

REAL ESTATE APPRAISER ADVISORY COMMITTEE

Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Wednesday, August 10, 2011

Time: 10:00 a.m.

Place: King Kalakaua Conference Room
King Kalakaua Building
335 Merchant Street, 1st Floor
Honolulu, Hawaii 96813

Present: Alan Conboy, Industry Member, Chairperson
Paul Cool, Industry Member, Vice-Chairperson
Beverly Kaku, Public Member
Richard Stellmacher, Industry Member
James Wong, Public Member
Patrick Yamada, Financial Institution Member
James Paige, Deputy Attorney General
Alan Taniguchi, Executive Officer
Lori Nishimura, Secretary

Excused: Nancy Sato, Financial Institution Member

Guests: Malia De Ramos, DCCA
Kristi Klamet, Appraisal Subcommittee ("ASC")
Vicki Ledbetter Metcalf, ASC

Call to Order: There being a quorum present, the meeting was called to order at 10:00 a.m. by Chairperson Conboy.

Executive Officer Taniguchi stated Ms. Sato was not able to attend the meeting.

Chairperson Conboy introduced and welcomed, new member, Patrick Yamada to the Committee.

Additions/
Revisions to the
Agenda:

Executive Officer Taniguchi stated an election to formalize the position of Vice-Chairperson will occur under Agenda #4, New Business.

Approval of the
June 1, 2011
Meeting Minutes:

Mr. Yamada stated that the Meeting Minutes of June 1, 2011, incorrectly listed his current employer as American Savings Bank, and that it should be Central Pacific Bank. The second paragraph of page 4 of the minutes of June 1, 2011, meeting to read:

Mr. Cool stated that Mr. Yamada brings to the Committee 30 years of extensive experience in banking and appraisal work. Mr. Yamada was formerly with Bank of Hawaii, and is currently with ~~American Savings Bank~~ [Central Pacific Bank]. He is also a CPA. Mr. Cool further stated that Mr. Yamada is familiar with the appraisal process and understands the nature of the work involved.

It was moved by Mr. Stellmacher, seconded by Mr. Cool, and unanimously carried to approve the minutes of June 1, 2011, meeting as amended.

New Business:

a. Review of Applications

None.

At 10:03 a.m., new member to the Committee, James Wong arrived and was then introduced and welcomed to the meeting.

b. Review of Courses

It was moved by Mr. Cool, seconded by Mr. Stellmacher, and unanimously carried to ratify the following CAP approved courses:

Course Provider: Appraisal Institute

Index #: Course Title & Approved Hours:

11-026 Online Comparative Analysis
7 CE

Course Provider: **Career WebSchool dba
Cengage Learning, Inc.**

Index #: **Course Title & Approved Hours:**

- 11-029 Cost Approach Overview
 7 CE
- 11-030 Income Capitalization Overview
 7 CE
- 11-031 Sales Comparison Approach
 7 CE

Course Provider: **McKissock, LP**

Index #: **Course Title & Approved Hours:**

- 11-027 Mold, Pollution and the Appraiser
 2 CE
- 11-032 Understanding the Uniform Appraisal Dataset –
 Live Webinar
 3 CE

It was moved by Mr. Stellmacher, seconded by Ms. Kaku, and unanimously carried to approve the following non-CAP approved course, based upon the initial review and recommendation by Chairperson Conboy:

Index #: **Course Provider, Title & Approved Hours:**

- 11-025 Appraisal Institute
 Valuation in Challenging Markets
 30 CE w/ exam
 28 CE w/o exam
- 11-028 Institute of Housing Technologies
 Home Measurement Basics
 4 CE

11-034 Appraisal University
Site Analysis and Valuation
7 CE w/ exam
6 CE w/o exam

It was moved by Mr. Stellmacher, seconded by Ms. Kaku, and unanimously carried to approve the following non-CAP approved course, based upon the initial review and recommendation by Mr. Cool:

Index #: Course Provider, Title & Approved Hours:

11-033 Real Property Tax Division, County of Maui
IAAO Course 402 – Property Tax Policy
30 CE w/o exam

11-035 Alltera Group LLC
2011 Appraiser Town Hall Meeting/Fraud Fighters
7 CE

11-036 Alltera Group LLC
2011 Keynote/Valuation Visionaries
7 CE

Executive Officer Taniguchi stated an election for Vice-Chairperson would be taken up at this time, and requested for nominations. Chairperson Conboy nominated Mr. Cool for the position of Vice-Chairperson; there were no other nominations. It was moved by Chairperson Conboy, seconded by Mr. Stellmacher, and unanimously carried to elect Mr. Cool as the Committee's Vice-Chairperson.

**Unfinished
Business:**

None.

**Appraisal
Subcommittee:**

Ms. Klamet gave a brief description of the Appraisal Subcommittee ("ASC") which oversees the appraisal regulatory programs established by States. Ms. Klamet provided the following results/comments from this Program's seventh bi-annual field review for compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act:

- Statute/Rules: the language in the rules should be amended to take out education credit for challenge exams; to remove

qualifying education for teaching; and as well as to clean up the definitions.

- Temporary License Applications: license needs to be issued within five (5) business days; no backdating of appraisal dates; effective date should match approval date; inconsistent use of the National Registry in verifying a licensee's status; and a suggestion of a six (6) month duration to complete the appraisal.
- Disciplinary action needs to be recorded in a timely manner to the National Registry.
- Application was revised from their last field review – Ms. Klamet commented that the current application and checklist “looks great”. Again reminded to use the National Registry in verifying a licensee's status on an endorsement application.
- Course Provider Agreement: courses reviewed were qualified and relevant – no concerns.
- Enforcement: Ms. Klamet stated that they were awaiting for more details from the Regulated Industries Complaints Office who handles complaints but did note that there were fourteen (14) new complaints and eight (8) outstanding complaints - six (6) of those outstanding complaints were over a year old. She also noted that they reexamine complaint files from the previous field review, and noted that three (3) of those ten (10) cases were destroyed.

Ms. Klamet stated that a preliminary report from ASC would be sent to the Department of Commerce and Consumer Affairs (“Department”), for their response within sixty (60) days with a plan to correct/address concerns found from their field review. Subsequently a report will be made by ASC with both the preliminary report and the Department's response.

Correspondence: None.

Announcements: None.

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Next Meeting: Wednesday, October 5, 2011
10:00 a.m.
Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, 1st Floor
Honolulu, Hawaii 96813

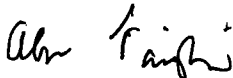
Adjournment: There being no further business to discuss, it was moved by Mr. Stellmacher, seconded by Vice-Chairperson Cool, and unanimously carried to adjourn the meeting at 11:07 a.m.

Taken and recorded by:



Lori Nishimura
Secretary

Reviewed and Approved by:



Alan Taniguchi
Executive Officer

AT:ln

09/06/11

Minutes approved as is.

Minutes approved with changes. See Minutes of _____.