

Charles W. Drago, Secretary

Charlie Crist, Governor

**Minutes of
THE FLORIDA REAL ESTATE APPRAISAL BOARD
June 1 & 2, 2009
General Meeting**

Chair Joni Herndon called the meeting of the Florida Real Estate Board to order at approximately 8:40 a.m., in Orlando, Florida, on this Monday, the 1st day of June, 2009.

Chair Herndon offered the Invocation and Vice-Chair Rogers led the Pledge of Allegiance. The Chair introduced the members present: Vice-Chair Michael Rogers, Cynthia Wright, Susan Dailey and Evalyn "Fran" Oreto. Mary Ellen Clark, Assistant Attorney General, appeared as counsel for the Board. With five of the five appointed members present, Ms. Clark declared a quorum present.

Division staff present at the meeting: Thomas O'Bryant, Jr., Division Director and Executive Director for the Board; Bradford Koshland, Chief, Bureau of Enforcement; James Harwood, Chief Attorney; Chris Lindamood, Robert Minarcin, Allison McDonald, and Jennifer Blakeman, Senior Attorneys; Beverly Ridenauer, Government Analyst II; JoEllen Peacock, Education Coordinator; Peter Patterson, Government Analyst I; and Lori Crawford, Deputy Clerk. American Court Reporting (407.896.1813) provided court reporter services.

Approval of the Minutes

Upon motion by Member Oreto, with second by Member Dailey, the Board unanimously approved the Minutes of the March 30 & 31, 2009 General Meeting as amended.

Upon motion by Member Oreto, with second by Member Wright, the Board unanimously approved the Minutes of the April 24, 2009 Teleconference Meeting as amended.

Legal Matters:

Legal Docket

The Board addressed the Legal Agenda, consisting of fifty docket items. The Board considered thirty-nine docket items and approved the withdrawal or continuance of eleven docket items. The Board's decisions on these matters are retained at the Division of Real Estate headquarters.

Adjournment

There being no further business, the Chair adjourned the meeting at 6:10 p.m.

June 2, 2009

Chair Joni Herndon reconvened the meeting of the Florida Real Estate Board at approximately 8:35 a.m., in Orlando, Florida, on this Tuesday, the 2nd day of June 2009.

Chair Herndon offered the Invocation and Member Oreto led the Pledge of Allegiance. The Chair introduced the members present: Vice-Chair Michael Rogers, Cynthia Wright, and Evalyn "Fran" Oreto. Member Susan Dailey had an excused absence. Mary Ellen Clark, Assistant Attorney General, appeared as counsel for the Board. With four members of the five appointed members present, Ms. Clark declared a quorum present.

Division staff present at the meeting: Thomas O'Bryant, Jr., Division Director and Executive Director for the Board; Bradford Koshland, Chief, Bureau of Enforcement; James Harwood, Chief Attorney; Robert Minarcin, Allison McDonald, Chris Lindamood, Senior Attorneys; JoEllen Peacock, Education Coordinator; Beverly Ridenauer, Government Analyst II; and Peter Patterson, Government Analyst I. American Court Reporting (407.896.1813) provided court reporter services.

Legal Matters:

Legal Docket

The Board continued the Legal Agenda, hearing ten cases items that were not heard during Monday's meeting. The Board's decisions on these matters are retained at the Division of Real Estate headquarters.

Board Business

Rules Report

Counsel Clark provided the Board with a report on the pending rule changes stating that the changes to Chapter 61J1-10 became effective on March 31, 2009.

Ms. Clark presented the Board with copies of letters from the Joint Administrative Procedures Committee (JAPC) regarding Rules 61J1-4.010 and 61J1-6.001. The JAPC letters ask for changes to be made to the publication summary and the referenced form. Director O'Bryant will present the revised form to the department for approval. Following discussion, the Board asked to hold a special teleconference meeting to vote on the proposed language. The date and time of any additional meetings will be announced at a later date.

Discussion of Rule 61J1-1.003

Director O'Bryant asked the Board to consider revising the language for this rule by removing the last sentence as it pertains to a quorum of the Board. Member Wright moved to notice the rule for Rule Development with text, find that there is no impact to small business due to the change and asked Board Counsel to advertise the rule with the last sentence deleted. Vice-Chair Rogers seconded the motion and it carried unanimously.

Discussion of Rule 61J1-4.003

Director O'Bryant addressed the language in Rule 61J1-4.003 as it pertains to the approval process for continuing education courses. Following discussion the Board Member Wright moved to notice Rule 61J1-4.003 for Rule Development. Vice Chair Rogers seconded the motion. The motion carried unanimously.

Illinois Real Estate Appraisal Board Findings

Vice-Chair Rogers presented the written findings of the Illinois Real Estate Appraisal Board regarding research it conducted with respect to the Uniform Standards of Professional Appraisal Practice and

Appraisal Management Companies (AMCs). The Vice-Chair stated that Florida's Board has expressed many of the same opinions during their discussions at the public board meetings.

Director O'Bryant reminded the Board the department is working with former Chair Frank Gregoire and others to present a package to the Legislature regarding AMCs. He thanked the Board for brining the Illinois Findings to the meeting for discussion. He added that he will forward the Board's concerns and a copy of the Illinois Findings to the Appraisal Foundation for their consideration and interpretation of the contents of the findings.

