

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE APPRAISERS BOARD

May 21, 2018

The Louisiana Real Estate Appraisers Board held its regular business meeting at 9:00 a.m. on Monday, May 21, 2018, 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

Clayton F. Lipscomb, Chairman
Janis M. Bonura, Vice Chair
Cheryl B. Bella, Secretary
Seymon S. Hartzog
Robert E. McKinnon, Jr.
Terry L. Myers
Kara A. Platt
James R. Purgerson, Jr.
Rebecca A. Rothschild
Margaret K. Young

STAFF

Bruce Unangst, Executive Director
Summer Mire, Confidential Assistant to Mr. Unangst
Anne Brassett
Mark Gremillion
Robert Maynor
Ryan Shaw
Jenny Yu

GUESTS

Jacob McCon, Haynie and Associates
Joe Mier, Certified Residential Appraiser; LA Real Estate Appraisers Coalition

Call to Order

Chairman Lipscomb called the meeting to order and led the Invocation; Ms. Bonura led the Pledge of Allegiance.

Approval of Minutes

On motion made by Mr. Purgerson and seconded by Ms. Bonura, the minutes of the April 20, 2018 meeting were approved as written and circulated.

Budget Report

Ms. Yu provided the budget report for the period ending April 30, 2018 (*See Attachment A*). Revenue is up \$38,000.00 from this time last year, yet the budget remains in the red due to Federal Trade Commission legal fees.

Director's Report

Director Unangst reported that the increase in revenue is due, in part, to adjustments in license fees; a \$200.00 administrative fee has been assessed to AMC initial and renewal applications, and a \$25.00 processing fee was added to appraiser license renewal applications.

Regrettably, Mr. vanDuyvendijk has accepted the position of Chief Investigator with the Arkansas Real Estate Appraisers Board, and his last day at the LREAB office will be this Friday. All agreed with Director Unangst that Mr. vanDuyvendijk has been a real asset to the board and this agency, and he will be sorely missed. The vacant position will be posted and an email blast will be sent out to all appraisers as well, detailing the testing requirement and salary range.

Ms. Bella arrived at 9:15 a.m.

On a positive note from this legislative session, House Bill No. 372 has passed (*See Attachment B*). This bill sets up framework to ensure that occupational licensing boards and board members will avoid liability under federal antitrust laws, thereby avoiding issues such as those our board is dealing with now. Beginning January 1, 2019, all occupational licensing boards must submit proposed rules to the Division of Administration for review and approval prior to filing a notice of intent to the office of the state register.

Public Comment - None

Unfinished Business - None

New Business

Ms. Rothschild expressed concern regarding the lack of a prescriptive period during which lawsuits can be filed against certified appraisers. Most professions have a statute of limitation (*See Attachment C*). Unfortunately, a bill proposed this session to enact a period of limitation failed to pass (*See Attachment D*). Mr. Mier addressed the board, saying he felt there was a lack of understanding about the bill; its intent and purpose is to do away with frivolous lawsuits. Director Unangst noted that the three-year versus five-year periods of limitation may have also been cause for question. He recommends gathering support from the industry and intends to pre-file the bill next year.

Mr. Mier previously submitted the resume and detailed outlines for three appraisal courses instructed by Richard Hagar (*See Attachment E*). He noted that the courses are on point with problematic issues frequently noted in appraisal reports and may help alleviate the occurrence of such errors.

Mr. vanDuyvendijk agreed that Mr. Hagar's courses address the problems he routinely sees when reviewing residential appraisal reports. He concurred with Mr. Mier's observation that this two-day live conference presents a wonderful opportunity for appraisers to "meet and greet", earn continuing education credit, and learn how to fix the most common errors found in residential reports. Ms. Rothschild made motion, seconded by Ms. Young, to authorize Director Unangst and staff to assist Mr. Mier in finding a good location for the two-day conference. Motion passed by unanimous vote.

A lengthy discussion ensued regarding property evaluations bombarding today's marketplace. This is a huge problem that's gotten out of hand. There are several online companies actively soliciting/selling evaluations. Most homebuyers don't know the difference between appraisals versus evaluations.

Director Unangst distributed a copy of our appraiser law and rules relative to evaluations and broker price opinions, as well as other interagency guidelines and advisory opinions (*See Attachment F*). He noted that the law is quite clear on this issue and appropriate action needs to be taken when the law is violated. He recommended that first offenders be ordered to cease and desist, with fines being assessed for additional violations. Mr. Manor advised that most states have this action in place.

Board members recommended that clarification of the law be disseminated throughout the industry, to real estate licensees, appraisers, bankers, homebuilders, etc., thereby leaving little doubt as to who can do what and why. No motion was made.

Ms. Bonura made motion, seconded by Mr. Myers, to enter into Executive Session. Motion passed without opposition.

Executive Session

On motion made by Ms. Bonura and seconded by Ms. Rothschild, The Board voted unanimously to return to the regular business meeting.

Ms. Bella made motion, seconded by Mr. Myers, to move the Board's operating account to Gulf Coast Bank, and to authorize the Executive Director to execute, complete, and submit any of the necessary documents, including a loan application of \$750,000.00 for funding the FTC litigation. The record shall reflect that Ms. Bonura, as an employee of Gulf Coast Bank, recused herself from the vote, which passed without opposition.

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