

**BOARD OF REAL ESTATE APPRAISERS MEETING
January 8, 2009**

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MINUTES

BOARD OF REAL ESTATE APPRAISERS

January 8, 2009
Colorado Division of Real Estate
1560 Broadway, Suite 925
Denver, CO 80202

A meeting of the Colorado Board of Real Estate Appraisers was held on Thursday, January 8, 2009, at 1560 Broadway, Suite 925, Denver, Colorado at 9:00 a.m.

Notice of the meeting was published timely and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

ORDER OF BUSINESS BY THE CHAIR:

Call to Order, Roll call, Determination of a Quorum-

The meeting was called to order at 9:17 a.m. Vice Chair Michael Morton made a quorum determination.

Board Members in attendance: Chair Thomas Fellows, Vice-Chair Michael Morton, Robin Anderson, Frank Beltran, Leslie Mitchell and Tony Navarro.

Also attending were Marcia Waters, Investigations and Compliance Director, Lisa Brenner Freimann, Assistant Attorney General and several members of the Board's staff. The meeting was open to the public, and several members of the public attended.

Minutes Approval:

After review, Mr. Navarro moved and Ms. Mitchell seconded the motion to approve the Minutes of December 12, 2008.

Motion unanimously carried.

Executive Session Minutes:

Executive Session was not held during the meeting of December 12, 2008. Accordingly, no approval or acknowledgement of minutes was presented.

Citizen Participation:

David Ehrnstein from DME, Inc. provided public comment regarding HVCC (Home Valuation Code of Conduct).

Matt George from the Appraisal Institute also addressed the Board regarding HVCC, appraiser management companies and the impact on appraisers.

ORDER OF BUSINESS:

Policy Matters, Updates and Information

Ms. Waters provided an update on the review of Conservation Easements. Mr. Harold Ovsowitz has been working as a contractor reviewing Conservation Easement appraisal files. Mr. Ovsowitz's contract with the Division expired and due to State regulations, the Division was not able to provide an extension. Mr. Ovsowitz continues to review appraisal files on a volunteer basis. Because of funding and budget constraints, the Division introduced bill legislation to address the Conservation Easement Program issues. The bill is designed to remove fee caps on the appraisal submissions and certification fees, allow the division to accept grants and donations, and change the certification period from a three year period to annually. If the bill is passed, the Division will also request an exemption for the compliance Investigator position. Ms. Waters will update the Board accordingly as the bill progresses.

Ms. Waters discussed the Board vacancy. It is anticipated the vacancy will be filled within the next month. As soon as the particulars are available, the Board will be informed.

Ms. Waters spoke regarding continuing/qualifying education and BOREA's Education Task Force. The Division will be updating the website to include approved courses. Also, a meeting will be scheduled with the Education Task Force and course provider to discuss issues and concerns with the exam.

Ms. Waters discussed the CP-30 Joint Position Statement. The Commission adopted the Statement during the Commission meeting on January 6, 2009. After Board review, the Board moved to adopt the Statement with revisions.

Ms. Waters reported that the Division received the Appraisal Subcommittee's audit notification letter. The complaint resolution period remains an issue. The Division remains on an annual audit and quarterly report period. Currently, 19 cases are at the Attorney General's Office and seven Stipulations in process. The Division is aggressively working on the back log. The Division will also continue to look for improvement processes as it pertains to the one year investigative period.

Ms. Waters discussed the HUD FHA requirements. Effective October 1, 2009 HUD requires a certified credential in order to conduct FHA appraisals.

Ms. Waters discussed Board Rule 8.12. After Board review, revisions will be made accordingly and proceed with a Rulemaking Hearing.

Ms. Waters discussed the Public Meeting Policy which ensures compliance with the State Administrative Procedure Act. Mr. Morton moved and Mr. Beltran seconded that the Board adopt Policy No. 70-5, Personal Appearances at Public Meetings.

COMPLAINT INVESTIGATIONS:

Case No. 2008040496 (Chris Stanley, Investigator)

Marcia Waters presented this matter to the Board.

