RENEWAL INFORMATION

Trainee registrations, licenses and certificates shall expire on the 30th day of June every year and shall become invalid after that date unless renewed prior to the expiration date. Required continuing education must be completed by May 31st in order to renew on time and not require that you late renew. If you do not renew on time, any work accomplished after June 30th will be invalid and you will be subject to disciplinary actions.

A Renewal Notice will be mailed to you the first week of May. After completing your required education, you will need to return your renewal notice, with the renewal fee of $200.00 prior to June 30th so your credential will not lapse.

In a slow economy with less work available, we realize that some will be making decisions as to whether to renew and stay in this profession. An important factor to remember is the drastic change in education requirements to become an appraiser that became effective January 1, 2008. If you lapse, you may late renew with late penalty fees for the first 12 month period and may reinstate in the second 12 month period by making a full application. After 24 months, you must start over and meet all the current education and experience requirements plus pass a much longer exam. The timely renewal of your credential protects you from being required to meet these increased requirements to become an appraiser.

Please access your record through the licensee login on our website and make sure we have your correct mailing address so the renewal notice will reach you. You may update your contact information through the licensee login section.

RECENT BOARD APPOINTMENTS

Since the last issue of this publication there has been one reappointment and two new appointments to the Board.

Senate Pro Tempore Marc Basnight reappointed Mr. Henry Faircloth to a new term. Mr. Faircloth is a commercial building contractor from Salemburg and has continuously served on the Board since 1991.

Senate Pro Tempore Marc Basnight also appointed Ms. Sidney Jessup to a first term. Ms. Jessup is an attorney from Kill Devil Hills. She received a BA degree in economics from Mary Washington College and her law degree from Campbell University.

House Speaker Joe Hackney appointed Ms. Lauriette West-Hoff to a first term. Ms. West-Hoff is a real estate appraiser and also an attorney from Durham. She received a BA degree in psychology and her law degree from NC Central University.
CONTINUING EDUCATION REMINDER

All appraisers and trainees must have 28 hours of continuing education credit in order to renew their licenses in 2009, including the 7 hour National USPAP Update course. All continuing education must be taken between July 1, 2007 and May 31, 2009. If you do not take your continuing education by this date, your renewal will not be processed by June 30, 2009.

→ Appraisal Board rules allow you to take up to 14 hours of the 28 hour requirement as on-line courses.

→ You can take a precertification course for continuing education, but if you use it for continuing education, you cannot use it to upgrade.

→ If you took the 15 hour National USPAP course you may receive continuing education credit if you request it, but you will still have to take the 7 hour National USPAP update course in order to renew your registration, license or certificate.

→ No continuing education credit was carried over from the 2005-2007 education cycle into the 2007-2009 cycle.

→ If you reside in another state and are currently licensed by the appraiser certification board of that state, you may satisfy the continuing education requirement by providing a current letter of good standing from your resident state showing that you have met all continuing education requirements of that state.

→ If you were licensed in North Carolina by reciprocity and you now live in North Carolina, you must comply with the North Carolina continuing education rules. In other words, if you live here now, you cannot send in a letter of good standing from another state in order to avoid continuing education here.

→ Trainees who initially register after January 1, 2009 will not have to obtain continuing education to renew in 2009.

→ If you fail to take required continuing education before June 1, 2009, but you take your CE during the month of June 2009, your registration, license or certificate will expire on June 30, 2009. Your renewal will be processed on or after July 1, 2009 upon payment of the appropriate late fee (currently $10.00 per month).

To view a current list of continuing education courses approved by the Board, please visit our website at http://www.ncappraisalboard.org/education/contin_edu.htm
Fannie Mae and Freddie Mac have announced that they will implement a revised Home Valuation Code of Conduct (HVCC) effective May 1, 2009. The HVCC is based on an agreement between Fannie Mae, Freddie Mac, New York State Attorney General Andrew Cuomo and the Federal Housing Finance Agency (FHFA). The HVCC applies to lenders that sell single-family mortgage loans to Fannie and Freddie. They plan to provide more information in early 2009 to address implementation questions.

Fannie Mae has issued a six page FAQ detailing how they plan to implement the HVCC. The document can be found at https://www.efanniemae.com/sf/guides/ssg/relatedsellinginfo/appcode/pdf/hvccfaqs.pdf.

Some of the highlights of the revised HVCC are:

No employee, director, officer, or agent of the lender, or any other third party (including an appraisal management company) shall influence or attempt to influence the development, reporting, result, or review of an appraisal through coercion, extortion, collusion, compensation, inducement, intimidation, bribery, or in any other manner including but not limited to:

- withholding or threatening to withhold timely payment or partial payment for an appraisal report;
- withholding or threatening to withhold future business for an appraiser, or demoting or terminating or threatening to demote or terminate an appraiser;
- conditioning the ordering of an appraisal report or the payment of an appraisal fee or salary or bonus on the valuation to be reached, or on a preliminary value estimate requested from an appraiser;
- requesting that an appraiser provide an estimated valuation in an appraisal report prior to the completion of the appraisal report, or requesting that an appraiser provide estimated values or comparable sales at any time prior to the appraiser’s completion of an appraisal report;
- providing to an appraiser an estimated or desired value for a subject property or a proposed or target amount to be loaned to the borrower, except that a copy of the sales contract for purchase transactions may be provided;
- allowing the removal of an appraiser from a list of qualified appraisers without prompt written notice to such appraiser,
- any other act or practice that impairs or attempts to impair an appraiser’s independence, objectivity, or impartiality or violates law or regulation, including USPAP.

The lender or the lender’s agent may ask for additional information or an explanation of information in the report, and may ask the appraiser to correct objective factual errors in an appraisal report.

The lender shall ensure that the borrower is provided a copy of the appraisal report promptly upon completion at no additional cost to the borrower.

The lender cannot accept an appraisal report completed by an appraiser selected, retained, or compensated in any manner by any other third party (including mortgage brokers and real estate agents).

The appraiser cannot be selected by a member of the lender’s loan production staff or by anyone employed by the lender who will receive a commission from the loan. In other words, the person on the staff of the lender who selects the appraiser must be wholly independent of the loan production staff and process. There is no requirement that the lender use an appraisal management company.

The lender may use in-house staff appraisers to order appraisals, conduct appraisal reviews or other quality control, use internal automated valuation models, and to prepare appraisals in connection with transactions other than mortgage origination transactions.

An Independent Valuation Protection Institute (Institute) will be created. The IVPI will have a telephone hotline and email address to receive complaints of HVCC non-compliance, including complaints from appraisers and other concerning the improper influencing or attempted improper influencing of appraisers or the appraisal process. The lender is not allowed to retaliate, in any manner or method, against the person that makes a complaint to the IVPI. At this writing, the IVPI has not been developed.

