

Ruth Kelton Nominated for Mike Damato Award for Excellence

Sixteen Past Presidents of The Appraisal Institute, North Texas Chapter jointly nominated Ruth Kelton for the Mike Damato Award for Excellence to be awarded at the next National meeting of the Appraisal Institute.

Ruth began her service to local members in 1986 as the Chapter Secretary for the North Texas Chapter of the American Institute of Real Estate Appraisers. Then, in 1991 Ruth assumed the duties of unified local Chapters of the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers. Gene Rhodes recently wrote *"Together with Wilson Mason, I had the opportunity to hire Ruth as the full-time secretary for our local chapter in 1986. Without question, it has to rank as one of the best business decisions I have ever made. She has been most competent, a true Trojan and a delight to work with."* Since joining the Appraisal Institute Ruth has:

1. Generated approximately 45% of Chapter revenue through the organization, coordination, and implementation of all education programs.
2. Coordinated committee functions and Board of Directors actions to maintain continuity within the organization.
3. Managed and coordinated committees' responsibilities, functions and activities.
4. Prepared financial statements and budgets and maintained all financial records.
5. Served as liaison and Chapter representative between Chapter, Regional, and National.
6. Served as information source for Chapter membership and the general public.
7. Developed and published the Chapter newsletter.
8. Coordinated and planned all meetings.
9. Developed and maintained Chapter office systems and procedures.

Some of Ruth's more recent accomplishments are highlighted as follows:

1. **2003** - Appointed to serve on the 717 Project Team as Marketing Project Team Leader.
2. **2003** - Appointed to serve as Region VIII representative on the Chapter Executive Staff Committee.

3. **2000 - 2002** - Served as Chair of the Chapter Executive Staff Committee of the Appraisal Institute.
4. **2000 - 2002** - Served as Region VIII Member of the National Committee of Regional Education Liaisons of the Appraisal Institute.
5. **2001** - Instrumental in the development of the Regional Operations Manual, providing procedures, forms, and time-lines.
6. **2000 - 2001** - Instrumental in establishing the April 2001 ILDC training session on behalf of Regions VIII, IX and X and their respective Chapters.
7. **1998 - 2000** - Served as Vice Chair of the National Chapter Executive Staff Committee. Participated in formation and development of the committee. Established opportunities for the representation of Chapter input on National committees and with National issues. Participated in developing, through the committee structure, a critical communication link between National, Regional and Chapter levels.
8. **1999** - Served as representative for the North Texas Chapter of the Appraisal Institute in developing and coordinating *Appraising Affordable Housing Products*, a jointly sponsored program with the City of Fort Worth.
9. **1998 - 2000** - Served as a member representing Appraisal Institute chapters on the National Awards Committee. The Committee determines annual awards for chapters, criteria for earning the awards, and selects award recipients.
10. **1998 - 1999** - Participated as Chapter Executive Staff Committee representative and was instrumental in the development of the original Education Network Manual.
11. **1996** - Served as representative for the North Texas Chapter of the Appraisal Institute in developing and coordinating *Appraising Affordable Housing Products*, a jointly sponsored program with the Dallas Affordable Housing Coalition.

Ruth's leadership is evident in her past accomplishments and her effectiveness is conveyed in the fact that she is repeatedly called upon to serve both Chapters and Regions as a liaison. She is able to patiently hear all the facts of a debate - then offer constructive advice without undermining authority or self confidence. Ruth's positive attitude, fairness, preparedness, and fun-loving nature are genuine traits that make those around her want to be more like her.

Groups Sign Memorandum of Understanding

The Appraisal Institute, American Society of Appraisers, American Society of Farm Managers and Rural Appraisers and Appraisal Institute of Canada have signed a Memorandum of Understanding that sets forth areas in which the organizations would engage in cooperative efforts.

