

Kentucky Real Estate Appraisers Board

QUARTERLY NEWSLETTER NO. 58 - AUGUST 2005

MESSAGES FROM THE CHAIRMAN

C.W. WILSON

Like many Kentucky appraisers, I read over these news letters and then file them away on the outside chance that I might find a use for them at a later date. In fact, I have every edition since Appraiser Certification Notice No. 1 issued on February 26, 1991. Don Paris was the Board chair and the content was all related to seminars designed to help appraisers in Kentucky pass the new 'national' exam. As the old tobacco ad says, "We've come a long way, baby".

As you read through the articles written by executive directors and chairpersons over the years, the one recurring theme is the need for regulatory reform and more effective standards in appraisal education. We've discussed it, formed committees, held meetings and generally wallowed it to death for a decade without any legislative action.

I am happy to report on behalf of the staff and Board members that we have finally instituted some significant and long overdue reforms this summer.

Appraisal education provider and instructor standards as well as evaluation mechanisms are now in place. We also incorporated in KAR Chapter 30:190 the 2008 educational reforms of the Appraiser Qualifications Board for timely public notice of the increased requirements in both number of hours and class content.

The credit for accomplishing this huge step forward now goes to Larry Disney and our counsel, Jim Grawe. Their diligent effort in preparing the new regulations, working with the Legislative Research Commission and testifying before the joint committee has paid handsome dividends.

Go to the Board website, kreab.ky.gov, and click on Laws and Regulations. The next page will give you access to the LRC site for both statute and regulation. Click on Regulations and scroll down to Chapter 30 (the appraisal section of this page). You will find the regulatory changes highlighted in 'green'. Open them up and have a 'good read'.

Setting the Record Straight.....

There is a rumor, sometimes repeated by classroom instructors or other individuals in authority, that the members of the Real Estate Appraisers Board lay awake nights thinking up new devious things to do to appraisers or 'appraiser wanna-be's' in Kentucky: Things like the 7 hour USPAP Update class every two years; or increased education requirements; or changes to USPAP itself. The story goes that 'those guys' are trying to help their buddies or make it harder to get into the business (supposedly to improve their own appraisal practice).

Let me explain, *one more time*. This whole appraisal regulatory business was created by a federal mandate (now 12 U. S. C. 3331-3351). Our statute, KRS324A, stipulates that we promulgate such rules and

regulations which meet but do not exceed the federal minimum. So, our job is as an 'implementor', not a creator of rules and regulations. Because of the differences between various state's laws and constitutions, the feds don't detail the implementation. They leave that to each individual jurisdictional authority or board. But the general requirements clearly come from Washington, D.C.

Then every three years, at minimum, the Appraisal Subcommittee comes to town to review the boards operations, policies and laws and regulations. They proceed to outline our deficiencies and make 'suggestions' for improvement and we try our best to comply. Incidentally, the boards and staff, over the years, must be pretty good at it since Kentucky has

generally been given a clean bill of health and you still have a certification to do business in federally related transactions.

All states are not as fortunate. One had to 're-test' a large number of existing certified appraisers due to a glitch in policy. Others have been threatened with 'whole state' de-certification.

My suggestion to all appraisers is that if you are

concerned about the changes in regulations simply get on the Appraisal Foundation website (appraisalfoundation.org) and start reading and responding to the proposed changes before they become law and the Kentucky board has to enforce them. You are also invited to any meeting of the Board to express your concern or ask questions. Check our website for times and locations, generally at the office in Lexington (kreab.ky.gov).

ADMINISTRATIVE REGULATION EXPERIENCE HOURS

All applicants for real property appraiser experience in the Commonwealth of Kentucky are advised to be familiar with the following explanation and amplification of 201 KAR 30:050, Section 6.

Effective July 1, 2005 "all" applicants applying to the Kentucky Real Estate Appraisers Board, without having received a prior credential, for Certified General Real Property Appraiser, Certified Residential Real Property Appraiser or Licensed Real Property Appraiser must affirm by a signed and certified experience log that the hours presented were completed while the applicant was practicing as a Licensed Associate Real Property Appraiser under the "direct" supervision of a Certified General Real Property Appraiser, Certified Residential Real Property Appraiser or Licensed Real Property Appraiser. The log must be signed, and the signatures notarized, by the applicant and all licensed/certified appraisers listed as providing supervisory duties for the specific assignments presented. Please remember that each supervising appraiser accepting responsibility for the training must notarize each specific assignment section that is pertinent to their supervision of the applicant.

Please note the above does not apply to 1) individuals currently licensed or certified but have their credentials in escrow, 2) for those individuals holding current valid credentials applying to upgrade from one credential to the next, or 3) individuals who reside in a State other than Kentucky and apply for a credential through reciprocity and wish to receive the same credential they possess in their

home state. Decision of experience approval requests by applicants who have been previously licensed or certified but allowed their credentials to expire will be examined on a case by case basis.

EXAMPLE of UNACCEPTABLE SCENARIO: An individual, never previously licensed or certified as a real property appraiser, has been working the previous two years in a real property appraiser's office without applying for an Associate Real Property Appraiser License. On July 1, 2005 the individual files an application with the Kentucky Real Estate Appraisers Board for the Certified Residential Real Property Appraiser credential with the notation that the only lacking requirement is successful completion of the national examination.

After reviewing the application the Board staff determines the individual has documented acceptable proof of education completion. The appraisal assignment log indicates the experience hours were completed under the direct supervision of a Certified Residential Real Property Appraiser. However, the applicant has never applied for or received any prior credential, including the Associate Real Property Appraiser License, for the period in which experience credit is now requested. Therefore, in this scenario the individual will be denied experience credit until he/she receives an Associate Real Property Appraiser License and completes all required experience (time and hours) under the direct supervision of a licensed/certified appraiser(s).

KREAB WEBSITE:
www.kreab.ky.gov

The Changing Requirement for Education and Education Approval

By: Larry Disney

The following is very important for 1) those individuals currently holding a Kentucky Real Property Appraisal credential as defined in 201 KAR 30:030 and wishing to apply for a higher license scope, 2) for those individuals who are planning to complete qualifying appraisal education and apply for an Associate Real Property Appraiser credential, and 3) for education providers and instructors of real property appraiser qualifying education courses in the Commonwealth of Kentucky.

It is now approximately two and one-half years until the mandatory January 1, 2008 AQB education criteria becomes a requirement of the Kentucky Real Estate Appraisers Board. However, the Board and staff advise all students who will be completing qualifying real property appraiser education courses during this time period to be aware of the following:

The Kentucky Board adopted the "firm" date approach for implementation. This means that any individual who desires to earn a credential must have completed all parts of education, experience, and the current qualifying examination prior to mid night on December 31, 2007. If, for any reason, this is not possible all education completed by the individual will require content analysis and verification for compliance with the 2008 criteria requirements. "Any" course work the Board deems deficient or lacking shall be denied. The individual seeking approval will be required to satisfactorily complete the content and hours considered lacking in the 2008 criteria. Also, if the individual enters 2008

lacking any part of the criteria, not only will he/she be required to comply with the real property appraiser education, but also the applicable college degree or specific college semester hour requirement.

Because of the increased hours and the core content coverage, it is possible that the education completed in courses approved today will not be granted either full or partial 2008 credit. To avoid being disappointed it is suggested you ask your education provider if the education content you are taking today will be accepted for credit in 2008. If the answer is affirmative you might request the answer in writing. Also, you are encouraged to contact the Board staff to discuss any questions you may have about education content, requirements, approval, etc.

Also, the Board and staff recommend before registering for any real property appraiser qualifying education course you ask education providers if the qualifying education for which you are registering will assist you in preparing for the current national qualifying examination. It is suggested you request the answer in writing. Any student, education provider, or instructor who has questions about the examination can review the content outline in the Applied Measurement Professionals, Inc. (AMP) "Candidate Handbook for Kentucky Real Estate Appraisers Program." The handbook can be viewed on line. www.goamp.com

Change of Address....

Periodically, an active or inactive appraiser comes before the Board to request a special dispensation from the legal requirements because **he or she did not get a notice**. The Board staff sends the notices to the most recent address we have on file. But if you do not advise us of changes in your location or status, we can't keep up. Not receiving your notices, for any purpose, is not a defense before the Board. However, failing to notify the Board of your changes is a violation of law!!!

KRS 324A.030 (4) - Each certificate holder or license shall notify the Board of any change of business address, change of company name, or change of surname, within thirty (30) days of the change.

