

CHAPTER LUNCHEON MEETING SCHEDULED FINAL BUSINESS MEETING OF 2001

Dr. Mark G. Dotzour
Chief Economist and Director of Research
Texas A&M University, Real Estate Center

will present

Real Estate Economics and Trends

Thursday, November 15, 2001

Lincoln City Club, 5440 LBJ Freeway, Third Level

Board of Directors Meeting: 9:30 to 11:30 a.m.
Luncheon and Program: 11:30 a.m. to 1:30 p.m.

Meal Program Cost: \$20.00 per person (No Shows Will Be Billed)
Reservations Required: Deadline-Wednesday, November 14
Call 972/233-2244 or Email ainorthtexas@worldlogon.com

*Application pending with the Appraisal Institute for 2 hours continuing education credit
Accepted by the Texas Appraiser Licensing and Certification Board for 2 hours continuing education credit*

Welcome New Members!

Congratulations to newly designated members:

Jim S. Goodrich, MAI, SRA
Timothy B. Nunan, MAI

Legislative Update

by George N. Naeter, MAI

FACT IS WORKING FOR YOU!

During the 77th Session of the Texas Legislature, over 1,200 bills were initially identified as potential appraiser-related pieces of legislation that might need to be monitored by FACT. In reflecting as to the legislation that did, or even did not, get sent to Governor Perry, one would have to say that FACT chalked up successes in a number of areas. The following are FACT's activities during this session, and brief descriptions of bills that passed and affect Texas appraisers.

- FACT regularly monitored legislative activity.
- FACT presented testimony supporting legislation having to do with influencing or trying to pressure appraisers, as well as the regulation of mortgage brokers.
- FACT sent letters to the House and Senate budget committees asking for favorable consideration of TALCB's budget requests. The TALCB budget request went forward as presented.

- Re-Codification of the TALCB Statute – HB2813 – Re-codification of approximately half of the State's agencies and boards came before the 76th Session of the Texas Legislature. The balance were re-codified during the 77th Session. TALCB was one of the many agencies included in this legislation. FACT reviewed the draft and made recommendations that were incorporated in the final version of the legislation.
- Electronic System for Occupational Licensing – SB645 – TALCB is one of the 22 licensing authorities that will implement an electronic system, using the Internet, for applications, renewals, payments and sending of licenses.
- Pressuring/Influencing Appraisers – HB1268 – Provisions in this bill include that a lender commits a Class "A" misdemeanor if, in connection with a mortgage loan transaction, the lender compensates or offers to compensate a person for appraisal services and the compensation is contingent on a minimum, maximum or pre-agreed estimate of value for the property securing the loan, thus interfering with the person's ability or obligation to provide an independent and impartial opinion of the property's value.
- Mortgage Brokers – HB 1636 and HB1493 – These two bills are intended to help tighten the regulation of mortgage brokers. Some of the provisions have to do with conflicts of interest, consumer information and complaints, standards of conduct, the issuance of provisional licenses, a requirement to file annual reports and the inspection of licensees' records for compliance with applicable rules.

"MARK-TO-MARKET" BILL GETS AI SUPPORT

The Appraisal Institute joined 12 housing industry associations on September 26 in supporting a compromise bill between the House and Senate, H.R. 2589, the "Mark to Market Extension Act of 2001," which passed the House in mid-September. In a letter addressed to Sen. Paul Sarbanes, D-Md., the Chair of the Senate Banking, Housing and Urban Affairs Committee, the Institute and the other organizations urged the Senator to encourage his colleagues to pass the bill in the Senate, as well. The bill proposes that the mark-to-market program and the Office of Multifamily Housing Assistance Restructuring are both extended beyond their September 30, 2001, expiration date.

In 1997, HUD established OMHAR to administer the "mark-to-market" program. The program is aimed at preserving the affordability of low-income rental housing, while reducing the cost of rental assistance subsidies provided to low-income housing. The rents of many properties in the program are currently above the market rents of comparable unassisted properties, because HUD originally supported the development of these projects by establishing rents above market levels to encourage developers to build affordable housing. The "mark-to-market" program is supposed to lower the rents of these properties while reducing mortgage debt so that the properties continue to have a positive cash flow. The rents are marked back down to market price, hence the phrase, "mark-to-market."

Original language in a comparable Senate bill, S.B. 1254, contained controversial provisions, including one giving OMHAR the ability to review submitted appraisals on the properties, creating more bureaucracy and paperwork. The Appraisal Institute and the other 12 associations protested such stipulations, and the final version of H.R. 2589 eliminates the elements of S.B. 1254 that were objectionable to the housing industry.

