



Executive Summary

State Board of Certified Real Estate Appraisers

2601 North Third Street, Harrisburg

June 11, 2015

Present at the regular meeting of the Board were: Secretary Jeffrey Walters, Kurt Brink, Joseph Pasquarella, Bill Rothman, Donna Baver Rovito, Martha Brown (Secretary of the Commonwealth Designee), Dave Tully (Office of Attorney General), and Paul Wentzel (Secretary of Banking Designee). Also present were Board Counsel Jacqueline Wolfgang and Board Administrator Heidi Weirich.

The following key discussions/actions were taken:

1. The Board approved minutes from the April meeting.
2. Report of Prosecutorial Division:
 - Consent Agreement and Order, Files 12-70-05474, 12-70-09540, 12-70-10787 (Edward William Sample) The respondent is a general appraiser whose certification expires in 2015. The case involves two charges: the first is a misleading appraisal and the second is failure to maintain a work file for five years. Terms of the Agreement: permanent voluntary surrender of certificate. Board approved.
 - Consent Agreement and Order, Files 13-70-02527 and 13-70-06098 (Jason P Ward) The respondent in this matter is a residential appraiser with no previous disciplinary history. Two complaints were filed within weeks of each other. The expert appraiser for the Commonwealth found errors within both reports. The first contained inappropriate neighborhood boundaries and multiple other errors including work file issues. In addition, the respondent used a trainee to complete the report even though the client specifically prohibited the use of trainees. The second report contained questionable comparables, findings not supported by data, and work file issues. In June 2014, the Board rejected a proposed Agreement that included a \$4,000 civil penalty; \$1,500 costs of investigation; 15-hr USPAP; and 7-hr land and site evaluation. Terms of the Amended Agreement: \$4,500 civil penalty; \$1,500 costs of investigation; 15-hr USPAP; and 12-hrs additional education. Board approved.
 - Consent Agreement and Order, File 12-70-06751 (Gina T Pusateri) The respondent has held a residential certification since 2003 and was the subject of previous disciplinary action by the Board in 2009. The respondent conducted an appraisal that was found to be non-compliant with USPAP. The reviewing appraiser found that the respondent failed to use best comparable sales, failed to disclose external issues with the property, and that the report was generally misleading. In March 2014, the Board rejected a proposed Agreement that included a \$2,500 civil penalty; \$1,000 costs of investigation; and 29-hours continuing education. Terms of the Amended Agreement: \$3,500 civil penalty; \$1,000 costs of investigation; and 34-hrs continuing education. Board approved.

- Consent Agreement and Order, File 13-70-04351 (Francine S Cross) This case involves a criminal conviction. The respondent was found guilty of conspiracy to commit wire fraud in connection with housing loans. The respondent is an appraiser and a real estate broker, and received an 18-month prison sentence. Terms of the Agreement: permanent voluntary surrender of certificate. Board approved.
3. The Board approved a motion to authorize counsel to draft an order consistent with the Board's discussion during executive session in the case of Novo Appraisal Management Corp (File 14-70-09379).
 4. Regulatory Report
 - Regulation 16A-7016 (Schedule of Civil Penalties) – The proposed rulemaking will codify and amend the Board's current schedule of civil penalties statement of policy.
Status: The Board did not discuss the proposal.
 - Regulation 16A-7018 (Assessment Record Keeping and Reporting) – The proposed rulemaking would revise requirements for the use of certificate number and title for Certified Pennsylvania Evaluators to make the regulation consistent with standards of USPAP, the International Association of Assessment Officers and existing practices in county assessment offices.
Status: The Board did not discuss the proposal.
 - Regulation 16A-7020 (Renewal Fee for Appraiser Trainees) – The proposed rulemaking would adopt a biennial renewal fee for licensed appraiser trainees.
Status: The Board did not discuss the proposal.
 - Regulation 16A-7021 (Appraisal Management Companies) – The proposed rulemaking defines the scope of the Board's jurisdiction over Appraisal Management Companies.
Status: Board counsel indicated that the draft regulation has been reviewed by the Office of Attorney General. The OAG issued a memo with areas of concern. Counsel made minor changes to the regulation to maintain consistency between the Act and the Regulations. The Board discussed and adopted the revisions.
 5. Next Meeting – July 9, 2015.

The foregoing represents the author's best interpretation of the significant actions and discussions of the Board. Aside from the meeting agenda, the author receives no supporting documentation or materials in advance or during the meeting, nor is the author present during any executive sessions of the Board. Therefore, this summary may not accurately reflect official actions or positions taken. Official minutes of the proceedings may be secured by contacting the Bureau of Professional & Occupational Affairs.

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For further information, contact Jennifer Shockley, Political and Community Services Manager