The full text of the HVCC may be found at http://www.ofheo.gov/media/news%20releases/HVCCFinalCODE122308.pdf
Fannie Mae issued an Announcement in November 2008 that clarifies some policies, amends others, and implements its new Market Conditions form 1004MC. The new Form 1004MC is required on all appraisals with an effective date on and after April 1, 2009. All other new and updated policies are effective for all appraisals on or after January 1, 2009.

EXISTING POLICIES THAT ARE CLARIFIED ARE INDICATED IN BOLD PRINT AND INCLUDE:

**Repair escrows for existing construction.** Completion or repair escrows are permitted under certain circumstances for existing properties. If the appraiser reports the existence of minor conditions or deferred maintenance items that do not affect the livability, soundness, or structural integrity of the property, the appraiser may complete the appraisal “as is” and these items must be reflected in the appraiser’s opinion of value. The lender is not required to ensure that the borrower has had this work completed prior to delivery of the loan to Fannie Mae. Minor conditions and deferred maintenance items include, but are not limited to, worn floor finishes or carpet, minor plumbing leaks, holes in window screens, or cracked window glass. Minor conditions and deferred maintenance are typically due to normal wear and tear from the aging process and the occupancy of the property. When there are incomplete items or conditions that do affect the livability, soundness, or structural integrity, the property must be appraised subject to completion of the specific alterations or repairs. These items include, a partially completed addition or renovation, or physical deficiencies that could affect the soundness or structural integrity of the improvements including but not limited to cracks or settlement in the foundation, water seepage, active roof leaks, curled or cupped roof shingles, or inadequate electrical service or plumbing fixtures.

Research and reporting of the current and prior listings of the subject property. The 1004 form currently requires the appraiser to research and comment on whether the subject property is currently for sale or if it has been listed for sale within 12 months prior to the effective date of the appraisal. The appraiser must report on each occurrence or listing and provide the data source, offering prices, and date.

Appraising the entire site of a property. The appraisal must include the actual size of the site and not a hypothetical portion of the site. For example, the appraiser may not appraise only 5 acres of an unsubdivided 40-acre parcel. The appraised value must reflect the entire 40-acre parcel.

Effective age of the subject property. When adjustments are made to the appraisal for the effective age, the appraiser must provide an explanation for the adjustments and the condition of the property.

Verification of a sales transaction. When the appraiser is provided with comparable sales data by a party that has a financial interest in either the sale or financing of the subject property, the appraiser must verify the data with a party that does not have a financial interest in the subject transaction. However, when appraising new construction, the appraiser may need to rely solely on the builder of the property they are appraising to provide comparable sales data, as this data may not yet be available through typical data sources such as public records or multiple listing services. In this scenario, it is acceptable for the appraiser to verify the transaction of the comparable sale by viewing a copy of the HUD-1 Settlement Statement from the builder’s file.

Neighborhood boundaries and the selection of comparable sales. Although it is preferable for the appraiser to provide comparables from the subject’s neighborhood, Fannie Mae does allow for the use of comparable sales that are located in competing neighborhoods, as these may simply be the best comparables available and the most appropriate for the appraiser’s analysis. If this situation arises, the appraiser must not expand the neighborhood boundaries just to encompass the comparables selected. The appraiser must indicate the comparables are from a competing neighborhood and address any differences that exist.

Time adjustments on the appraisal report. If in the analysis and completion of the sales comparison approach the appraiser determines that time adjustments are required, the adjustments may be either positive or negative. The adjustments, however, must reflect the difference in market conditions between the date of sale of the comparable and the effective date of appraisal for the subject property.

Utilizing the cost approach to value for insurance purposes. If a lender requires the cost approach to be completed in order to obtain a replacement cost estimate for the purpose of determining the level of insurance coverage required for a
one-unit property, the lender may rely on the appraiser’s estimate of the replacement cost of the improvements. This is reported as the “Total Estimate of Cost New” on the appraisal forms. This estimate does not include any form of depreciation or obsolescence for the property. It is not appropriate for the lender simply to subtract the reported site or land value from the appraised value of the property to make the determination because the result is an estimate of the depreciated value of the improvements, not an estimate of their replacement cost.

NEW POLICIES INCLUDE:

Implementation of the Market Conditions Addendum to the Appraisal Report (Form 1004MC). The Form 1004MC is intended to provide the lender with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. The form provides the appraiser with a structured format to report the data and to more easily identify current market trends and conditions. The appraiser’s conclusions are to be reported in the “Neighborhood” section of the appraisal report. In some markets it may not be possible to retrieve the total number of comparable active listings from earlier periods. If this is the case, the appraiser must explain the attempt to obtain such information. Also, there may be markets in which the data is available in terms of an “average” as opposed to a “median.” In this case, the appraiser needs to note that his or her analysis has been based on an “average” representation of the data. Regardless of whether all requested information is available, the appraiser must provide support for his or her conclusions regarding market trends and conditions.

Form 1004MC also provides a section for comments on the prevalence of seller concessions and the trend in seller concessions for the past 12 months. The change in seller concessions within the market provides the lender with additional insight into current market conditions. The appraiser should consider and report on seller-paid (or third-party) costs. Examples of these items include, but are not limited to mortgage payments, points and fees, and in condominium or cooperative projects, items such as homeowners’ association fees and guaranteed rental programs. Seller concessions must be carefully analyzed by the appraiser since excessive concessions often lead to inflated property values.

Use of supervisory appraisers. Fannie Mae defines the appraiser as the individual who personally inspected the property being appraised, inspected the exterior of the comparables, performed the analysis, and prepared and signed the appraisal report as the appraiser. Fannie Mae allows a trainee who works under the supervision of a licensed or certified appraiser to perform a significant amount of the appraisal (or the entire appraisal if he or she is qualified to do so)—as long as the appraisal report is signed by a licensed or certified supervisory or review appraiser and is acceptable under state law. This policy is updated to now require that if a supervisory appraiser signs the appraisal report as the appraiser, the supervisory appraiser must have performed the inspection of the subject property.


Requirement to provide the sales contract to the appraiser. Fannie Mae is adding the requirement that the lender must provide the appraiser with the sales contract and all addenda, therefore ensuring that the appraiser has been given the opportunity to consider the financing and sales concessions in the transaction and their effect on value. If the sales contract is amended during the process, the lender must provide the updated contract to the appraiser.

Requirement regarding the appraiser’s selection of comparable sales. When a property is located in an area in which there is a shortage of truly comparable sales—either because of the nature of the property improvements or the relatively low number of sales transactions in the neighborhood—the appraiser may need to use as comparable sales properties that are not truly comparable to the subject property or properties that are located in competing neighborhoods. If the appraiser utilizes comparable sales outside of the subject’s neighborhood when closer comparable sales appear to be available, Fannie Mae is adding a requirement that the appraiser provide an explanation as to why he or she used the specific comparable sales in the appraisal report.

This is only a summary of some of the items in this Fannie Mae Announcement. You are encouraged to read the complete announcement which contains a copy of the new 1004MC form at the following link.