ADMINISTRATIVE REGULATION CHANGE
EXPERIENCE HOURS

Effective July 1, 2003, all experience hours obtained for credit toward Certified General, Certified Residential and Licensed Real Property must be completed under the supervision of a certified or licensed appraiser and the applicant **must** hold an Associate Appraiser license. You may continue working on your own or for a certified or licensed appraiser without an Associate license, but experience hours obtained in this manner will not count toward certification. Remember, the supervising appraiser must sign and certify that he/she supervised the work of the associate submitting the log.

If you have any questions, call the Board office.

You can obtain the KREAB Statutes and Regulations at
<http://www.lrc.state.ky.us/krs/324A00/CHAPTER.HTM> - Statutes
<http://www.karea.org/kar201ch30.html> - Regulations

NOTICE
VIOLATING STANDARD RULE 2-3

Please be advised that appraisers are required to sign a certification acknowledging that they did or did not inspect the subject property of their assignment. It has been reported that in some cases Associate appraisers and non-licensed individuals actually inspect the subject, but the supervisory appraiser signs the certification indicating he/she inspected the subject property when in reality they did not.

Any certified or licensed appraiser, proven to have committed this act will be dealt with accordingly by the Board. This infraction is not only a violation of Standards Rule 2-3, but also a violation of the Ethics Rule. If you value your license, do not participate in this unethical practice.

FannieMae Announces Forms Revision

FannieMae Announcement 04-02, dated June 1, 2004, reported an amendment to "Selling Guides" for the following revised appraisal report forms:

- Uniform Residential Appraisal Report - Form #1004
- Definitions, Statement of Limiting Conditions, and Appraiser's Qualifications - Form #1004B
- Appraisal Update and/or Completion Report - Form #1004D

The Fannie Mae forms are mandated for use by Fannie Mae on November 1, 2005 and by Freddie Mac on January 1, 2006. Real property appraisers are urged to request a copy of the forms and be familiar with the Fannie Mae and Freddie Mac supplemental standards.

FannieMae
3900 Wisconsin Avenue, NW
Mail Stop 2H-4S-08
Washington, DC 20016

IMPORTANT CHANGES TO APPRAISER QUALIFICATIONS!!!

On February 20, 2004, the Appraiser Qualifications Board of The Appraisal Foundation adopted changes to the *Real Property Appraiser Qualification Criteria* that will become effective on January 1, 2008. These changes represent the minimum national requirements that each state must implement for individuals applying for a real estate appraiser license or certification as of January 1, 2008. The changes include increased required education, which is summarized as follows:

Category	Current Requirements ¹	1/1/08 Requirements ^{1 2}	1/1/08 College-Level Course Requirements ³
License	90 hours	150 hours	None
Certified Residential	120 hours	200 hours	Twenty-one (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers-Word Processing/Spreadsheets; and Business or Real Estate Law. In lieu of the required courses, an Associate degree will qualify.
Certified General	180 hours	300 hours	Thirty (30) semester credit hours covering the following subject matter courses: English Composition; Micro Economics; Macro Economics; Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers - Word Processing/Spreadsheets; Business or Real Estate Law; and two (2) elective courses in accounting, geography; ag-economics; business management; or real estate. In lieu of the required courses, a Bachelors degree will qualify.

¹ Hours required include completion of the 15-hour National USPAP Course (or its equivalent).

² Hours required include specific coverage of multiple topics-please see the *Real Property Appraiser Qualification Criteria* for details.

³ College-level courses and degrees must be obtained from an accredited college or university.

Please note that individual states may adopt requirements more stringent than the national requirements, and may opt to impose those requirements prior to January 1, 2008. Therefore, applicants for a real estate appraisal license or certification should always check with their state for individual requirements.

The Appraiser Qualifications Board intends to issue additional guidance regarding implementation of the revised Criteria in the near future. Please be sure to check our website at www.appraisalfoundation.org for the latest information. Questions regarding the national requirements can be directed to John S. Brennan, Director of Research and Technical Issues at The Appraisal Foundation, 1029 Vermont Avenue, NW, Suite 900, Washington, DC, 20005, via e-mail to john@appraisalfoundation.org or by phone at (202) 624-3044.

2005 NON-RENEWALS

If your name appears on the list below and you wish to reinstate your license, please contact the Board office at (859) 543-8943.

<u>FirstName</u>	<u>LastName</u>		<u>FirstName</u>	<u>LastName</u>		<u>FirstName</u>	<u>LastName</u>
Larry C.	Adams		Paul B.	Hall		Dale Grant	McCloud
Levi Kent	Adkisson		Guy W.	Hallman		John P.	McClurg
Anthony K.	Ailiff		Karen A.	Hallman		Terra	McCoy
Tyra J.	Allen		David W.	Harris		P. Gordon	McIntosh
Benjamin M.	Allen		Christy	Harris		John W.	McVay
Russell	Allgood		Gilbert	Harris		David G.	Meachum
Allen	Arnold		George J.	Hays		Mark K.	Meiners
Gerald E.	Atkins		Mark A.	Hendy		Gary L.	Miller
Robert H.	Baldwin		Raymond A.	Higgins		Elizabeth D.	Moore
Toma L.	Barber		Kendall R.	Hiser		Andy	Morriss
Lynette E.	Barker		Jason T.	Hiser		Michelle	Mullins
Timothy P.	Beirne		Brad W.	Howard		Timothy D.	Mullins
Charles A.	Bissell		Susan G.	Howard		Janalyce A.	Nugent, SRA
Melanie K.	Blanc		Alton L.	Jefferson, Sr.		Bric W.	Pace
Ofelia (Lela)	Boix		Christopher R.	Johns		Darrell Stephen	Parker
Frank D.	Brown		Tim	Johnson		Charles H.	Pence, Jr.
Joe	Brownfield		Jeremy T.	Jones		Glen H.	Perkinson
Derrick A.	Bruce		Charles C. Clark	Jones		Patricia L.	Pfaadt
Ruthann	Brush		Peggy Rasnick	Justice		Marc	Pfannenschmidt
Jennifer Tillema	Caccamise		Edward G.	Kaiser		Zachary J.	Presgrove
Mistique Elaine	Conley		Robert Leslie	Keeseey		Robert C.	Price
William	Daddono		Jerry	Kemp		Chadwick A.	Pryor
Joseph M.	Daugherty		Olia R.	Kirby		Fred J.	Ramoni
Harley Randall	Davidson		Kim Frazier	Koenig		Adam Taylor	Rankin
Randal Dana	Dawson		Lisa	Korosec		James Arthur	Rankin
Lori Ellen	Deskens		William M.	Lane		James M.	Roberts
Tamatha L.	Dever		Glenn K.	Lay		Matthew T.	Roederer
John D.	Douglas		Eric D.	Lazear		Penny L.	Royster
Sylvia H.	Duke		Clifford	Lucas		Bill	Rulon
Steven E.	Evans		Samantha	Lusher		James A.	Samuels
Evin W.	Evins		Judy	Lyons		Shad	Shearer
Stephen P.	Faherty		Tim	Lyons		Kerry D.	Simpson
Jamie	Falco		Richard A.	Mahoney		Vincent J.	Sivori
Richard Allen	Francis		Douglas F.	Main		Frank T.	Spoonamore
Louis T.H.	Gaver		Dale M.	Martin		Djwana	Spradlin
April C.	Goodall		Robert P.	Mastrion		Michael G.	Stahl
Cindy G.	Green		Greg A.	McCartin		David P.	Steitz

<u>FirstName</u>	<u>LastName</u>		<u>FirstName</u>	<u>LastName</u>			
T. C.	Stephens		Stephen L.	Watson			
William M.	Stronks		Stephen J.	Weis			
Donald T.	Sutte, III		Brian L.	Weyeneth			
Tambra	Tamasi-Webster		Ches T.	Wheeler			
Larry J.	Tapanen		Robert	Wilcoxson			
Ronald H.	Tasman		Linda K.	Williams			
Ruth A.	Taulbee		Nathaniel Ryan	Williamson			
Charles W.	Taylor, Jr.		Wayne L.	Wnek			
Barry E.	Templeman		Charles W.	Wolf			
Skip L.	Thomas		Joseph F.	Zajac			
Brenda L.	Thompson						
Richard E.	Walls						
Carissa	Ward						

ANSI Residential Measuring Standard Revised

At the March 26th meeting, the Kentucky Real Estate Appraisers Board voted unanimously to revise the administrative regulation adopting the **Method for Calculating Square Footage ANSI Z765-2003**. The rule is an updating of the current ANSI measuring standard which was in effect as of July 2003 for all appraisers in Kentucky.

