

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE APPRAISERS BOARD
July 8, 2019

The Louisiana Real Estate Appraisers Board held its regular business meeting at 10:00 a.m. on Monday, July 8, 2019, 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

Kara A. Platt, Chair
Robert E. McKinnon, Jr., Vice Chair (Arrived at 10:05 a.m.)
Rebecca A. Rothschild, Secretary
Mark Major
Terry L. Myers
Robert L. Russell
F. Troy Williams
Margaret K. Young

STAFF

Bruce Unangst, Executive Director
Arlene Edwards, Legal Counsel
Vanda Araujo
Anne Brassett
Logan Cockerham
Tom Devillier
Mark Gremillion
Summer Mire
Ryan Shaw
Nikki Wallace

Board members Windy Hartzog and Carter Leak were unable to attend the meeting.

GUESTS

Melissa Bond
Ryan Hanie
Joe Mier

Call to Order

Ms. Platt called the meeting to order. Mr. Williams led the Invocation; Ms. Platt led the Pledge of Allegiance.

Approval of Minutes

On motion made by Mr. Major and seconded by Mr. Myers, the minutes of the May 20, 2019 meeting were approved as written and circulated.

Budget Report

In Ms. Yu's absence, Director Unangst provided the budget report for the period ending May 31, 2019. Revenue is up, and everything appears to be right on track. We will end up in the black for next year's projected budget.

Ms. Young made motion, seconded by Mr. Major to approved the 2019-2020 revised budget and 2020-2021 projected budget. Motion passed by unanimous vote. (See Attachment A).

Director's Report

Director Unangst welcomed aboard and introduced new staff members Logan Cockerham and Tom Devillier. Mr. Cockerham fills the position vacated by Nikki Wallace, who now supervises day-to-day operations of the Investigative Division. Mr. Devillier replaces Robert Maynor as Director of Compliance and Enforcement.

Public Comment - None

Unfinished Business

Director Unangst provided an update on legal counsel's request for an Attorney General's opinion on how our appraiser law relates to evaluations. The Louisiana Bankers Association sponsored legislation this session to allow appraisers to perform evaluations, and the AG's office cannot not provide a legal opinion while legislation is pending. However, Director Unangst anticipates that a written opinion will be provided within the next two weeks.

New Business

Board members reviewed information from a recent article regarding states with the highest share of underwater properties. Louisiana ranks highest (20.7 percent) among the five states rated, including Mississippi, Arkansas, West Virginia, and Illinois. Among 99 metropolitan statistical areas analyzed in the report, Baton Rouge, Louisiana led the list at 21.3 percent. (*See Attachment B*).

The Board discussed "hybrid appraisals", which are valuations completed by a certified appraiser that mirrors a desktop appraisal in that it has a shorter appraisal form and is performed by an appraiser who typically never visits the property. They reviewed such a report (*See Attachment C*), noting that the appraiser did disclose total reliance on information received from a real estate licensee. The issue of geographical competency was also brought up since the appraiser lives approximately 100 miles away from the property that was appraised.

Mr. Mier questioned possible action taken by the Board if an appraiser were to be called before them on a hybrid report. Would geographical competency be an issue? Would liability for incorrect information in the appraisal report fall on the real estate licensee who provided information to the appraiser? Does the real estate licensee have coverage (e.g., Errors & Omissions Insurance) if such problems should arise?

Ms. Bond addressed this matter, advising that education is the key for knowing where bounds are. She is currently educating licensees in another state on this exact issue. It was agreed that Director Unangst and Ms. Bond get together to facilitate a workshop on hybrid appraisals to enlighten real estate licensees and appraisers.

Director Unangst requested an update from Ms. Wallace on the continuing education audit. Ms. Wallace advised that response has been good and the audit is going well.

Board members questioned their inability to find a current listing of their continuing education hours on file. The records for real estate licenses are up-to-date; however, this is not the case for real estate appraisers. Director Unangst advised that we are currently in the process of upgrading our software program, which will incorporate direct electronic submission of course attendance information from approved appraisal education providers.

Mr. Ryan Haynie, the attorney representing REEVA, will work with Director Unangst in attempting to develop a standardized profile among the states for the upcoming assessment of National Registry fees for AMCs.

Director Unangst advised that Mr. Devillier is currently reviewing the real estate appraiser law and rules and regulations for clean-up.

There being no further business to discuss, the meeting was adjourned on motion made by Mr. Williams and seconded by Mr. McKinnon.

Kara Platt, Chairperson

Rebecca Rothschild, Secretary