Reminder for Individuals who took Certification Exams Early

As you may recall, the Appraisal Board allowed individuals who had completed the education requirements for Certified Residential or Certified General to take the exam prior to obtaining their experience. If you took one of the certification exams early, you are reminded that you have two years from the date you passed the exam to finish your experience and submit your application for upgrade. The two-year time limit is a federal requirement, not a Board rule, so there can be no extension of the deadline. If you do not complete your experience within the two years, you will have to take the new national certification exam. You will not have to take additional classes unless the courses needed for upgrade are over five years old.

Website Enhancements—Viewing Your Continuing Education Record Online

Enhancements have been made to the Board website so that all current licensees can view their CE record online. Utilizing the licensee login link found at the bottom of the Board’s homepage (www.ncappraisalboard.org), current licensees may login by entering their User ID and password. The User ID is the same as an individuals’ license number and will start with the letter “A” or “T”. The password is the licensees’ last four digits of their social security number.

The CE record displayed contains the continuing education earned as reported to the Board by the course sponsors. Please DO NOT send your certificates of course completion directly to the Board, as we cannot accept course completion certificates directly from students for CE. Course providers are required to submit rosters directly to the Board to report CE credits.

The current continuing education cycle runs from July 1, 2007 until May 31, 2009. The current CE requirement is 28 total hours and 7 of those hours must be the 7-Hour National USPAP Update class. The other 21 hours may be comprised of any Board approved classes. Please note that if you are taking online continuing education courses that you can only receive credit for a maximum of 14 hours per 2-year continuing education cycle.

All CE listed in excess of 14 hours online and 28 hours total will NOT carry over into the next renewal cycle. If your CE is completed after May 31, 2009, then you must renew your license after June 30th and include the appropriate late fee with your renewal. The Board must receive the continuing education sponsor’s course roster in order to process your renewal.

Mission Statement

The mission of the North Carolina Appraisal Board is to protect consumers of real estate services provided by its licensees by assuring that these licensees are sufficiently trained and tested to assure competency and independent judgment. In addition, the Board will protect the public interest by enforcing state law and Appraisal Board rules to assure that its licensees act in accordance with professional standards and ethics.
Disciplinary Actions:

The following is a summary of recent disciplinary actions taken by the Appraisal Board. This is only a summary; for brevity, some of the facts and conclusions may have not been included. Because these are summaries only, and because each case is unique, these summaries should not be relied on as precedent as to how similar cases may be handled.

In many cases appraisers are required to complete additional education as part of a consent order. Please check with the Board office if you have questions regarding an individual’s current license status.

**Dewey L. Brantley, Jr. A2431 (Wilson)**

By consent, the Board suspended Mr. Brantley’s residential certification for a period of six months. The suspension is stayed until March 1, 2009. If Mr. Brantley completes a course in factory built housing, a course in sales comparison and the Board’s trainee/supervisor class by that date, the suspension shall be inactive. A trainee working under Mr. Brantley’s supervision performed an appraisal of a property located in Elm City, North Carolina in August 2005, finding a value of $320,000. The subject property is a new 2,884 off frame modular home located on a 1 acre site. The trainee chose all site built homes as comparables as there were no sales of any factory built housing in the subject market. While the subject property is a very good quality modular property, there should have been adjustments made to the comparable sales for differences in quality and amenity appeal. The subject property has a 2,096 square foot unfinished attic that is accessed by drop down stairs. The original plans for the subject indicated that the area was to have a finished staircase, but this was not completed. The sketch in the work file was the original plan for the subject. The adjustments for this unfinished attic area were unsupported. Mr. Brantley did not inspect the subject property.

**Joseph L. Coppock, Jr. T4296 (Wendell)**

By consent, the Board suspended Mr. Coppock’s trainee registration for a period of six months. The suspension is stayed until June 1, 2009. If Mr. Coppock completes a course in appraising the oddball, a course in sales comparison and the Board’s supervisor/trainee course by that date, the suspension shall be inactive. While working under the supervision of a certified residential appraiser, Mr. Coppock performed an appraisal of a property located in Rocky Mount, North Carolina in May 2007, finding a value of $97,000. The subject property is a ranch dwelling with 1,368 square feet located on .17 acres. The appraisal that Mr. Coppock completed indicated a value of approximately $67,000. After he submitted the report to his supervisor, it was altered to include two more comparable sales, and the estimate of value was increased. The appraisal report that was sent to the client contained incorrect neighborhood data, the sales chosen were inappropriate, and data was not verified. Much of the data in the report was supplied to Mr. Coppock from his supervisor. The value conclusion is not supported and is inflated.

**Shawn Braswell T2778 (Raleigh)**

Following a hearing, the Board revoked Mr. Braswell’s right to renew his trainee registration.

**Adam A. Bryn A4758 (Raleigh)**

By consent, the Board suspended Mr. Bryn and Ms. Bryn’s residential certification for a period of six months. The suspensions are stayed until December 1, 2008. If Mr. Bryn and Ms. Bryn complete a course in sales comparison and the 15 hour National USPAP course by that date, the suspensions will be inactive. Mr. Bryn and Ms. Bryn performed an appraisal of a property located in Winston-Salem, North Carolina in March 2005, finding an appraised value of $148,500. The subject property is a new 2,884 off frame modular home located on a 1 acre site. The trainee chose all site built homes as comparables as there were no sales of any factory built housing in the subject market. While the subject property is a very good quality modular property, there should have been adjustments made to the comparable sales for differences in quality and amenity appeal. The subject property has a 2,096 square foot unfinished attic that is accessed by drop down stairs. The original plans for the subject indicated that the area was to have a finished staircase, but this was not completed. The sketch in the work file was the original plan for the subject. The adjustments for this unfinished attic area were unsupported. Mr. Brantley did not inspect the subject property.

**Brantley C. Dunn A4744 (Huntersville)**

By consent, the Board suspended Mr. Dunn’s residential license for a period of twelve months. Mr. Dunn’s license is currently lapsed. He agrees that he will not renew his license until January 1, 2009. Before he can renew his license, he must complete a course in factory built housing, a 15 hour National USPAP course with exam. Mr. Dunn performed an appraisal of a property located in Rocky Mount, North Carolina in July 2005, finding a value of $69,000. The subject property is a one story modular home with 2,432 square feet, sited on a 2.44 acre lot. Mr. Dunn used comparable sales in the appraisal report that were higher quality “stick-built” homes from superior areas. He failed to make appropriate adjustments to his sales for quality of construction or location. The second complaint involved two appraisals. The first appraisal was of a one story modular home built in 2007. It contains 1,890 square feet and is located on a one acre lot in a small cluster of modular and manufactured homes surrounded by farmland. Mr. Carlton appraised this property in January 2007, finding a value of $175,500. He chose sales from a town located 45-50 miles from the subject. There were no adjustments for quality, appeal, or location. The second appraisal was of a one story modular home built in 2007. It has 2,432 square feet and is located on a 1.26 acre lot. Mr. Carlton valued the subject at $290,100 as of February 24, 2007. He chose sales from areas 60 miles from the subject. Two of the sales were stick built two story homes that do not compare to the subject, and Mr. Carlton did not adjust his sales for design, appeal, and location. The comparable sale photographs are not of the properties in the report.