The 2003 revision is made up of several editorial corrections to clarify language and the addition of a rule which acknowledges that at times, "circumstances can exist when direct measurement of a structure is not possible". ***The basic field measuring methodology and reporting requirements have not changed.***

The revised regulation will take effect no earlier than July 1, 2004. A copy of the current Z765-2003 revised standard is available from the NAHB Research Center bookstore at www.nahbrc.org/bookstore. The Board will be acquiring bulk rate copies for all appraisers in Kentucky for distribution.

Have you been in an Inactive Status for three years?

Under KRS 324A(4), if you have been in an Inactive Status for 3 years, you will have to meet "all requirements for original license or certification" in order to return to active status. Check now and be certain that you don't get blind sided by not activating your status in a timely fashion.

SUMMARY OF CASES

FYI, the Board has included in this newsletter a list of activities on filed cases including 1) total cases opened, 2) cases which were disposed of (dismissed or 'with action'), 3) a total of cases closed (a subtotal) and 4) the cases which carried over from one year to the next. The Board felt that it was worthwhile for you to understand that the staff as well as the Board are processing a significant number of cases each quarter.

Obviously the number of cases which were filed or opened has increased substantially with increased input from federal and state regulators. Further, the staff changes in 2003 and not being able to fill the position formerly held by the current Executive Director has had an adverse impact on the number of cases being held over from one year to the next.

It is a primary responsibility of the Board and our immediate goal to reduce the inventory of outstanding cases. This quarter, for example, 31 of the filed cases in inventory were closed in an appropriate manner (either dismissed or settled with action). Unfortunately, 29 of the 31 cases were 'carryover' from previous years.

We expect in the next three to six months to have the case log reduced to a scale which is appropriate for the level of activity which we are currently experiencing. To that end, the investigations required by KRS 324A are proceeding at a record pace.

Year	# Opened	# Dismissed	# with Action	Total Closed	Carry Over
1992	5	4	1	5	0
1993	16	11	5	16	0
1994	18	10	8	18	0
1995	9	6	3	9	0
1996	5	4	1	5	0
1997	25	9	16	25	0
1998	37	11	26	37	0
1999	26	6	20	26	0
2000	85	23	62	85	0
2001	68	19	46	65	3
2002	82	20	49	69	13
2003	115	55	46	101	14
2004	109	41	22	63	46
2005	59	3	0	3	56
TOTALS	659	222	305	527	132

KENTUCKY REAL ESTATE APPRAISERS BOARD

BOARD MEMBERS

C.W. Wilson, Chair - Appraiser Member
 Russell Sloan, Vice Chair - Appraiser Member
 Jennifer Nickles - Banking Member
 Loren Huff - Consumer Member
 Dorsey Hall - Banking Member

STAFF

Larry Disney - Executive Director
Email: Larry.Disney@ky.gov
 Angie Thomas - Staff Assistant
Email: Angie.Thomas@ky.gov
 Janie Gross - Executive Secretary
Email: Janie.Gross@ky.gov

Kentucky Real Estate Appraisers Board
 2480 Fortune Drive, Ste. 120, Lexington, KY 40509
 Telephone: (859) 543-8943 - Fax: (859) 543-0028
 Web Site: www.kreab.ky.gov

"ASSOCIATE" REAL PROPERTY APPRAISER REGULATIONS

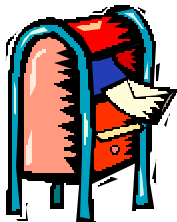
1. For experience credit, appraisal reports must be completed under the supervision of a certified or licensed appraiser.
 2. For experience credit, the Associate appraiser must, (1) sign the certification, or (2) be given credit in the certification for significant professional assistance, and (3) comply with Standards Rule 2-3(a)(b), or (c)(vii), as applicable.
 3. An Associate appraiser may perform an appraisal of property that the supervising appraiser has the competency and licensed authority to appraise.
 4. An Associate appraiser may have more than one supervisor, but must maintain a separate log for each supervisor.
 5. An Associate appraiser is entitled to obtain copies of the appraisal reports he or she has prepared.
 6. A supervising appraiser shall have been licensed by the Board for a period of one (1) year, be in good standing with the Board, and shall be responsible for the training and supervision of the Associate appraiser.
 7. The supervising appraiser shall inspect the first fifty (50) appraisals listed on the Associate's log.
 8. After the first fifty (50) assignments, a supervisor may permit an Associate appraiser to inspect properties within fifty (50) miles of the supervisor's office.
 9. The supervising appraiser, during the first twelve (12) months, shall accompany the Associate appraiser on any assignment greater than fifty (50) miles from the supervisor's office.
 10. A supervising appraiser may not have more than three (3) Associate appraisers at any one time.
 11. An Associate appraiser shall send one (1) appraisal report to the Board at the end of their first six (6) months and at the end of their first twelve (12) months for review by the Board.
- Any Associate appraiser who feels they are not receiving adequate supervision or training may call Larry Disney at the Board, in confidence, and discuss specific problems.

ASSOCIATE INFORMATION

Still some confusion: For an Associate Real Property Appraiser to receive experience credit toward certification, at least one of the following must be completed, (1) the Associate must sign the certification, or (2) the names of individuals providing significant real property appraisal assistance who do not sign a certification must be stated in the certification. It is not required that the description of their assistance be contained in the certification, but disclosure of their assistance is required in accordance with Standards Rule 2-3(a), (b), or (c)(vii), as applicable. If one of the steps

is not completed in each report, the Associate will not be awarded experience credit for those reports.

Also, the act by any certified/licensed appraiser permitting an Associate appraiser to perform significant professional assistance and not permitting the Associate appraiser to sign the certification, or be given credit in the certification for significant professional assistance is a violation of the USPAP and could result in a sanction by the Board.



Kentucky Real Estate Appraisers Board
2480 Fortune Drive, Suite 120
Lexington, KY 40509



Fax: (859) 543-0028

" Mail or fax course completion certificate(s) to the Board upon completion of the course."

**15-HOUR NATIONAL USPAP COURSE AND
7-HOUR NATIONAL USPAP UPDATE COURSE**

Effective July 1, 2003 all Kentucky Appraisers must complete the 7-hour National USPAP Update course every two (2) years. The 7-hour National USPAP Update course may also count toward the continuing education requirement for the renewal cycle completed.

After December 31, 2004, you may NOT substitute the 15-hour National USPAP course or its equivalent for the 7-hour National USPAP Update course. After January 1, 2005, the 7 hour National USPAP Update will meet this requirement.

CLARIFICATION OF THE 7 HOURS NATIONAL USPAP UPDATE

The Board has been asked several questions concerning the 7 hours National USPAP Update. I hope the following will clarify some of the issues.

1. Beginning July 1, 2003, the only 15 hour USPAP course recognized for KREAB credit is the AQB National course or The Appraisal Foundation approved equivalent course, taught by an AQB approved instructor, and successful completion of the course examination.
2. The 7 hour National USPAP Update course is required to be completed every two years by every certified/licensed appraiser. This requirement became effective in Kentucky on July 1, 2003. If you completed a USPAP course prior to July 1, 2003, it will not qualify for the National course.
3. The course must be completed at least one time between July 1, 2003 and June 30, 2005.
4. The 7 hour National USPAP Update course is not in addition to the required 14 hours. You can take the 7 hour National USPAP Update Course and an additional 7 hour course and receive credit for the 14 hour requirement.
5. Anyone applying for one of the KREAB credentials cited in 201 KAR 30:030, after July 1, 2003, must have completed a 15-hour National USPAP course, or The Appraisal Foundation approved equivalent course, taught by an AQB Instructor, and successfully completed the 15 hour course examination.

APPRAISER LICENSE STATISTICS
As of August 25, 2005

LICENSEES	NO.	INACTIVE STATUS	NO.
Certified General	476	Certified General	14
Certified Residential	745	Certified Residential	40
Licensed Real Property	104	Licensed Real Property	7
Associate	456		
TOTAL	1781		61

PRE-LICENSING COURSE VS. CONTINUING EDUCATION COURSE

The Board receives several calls a day from individuals not understanding the difference between a pre-licensing course and a continuing education course.

A pre-licensing course is the education completed for initial licensure/certification or for an individual upgrading to another level. A pre-licensing course must be at least 15 hours in length and require the individual to successfully pass an exam at the end of the course.

