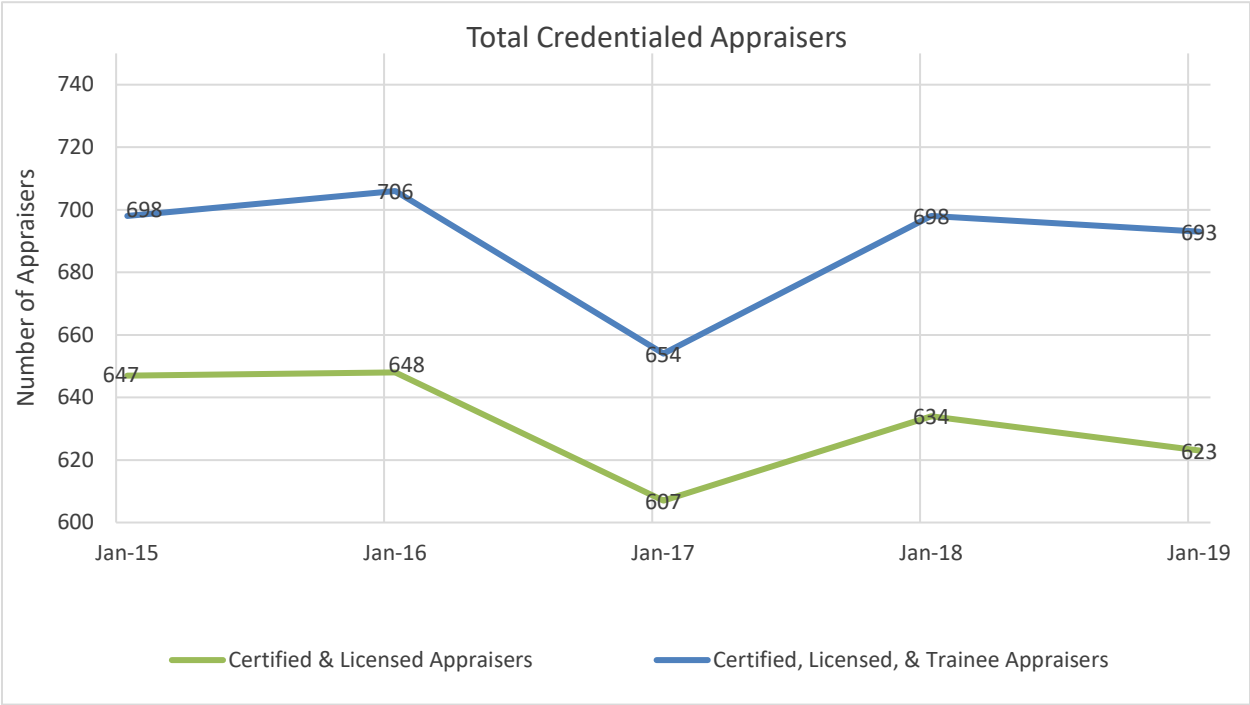
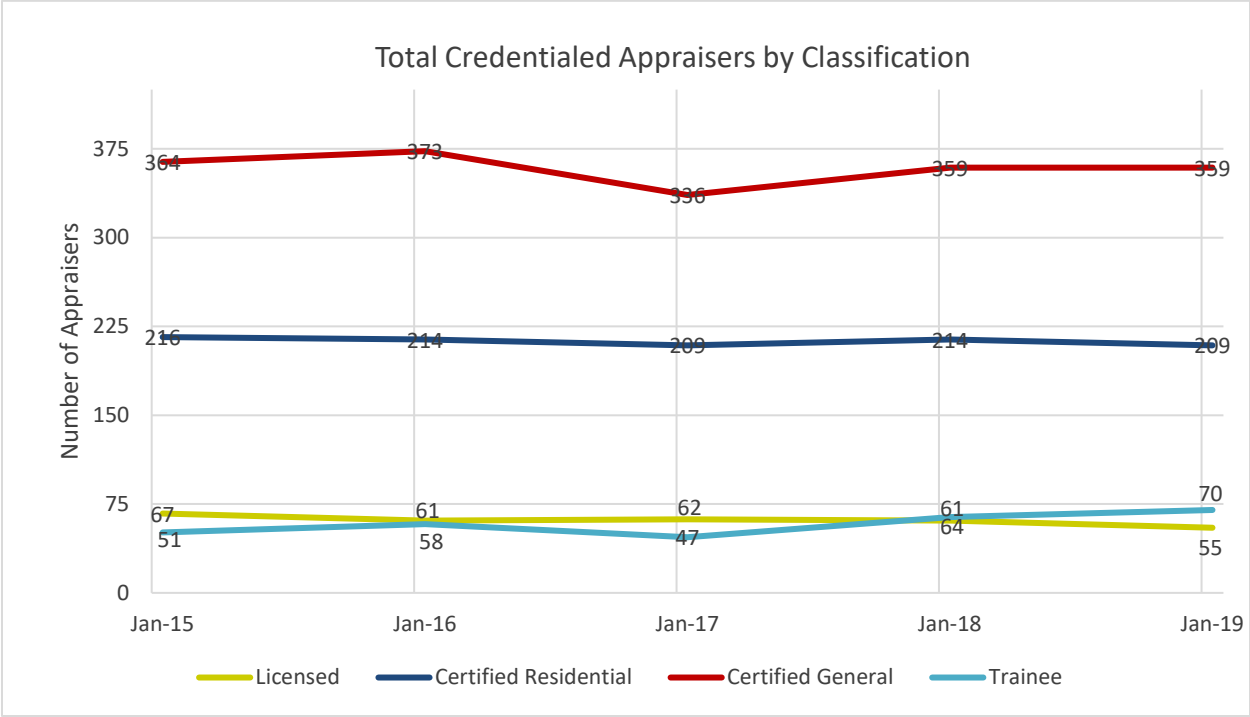
APB Valuation Advisory #8:
[Collection and Verification of Residential Data in the Sales Comparison Approach](#)