**Shawn Braswell T2778 (Raleigh)**

Following a hearing, the Board revoked Mr. Braswell’s right to renew his trainee registration.

**Adam A. Bryn A4758 (Raleigh)**

By consent, the Board suspended Mr. Bryn and Ms. Bryn’s residential certification for a period of six months. The suspensions are stayed until December 1, 2008. If Mr. Bryn and Ms. Bryn complete a course in sales comparison and the 15 hour National USPAP course by that date, the suspensions will be inactive. Mr. Bryn and Ms. Bryn performed an appraisal of a property located in Elm City, North Carolina in August 2005, finding a value of $320,000. The subject property is a new 2,884 off frame modular home located on a 1 acre site. The trainee chose all site built homes as comparables as there were no sales of any factory built housing in the subject market. While the subject property is a very good quality modular property, there should have been adjustments made to the comparable sales for differences in quality and amenity appeal. The subject property has a 2,096 square foot unfinished attic that is accessed by drop down stairs. The original plans for the subject indicated that the area was to have a finished staircase, but this was not completed. The sketch in the work file was the original plan for the subject. The adjustments for this unfinished attic area were unsupported. Mr. Brantley did not inspect the subject property.

**William L. Davis A5631 (Charlotte)**

By consent, the Board suspended Mr. Davis’ residential license for a period of twelve months. Mr. Davis’ license is currently lapsed. He agrees that he will not renew his license until January 1, 2009. Before he can renew his license, he must complete a course in factory built housing, a 15 hour National USPAP course with exam. Mr. Davis performed an appraisal of a property located in Rocky Mount, North Carolina in July 2005, finding a value of $69,000. The subject property is a one story frame dwelling sited upon a .11 acre lot. The three sales utilized in the appraisal were all superior to the subject in location and condition, yet no adjustments were made for these factors. There were many other sales that were more similar to the subject property that would indicate a lower value for the subject property.

**Hilton Carlton A2708 (Wilson)**

By consent, the Board suspended Mr. Carlton’s residential certification for a period of one year. The first six months of the suspension will be active and the remainder is stayed until June 1, 2009. If Mr. Carlton completes a course in factory built housing, a course in sales comparison and the 15 hour National USPAP class and a course in appraising manufactured housing by that date, the remainder of the suspension will be inactive. There were two complaints against Mr. Carlton. In the first case, Mr. Carlton performed an appraisal of a property located in Greenville, North Carolina in November 2006, finding a value of $278,000. The subject property is a one-story modular home with 2,432 square feet, sited on a 2.44 acre lot. Mr. Carlton used comparable sales in the appraisal report that were higher quality “stick-built” homes from superior areas. He failed to make appropriate adjustments to his sales for quality of construction or location. The second complaint involved two appraisals. The first appraisal was of a one story modular home built in 2007. It contains 1,890 square feet and is located on a one acre lot in a small cluster of modular and manufactured homes surrounded by farmland. Mr. Carlton appraised this property in January 2007, finding a value of $175,500. He chose sales from a town located 45-50 miles from the subject. There were no adjustments for quality, appeal, or location. The second appraisal was of a one story modular home built in 2007. It has 2,432 square feet and is located on a 1.26 acre lot. Mr. Carlton valued the subject at $290,100 as of February 24, 2007. He chose sales from areas 60 miles from the subject. Two of the sales were stick built two story homes that do not compare to the subject, and Mr. Carlton did not adjust his sales for design, appeal, and location. The comparable sale photographs are not of the properties in the report.
but did fax them in at a later date. In his sales comparison approach, Mr. Dunn used three closed sales, a pending sale, and an active listing. The closed sales are all from a subdivision known as Highgate that was superior to the subject area and that had lot prices that were significantly higher than those in the subject area. Mr. Dunn chose the highest price sale in the Highgate subdivision that occurred within the twelve months prior to the effective date of the appraisal (November 2004). That sale, comparable sale 2, sold for $1,355,000. His other two closed sales sold in July 2003 and March 2004, more than 12 months prior to the effective date of the appraisal. Other sales in Highgate for this period of time sold from $768,000 to $1,100,000. Mr. Dunn made no adjustments to his closed sales for the superior lot prices or location of the comparable sales. Two of the sales were adjusted +$300,000 for quality; however, Mr. Dunn had no support for these adjustments. Other adjustments that he made were inconsistent or inadequate. The photographs for comparable sales one and two in the report were not the photographs of those properties. Mr. Dunn’s comparable sale 4 was a pending sale also from Highgate, but it did not go under contract until May 10, 2005, which was after the effective date of the appraisal. His comparable sale 5 was a listing that was not listed until May 17, 2005, which was also after the effective date of the report. His fifth comparable sale was from a subdivision known as Providence Downs South, which was located approximately 1.5 miles from the subject. The sale of this property never went through and it has been relisted for sale. Providence Downs South was somewhat more comparable to the subject subdivision than Highgate. There were several sales in Providence Downs South that all sold for under $1,000,000. There were many sales in Providence Downs during the 12 months period prior to the appraisal date. Prices ranged from $519,300 to $1,100,000. There were only two sales, other than the subject, that sold for at least $1,000,000. There were other, more comparable properties located in Providence Downs that should have been used in the appraisal. These sales sold for significantly less than the subject property. Mr. Dunn significantly overvalued the subject property. His appraised value was slightly greater than the sales contract on the subject property, which indicates that he inflated his appraised value in order to facilitate the sale of the property.

**Michael D. Foster A1071 (Asheville)**

By consent, the Board suspended Mr. Foster’s general certification, but agreed to stay the suspension contingent upon Mr. Foster’s completion of a course in sales comparison and the 15 hour National USPAP course with exam by June 1, 2009. Mr. Foster performed 18 appraisals of vacant land in October and November of 2004. The estimated values for the lots ranged from $160,000 to $210,000. The lots are located in a subdivision of the mixed-use development, and involve properties around a half acre in size. The development was under construction at the time of the appraisal, and was to have several amenities, such as a retail village center, equestrian center, golf course, walking paths and bike trails, private fishing reserve, river rafting, mountain hiking, scenic pocket parks, and a lake. None of the amenities were ever completed. Although the amenities were not complete on the effective date of the appraisal, Mr. Foster appraised them as though they were completed. He did state that the appraisal was performed subject to an extraordinary assumption that all subdivision improvements and infrastructures would be completed as proposed. In all of the appraisals, Mr. Foster used only comparable sales from inside the subject project and two from projects that would be similar when the subject project’s amenities were completed. Some of the properties were being purchased by an investor who was paying one price for several properties, and it appears that the sales price listed on the appraisal for each individual property was a percentage of the price for the total. This was not explained in the reports.