A continuing education course is one completed for renewal of a license/certification. A continuing education

course can be from 2 hours to “?” hours and the individual is not required to complete a test at the end of the course, excluding the National USPAP Course. ***Continuing education courses will not apply toward the education required to obtain a license/certification.***

Individuals who take a pre-licensing course **and** pass the exam at the end of the course may receive both pre-licensing and continuing education credit for this course. When a pre-licensing course has been taken but the individual did not take the test, or failed the test, he/she shall be awarded continuing education credit only.

RETAINING EDUCATION FILE

Many appraisers have taken the Board’s suggestion and started an education file for retaining the appraisal courses they have taken over the years. This has been a great help to the Board because the Board lacks the time or staff to maintain an educational file on 1,700 +/-

appraisers. If you have not done so, please start an education file. It is a lot easier to maintain an on going file than write the education providers for lost copies. Keeping up with your education is the appraiser’s responsibility, not the Board’s. Thanks for your help.

WHO NEEDS CONTINUING EDUCATION?

There still seems to be some confusion with regard to who and when is required to complete the 14 hours of continuing education.

Your original date of licensure governs when you must complete 14 hours of continuing education. Also, our fiscal year runs from July 1st through June 30th. If your licensure/certification date for all categories of appraisers, **including Associates**, is on or before June 30th; commencing with the next fiscal year, you are required to complete 14 hours of continuing education. You do not have to take continuing education during the fiscal year in which you received your **first** original license. If you upgrade during the fiscal year, your first original license issue date is the level you upgraded from. Any questions, give us a call.

Also, it’s a lot easier if you completed continuing education before the last week in June. If you wait until

the last week in June to complete your education, your certificate will not be issued until the Board has proof of education completion. Proof can be a faxed copy of the certificate; in most cases the provider sends the Board a list of attendees. We will accept the list for continuing education credit, but the appraiser is required to send a copy of the certificate to the Board.

If you schedule classes the last week of June and would like to mail the renewal fee and form early, you may do so but put a note with the form and fee stating when the courses will be taken. The Board must have received payment and proof of education by July 1st to avoid a late renewal.

Please submit course completion certificates at time of completion. Waiting to send with your renewal may delay processing your certification/license.

APPROVED EDUCATION PROVIDERS

Provider	Phone Number	Web Site
A Pass Weikel	(502) 429-8822	www.apassweikel.com
American Society of Farm Managers & Rural Appraisers	(303) 758-3513	www.asfmra.org
American Society of Farm Mgrs & Rural Appr. – KY Chapter	(859) 252-4717	
Appraisal Educators, Inc.	(812) 925-6421	
Appraisal Institute	(312) 335-4216	www.appraisalinstitute.org
Appraisal Institute-Bluegrass Chapter	(502) 568-6894	www.appraisalinstitute.org
Big Sandy Community & Technical College District	(606) 789-5321	www.bigsandy.kctcs.edu
Cox Educational Services	(270) 926-8353	www.georgekcoxvaluationprofessionals.com
Delta Realty Researchers	(859) 737-3133	
Dennis Badger & Associates	(859) 252-3445	www.dennisbadger.com
Education Resource, LLC	(317) 581-0557	www.EducationREsource.com
Greater Louisville Association of Realtors	(502) 894-9860	www.louisville-realtors.com
Home Builders Association of Louisville	(502) 429-6000	www.hbal.com
ICAN, LLC	(859) 581-8770	www.E-ican.com
International Right of Way Association – Chapter 25	(502) 339-1807	www.irwa25.org
Jefferson Community College	(502) 213-2380	www.jcc.kctcs.edu
JVI	(407) 774-3344	
Lexington Community College	(859) 257-4872	www.uky.edu/lcc
Lincoln Graduate Center	(800) 531-5333	www.lincoln-grad.org
McKissock Appraisal School	(814) 723-6979	www.mckissock.com
Morehead State University	(606) 783-5155	www.moreheadstate.edu
National Association of Independent Fee Appraisers	(314) 781-6688	www.naifa.com
Northern Kentucky Real Estate School	(859) 371-1277	www.bramble@one.net
Prestonsburg Community College	(606) 789-5321	www.prestonsburgcc.com
Redd, Brown & Williams Real Estate Services	(606) 789-8119	www.RBandW.com
U.S. Department of HUD, Louisville Multifamily Program Ctr.	(502) 582-6163	www.hud.gov
West Kentucky Community & Technical College	(270) 534-3112	www.westkentucky.kctcs.edu
Wilson Education Group	(859) 734-3174	www.wilsonedgroup.com
World Savings	(210) 543-5464	

**COURSES THAT CAN BE TAKEN EVERY THREE (3) YEARS
FOR CONTINUING EDUCATION CREDIT**

The following courses may be taken every three years to complete the continuing education requirement. The Uniform Standards of Professional Appraisal Practice (USPAP) and/or Standards Update may be taken every year for *continuing education* credit. The Board may add additional courses.

1. Appraisal Principles;
2. Appraisal Procedures;
3. Income Capitalization and Financial Calculations;
4. Appraisal Report Writing;
5. Highest & Best Use Analysis;
6. Sales Comparison Analysis;
7. Cost Approach Methods – Depreciation – Cost From Market, etc.;
8. Appraisal Review ;
9. Appraiser Liability and Kentucky Real Estate Appraisers Board Cases;
10. Site and Site Improvements;
11. Understanding Limited Appraisals and Appraisal Reporting Options;
12. Appraisal Forms – URAR, 2-4 Family, Condominium, etc.;
13. Farm, Ranch & Rural Appraising; or
14. Narrative Appraisal Report;

RECIPROCAL STATES & TELEPHONE NUMBERS

Alabama	(334) 242-8747	New York	(518) 473-2728
Arizona	(602) 542-1539	North Carolina	(919) 420-7920
California	(916) 263-0722	North Dakota	(701) 222-1051
Colorado	(303) 894-2166	Ohio	(614) 466-4100
Georgia	(404) 656-3916	Oregon	(503) 373-1505
Illinois	(312) 793-3000	Pennsylvania	(717) 783-4866
Indiana	(317) 232-2980	South Dakota	(605) 773-3178
Maine	(207) 624-8520	Tennessee	(615) 741-1831
Maryland	(410) 230-6165	Texas	(512) 465-3950
Missouri	(573) 751-0038	Washington	(360) 753-1062
New Hampshire	(603) 271-6186	West Virginia	(304) 558-3919
		Wyoming	(307) 777-7141

Indiana - Reciprocal agreement for classifications of Certified General and Certified Residential. The individual must have been licensed in Indiana for at least two (2) years.

Pennsylvania - Reciprocal agreement for classifications of Certified General and Certified Residential

BOARD FEES

Initial license/certification	\$200.00
Current USPAP Fee	\$12.00
Roster Fee	\$25.00
Renewal Fee (Certified General, Certified Residential & Licensed Real Property)	\$237.00
Renewal Fee (Associate)	\$212.00
Initial Inactive Status	\$50.00
Address Change	No charge
Address Change with new certificate	\$10.00
Letter of Good Standing	No charge
State Appraiser List	\$25.00
Continuing Education Course Approval	\$50.00
Pre-Licensing Course Approval	\$100.00
NSF Check Fee	\$25.00
NSF Renewal Check Fee	\$200.00 may be charged if renewal check is returned after July 1

Upgrading a license/certification during a fiscal year requires an additional license, roster & book fee. There is no prorating of fees.

If you are upgrading or obtaining a license or certification before the renewal cycle, you have two options: 1) If obtaining a license/certification prior to the renewal date, you will be required to pay the licensing fee at that time and then the renewal fee by June 30th with no prorating of fees, or 2) Waiting until July 1 to have your license or certification issued and only paying one fee. If you have any questions, please call Angie at the Board office or you can email her at Angie.Thomas@ky.gov.

PROCEDURES FOR UPGRADING A LICENSE OR CERTIFICATION

The following list contains information that is required for submission to the Board when upgrading a license or certification. If you have any questions concerning the process, please contact Angie Thomas at the Board.