TAKE MY LAND, PLEASE TAKE IT

Sen. Chuck Hagel, R-Neb., has sponsored the Private Property Rights Act of 2001 (S. 1412), which, if passed, could translate into plenty of work for appraisers, particularly in the Western states. Hagel believes that government agencies are taking over too much private land, and doing so without justly compensating the owners, which, he says, the Fifth Amendment guarantees against. Thus the bill would mandate that, for the first time, federal agencies intent upon taking private property would first have to conduct an economic impact analysis prior to taking, or inhibiting, the use of that property.

Additionally, the bill would allow owners whose land had been taken access to plead their case in a Federal District Court in their home state, instead of having to go to Washington, D.C. Hagel says this will address property taking in a manner long overdue: first, it will make regulatory agencies hesitate before going through the takings process; and second, it will give property owners easier access to fair redress if they feel they have been wronged.

Mark Your Calendar!

The December Holiday Party will be held on Tuesday, December 18 at the Park City Club.
Details to follow.

Education Update MCE Hours Offered!

Members have several opportunities to earn continuing education hours through the local Chapter before year-end. Contact the Chapter office (telephone 972-233-2244, or email ainorthtexas@worldlogon.com) for a registration brochure.

Attacking & Defending an Appraisal in Litigation Seminar

Date: November 16-17 (Fri.-Sat.)
Location: Comerica Service Center
CE Credits: Appraisal Institute-14 hours
State Certified/Licensed-14 hours
MCE-15 hours; 6 legal hours
Tuition: \$250-members; \$300-nonmembers

Standards of Professional Practice, Part C (Course 430)

Date: December 7-8 (Fri.-Sat.)
Location: Comerica Service Center
CE Credits: Appraisal Institute-15 hours; 16 hours with exam
State Certified/Licensed-15 hours; 16 hours with exam (7 hours=USPAP update)
MCE-13 hours, 6 legal hours
Tuition: \$250-members; \$300-nonmembers

Dotzour to Speak at November Meeting

Dr. Mark G. Dotzour is the Chief Economist and Director of Research for the Real Estate Center at Texas A&M University in College Station, Texas. He earned his Ph.D. in the Department of Finance at the University of Texas at Austin in 1987 and served as Associate Professor of Real Estate and Finance at Wichita State University for 10 years.

Dotzour taught Land Economics in Slovakia in 1993 and also served as a visiting research scholar at Lincoln University in Christchurch, New Zealand in 1993. He has presented his research findings to audiences in Europe, Australia and New Zealand.

Prior to his academic career, he was president of Gleneagles Development, Inc., developing residential subdivisions in Wichita, Kansas. He also served as president of Dotzour Inc., Realtors, which was a residential brokerage firm in Wichita, Kansas, earning his CRB designation in 1982.

He has been at the Real Estate Center since August, 1997. Since then, he has published 31 articles in magazines including, Tierra Grande, Texas Realtor, Journal of Real Estate Research, and Land Development and given over 200 presentations. He is a regular speaker at the Texas Association of Realtors state convention, and has made presentations in 46 different Texas cities. Recent speeches include the state convention of the Texas Economic Development Council and the national convention of (ERC) The Employee Relocation Council.

His research findings and comments have been published in the Wall Street Journal, USA Today, Business Week and newspapers throughout Texas. As Chief Economist, he is currently doing market

research to monitor real estate conditions in 27 major cities in Texas. For fun, he is trying to rebuild his golf game that he gave up twenty years ago to raise a family.

Ann Piper Appointed to Landmark Commission

Mayor Ron Kirk has appointed Ann Piper, SRA, to a two-year term on the City of Dallas Landmark Commission.

The commissioners evaluate the historical appropriateness of proposed exterior improvements to homes and commercial structures. They also recommend historic designations to the City Plan Commission and the City Council, and review projects that qualify for historic preservation tax incentives.

***Win \$700! Be a Chapter member in attendance at the November 15
Chapter meeting, and your name could be drawn for \$700!***

Marketplace

Seeking New Opportunity

A State Certified Residential Real Estate Appraiser is looking for new business opportunity, fee split work environment or make me an offer. I currently work from home but willing to relocate to a new office atmosphere. For details/interview call RW @ (214) 923-3595.

Calendar of Events

November

- 8-14 National Meetings – Chicago, IL
- 15 Board of Directors Meeting/Chapter Meeting-
Lincoln City Club
- 16-17 *Attacking & Defending an Appraisal in Litigation Seminar*

December

- 7-8 *Standards of Professional Practice, Part C*
- 18 Chapter Holiday Party-Park City Club