**Anne M. Frisbee A4149 (Burnsville)**

By consent, the Board issued an inactive suspension to Ms. Frisbee’s residential certification. Ms. Frisbee must complete a course in appraising vacant land and a course in appraiser liability by April 1, 2009, or she will receive an active twelve month suspension. Ms. Frisbee performed two appraisals of vacant lots located in Spruce Pine, NC in February 2006. The estimated value for each lot was $125,000. The properties are located in a proposed mixed-use development and are 0.14 acre and 0.20 acre in size. The development was under construction at the time of the appraisal, and was to have several amenities, such as a retail village center, equestrian center, golf course, walking paths and bike trails, private fishing reserve, river rafting, mountain hiking, scenic pocket parks, and a lake. None of the amenities were ever completed. Although the amenities were not in place on the effective date of the report, Ms. Frisbee appraised them as though they were completed. She did not, however, state that the appraisal was performed subject to an extraordinary assumption or hypothetical condition. She used one comparable sale from inside the subject project and two from projects that would be similar when the subject project’s amenities were completed. These would have been reasonable comparables for the subject if the subject project’s amenities had been in place or if she had invoked an extraordinary assumption or a hypothetical condition. They were not appropriate for an as-is value.

**Tracey A. Galmon A5350 (Charlotte)**

By consent, the Board suspended Ms. Galmon’s residential certification for a period of one month. Ms. Galmon must also complete a course in the sale comparison approach, a course in scope of work and a course in appraising the oddball by September 30, 2009. If she does not complete the courses by that date, an additional one-month suspension will begin on that date. Ms. Galmon acted as a supervisor for a trainee who performed 95% of the work on an appraisal for a property located in Lincolnton, North Carolina in March 2007, finding a value of $495,000. The subject property is a 57 year old barn that was in the process of renovation and conversion into a 6,271 frame dwelling on the effective date of the report. It was located on 3.57 acres of land in a rural area. Although the report notes in three places that the subject was still under construction, the report was prepared “as is” in accordance the appraiser’s scope of work as determined by communication with the client. This was a highly unusual property and there were no truly comparable sales available. All of the comparable sales were superior to the subject in location, amenity appeal and architecture, and inadequate consideration was give to these factors. Ms. Galmon signed the appraisal but the trainee did not. The trainee was noted in the report as having provided significant real property appraisal assistance.

**Michaeal G. Geno A5995 (Waxhaw)**

By consent, the Board suspended Mr. Geno’s residential certification for a period of twelve months. The first month of the suspension is active and the remainder is stayed until June 1, 2009. If Mr. Geno completes a course in the sale comparison approach and a course in scope of work by that date, the remainder of the suspension will be inactive. Mr. Geno appraised a property located in Gastonia, North Carolina in October 2006, finding a value of $256,000. The subject property is a newly constructed two story home with approximately 2,383 square feet of gross living area. It is located in a new residential subdivision and was under contract for $225,900 on the effective date of the report. Two of the comparable sales were superior to the subject, and inadequate adjustments were made for the differences. Although there were limited sales available, there were other sales that could have been used that would have led to a lower appraised value. The amenities in the subject subdivision were not complete on the effective date of the report. The report was done “as is”, and Mr. Geno should have made an extraordinary assumption that the subdivision would be constructed as planned.

**Eddie H. Gilbert A2886 (Tryon)**

By consent, the Board suspended Mr. Gilbert’s general certification for a period of twelve months. The first month of the suspension is active and the remainder is stayed until March 1, 2009. If Mr. Gilbert completes a course in the income approach and a course in narrative appraisal report writing by that date, the remainder of the suspension will be inactive. In addition, Mr. Gilbert agrees that until he completes the above courses or...
The Board accepted the voluntary surrender of Mr. Hawks’ right to renew his general certification.

Shawn P. Hays A4908 (Durham)

The Board accepted the voluntary surrender of Mr. Hays’ right to renew his residential license.

Howard L. Hullett, Sr. A1245 (Hickory)

By consent, the Board suspended Mr. Hullett’s residential certification for a period of twelve months. If Mr. Hullett completes a course in appraising vacant land and a course in appraiser liability, the suspension will be inactive. Mr. Hullett and another appraiser performed appraisals on two tracts of vacant land located in Spruce Pine, NC in September 2006, finding a value of $160,000 for each report. The properties are located in a proposed mixed-use development and are 0.31 acre and 0.38 acre in size. The development was under construction at the time of the appraisal, and was to have several amenities, such as a retail village center, equestrian center, golf course, walking paths and bike trails, private fishing reserve, river rafting, mountain hiking, scenic pocket parks, and a lake. None of the amenities were ever completed. Although the amenities were not in place on the effective date of the report, Mr. Hullett appraised the subject properties as though they were completed. He did not, however, state that the appraiser was performed subject to an extraordinary assumption or hypothetical condition. Mr. Hullett used three comparable sales from the subject development. They would have been reasonable comparables for the subject if the subject project’s amenities had been in place or if they had invoked an extraordinary assumption or a hypothetical condition. They were not appropriate for an as-is value.

Laurie L. Jarrett A4922 (Haw River)

By consent, the Board suspended Ms. Jarrett’s residential certification for a period of twelve months. The first two months of the suspension are active and the remainder is stayed. If Ms. Jarrett completes a course in the appraiser liability and a course in the sales comparison approach, the remainder of the suspension will be inactive. Ms. Jarrett performed an appraisal of a property located in Greensboro, NC in February 2008, finding an appraised value of $333,000. The subject is a ranch dwelling that has undergone some recent renovation. It contains approximately 3,041 square feet and sits upon a 3.97 acre tract. The subject included a 1/3 interest in a common area consisting of a private lake, spillway, and dam. Ms. Jarrett failed to mention the common areas in the report. She also failed to mention that parcels adjacent to the subject were acquired as part of a future highway project. At least two of the comparable sales have commercial potential. Her third comparable sale had been razed and a new town home development was under construction in its place on the effective date of the appraisal, yet the report shows a photo of the former dwelling that sat upon the property. These sales were not comparable to the subject and should not have been used in the report. Ms. Jarrett overvalued the subject property.

Thomas L. Johnson A5083 (Wilson)

By consent, the Board suspended Mr. Johnson’s residential certification for a period of one year. The first three months of the suspension are active and the remainder is stayed until April 1, 2009. If Mr. Johnson completes a course in business practices and ethics and the Board’s supervisor course by that date, the remainder of the suspension shall be inactive. Mr. Johnson performed an appraisal of a property located in Newton Grove, North Carolina in June 7, 2007, finding a value of $133,000. The subject property is a 145 year old aluminum sided frame dwelling with 1,566 square feet, sited on 6 acres. Although the certification in the appraisal report stated that Mr. Johnson personally inspected the interior and exterior of the subject property, he did not do so. A trainee, who was not under his supervision, inspected the property, measured the home, and took photographs. Mr. Johnson was the only person who signed the appraisal report, and there was no mention of any significant professional assistance in the report. There were no other issues with the appraisal or the report.