CERTIFIED RESIDENTIAL UPGRADING TO CERTIFIED GENERAL

1. 180 hours of pre-licensing education* - Included in the 180 hours, 15 hour Basic Income Course
2. Successfully pass the Certified General exam
3. Certified General Experience Affidavit – Signed and Notarized
4. Experience Log – Log must contain 1,500 hours of non-residential work
5. 2 non-residential appraisal reports

LICENSED REAL PROPERTY or ASSOCIATE UPGRADING TO CERTIFIED GENERAL

1. 180 hours of pre-licensing education* - Included in the 180 hours, 15 hour Basic Income Course
2. Successfully pass the Certified General exam
3. Certified General Experience Affidavit – Signed and Notarized
4. Experience Log – Log must contain 30 months **and** 3,000 hours (1,500 hours, at a minimum, must be in non-residential work).
5. 2 non-residential and 2 residential appraisal reports

LICENSED REAL PROPERTY or ASSOCIATE UPGRADING TO CERTIFIED RESIDENTIAL

1. 120 hours of pre-licensing education* - Included in the 120 hours, 15 hour Basic Income Course
2. Successfully pass the Certified Residential exam.
3. Certified Residential Experience Affidavit – Signed and Notarized
4. Experience Log – Log must contain 2 years **and** 2,500 hours
5. 2 residential appraisal reports

ASSOCIATE UPGRADING TO LICENSED REAL PROPERTY

1. 90 hours of pre-licensing education* - Included in the 90 hours, 15 hour Basic Income Course
2. Successfully pass the Licensed Real Property exam
3. Licensed Real Property Experience Affidavit – Signed and Notarized
4. Experience Log – Log must contain 2 years **and** 2,000 hours (some hours must be in non-residential)
5. 2 non-residential and 2 residential appraisal reports

*A pre-licensing course must be at least 15 hours in length and successfully pass an exam at the end of the course.

Report requirements for submission:

1. Reports submitted for experience credit must true and be exact copies, with signatures, of the reports submitted to the client. Modifications to the reports for the purpose of submitting the appraisal for experience credit are not permitted.
2. Appraisal review experience will be awarded; however, review appraisal reports are not considered sufficient examples of appraiser knowledge and demonstration of techniques. Therefore, all appraisers requesting certification must submit complete appraisals presented in the summary form and complying with all requirements in this statement.
3. Reports submitted must be completed within the past twelve (12) months from date of submission.
4. The residential appraisal experience must be a complete appraisal using the self-contained or summary reporting option.
5. A single-family residence, where the income approach is not applicable, and it is so stated, will be acceptable.
6. Non-residential reports must be a complete appraisal with all the (3) approaches utilized. Reports submitted for experience credit that do not comply with this requirement will be returned to the applicant without credit being awarded.
7. Additional appraisal reports may be requested from the log.

Before submitting the reports and experience log, you must have completed the education requirement. If you have completed all the requirements except for passing the exam, you may submit the reports and log for review. Upon Board acceptance and approval of your experience and education, you will be approved pending successful completion of the exam. Once you have passed the exam, you will be able to obtain your license/certification at that time.

The following are the Board meeting dates. Submission of reports any later than a week before the Board meeting dates, will not be reviewed until the following month.

August 26, 2005
September 23, 2005

October 28, 2005
November 18, 2005

December 16, 2005

REMINDERS!!

ASSOCIATE REAL PROPERTY APPRAISERS LICENSED AFTER JULY 1, 2001

All Associate real property appraisers licensed after July 1, 2001 shall submit to the Board two (2) complete summary appraisal reports, 1) the first report shall be submitted to the Board six (6) months following the date of issuance of the associate license, and 2) the second report shall be submitted to the Board twelve (12) months following

the date of issuance of the associate license. Reminder letters will be mailed to the associate prior to the report(s) due date. The reports will be reviewed for USPAP compliance and acceptable appraisal practices. Any deficiencies noted will be made known to the applicant so future appraisals will be compliant.

EXAMPLE:

Month Licensed	Reports Due
February 2005	1 st Report - August 2005 2 nd Report - February 2006
March 2005	1 st Report - September 2005 2 nd Report - March 2006

INACTIVE STATUS

If your license/certification has been in an inactive status since July 1, 2002, you will be required to return your license/certification to an active status by June 30, 2005 or the license/certification will be cancelled.

To return to active status, (1) petition the Board for reactivation of the certificate or license; and (2) pay the applicable renewal fee, roster fee and book fee (\$237.00); and (3) provide evidence of completion of

the annually required continuing education hours (14) for each year of inactive status. Remember that if you did not complete the continuing education for the year prior to placing your license/certification in the inactive status, you will also be required to complete that 14 hours of continuing education. (Example: 14 hours x 3 years in an inactive status = 42 + 14 hours for the year prior to placing your license in an active status = 56 total continuing education hours).

APPRAISAL STANDARDS BOARD QUESTIONS AND ANSWERS

This communication by the Appraisal Standards Board (ASB) does not establish new standards or interpret existing standards. The ASB USPAP Q&A is issued to inform appraisers, regulators, and users of appraisal services of the ASB responses to questions raised by regulators and individuals; to illustrate the applicability of the Uniform Standards of Professional Appraisal Practice (USPAP) in specific situations; and to offer advice from the ASB for the resolution of appraisal issues and problems.

QUESTION # 1

WHEN DOES STANDARD 3 APPLY?

I am an appraiser and my practice includes requests to comment on a wide range of valuation work performed by others. Sometimes this work is presented as an appraisal report, appraisal consulting report, consulting report, market data summary, and even as a broker's price opinion. When does STANDARD 3 apply?

RESPONSE TO QUESTION # 1

The answer to this question lies in the definition of an "appraisal review:"

the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal, appraisal review, or appraisal consulting assignment.

For this question, the key features of an appraisal review are:

- ✓ The work under review was performed by an appraiser, and
- ✓ The work under review was performed as part of an appraisal, appraisal review, or appraisal consulting assignment.

If a service satisfies the definition of appraisal review, STANDARD 3 applies. Assignments involving commenting on the quality of appraisal reports and appraisal consulting reports are appraisal reviews.

Assignments related to consulting reports, market data summaries, and broker's price opinions are not appraisal reviews. Even when the work under examination is performed by an individual who sometimes acts as an appraiser, evaluating these types of work is not part of an appraisal review.

However, even if the service is not an appraisal review, the portions of USPAP that apply generally to appraisal practice (i.e. DEFINITIONS, PREAMBLE, the Conduct, Management, and Confidentiality sections of the ETHICS RULE, the COMPETENCY RULE, the JURISDICTIONAL EXCEPTION RULE and the SUPPLEMENTAL STANDARDS RULE) would apply.

QUESTION # 2

USPAP COMPLIANCE IN RETROSPECTIVE APPRAISALS

When preparing an assignment with a retrospective date of value, should the appraiser comply with the standards in effect as of the date of valuation or as of the date of report?

RESPONSE TO QUESTION # 2

Appraisers must comply with the standards in effect as of the date of the report. Only the data and the analyses of that data should be considered on a retrospective basis, not the standards under which the assignment is performed.

QUESTION # 3

COMPLIANCE WITH USPAP: PERSONAL PROPERTY, BUSINESS VALUATION AND INTANGIBLE ASSET APPRAISERS

Are personal property, business valuation and intangible asset appraisers required to comply with USPAP?

RESPONSE TO QUESTION # 3

The PREAMBLE describes the obligation of all appraisers to act ethically:

The appraiser's responsibility is to protect the overall public trust and it is the importance of the role of the appraiser that places ethical obligations on those who serve in this capacity. USPAP reflects the current standards of the appraisal profession.

The PREAMBLE further states:

USPAP does not establish who or which assignments must comply...Compliance with USPAP is required when either the service or

*the appraiser is obligated to comply by law or regulation, or by agreement with the client or intended users. **When not obligated, individuals may still choose to comply. (bold added for emphasis)***

Real property appraisers are often legally bound to comply with USPAP by applicable laws. There are no such laws binding non-real property appraisers to comply with USPAP. However, many non-real property appraisers either choose or agree to comply with USPAP in their assignments. The decision to comply may be prompted by affiliation with a professional appraisal organization or the preference of the client.

QUESTION # 4
DOES A NEW ASSIGNMENT REQUIRE STARTING OVER?

AO-26 and AO-27 clarify that I cannot readdress an appraisal, and I must treat a subsequent request as a new assignment. Does that mean I must “start from scratch” since I would be performing a new assignment for a different client? Must I re-inspect the property?

RESPONSE TO QUESTION # 4

No, a new assignment does not mean that you must “start from scratch.” You must decide the appropriate scope of work for the new assignment. This would include a decision as to whether or not it was necessary to perform another inspection. The scope of work for the new assignment can be different from the scope of work completed in the earlier assignment.