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

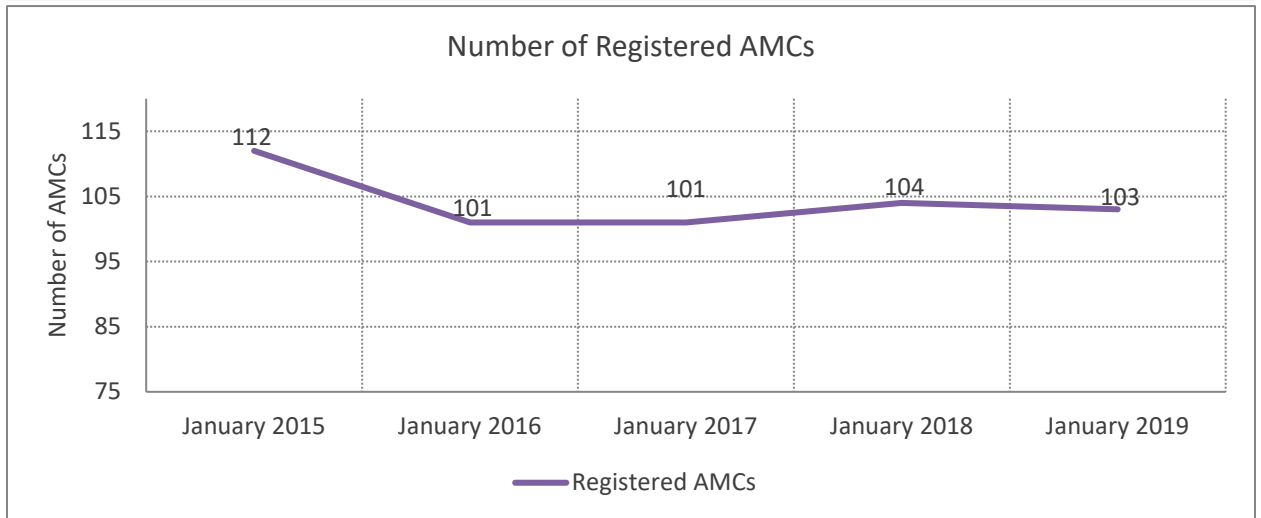
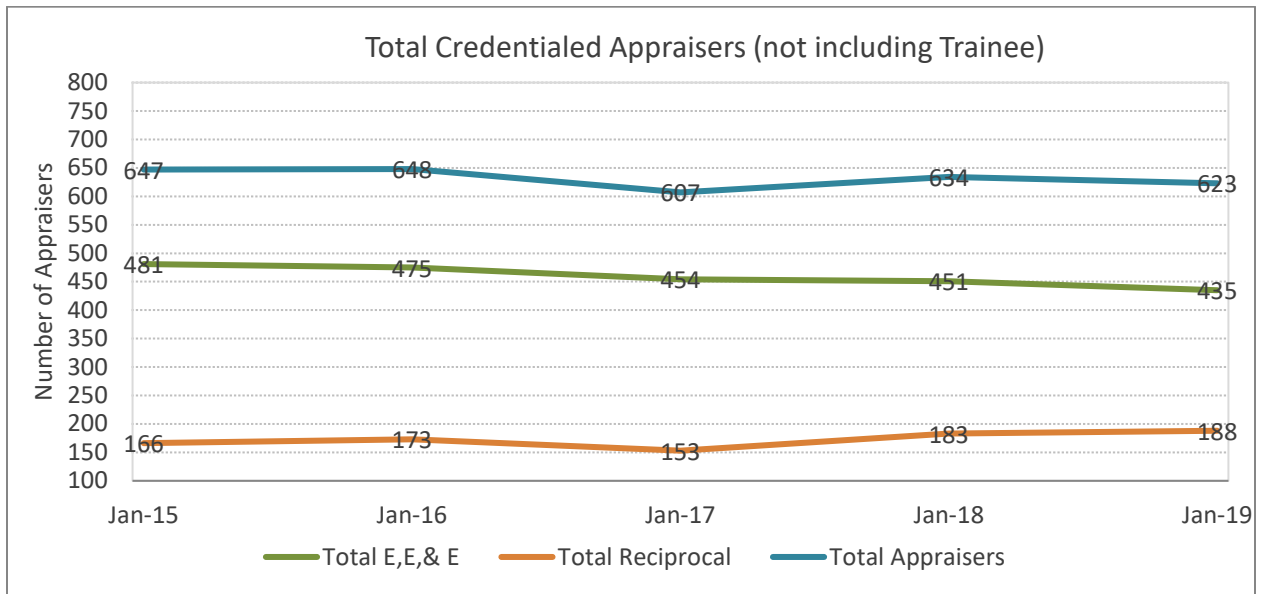
To learn more about the APB's *Valuation Advisories* and what advisories are under development, click [here](#).