Roger P. Knox, Jr. A5155 (Winterville)

By consent, the Board suspended Mr. Knox’s residential certification for a period of two years. The first twelve months of the suspension are active and the remainder is stayed until December 31, 2009. If Mr. Knox completes a course in appraising the oddball, a course in sales comparison and the 15 hour National USPAP course with exam by that date, the remainder of the suspension shall be inactive. Mr. Knox performed an appraisal of a property located in Rocky Mount, North Carolina in May 2007, finding a value of $97,000. The subject property is a ranch dwelling with 1368 square feet located on .17 acres. The appraisal that the trainee completed indicated a value of approximately $67,000. Mr. Knox reviewed the report and altered it to include two more comparable sales, and to increase the estimate of value. The appraisal report contained incorrect neighborhood data, the sales chosen were inappropriate, and data was not verified. The value conclusion is not supported and is inflated. Mr. Knox failed to supervise his trainee.

Curtis J. Mason A5103 (Charlotte)

By consent, the Board suspended Mr. Mason’s residential certification for a period of twelve months. The first three months of the suspension shall be active and the remainder stayed until May 30, 2009. If Mr. Mason completes a course in sales comparison and a course in appraiser liability by that date, the remainder of the suspension shall be inactive. Mr. Mason performed an appraisal of a property located in Stanley, North Carolina in January 2007, finding a value of $225,000. The subject property is a brick ranch built in 1973 with 1864 square feet on the main level and a 1401 square foot finished basement. The subject appears to be the largest dwelling in the neighborhood. It was under contract for $225,000, which was noted in the report. Though the dwelling appears to be set up for two separate living units, the present R-1 zoning allows only single-family use. There is no analysis of this aspect of the property. Although the report was checked “as is,” Mr. Mason actually appraised the property subject to new carpet and painting, and “completion of upgrades.” Four of the five sales were not appropriate comparables, and inadequate adjustments were made for differences. The one comparable that was similar to the subject adjusted to $199,900. There were additional sales available that sold for $110,000 and $161,000.

Daniel H. McMillan A6703 (Raleigh)

By consent, the Board suspended Mr. McMillan’s residential certification for a period of one year. The first three months of the suspension shall be active, and remaining nine months shall be suspended provided that Mr.
McMillan completes a course in sales comparison and the 15 hour National USPAP course by April 15, 2009. There were two cases against Mr. McMillan. In the first case, he performed an appraisal of a property located in Raleigh, North Carolina in October 2006, finding a value of $418,000. The subject is a 2.5-story home that has a finished third level with full bath. The subject contains approximately 3200 square feet and is located on a 0.82 acre lot. The subject property was under contract for $404,250 on the effective date of the appraisal. Mr. McMillan’s calculations of the subject’s square footage were wrong because he had used a dimension for part of a wall when it was actually the full length of the wall. As a result, he chose inappropriate comparable sales, which led to a somewhat high indicated value. Mr. McMillan failed to report or analyze five previous transfers of the subject property in the prior three years. Two were prior sales of the subject lot, two were prior sales of the land before it was divided into lots and one transfer was a quitclaim deed.

In the second case, Mr. McMillan performed an appraisal of a property located in Cary, North Carolina in September 2007, finding a value of $515,000. The subject property is a 2-story home containing 3259 square feet above grade and an additional 1305 square feet in the finished daylight basement. In accordance with the scope of work requested, Mr. McMillan did not do an interior inspection of the subject property. There was a property on the subject street that sold for $465,000 in July 2007. This property was similar to the subject and should have been used as a comparable sale. The sales that he did use were all custom homes, while the subject was a production home, and he failed to make appropriate adjustments for quality. Had he made those adjustments and used the sale on the street, the appraised value would have been lower. Mr. McMillan appraised the subject again in April 2008. For that appraisal he did a full interior and exterior inspection, and he valued the home at $490,000.

David W. McNeil A5266 (Wilkesboro)

Following a hearing, the Board revoked Mr. McNeil’s right to renew his residential license. Mr. McNeil had failed to renew his license by June 30, 2007, so his license expired on that date. During the period that his license was expired, Mr. McNeil performed at least three appraisals for which he billed his client $350.00 per assignment. The appraisal reports were signed on July 12, 2007, July 31, 2007 and August 3, 2007. All were of properties located in North Carolina. On all three appraisal reports, Mr. McNeil stated that his license expired on June 30, 2008, which was not true. He renewed his license on August 17, 2007, but failed to renew it by June 30, 2008.

Ashley R. Miller A4997 (Fort Mill, SC)

Following a hearing, Mr. Miller’s residential license was suspended for a period of 18 months. If Mr. Miller completes the 15 hour National USPAP course, including passing the examination for the course, and completes a course in the cost approach, only the first 4 months of the suspension will be active and the remainder of the suspension will be inactive. The Board found that Mr. Miller performed an appraisal of a property located at 907 Weymouth Drive in Gastonia, North Carolina in November 2004, finding an estimate of value of $370,000. The subject property is a two-story brick dwelling, with 3170 square feet and a 541 square foot finished basement. On the effective date of the appraisal, the subject property was owned by the appraiser/borrower. The appraisal request was from Waterford Financial Services in Charlotte, NC. The estimated value was $389,000, and the property address was the home and office of the appraiser/borrower. At the time this appraisal was performed, Mr. Miller did not keep any of the work files for assignment received from the appraiser, as the appraiser/borrower kept those work files in his office. The work file provided to the Board from Mr. Miller for this assignment had been sent from the appraiser/borrower to Mr. Miller. The work file contains only MLS sales, tax records and the appraisal request. Many of the pages in the work file were printed from online services, and the MLS sheets in the file had been prepared by the appraiser/borrower. Mr. Miller produced several exhibits at the hearing in this matter that had been produced in December 2008. None of those documents were located in the work file for the appraisal, although they should have been. He signed a certification on the subject appraisal report that stated that he had no present or prospective personal interest or bias with respect to the participants in the transaction. Mr. Miller did have a present interest in the subject property in that his work files were kept in that location, and he had a personal interest with respect to the participants. Mr. Miller did not disclose his relationship to the property owner on the appraisal. He provided a copy of the appraisal report to the appraiser/borrower before it was sent to his client. Mr. Miller allowed the appraiser/borrower to see the report, then to affix Mr. Miller’s signature and seal to the report, and then to transmit the report to Mr. Miller’s. He also allowed the appraiser/borrower to retain the workfile for the assignment. There is no evidence that Mr. Miller received authorization from his client to send the appraisal report to the borrower in the transaction, or to allow the borrower to maintain the work file for this assignment. The work file for the assignment did not contain necessary documentation to support Mr. Miller’s opinions and conclusions, and to show compliance with USPAP. The allegation that the property was overvalued was not substantiated.

