

MINUTES OF MEETING  
OF  
LOUISIANA REAL ESTATE APPRAISERS BOARD

March 18, 2013

The Louisiana Real Estate Appraisers Board held its regular business meeting on Monday, March 18, 2013, at 9:00 a.m., at 9071 Interline Avenue, Baton Rouge, Louisiana, according to regular call, of which all members of the board were duly notified, at which meeting the following members were present:

**BOARD**

Roland M. Hall, Sr., Chairman  
Leonard E. "Pete" Pauley, Vice Chairman  
Gayle A. Boudousquie, Secretary  
Michael A. Graham  
Newton J. "Butch" Landry  
Clay F. Lipscomb  
Gary S. Littlefield

**STAFF**

Bruce Unangst, Executive Director  
Arlene C. Edwards, Legal Counsel  
Tad Bolton  
Anne Brassett  
Mark Gremillion  
Robert Maynor  
Summer Mire  
Marsha Stafford  
Jenny Yu

**GUESTS**

Cheryl Bella, Certified General Appraiser #G394);  
President, Louisiana Chapter of the Appraisal Institute  
Erin Clark, Staff Appraiser, U.S. Army Corps of Engineers  
Judy Gutierrez, Certified General Appraiser #G962, U.S. Army Corps of Engineers  
Heidi Lee, Former Board Member, Certified General Appraiser #G862  
Joe Mier, Certified Residential Appraiser #R1016  
Kara Platt, Certified General Appraiser #G2088  
Ross Shuffield, Certified AQB USPAP Instructor; Certified General Appraiser #G44  
Justin Underwood, Certified Residential Appraiser #R2669

Board member Tommie McMorris was unable to attend the meeting.

**Call to Order**

Chairman Hall called the meeting to order and led the Invocation. Vice Chairman Pauley led the Pledge of Allegiance. On motion made by Mr. Littlefield and seconded by Mr. Pauley, the minutes of the January 14, 2013 meeting were unanimously approved as written and circulated.

**Personal Appearance**

Erin Clark appeared before the board to request authorization to proceed with her application for general certification. Ms. Clark has been with the Corps of Engineers for over four years and has been working under the supervision of Judy Gutierrez, who is a Certified General Appraiser in good standing with the Board. As a governmental employee with the Corps of Engineers, Ms. Clark is not required to hold a Trainee License to perform appraisals. However, there is some question as to whether she would need to satisfy the trainee licensing requirement if she were ever to leave the Corps. Ms. Clark has successfully completed the education and testing requirements for general certification, and has been training under the direct supervision of Ms. Gutierrez for almost five years. Therefore, Ms. Edwards is of the opinion that Ms. Clark does not need to obtain a Trainee License as a prerequisite for receiving her Certified General license. Ms. Boudousquie made motion, seconded by Mr. Graham, to approve Ms. Clark's request to proceed with her quest for general certification, subject to submission of an affidavit from Ms. Gutierrez attesting that she has reviewed all of Ms. Clark's appraisal work. Motion passed without opposition.

## **Budget Report**

Ms. Yu provided the budget report for the period ending February 28, 2013 (*See Attachment A*). Once again, the budget finished in the black.

## **Director's Report**

Director Unangst advised that the appraisal fee survey conducted by Southeastern Louisiana University has received good responses from both lenders and certified appraisers. The survey will remain open through the end of the month.

The comment period for the AMC rules ended last week. Director Unangst received five comments, which he will forward to legal counsel for review.

House Bill No. 76, which removes the Sunset Provision from Subsection 3415.21 of the Louisiana AMC Licensing and Regulation Act, has been pre-filed with Representative Hoffman. Director Unangst does not foresee any problems with the bill getting passed.

The Appraisal Subcommittee is beginning operation of the **Appraisal Complaint National Hotline** (hereinafter referred to as "Hotline"), as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (*See Attachment B*).

## **TWO MINUTE BREAK**

## **New Business**

Director Unangst thanked all guests who agreed to attend the Board meeting on such short notice. Today's open discussion will provide a better understanding of real estate evaluations, which the Board really has no jurisdiction over.

First to address the issue of real estate evaluations was Kara Platt. Ms. Platt is a Certified General appraiser who trained under Board member Mike Graham. She is now employed with Community Trust Bank as V.P./Appraisal Manager. Ms. Platt consulted with Heidi Lee, a Certified General appraiser and independent appraisal reviewer and consultant, for assistance in developing an evaluation that complies with Interagency Appraisal and Valuation Guidelines (*See Attachment C*). Ms. Platt has had a difficult time finding appraisers in northwestern and northeastern Louisiana who wish to perform evaluations. She gave the floor to Justin Underwood, who is a Certified Residential appraiser. Mr. Underwood holds the title of A.V.P./Residential Appraisal Manager with Community Trust Bank. He advised that bank examiners no longer want BPOs or validity checks; they want evaluations. He then provided an overview of the eight (8) minimum standards required for real estate evaluations as noted in Guide Note 13 (*See Attachment D*).

The Board then heard from Cheryl Bella, a Certified General Appraiser and current President of the Louisiana Chapter of the Appraisal Institute. Ms. Bella has been unsuccessful in attempting to obtain opinions from regulators regarding what constitutes a "Restricted Appraisal". Mr. Littlefield suggested she contact John Ducrest with the Office of Financial Institutions (OFI) for assistance regarding this issue.

Heidi Lee provided the three (3) instances where banks can opt for a real estate evaluation in lieu of an appraisal (but are not required to do so):

- 1) Loan Amount: New loans of \$250,000 or less
- 2) Business Loan: New loans below \$1,000,000 where the principal source of repayment is NOT from real estate income (from sale or lease of real estate)
- 3) Existing Credit: Loan renewals and other subsequent transactions after a loan has been made, regardless of loan amount. There are some limitations to this third situation, which pertain to risk of collateral impairment from the market or changes to the property and whether or not new monies are advanced.

Ross Shuffield advised that Evaluation Form 69 (*See Attachment E*) is not USPAP compliant (although it states on the form that it is). However, with supplemental information, such as intended use and user, it could be.

Mr. Mier noted the confusion amongst appraisers with the bombardment of changes coming down the line. He stressed the urgency of educating lenders, appraisers, and others regarding these major issues. All groups need to have a clear, concise understanding of real estate evaluations. Mr. Shuffield and Ms. Bella taught a seminar last year entitled, "Can We Talk". This seminar is geared toward bankers and appraisers, although very few appraisers attended. It was the general consensus that making a course such as this mandatory for continuing education credit would be a good idea. Also, continuing to hold open forums throughout the state like Director Unangst and Mr. Bolton did earlier this year.

Director Unangst thanked everyone who spoke this morning for providing such helpful information. He reminded the Board that the ASC audit is right around the corner. During last year's visit, Ms. Klamet advised that the Subcommittee is moving toward reciprocity with all 50 states. This is in an effort to adopt uniformity throughout the country. She also suggested that the Board consider revising our experience hours to match nationwide requirements. Ours are much higher than the minimum hours required by the Appraiser Qualifications Board (AOB). Mr. Bolton will poll other states regarding their experience hours and bring back a report for next month's business meeting.

There being no additional items to discuss, the meeting was adjourned on motion made by Mr. Littlefield and seconded by Vice Chairman Pauley.

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Roland M. Hall, Sr., Chairman

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Pete Pauley, Vice Chairman