Real Property Appraiser and AMC Numbers and Trends as of January 1, 2019

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 January 1, 2019. There are currently 623 licensed residential, certified residential, and certified general real property appraisers in Nebraska, and 70 credentialed trainee real property appraisers. In addition, there are currently 103 appraisal management companies registered in Nebraska.



Real Property Appraiser and AMC Numbers and Trends as of January 1, 2019 (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?

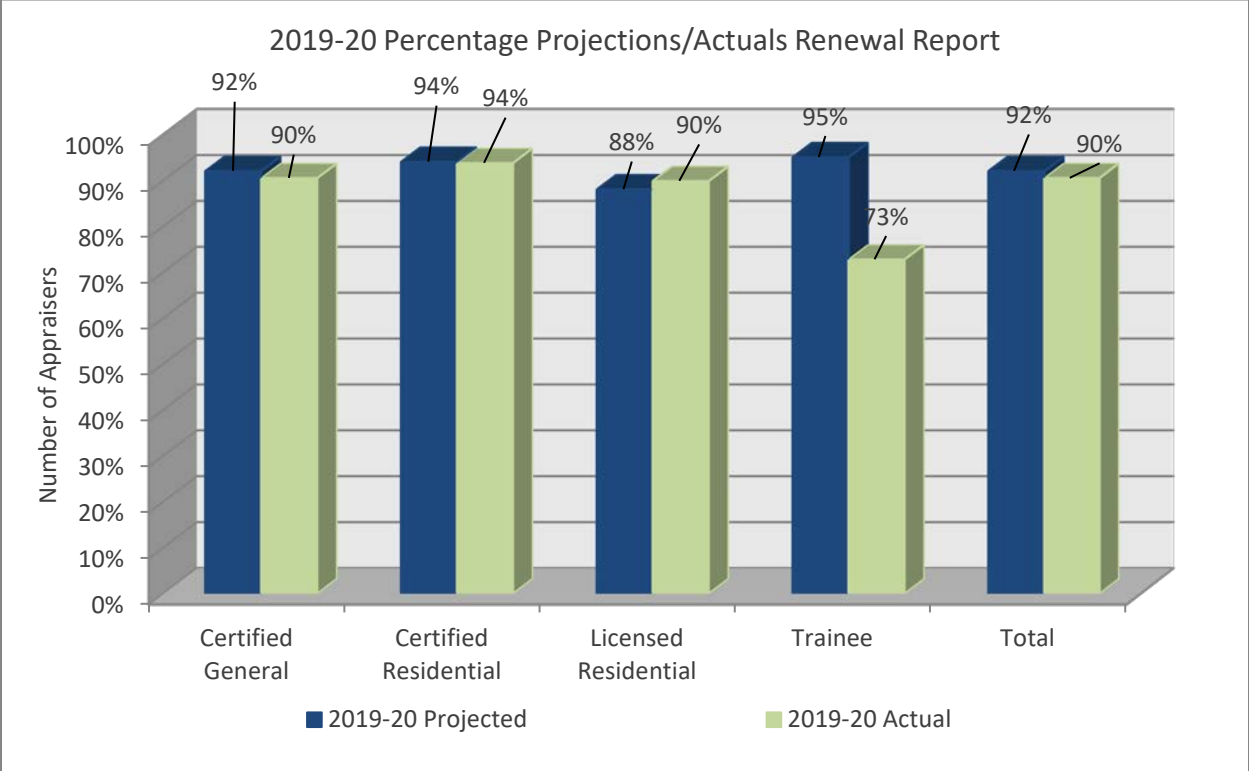
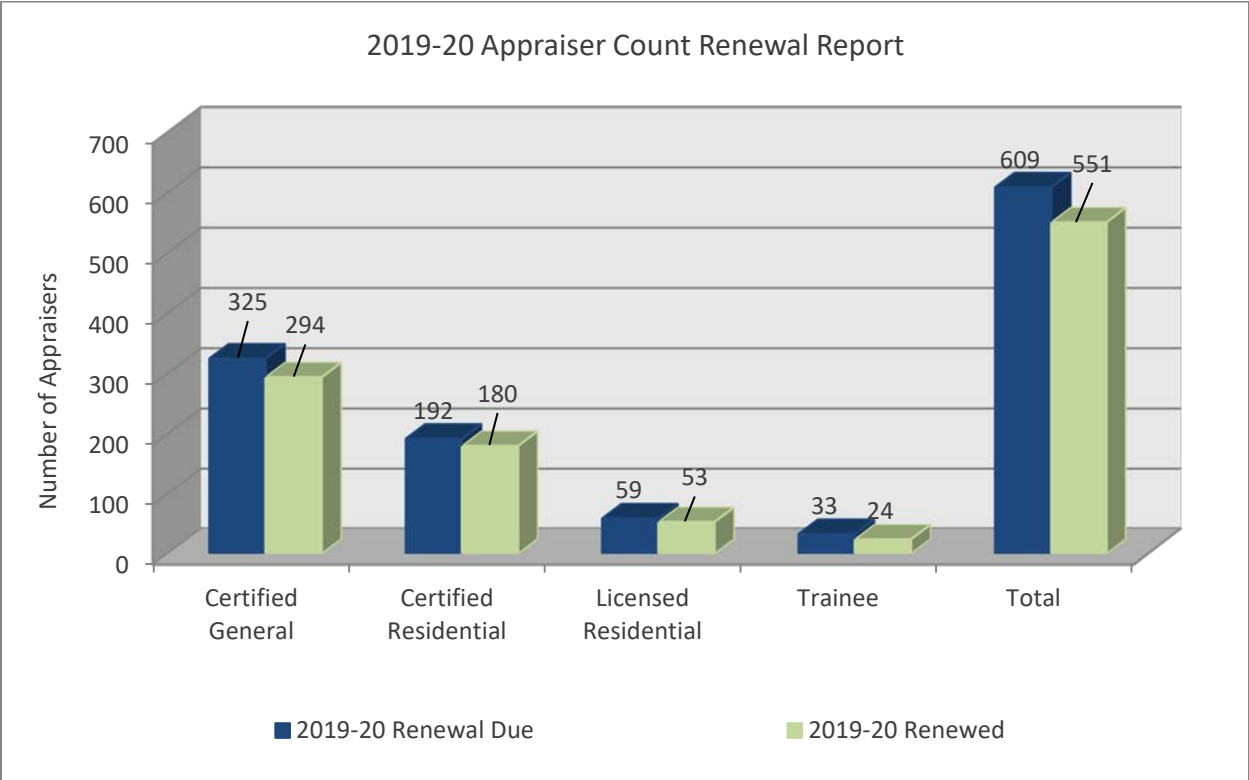
The Appraisal Foundation is pleased to announce a new Q&A Forum that is now available. You can post your questions on appraisal standards or appraiser qualifications and receive a timely answer from Foundation staff.

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.