Franklin A. Moore A4955 (Charlotte)

By consent, the Board suspended Mr. Moore’s residential certification for a period of six months. The suspension is stayed until December 31, 2008. If Mr. Moore completes a residential design and functional utility course and a course in appraiser liability by that date, the suspension shall be inactive. Mr. Moore performed an appraisal of a property located in Davidson, North Carolina in September 2003 for $660,000. The subject property is a 5,719 square foot 2 ½ story brick dwelling located in a small subdivision. It was new at the time of the appraisal, and the appraisal was performed “as is”. There were several items that had not been completed on the construction, and Mr. Moore provided an inadequate description of those items in the report. He did make a $30,000 adjustment to each of his sales for those incomplete items. Mr. Moore failed to note a prior sale of the subject lot, and stated that the subject property was served by public sewer when it is served by private.

R. Andrew Moore A6001 (Wake Forest)

By consent, the Board suspended Mr. Moore’s residential license for a period of six months. If Mr. Moore completes a course in the sales comparison approach and course in scope of work by June 1, 2009, the suspension will be inactive. Mr. Moore appraised a property located in Wake Forest, North Carolina in August 2007, finding a value of $400,000. The subject property is a one and a half story dwelling containing 2799 square feet. It is located in an established residential subdivision. The subject had numerous upgrades and has a pond view. Two of the comparable sales were transfers from the builders to individuals and were exposed to the market. His third sale did not appear to be an arms length transaction. There were sales in the subject subdivision, but they were older and smaller than the subject, and would have required large adjustments. The subject was listed for $379,900 and under contract for $380,000 on the effective date of the report, which was noted in the report, but not analyzed. Mr. Moore failed to explain in the report why the property appraised for more than the sales price.
David A. Norris A4047 (Gaston)

Following a hearing, the Board revoked Mr. Norris’s right to renew his residential license. Mr. Norris had failed to renew his license by June 30, 2007, so his license expired on that date. During the period that his license was expired, Mr. Norris performed at least one appraisal for which he billed his client $350.00. The subject appraisal report, of a property located in Alexis, North Carolina, was effective August 31, 2007, and signed on September 5, 2007. On that appraisal report, he stated that his license expired on June 30, 2008, which was not true. He renewed his license on October 5, 2007, but failed to renew it by June 30, 2008.

Terry H. Poole A6100 (Raleigh)

By consent, the Board suspended Mr. Poole’s residential certification for a period of twelve months. The first month of the suspension is active and the remainder is stayed until March 1, 2009. If Mr. Poole completes a course in appraising high end residential or complex properties and a course in appraising the oddball by that date, the remainder of the suspension will be inactive. Mr. Poole appraised a property located in Raleigh, North Carolina in April 2007, finding an appraised value of $1,000,000. The subject property is a 2 story dwelling built in 1970 with 3535 square feet. It has a two car garage, deck, fence, brick front and hardwood floors. The square footage includes a finished attic of 432 square feet. The property had transferred to the current owners in April 2006 for $449,000 and was extensively remodeled by the new owners. This sale was noted in the report. Mr. Poole’s first comparable sale contained 6238 square feet, was 3 years old and sold for $2,395,000. This sale was not similar to the subject and was not an appropriate comparable. His third comparable sale sold for $1,065,000. After purchase, the dwelling was razed for new construction. This sale was not listed in MLS, and there is no indication it was exposed to the market. It does not appear to be an arms length transaction. The two other sales adjusted to $765,825 and $570,000. There were other sales available that would have led to a lower value for the subject property.

Lynn Rabello A5695 (Oak Island)

By consent, the Board issued an inactive suspension to Ms. Rabello’s residential certification. Ms. Rabello must complete a course in the appraisal of vacant land, a course in sales comparison and a course in appraisal challenges by March 1, 2009. If she does not do so, a six month active suspension shall begin on that date. Ms. Rabello performed an appraisal of a property located in Ocean Isle, North Carolina in May 2006, finding a value of $290,000. The subject property is a .20 acre vacant tract of land located in a development that was under construction on the effective date of the appraisal. The subject parcel and two of the comparable sales participated in an incentive program in which the buyer received two years of interest against the sales price that was either escrowed or credited against the balance. Although the incentives may not have had an effect on value, Ms. Rabello did not report this information in her appraisal report. There was no evidence of any intent to mislead. Ms. Rabello appraised the property “as is”, when she should have appraised it subject to the extraordinary assumption that the development would be completed as planned.

Bruce W. Rogers T1884 (Wilson)

By consent, the Board suspended Mr. Rogers’ trainee registration for a period of six months. The first month of the suspension is active and the remainder is stayed until December 1, 2008. If Mr. Rogers completes a course in factory built housing and a course in sales comparison by that date, the remainder of the suspension shall be inactive. Mr. Rogers and his supervisor performed an appraisal of a property located in Elm City, North Carolina in August 2005, finding a value of $320,000. The subject property is a new 2,884 off frame modular home located on a 1 acre site. Mr. Rogers chose all site built homes as comparables as there were no sales of any factory built housing in the subject market. While the subject property is a very good quality modular property, he should have made adjustments to his comparable sales for differences in quality and amenity appeal. The subject property has a 2,096 square foot unfinished attic that is accessed by drop down stairs. The original plans for the subject indicated that the area was to have a finished staircase, but this was not completed. The sketch in the work file was the original plan for the subject. Mr. Rogers made adjustments to his sales for this unfinished attic area that were unsupported.

William C. Stafford, Jr. A1368 (Greenville)

By consent, the Board suspended Mr. Stafford’s general certification for a period of one month. Mr. Stafford also must complete a course in highest and best use, a course in sales comparison and a course in narrative appraisal report writing by June 30, 2009. If Mr. Stafford does not complete the courses by that date, an additional eleven month suspension shall begin on June 30, 2009. In addition, Mr. Stafford agrees that until he completes the above courses, he will perform no appraisals for litigation purposes. Mr. Stafford performed an appraisal of a property located in Beaufort, North Carolina. The subject property consists of two contiguous tracts of land, one of which contains .72 acres, and the other contains .91 acres. He appraised the two tracts in one assignment, finding a value of $660,000 effective February 1, 2007. He reported the appraisal on a “Land Appraisal Report” form, and identified the highest and best use of the subject property as being “as is”. The subject report was to be utilized in litigation, and he should have chosen a more detailed reporting format. A high-tension power line and its associated easement and a US Army Corps of Engineers maintenance easement were shown in the report. The issue of whether the easements would have an effect on the highest and best use was not analyzed in sufficient detail in the appraisal report. In the sales comparison approach, Mr. Stafford used two closed sales and one conspicuously disclosed as a listing. While he made adjustments to his comparable sales for differences in utility and shape as well as size, the report lacked the level of detailed analysis to support these adjustments that is expected in a Summary Report.