As with any assignment, you might be able to use information and analyses developed for a previous assignment. Appraisers are often selected for subsequent assignments specifically because of experience and demonstrated competency in a prior assignment.

One must be mindful of obligations relating to the use of confidential information. The Confidentiality section of the ETHICS RULE states:

An appraiser must not disclose confidential information or assignment results prepared for a client to anyone other than the client and person specifically authorized by the client...

QUESTION # 5
USPAP COMPLIANCE AND JURISDICTIONAL EXCEPTION

I am a real property appraiser and a government employee. The agency I work for wants me to provide a “preliminary estimate of value.” The agency policy states that this work is not an appraisal and is not covered by USPAP because of a Jurisdictional Exception. Should I comply with USPAP when I prepare a “preliminary estimate of value?”

RESPONSE TO QUESTION # 5

This question raises a number of related USPAP compliance and the application of the JURISDICTIONAL EXCEPTION RULE.

Based on your identification as an appraiser, you should comply with USPAP. This is because an individual's public identification as an appraiser establishes an expectation that valuation services will be performed in compliance with USPAP. You must comply with USPAP when required by law, regulation, or agreement. Even if the agency policy does not require USPAP compliance, other applicable law or regulation might require compliance.

The JURISDICTIONAL EXCEPTION RULE cannot be used to resolve this type of USPAP compliance question because compliance is not required by USPAP. USPAP does not establish who or which assignments must comply; thus, the JURISDICTIONAL EXCEPTION RULE cannot be applied to the decision to comply with USPAP.

Another issue raised by this question relates to USPAP requirements that apply to a “preliminary estimate of value.” USPAP does not define “preliminary estimate of value.” However, it is the nature of the service, not the label applied, that defines the service. An appraisal is defined as *the act or process of developing an opinion of value; an opinion of value*. If the service is an “appraisal” as defined in USPAP, then STANDARDS 1 and 2 apply to the “preliminary estimate of value.”

QUESTION # 6
READDRESSING WITH LENDER RELEASE

I am aware of Advisory Opinions AO-26 “Readdressing (Transferring) a Report to Another Party” and AO-27 “Appraising the Same Property for a New Client.” Does that guidance still apply if Lender A releases me to perform another assignment, or can I just readdress the report to Lender B since I have obtained a release?

RESPONSE TO QUESTION # 6

It is never permissible to "readdress" a report by simply changing the client's name on a completed report, regardless of whether the first client gave a release. The request from Lender B must be treated as a new assignment.

Further guidance can be found in the Obtaining a Release section of Advisory Opinion 27.

FANNIE MAE APPRAISAL REPORT FORMS Q & A

Numerous questions and comments have been presented to the Appraisal Standards Board (ASB) regarding the recently revised Fannie Mae appraisal report forms. Many of the questions, which are summarized and presented below, are related to Item #23 in the Appraiser's Certification on report Form 1004, the Uniform Residential Appraisal Report. (The statement on Item #23 on Form 1004 also appears in the other Fannie Mae forms.) The first question is included because the answer is central to the issue raised about Item #23.

QUESTION # 7

What is meant by the term Intended User in USPAP?

RESPONSE TO QUESTION # 7

Intended User is defined in USPAP as:

The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

Although the client provides information to the appraiser regarding the Intended Users, it is the appraiser who is responsible for specifying the parties he or she is identifying as Intended Users.

Knowing the Intended Users is important USPAP requires contain sufficient information to allow Intended Users to understand the report. Without clear knowledge of the Intended Users in an assignment, an appraiser cannot be certain that the report content is appropriate. Some Intended Users will require more information than others in order to facilitate understanding.

Furthermore, identification of the Intended Users is important in understanding the

Intended Use or Uses of the appraisal; different Intended Users may have different Intended Uses for the appraisal.

QUESTION # 8

I have studied the recently issued revised Fannie Mae appraisal report Form 1004. On that form, the lender/client is identified as the Intended User. However, Item #23 in the Appraiser's Certification states:

"The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties."

I am concerned that Item #23 is not clear, and I wonder if the parties listed in Item #23 could interpret it to mean that they are also Intended Users. To be in compliance with USPAP, what should I do about this item in the Appraiser's Certification?

RESPONSE TO QUESTION # 8

USPAP requires that each written appraisal report must:

...clearly and accurately set forth the appraisal in a manner that will not be misleading.

Part of satisfying this requirement is clarifying which parties are Intended Users. USPAP requires the appraiser to identify the Intended User(s) and to state in the report who the Intended Users are. (See the definition of Intended User, Standards Rule 1-2(a), and Standards Rule 2-2(b)(i).)

The revised Fannie Mae appraisal report Form 1004 clearly states that the lender/client is the Intended User. However, the language in the Appraiser's Certification Item #23 confuses the matter.

Therefore, in order to clearly and accurately set forth the appraisal in a manner that is not misleading, the revised Fannie Mae report Form 1004 requires supplementation to clarify which parties the appraiser is identifying as Intended Users. As stated in USPAP:

An appraiser must supplement a report form, when necessary, to ensure that any intended user of the appraisal is not misled...

Part of not misleading the Intended User is ensuring that they know who they are.

QUESTION # 9

Does the ASB consider Item #23 in the Appraiser's Certification on report Form 1004 confusing?

RESPONSE TO QUESTION # 9

The statement that the parties listed, **may rely on** this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties" [**bold** added for emphasis] is subject to various interpretations.

First, from a practical standpoint, there is little distinction between parties who "use" the report and parties who "rely" on the report. It is difficult to determine the difference between those parties given permission to "rely on" the appraisal report (from the Fannie Mae report forms) and those parties identified as "users of" the appraisal report (from the USPAP definition of Intended Users).

Another matter of confusion is the meaning of the word "may" in the phrase "may rely on." One interpretation could be that the appraiser is granting permission. This permission for the parties to "rely" on the report suggests that they are Intended Users. Another interpretation could be that the appraiser is simply acknowledging the possibility that another party might choose to rely on the report, even if that party is not an Intended User. This possibility has always existed; the appraiser cannot control to whom the client provides copies of the report.

QUESTION #10

What should an appraiser do if the parties listed in Appraiser's Certification Item #23 are determined by the appraiser to be Intended Users? What if the appraiser determines they are not Intended Users?

RESPONSE TO QUESTION #10

If the appraiser intends any of the parties listed in Appraiser's Certification Item #23 to be Intended Users, the report must state that fact, and the appraiser must comply with the

USPAP requirements associated with these other Intended Users. For example, further supplementation might be necessary to comply with Standards Rule 2-1(b), requiring that the appraisal report must:

...contain sufficient information to enable the intended users of the appraisal to understand the report properly...

If the appraiser does not intend the parties listed in Appraiser's Certification Item #23 to be Intended Users, the report must be supplemented to clearly explain this. For example, as indicated in USPAP Statement on Appraisal Standards No. 9, a statement similar to the following may be appropriate:

This report is intended for use only by (identify the client and any other intended users). Use of this report by others is not intended by the appraiser.

QUESTION # 11

But how can I supplement the Fannie Mae appraisal report forms? Fannie Mae prohibits supplementation of the certification regarding anything material.

RESPONSE TO QUESTION #11

The ASB cannot comment on Fannie Mae policies. However, USPAP requires that the appraiser supplement an appraisal report form if the form is not adequate. As stated in STANDARD 2 of USPAP:

*An appraiser **must** supplement a report form, when necessary, to ensure that any intended user of the appraisal is not misled and that the report complies with the applicable content requirements set forth in the Standards Rules. **bold** added for emphasis]*

Each assignment is different, and no form could cover all USPAP requirements for all assignments. Appraisal report forms are simply tools to assist in organizing the reporting of assignment results.

It is the responsibility of the appraiser to properly develop an appraisal and to properly report the assignment results. A template or form may or may not adequately report the assignment results.