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

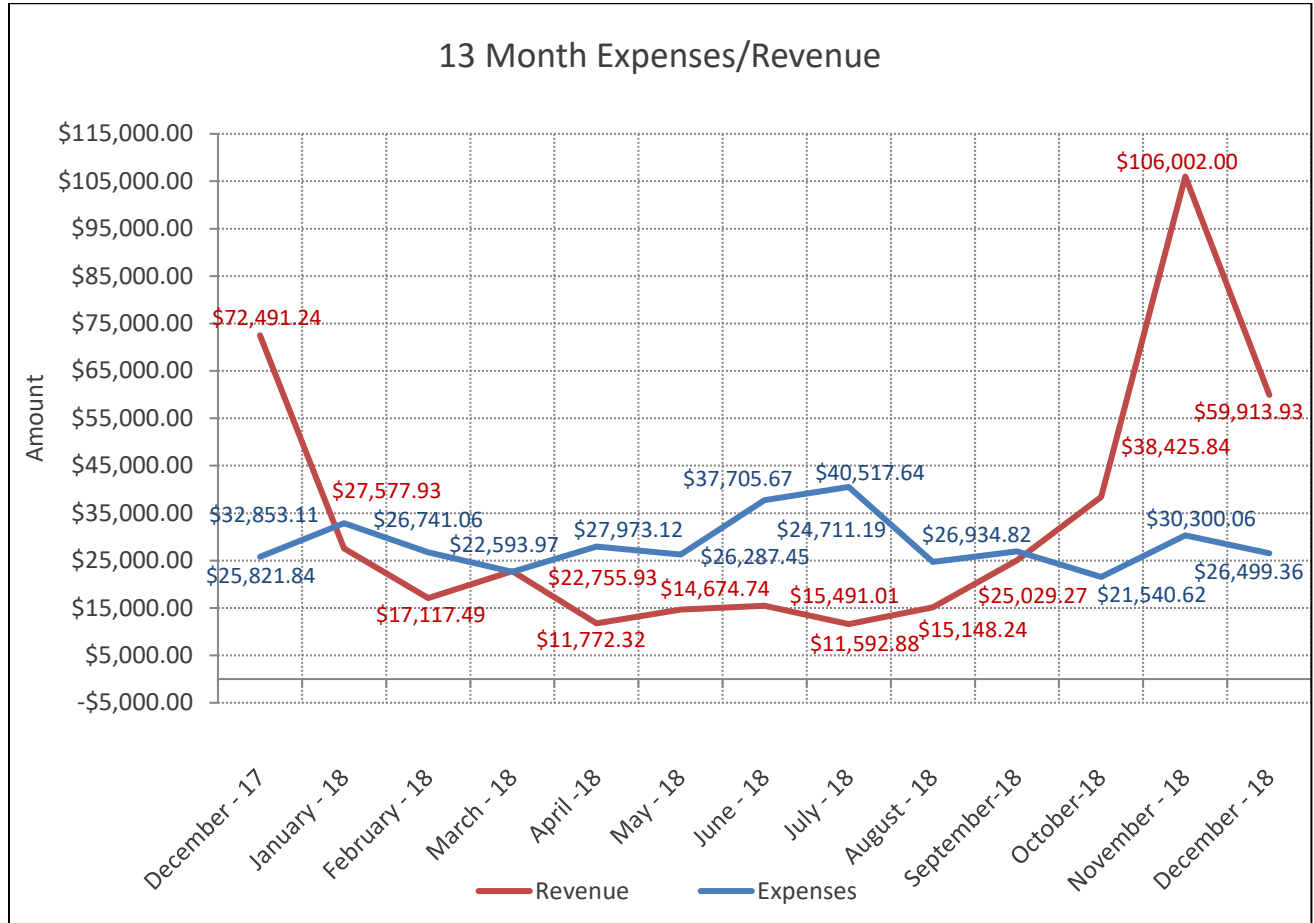
Real Property Appraiser Renewal Report as of January 2019

The charts below outline the real property appraiser renewal counts and percentages as of January 2019. There were 609 trainee, licensed residential, certified residential, and certified general real property appraiser renewals due, and 552 credentials were renewed.



NRPAB Financial Snapshot as of December 31, 2018

For the Real Property Appraiser Program, which includes both the appraiser fund and the AMC fund, a total of \$181,880.61 in expenditures and \$258,793.96 in revenues were recorded as of December 31, 2018. Actual expenses registered at 37.27 percent of the budgeted expenditures for the fiscal year; 50.41 percent of the fiscal year has passed.



Nebraska Real Property Appraiser Board Website Screenshot

www.appraiser.ne.gov

Official Nebraska Government Website

Nebraska Real Property Appraiser Board

Home | Board Members and Staff | **Appraiser Login** | Contact | Appraiser Listing | AMC Listing

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

FY20	FY21
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