James M. Studeman A5321 (Blowing Rock)

Following a hearing, the Board revoked Mr. Studeman’s residential certification. Mr. Studeman was a certified residential real estate appraiser in the State of Florida until September 2007, when his certification was revoked. He had an appraisal practice in Florida, in which he also supervised trainees. The State of Florida issued an Administrative Complaint to Mr. Studeman in 2007 that contained 72 allegations of material fact. The Florida complaint involved seven appraisals of properties located in Florida. Mr. Studeman appeared at a hearing, without counsel, before the State of Florida on June 5, 2007, and the State of Florida issued its decision on September 13, 2007. In its decision, the State of Florida found that Mr. Studeman failed to provide direct supervision to his trainees and violated State of Florida rules by failing to sign and put his certification number on the trainees’ appraisal experience logs. He also signed at least seven appraisal reports certifying that he did inspect the interior and exterior of the subject properties and the exterior of the comparable sales when in fact his trainees had done so, and he had only reviewed photographs of the subject properties. Mr. Studeman was also found to be guilty of misrepresentation, failure to exercise reasonable diligence in developing an appraisal report, and failing to retain copies of the appraisals and work files of reports performed by his trainees. He failed to note a trainee’s assistance in an appraisal report, and made several mistakes on reports regarding adjustments, sales histories and subject descriptions. He was also found guilty in Florida of violating the Ethics Rule and Standards 1 and 2 of USPAP. Based on those findings, the State of Florida revoked Mr. Studeman’s certification and ordered him to pay a $100,000 administrative fine within 30 days of the filing date of the order. Although Mr. Studeman was present at the hearing in Florida and heard the decision to revoke his certification, he did not notify the Appraisal Board that his Florida certification had been revoked. He admitted in the hearing on November 18, 2008 in North Carolina that he did not personally inspect the subject properties and that he had signed
certifications on each appraisal report stating that he had done so. Mr. Studeman asserted that viewing photographs is equivalent to a personal inspection of a subject property. This assertion is without merit.

Dawn Stuhr A6460 (Charlotte)

By consent, the Board suspended Ms. Stuhr’s residential license for a period of two months. She must also complete a course in highest and best use and a course in sales comparison or the “Residential Market Analysis & Highest & Best Use” course by June 1, 2009. If she fails to complete the courses, an additional four month suspension will begin on that date. Ms. Stuhr performed an appraisal of a property located in Huntersville, North Carolina in October 2007, finding a value of $130,000. The subject property is a ranch style residential dwelling, built in 1949, that is zoned highway commercial and is located on the main thoroughfare in a mixed use area. The subject property was listed in the local MLS in the commercial section for $130,000, which was not mentioned in the report. The subject site borders a railroad, and the railroad’s right of way extends almost 40’ onto the subject site. The transportation plan shows that the tracks will be utilized by a light rail system. This was not noted on the report. Ms. Stuhr stated that the highest and best use for the subject was its present use as a residential property. Her three comparable sales were residential properties located in residential neighborhoods and were not similar to the subject in zoning. She failed to make adjustments to her sales for zoning.

John T. Thomas A2834 (Greensboro)

The Board accepted the voluntary surrender of Mr. Thomas’ right to renew his residential certification.

Tammy S. Vines A4969 (Greenville)

By consent, the Board issued an inactive suspension to Ms. Vines’ general certification. Ms. Vines must complete a course in highest and best use and the 15 hour National USPAP course with exam by April 1, 2009 or a six month suspension will become active on that date. In addition, Ms. Vines agrees to not perform any appraisal services outside the scope of her employment with the Department of Transportation, including supervision of trainees, for a period of twenty four months. Ms. Vines performed two appraisals of a property located in Greenville, North Carolina. Both appraisals had the same effective date of June 20, 2007. The first report valued the property at $93,600, and the second report valued it at $66,500. Both reports were done for refinance. The subject property is a 91 year old two-story structure with 2225 square feet. It has 6 bedrooms, 3 living rooms and 2 kitchens, as well as two doors in the front and a side entrance to the second floor. It was a three unit rental property on the effective date of the appraisal. The tax card states that it is a multifamily property. In the first report, Ms. Vines was asked by her client to appraise the property as a single family residential property, which she did. She did not mention that the subject had been divided into three units, although she did state that it was rented. The report stated that it was done “as is” and that the highest and best use was its current use as a single family residence. In the second report, Ms. Vines was asked by the same client to appraise the subject as a rental property, its current use. The report also stated that it was done “as is” and that the highest and best use was its current use as a multi family residence.

David E. Ward T853 (Sanford)

The Board accepted the voluntary surrender of Mr. Ward’s right to renew his trainee registration.

Patricia Wilson A2525 (Spruce Pine)

The Board accepted the voluntary surrender of Ms. Wilson’s right to renew her residential license.

Lincoln W. Young A4168 (Asheville)

By consent, the Board suspended Mr. Young’s residential certification for a period of two months. Mr. Young also must complete a course in sales comparison and a course in appraising the oddball. If he does not complete the courses, an additional four month suspension will be imposed. Mr. Young performed an appraisal of a property located in Sylva, North Carolina in August 2007, finding a value of $357,000. The subject property is a newly constructed log home containing 3 bedrooms and 3.5 baths and approximately 1,864 square feet of gross living area. The subject property was under contract for $353,350 on the effective date of the Appraisal, which was noted in the report. The subject and two of the comparables were constructed by the same builder, who was also the seller for the subject in the appraisal. Mr. Young made adjustments to these two sales for quality of construction that were based on information provided by the builder/seller that was not verified through any other source.

Daniel R. Zizich A5439 (Hayesville)

By consent, the Board suspended Mr. Zizich’s residential certification for a period of six months. The suspension is stayed until December 1, 2008. If Mr. Zizich completes a course in market analysis and highest and best use by that date, the suspension will be inactive. Mr. Zizich performed an appraisal of a property located in Franklin, North Carolina in December 2006, finding an appraised value of $250,000. The subject property is an approximately 81-year-old, 1.5 story brick dwelling with 2,060 square feet that has undergone recent renovation. The report was done subject to completion of the renovations. The subject property is situated on 2 acres and is located in a transitioning area of the city. Most of the value of the subject was in the land. Mr. Zizich stated that the highest and best use of the property was for residential use when it was more likely commercial use, such as an office campus or another commercial endeavor. He failed to use a hypothetical condition to appraise it as a residence. The appraisal was reported on the 1004 form, which was inappropriate given the highest and best use of the subject.

2009 Board Meeting Dates

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<td>January</td>
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2009 Board Meeting Dates

All meetings are conducted at the North Carolina Appraisal Board building located at 5830 Six Forks Road, Raleigh.