WELCOME NEW APPRAISERS

Joseph T. Abell	Certified Residential	Ocean Springs, MS
David Michael Alfred	Associate	Louisville, KY
Carol L. Alsop	Associate	Georgetown, KY
Robert K. Barnes	Certified General	Brentwood, TN
Carol Rene Bascom	Associate	Mt. Sterling, KY
Nicholas John Beck	Associate	Erlanger, KY
Karen Cristy Bielawski	Associate	Vanceburg, KY
John D. Bowles	Associate	Sonora, KY
Renee Branham	Associate	Lexington, KY
Katherine R. Carman	Associate	Richmond, KY
Jeffrey Benjamin Carroll	Certified General	Charlotte, NC
James E. Cary	Certified General	Brentwood, TN
Thomas K. Christie	Associate	Campbellsville, KY
John E. Cloern	Associate	Louisville, KY
Ryan M. Cloern	Associate	Louisville, KY
Nanette Cochran	Associate	Elizabethtown, KY
Adam Lee Cottrell	Associate	Elizabethtown, KY
Travis L. Crawford	Associate	Southgate, KY
J. Craig Dowell	Associate	Bowling Green, KY
Dorothy R. Driscoll	Certified Residential	Garden City, NY
Robin D. Dryden	Associate	Erlanger, KY
Meredith Doyle Duff	Associate	Prestonsburg, KY
Amy L. Earnheart	Certified General	Dexter, MO
Robert L. Easley	Associate	Lexington, KY
Joseph D. Embry	Associate	Beaver Dam, KY
D. Bryce Ferguson	Associate	West Liberty, KY
Darby Franklin	Associate	West Liberty, KY
Tammy R. Frizzell	Associate	Beaver Dam, KY
Matthew G. Fugate	Associate	Gilbertsville, KY
Christopher W. Gammon	Associate	Harrodsburg, KY
Benjamin T. Godbey	Associate	Georgetown, KY
Kathy D. Goodrum	Associate	Franklin, KY
Gary David Greene	Associate	Greenup, KY
Amanda E. Greer	Associate	Brandenburg, KY
Christopher James Grimes	Associate	Hodgenville, KY
Cecil E. Hardin, Jr.	Associate	Louisville, KY
Bambi Jo. Harris	Associate	Bardstown, KY
Allen Joseph Harrison	Associate	Shelbyville, KY
Gayle M. Holmes	Certified Residential	Frankfort, KY
Amanda Julia Jacobs	Associate	Grayson, KY
Kim M. Kobriger	Certified General	Cincinnati, OH
Adam P. Kranbuhl	Licensed Real Property	Hamilton, OH
Mark J. Krause	Certified General	Chicago, IL
Douglas P. Leugers	Associate	Independence, KY
Ed McKinney	Associate	Georgetown, KY
John D. McIntyre	Certified Residential	Toledo, OH
Gregory Montgomery	Associate	Lexington, KY
Brandon G. Morris	Associate	Russellville, KY
Brandon S. O'Neal	Associate	New Albany, IN
Deana C. O'Neal	Associate	Wickliffe, KY
Lenore L. Overton	Associate	LaGrange, KY
Wilma Pace	Associate	Summer Shade, KY

Mark N. Perkins	Associate	Louisville, KY
Dean E. Pettit	Licensed Real Property	Florence, KY
Ron Pittman	Licensed Real Property	Russellville, KY
Jimmy Powell	Associate	Lawrenceburg, KY
Christopher D. Pride	Associate	LaGrange, KY
Larry D. Rice, Jr.	Associate	Louisville, KY
Sue Richerson	Associate	Erlanger, KY
Chris Richardson	Associate	Winchester, KY
Chester D. Risner	Associate	Franklin Furnace, OH
Tracy Risner	Associate	Lexington, KY
Jane G. Roberts	Associate	Benton, KY
Barry J. Rutenschroer	Licensed Real Property	Cincinnati, OH
Ann Maguire Saich	Associate	Lexington, KY
Deborah J. Scrivner	Associate	Richmond, KY
Melanie Wyatt Shirley	Associate	Glasgow, KY
John R. Shives	Certified General	Greenville, OH
Steven M. Shockley	Associate	Louisville, KY
Darrel L. Skrine	Associate	Louisville, KY
Jason R. Spencer	Associate	Corbin, KY
Daniel C. Steely	Associate	Louisville, KY
Mark Jeffrey Stevens	Associate	Greenup, KY
Dana R. Stewart	Associate	Leitchfield, KY
Calen R. Studler	Associate	Georgetown, KY
Kevin Surret	Associate	Lexington, KY
James H. Swatos	Certified General	Chicago, IL
April N. Smith Taylor	Associate	Edmonton, KY
Cathy R. Taylor	Associate	Waco, KY
John D. Tidwell	Certified Residential	Mayfield, KY
Melissa R. Vaughan	Associate	Union, KY
William D. Waltenbaugh	Licensed Real Property	Hamilton, OH
Michael B. Webb	Associate	Shelbyville, KY
Brian Keith Wellman	Associate	Prichard, WV
Anne W. Wells	Associate	Lexington, KY
Jennifer Wheatley	Associate	Louisville, KY
Jana L. Wright	Associate	Corbin, KY

RECLASSIFICATIONS

Molly C. Boland	Certified General	Louisville, KY
Eric R. Bundy	Certified Residential	New Albany, IN
Deborah A. Ciresi	Certified General	Louisville, KY
Bryan D. Estep	Certified Residential	Ashland, KY
Andrew Micheal Falco	Certified Residential	Louisville, KY
Chris A. Graham	Certified General	Bowling Green, KY
Shellia C. Hamilton	Certified Residential	Owensboro, KY
Dedra Kent Kuerzi	Certified Residential	Louisville, KY
Gary L. Miller	Certified General	Louisville, KY
Kristin J. Mueller	Certified General	Louisville, KY
Jonathan Mulberry	Certified Residential	Williamstown, KY
Christopher J. Phelps	Certified General	Madisonville, KY
M. Steve Risner	Certified Residential	Lexington, KY
Shauna Knight Rogers	Certified Residential	London, KY
Desiree C. Scanlon	Certified Residential	Utica, KY

Richard A. Sceifers
Michael S. Shepherd
Deborah J. Stephens
Jason M. Stockton
Ronnie Strong
Darryl Thornton

Certified General
Certified Residential
Certified Residential
Certified Residential
Certified Residential
Certified Residential

Georgetown, IN
Owensboro, KY
Paintsville, KY
Louisville, KY
Sardinia, OH
Jacksonsboro, TN

REPORTING COMPLAINTS IN NEWSLETTER

At the March 22, 2002 Board meeting, the Kentucky Real Estate Appraisers Board unanimously voted to report the names of those complaints that have been adjudicated, whereby the respondent received a sanction of one of the following: (1) Fine of \$1,000 or greater; (2) Suspension of license/certification, or (3) Revocation of license/certification.

A couple of years ago the Board voted to accept anonymous complaints. Complaints were filed with little merit and were clearly filed to embarrass. Some of these complaints resulted in a small fine and or a requirement to take additional education. The complainant had one goal in mind and that being to embarrass a licensee and see a name in the newsletter so the newsletter could be used to discredit a licensee.

The KREAB, by statute, will address and dispose of every complaint it receives. The lesser offenses will be disposed of with a Letter of Notice, small fine or

additional education, without the appraiser's name being published in the newsletter. Complaints that involve fraud and gross negligence that result in a fine of \$1,000 or greater or a suspension or revocation of license, will result in appraiser's name shall be published in the newsletter.

Some appraisers possess what might be referred to as the police court mentality. That being, when you open the newspaper the first item you read is the police report to see who got in trouble. I'm sure there are many appraisers who read only the disciplinary actions in the newsletter and ignore the rest. This is your prerogative but you're missing a lot of useful information.

Since 1996, the Board has encouraged appraisers to file complaints that rise to the level of gross negligence or fraud. The Board has never encouraged nit-picking complaints to embarrass your competition.

GRIEVANCE AND COMPLAINT PROCESS

The KREAB considers the initial correspondence filed with the Board to be a Sworn Statement of Grievance. The Sworn Statement of Grievance is required to be answered and investigated the same as a complaint. Should the Board determine no violation of USPAP and or Kentucky Statutes/ Regulations exist, the grievance shall be dismissed. When a grievance is dismissed by the Board, no record of a complaint shall be recorded in the appraiser's file and the appraiser shall not be required to report or disclose they had a grievance filed against them. The rationale for not reporting grievances dismissed by the Board is to discourage frivolous complaints and complaints filed to embarrass.

Should the Board determine from the investigative report sufficient evidence exists to proceed; the Board will file a formal complaint and set the case for a hearing.

The appraiser shall be afforded the opportunity to settle the complaint at an informal or mediation hearing. If the complaint is settled at an informal hearing or through mediation, the appraiser and Board will enter into an agreed order. Lacking an informal settlement, the case will proceed to a formal hearing.