TAF – AARO Investigator Training

Member Oreto addressed an invitation from The Appraisal Foundation to attend an investigator training seminar sponsored by The Appraisal Foundation (TAF) and the Association of Appraiser Regulatory Officials (AARO) being held in Texas. She stated she received permission to attend and will prepare a report to present at the August FREAB meeting. Member Wright commented that the Appraisal Foundation will be paying the costs for the seminar and the travel costs involved.

HVCC Frequently Asked Questions

Member Oreto noted the Home Valuation Code of Conduct (HVCC) Frequently Asked Questions is available on the Fannie Mae website. She stated she wants the attending public and any other persons who might read the minutes of the meeting to know these frequently asked questions are available to anyone who has internet access.

Fannie Mae Guidance for Lender and Appraisers

Member Oreto stated again that this information was being presented simply as information to let appraiser licensees know the Fannie Mae website contains the tools to help appraisers understand the changes that have become effective.

Administrative Matters

Ratification of Reinstated Licenses

Upon motion by Member Wright with second by Vice-Chair Rogers, the Board voted unanimously to ratify the reinstatement of the certified residential license of Debbie F. Grinberg.

Director's Comments

Director O'Bryant reported on the following items:

- He is in the process of developing the Legislative Agenda for the 2010 Legislative Session.
- The Legislative Budget Request is also being developed. He will have a copy of the budget request ready for presentation to the Board at the August meeting.
- Member Wright asked if the budget will allow for positions for investigators and support staff give the increase in prosecution cases. Director O'Bryant stated he will need to wait until he receives budgetary guidelines from the Governor's Office to know what he will be able to include in his request. If at all possible he would like to have additional positions to support the influx of complaints and investigations.

The Board discussed the method used to develop the Legal Docket and the change in the agenda moving the Legal Docket to the first day of the meeting. After discussion of the following points, the Board decided to change the order of the meeting agenda permanently.

- Move all Department of Administrative Hearing (DOAH) cases to the Tuesday session.
- Large number of legal prosecution cases may need to carry over to the Tuesday session.
- Revise the meeting agenda to allow the Board to conduct all business over the two-day period, without specifying which day the topic will be discussed.
- Potential for an extra day of meeting time in October to address outstanding cases.
- Internal staff processes requiring completion after Board decisions must be considered.
- Existing staff are completing as many cases as possible so cases do not age.

Director O'Bryant commented that the Division of Real Estate (DRE) is being audited by the Office of the Auditor General. As a part of the audit he is asked to create a "wish list" of items that might help the DRE function more efficiently. He has expressed his desire for additional investigative staff and attorneys to accommodate the large number of investigation currently ongoing.

Chair's Comments

Chair Herndon commented on the following items of correspondence:

- Appraisal assistance firms -
 - The use of an appraisal assistance firm to complete a report will require the appraiser name the assisting entity in the report and describe in the Scope of Work what the appraiser did and did not do and explain why.
- Solicitations by appraisal management companies –
 - Appraisers are receiving solicitations from some lenders asking for the services of "an agent or broker" to complete a Fannie Mae 1004 form; the request is not for an "appraiser". This was presented just to make the public aware the appraisal report they are receiving may not have been completed by an appraiser.
 - Some appraisal management companies are soliciting for appraisers and promising a higher payment ratio in return for an "annual participation fee" that is paid to the management company. Appraisers need to be cautious and keep the USPAP Ethics Rule guidelines in mind regarding undisclosed fees and compensation.
- Review appraisal assignments –
 - The Chair asked the Board and the department to consider creating a rule that will require a review appraiser to hold the same level or higher certification when an appraisal review is conducted. The concern is that a registered trainee appraiser may not be competent to review an appraisal report completed by a certified residential or general appraiser, even though the supervisor may be signing the review report.
- Monthly Report – The Chair asked the department to provide a count of appraiser licenses within the state at each meeting. Director O'Bryant agreed to provide the information.

Public Comment

The Board heard comments from the Public.

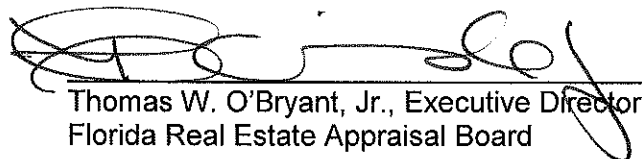
Adjournment

There being no other business, the Chair adjourned the meeting at approximately 1:00 p.m. The next meeting of the Florida Real Estate Appraisal Board will be held on August 3 & 4, 2009.

ATTEST:



Joni L. Herndon, Chair
Florida Real Estate Appraisal Board

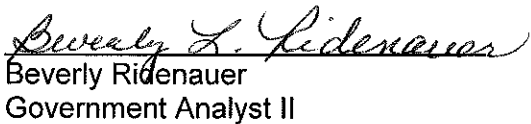


Thomas W. O'Bryant, Jr., Executive Director
Florida Real Estate Appraisal Board

Date 8/3/09

Date 08/10/09

Respectfully Submitted:



Beverly Ridenauer
Government Analyst II

Date 08-10-09