The report alleges violations of Standard 1-1(a), 1-1(b), 1-1(c), 1-2(e)(i), 1-2 (h), 1-4(a), 1-6(a), 1-6(b), 2-1(a), 2-1(b), 2-2(b)(iii), 2-2(b)(vii), and 2-2(b)(viii).

Mr. Morton moved and Mr. Beltran seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2008040496. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 5 disciplinary case (up to 90 day suspension, up to \$2,000 to \$14,000 fine, recommended coursework within allotted timeframe, work reviews by a supervisor approved by the Board).

Motion unanimously carried.

Case No. 2008050599 (Chris Stanley, Investigator)

Marcia Waters presented this matter to the Board.

The report alleges violations of Standard 1-1(a), 1-1(b), 1-1(c), 1-2(e)(i), 1-4, 1-5(a), 1-6(a), 1-6(b), 2-1(a), 2-1(b), and 2-2(b)(iii), and 2-2(b)(viii).

Ms. Anderson moved and Mr. Navarro seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2008050599. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 4a disciplinary case (\$1,000 to \$2,000 fine with appropriate coursework within allotted timeframe).

Motion unanimously carried.

Case No. 2008050598 (Chris Stanley, Investigator)

Marcia Waters presented this matter to the Board.

The report alleges violations of Standard 1-1(a), 1-1(b), 1-1(c), 1-2(e)(i), 1-4, 1-5(a), 1-6(a), 1-6(b), 2-1(a), 2-1(b), 2-2(b)(iii), and 2-2(b)(viii).

Ms. Anderson moved and Mr. Navarro seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2008050598. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 5 disciplinary case (up to 90 day suspension, up to \$2,000 to \$14,000 fine, recommended coursework within allotted timeframe, work reviews by a supervisor approved by the Board).

Motion unanimously carried.

Case No. 2008081039 (Chris Stanley, Investigator)

Marcia Waters presented this matter to the Board.

The report alleges violations of Standard 1-1(a), 1-1(b), 1-4, 1-5(b), and 2-1(a).

Mr. Beltran moved and Ms. Mitchell seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2008081039. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 6 disciplinary case (up to 6 month suspension, up to \$14,000 fine, up to 75 hours of qualifying education within allotted timeframe, up to 20 appraisals under a supervisor approved by the Board).

Motion unanimously carried.

Case No. 2008121717 (Chris Stanley, Investigator)

Marcia Waters presented this matter to the Board.

Case involves a previous disciplined licensee who continues to prepare USPAP non-compliant reports. Review resulted in further allegations of violations of Standard 1-1 (a), 1-1 (b), 1-4, 1-5(b), and 2-1 (a).

Mr. Navarro moved and Mr. Morton seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2008121717. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 6 disciplinary case (up to 6 month suspension, up to \$14,000 fine, up to 75 hours of qualifying education within allotted timeframe, up to 20 appraisals under a supervisor approved by the Board).

Motion unanimously carried.

OTHER COMPLAINT MATTERS:

License Application for Board Action – Licensee A
Marcia Waters presented this matter to the Board.

After further review of the proposed findings, Mr. Navarro moved and Mr. Morton seconded the motion for a submission of a Sample USPAP Compliance Report.

Motion unanimously carried.

Case No. 2008030284 (Chris Stanley, Investigator)

Marcia Waters and Mary Kanaly presented a counter offer to the Board.

The report alleges violations of Standard 1-1(a), 1-1(b), 1-1(c), 1-2(e)(i), 1-4(a) and 1-5(b).

After further review of the counter offer, Mr. Navarro moved and Ms. Mitchell seconded the motion for denial of counter offer.

Motion unanimously carried.

EXECUTIVE SESSION

After conferring with Ms. Brenner Freimann with the Attorney General's Office, it was moved that no Executive Session be held as there were no matters for discussion.

ADJOURN:

The Colorado Board of Real Estate Appraiser's meeting adjourned at 11:42 p.m. on January 8, 2009.

Thomas Fellows, Chair

Michael Morton, Vice-Chair

Robin Anderson

Frank Beltran

Leslie Mitchell

Tony Navarro

Erin Toll, Director
Colorado Division of Real Estate