ANONYMOUS GRIEVANCE - The KREAB will accept an anonymous grievance providing the complainant sends the Board a copy of the appraisal and a list of the items believed violations of USPAP and/or KY Laws & Regulations. The Board will investigate the grievance and if deficiencies exist, file a complaint on behalf of the Board. **The Board will not accept anonymous grievances that fail to state the deficiencies.** The Board will not review appraisal reports to determine if deficiencies exist.

BOARD GRIEVANCE - The KREAB, on its own volition, may file a grievance if in the opinion of the Board the alleged violations are of a serious nature such as gross negligence or fraud or not complying with a directive from the Board.

The KREAB does not encourage frivolous complaints or complaints filed to embarrass. **Effective March 22, 2002, the KREAB will publish the name of the appraiser in the quarterly newsletter who has received a sanction of the following: (1) Fine of \$1,000 or greater, (2) Suspension of license/certification, or (3) Revocation of license/certification.**

DISCIPLINARY ACTIONS

Case No. 03-40

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a),(b); 1-2(a).

Based upon mediation agreement the appraisers agreed to 1) complete a "Fannie Mae Forms - 2005" class of at least 7-hours. The education shall be in addition to the regular continuing education requirement of 201 KAR 30:050, section 7, and must be completed by December 31, 2005.

Case No. 03-51

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 03-55

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 03-78

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter of caution shall be placed in the appraiser's permanent file.

Case No. 03-70

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 03-79

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The

responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a),(b),(c); 2-2(b)(iii), (iv); 1-5(b).

Based upon mediation agreement the appraiser agreed to 1) accept a letter of admonishment be placed in the file, 2) send a copy of 1-appraisal report per month of older dwellings (more than 25-years) for six months from the date of agreed order to the Board for staff review.

Case No. 03-80

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter of caution shall be placed in the appraiser's permanent file.

Case No. 03-97

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter of caution shall be placed in the appraiser's permanent file.

Case No. 03-112

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist and agreed to violations of the Uniform Standards of Professional Appraisal Practice Standards Rule Ethics Rule.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a); 2-2.

Based upon mediation agreement the appraisers agreed to 1) complete a "Cost and Depreciation" class of at least 7-hours. The education shall be in addition to the regular continuing education requirement of 201 KAR 30:050, section 7, and must be completed by December 31, 2005.

Case No. 04-15

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist and agreed to violations of the Uniform Standards of Professional Appraisal Practice Standards Rule Ethics Rule.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a), (b), (c); 2-2.

Based upon mediation agreement the appraisers agreed to 1) complete a "Real Estate Fraud and Flipping" class of at least 7-hours, and a "Fannie Mae Forms - 2005" class of at least 7-hours. The education shall be in addition to the regular continuing education requirement of 201 KAR 30:050, section 7, and must be completed by June 30, 2005.

Case No. 04-16

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist and agreed to violations of the Uniform Standards of Professional Appraisal Practice Standards Rule 1-1(a); 1-2(a); 2-1; 2-2(b)(vi).

Based upon the findings the appraiser agreed to complete at least 15-hours of a class in Site and Site Improvements by December 31, 2005. The said education shall be in addition to that required in 201 KAR 30:050, Section 7.

Case No. 04-18

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter of caution shall be placed in the appraiser's permanent file.

Case No. 04-20

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. The investigation revealed no violations of KRS 324A.050 or USPAP.

Based upon the investigation and the report information the Board voted unanimously to dismiss the case with no further action.

Case No. 04-23

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter of caution shall be placed in the appraiser's permanent file.

Case No. 04-27

It was alleged the appraiser did not complete the necessary research and analysis to develop a credible opinion of value.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter of caution shall be placed in the appraiser's permanent file.

Case No. 04-30

It was alleged that the appraiser failed to exercise due diligence in developing a real property opinion of value, communicated the results of the development in a manner considered misleading, and did not perform the assignment per recognized methods and techniques as required in USPAP.

The complaint was answered and the case was investigated. The investigation failed to reveal deficiencies USPAP or KRS 324A.

Based upon the investigation results the Board voted unanimously to dismiss the case without other action being necessary.

Case No. 04-31

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies did exist but did not rise to the level of a specific USPAP violation or KRS 324A violation.

Based upon the findings the appraiser was presented a letter of advice that when completing future assignments care should be exercised in those items noted by the case investigator as deficient. The letter shall be placed in the appraiser's permanent file.

Case No. 04-33

It was alleged that the appraiser failed to analyze subject property characteristics and was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 04-34

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the

appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 04-36

It was alleged that the appraiser, and supervising appraiser exercise negligence and incompetence when developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 04-48

It was alleged that the appraiser did not complete a real property appraisal assignment as requested by the client; however, he/she charged a fee for the assignment. It was also alleged the value opinion reported by a mortgage company was less than that of a 1997 assignment opinion.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 04-70

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. The investigation failed to reveal deficiencies USPAP or KRS 324A.

Based upon the investigation results the Board voted unanimously to dismiss the case without other action being necessary.

Case No. 04-78

It was alleged that both the appraiser and supervising appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a),(b),(c); 1-2(c); 1-3(a); 1-5(a); and 2-2(b), (vi) did exist.

Based upon mediation agreement the appraisers agreed to 1) not recruit or accept any Associates for three years from date of agreed order, 2) grant the Board or Board representative the right to review the work files upon request, and 3) submit to the Board, every six months, for two years from date of the agreed order, a log of appraisal assignments. Also, the Board or Board representative shall be provided a copy of any work sample requested from the log for review.

Case No. 04-80

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a),(b),(c); 1-2(c); 1-3(a); 1-5(a); and 2-2(b), (vi) and Statement 6 did exist.

Based upon mediation agreement the appraisers agreed to 1) not recruit or accept any Associates for three years from date of agreed order, 2) grant the Board or Board representative the right to review the work files upon request, and 3) submit to the Board, every six months, for two years from date of the agreed order, a log of appraisal assignments. Also, the Board or Board representative shall be provided a copy of any work sample requested from the log for review.

Case No. 04-81

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the

appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a),(b),(c); 1-2(c); 1-3(a); 1-5(a); and 2-2(b), (vi) did exist.

Based upon mediation agreement the appraisers agreed to 1) not recruit or accept any Associates for three years from date of agreed order, 2) grant the Board or Board representative the right to review the work files upon request, and 3) submit to the Board, every six months, for two years from date of the agreed order, a log of appraisal assignments. Also, the Board or Board representative shall be provided a copy of any work sample requested from the log for review.

Case No. 04-68

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

The complaint was answered and the case was investigated. In lieu of a formal hearing the case was mediated. The responding appraiser acknowledged deficiencies of USPAP Standards Rules 1-1(a),(b),(c); 1-2(c); 1-3(a); 1-5(a); and 2-2(b), (vi) did exist.

Based upon mediation agreement the appraisers agreed to 1) not recruit or accept any Associates for three years from date of agreed order, 2) grant the Board or Board representative the right to review the work files upon request, and 3) submit to the Board, every six months, for two years from date of the agreed order, a log of appraisal assignments. Also, the Board or Board representative shall be provided a copy of any work sample requested from the log for review.

Case No. 04-101

It was alleged the appraiser did not complete the necessary research and analysis to develop a credible opinion of value.

The complaint was answered and the case was investigated. The investigation failed to reveal deficiencies USPAP or KRS 324A.

Based upon the investigation results the Board voted unanimously to dismiss the case without other action being necessary.

Case No. 05-19

It was alleged that the appraiser failed to exercise reasonable diligence in developing and/or communicating the appraisal. The appraiser was negligent or incompetent in developing and/or communicating the appraisal and the appraiser failed to observe one or more of the Uniform Standards of Professional Appraisal Practice.

During the mediation it was discovered the appraiser's file data was sufficient to address the questions and concerns. Therefore, the appraiser demonstrated a competent and credible value opinion and the results were not considered misleading.

By unanimous vote the Board voted to dismiss the case with a letter of advice that he/she be more specific and descriptive in future reports of value, especially those items noted as lacking in report content.

Case No. 05-34

It was alleged the appraiser did not complete the necessary research and analysis to develop a credible opinion of value.

The complaint was answered and the case was investigated. The investigation failed to reveal deficiencies USPAP or KRS 324A.

Based upon the investigation results the Board voted unanimously to dismiss the case without other action being necessary.

Case No. 05-36

It was alleged the appraiser did not complete the necessary research and analysis to develop a credible opinion of value.

The complaint was answered and the case was investigated. The investigation failed to reveal deficiencies USPAP or KRS 324A.

Based upon the investigation results the Board voted unanimously to dismiss the case without other action being necessary.

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