

## **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: Thursday, June 27, 2013

Time: 10:00 a.m.

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

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

Excused: James Wong, Public Member  
Richard Stellmacher, Industry Member

Guests: Keali'i S. Lopez, Director, DCCA  
Brian Walther, Uyetake, Uyetake & Associates, Inc.

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

Additions/  
Revisions to the  
Agenda: None.

Introduction of  
Keali'i S. Lopez,  
Director, DCCA: Keali'i S. Lopez, Director of the Department of Commerce and Consumer Affairs ("DCCA") introduced herself to the committee. Ms. Lopez noted that she wanted to discuss the regulation of

Appraisal Management Companies (“AMCs”), and the re-confirmation by this committee to wait for the Federal Government (“Feds”) to promulgate rules before introducing state legislation.

Mr. Walther stated that AMCs focus on residential appraisals and that the regulation of AMCs was passed to ensure compliance with appraiser independence. He commented that appraisers may not believe AMCs are being fair because they are the middle man.

Vice-Chairperson Cool commented that there may be AMCs who may not be familiar with the market in their review process. He further commented that it would be challenging for a state to introduce rules to regulate AMCs, and that it may be difficult for each state to follow a national model.

Chairperson Conboy commented that the legislature may introduce bills to regulate AMCs without the full understanding of the profession. Ms. Lopez stated that DCCA’s administrative bills are due by September and that if the Feds pass their rules by the ending of this year, as planned, then the DCCA will have added pressure to have our own draft rules in place.

Discussion ensued on the rise of complaints received in the last two years by the Regulated Industries Complaints Office. Vice-Chairperson Cool commented that the rise in number of complaints may be relative to the increase in volume of appraisal related services; therefore, the percentage from the volume may be the same compared to prior years. DAG Paige commented that the increase in volume of appraisal related services may be due to the real estate foreclosures, especially in the Mainland market.

Discussion ensued on Act 227, Session Laws of Hawaii 2011, which would require appraisers, while acting as arbitrators, to certify compliance with the Uniform Standards of Professional Appraisal Practice and be required to provide a written report explaining their findings as part of the final arbitration award. Ms. Lopez inquired of any outcomes due to Act 227; Vice-Chairperson Cool commented that it has no effect for him; and also that there is uncertainty on the record of the reward; tending to weaken arbitration. Ms. Lopez commented that Act 227 may have been enacted for business planning, for others to strategize the lease rent. The committee members were not aware of any negative impacts due to this Act.

Ms. Lopez expressed her appreciation to Chairperson Conboy and Ms. Kaku for serving on this committee, as both members' term expire on June 30, 2013.

Approval of the  
April 3, 2013  
Meeting Minutes:

After discussion, it was moved by Vice-Chairperson Cool, seconded by Ms. Kaku, and unanimously carried to approve the minutes of the April 3, 2013 meeting as circulated.

New Business:

a. Review of Applications

None.

b. Ratification of Courses

It was moved by Vice-Chairperson Cool, seconded by Ms. Kaku, and unanimously carried to ratify the approval of the following CAP approved courses:

**Course Provider:      Appraisal Institute**

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

13-020    Advanced Income Capitalization – Synchronous  
              35 QE/CE w/ exam  
              32 CE w/o exam

**Course Provider:      McKissock, LP**

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

13-018    Modern Green Building Concepts  
              6 CE

**Course Provider:      Van Education Center**

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

13-016    Fundamentals of Commercial Real Estate  
              7 CE w/ exam  
              6.5 CE w/o exam

13-017    Residential Site Valuation & Cost Approach  
              15 QE/CE w/ exam  
              14.5 CE w/o exam



13-014 2013 Annual Meeting Sessions Day 2  
( July 24, 2013 )  
5.5 CE

13-015 2013 Annual Meeting Sessions Day 3  
( July 25, 2013 )  
5.5 CE

It was moved by Vice-Chairperson Cool, seconded by Ms. Kaku, and unanimously carried to approve the following non-CAP approved courses, based on the initial review and recommendation by Chairperson Conboy:

**Course Provider:**      **Allterra Group LLC**

Index #:    Course Title & Approved Hours:

13-011 2013 Keynote/Appraiser Quality  
( June 19, 2013 )  
7 CE

13-012 2013 Valuation Visionaries/Appraisal Reform  
( June 20, 2013 )  
7 CE

**Course Provider:**      **American Continuing Education  
Institute dba Calypso Continuing  
Education**

Index #:    Course Title & Approved Hours:

13-021 A Brief Historic Stroll through America's Architecture  
for Appraisers  
7 CE

Chairperson Conboy, whose term ends on June 30, 2013, nominated Vice-Chairperson Cool for the position of Chairperson. After discussion, it was moved by Chairperson Conboy, seconded by Ms. Kaku, and unanimously carried to elect Vice-Chairperson Cool as the Committee's Chairperson.

Unfinished  
Business:

None.

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Correspondence: None.

Announcements: Executive Officer Taniguchi extended his appreciation to Chairperson Conboy and Ms. Kaku, for serving as advisory committee members to the Real Estate Appraiser Program.

Next Meeting: Wednesday, August 7, 2013  
10:00 a.m.  
King Kalakaua Conference Room  
King Kalakaua Building  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, Hawaii 96813

Adjournment: There being no further business to discuss, the meeting was adjourned at 10:40 a.m.

Taken and recorded by:

/s/ Lori Nishimura

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Lori Nishimura  
Secretary

Reviewed and Approved by:

/s/ Alan Taniguchi

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Alan Taniguchi  
Executive Officer

AT:ln

07/19/13

[ X] Minutes approved as is.

[ ] Minutes approved with changes. See Minutes of \_\_\_\_\_.