The organizations have agreed to “work together and build a strong relationship in order to promote and enhance the development of the real estate valuation profession; recognize the need for open communication on matters of mutual interest, to ensure an accurate, consistent and reliable working environment; and work together where appropriate when dealing with government and other entities on issues that affect the organizations.”

“We are very pleased that this agreement has been made, and we are honored to have an opportunity to work with these distinguished organizations on issues, policies and projects that are important to our members and the valuation profession at large,” said Appraisal Institute President Alan E. Hummel, SRA.

The memorandum of understanding is intended to encourage and further extend dialog and cooperation between the organizations on matters of interest to all of the organizations, including supporting the work of the International Valuation Standards Committee, the newly formed World Association of Valuation Organizations, and the Centre for Advanced Property Economics. In addition the groups pledge to explore areas in which the organizations can work together to eliminate duplication and to enhance the quality of the profession, such as education, member services, conferences and professional services.

“This memorandum does not create a partnership, joint venture or agency relationship between the organizations, nor does it limit any of the participants from exercising full authority with respect to their own members,” Hummel stated. “What this agreement does do is create a wonderful opportunity for our organizations to work together, providing a strong voice in the valuation and valuation consulting industry.”

Appraisal Institute Among Those Searching for Ways to Fight Predatory Lending

Representatives from the Appraisal Institute joined leaders from mortgage lenders, consumer groups and regulators for an industry meeting to discuss how those involved in the

subprime loan mortgage market industry can work together to protect homebuyers from predatory lending practices and practitioners.

Speaking on behalf of the Appraisal Institute, Government Relations Committee Chair John Bredemeyer, SRA, told summit participants, “There is a definite need for industry consensus on how to recognize and eliminate predatory lending. Acknowledging the existence of pressure as a tool used by predatory lenders, and the necessity to eradicate it, is a vital step in the fight against this chronic problem that often robs honest, hard-working families of the very roof over their heads.”

Hosted by the Mortgage Bankers Association of America, the “Enforcement Summit” examined a range of issues from the federal, state and local enforcement perspectives. Reports and possible recommendations for further action from these breakout sessions were then discussed.

Bredemeyer’s remarks focused on the important, impartial role the real estate appraiser plays in real estate transactions. “Appraisers are often perceived as speed bumps in the road to loan closings,” he noted. “But the speed bumps are placed in neighborhoods to protect the people living there from reckless driving. A real estate appraisal provides much of the same function – when performed accurately and honestly, the appraisal will protect the consumer from needless distress and possible expense later on.”

Bredemeyer added that, “accurate appraisals provide assurance that the lender is taking a reasonable risk in underwriting a loan. Accurate appraisals protect the consumers by ensuring the loan they are taking is appropriate to the value of the house they want to buy. However, when fraudulent appraisers generate inflated, inaccurate appraisals, they become enablers to the practice of predatory lending.”

According to Bredemeyer, real estate appraisers continue to support the concept of subprime mortgage lending, which allows families who might not otherwise have access to mortgage financing to purchase their own homes. He did note, however, that the abusive, or predatory, lending practices of a few bad participants in the mortgage industry have undermined consumer trust and the industry’s reputation.

Bredemeyer concluded by saying that the summit shows that the constituencies are “moving together in the right direction, for the right reasons, and for the right people – the consumers who use subprime mortgage lending.”

Changing SPP Requirements for Associate Members

Following is a reminder to Associate Members regarding changes to SPP requirements.

As of January 1, 2003, Course 430, Standards of Professional Practice, Part C, was dropped from our curriculum. Associate Members are now required to meet their SPP requirement by completing the Appraisal Institute's Course 410 (15-Hour National USPAP) plus Course 420 (Business Practices & Ethics).

However, any Associate Member who had previously completed Course 410 (or equivalents) can meet their SPP requirement by completing Course 400 (7-Hour National USPAP Update) instead of the 15-hour Course 410 and also complete Course 420. But, Course 420 must be completed whether the Associate Member completes Course 410 or Course 400. The Associate Member options are:

Course 410 plus Course 420

or

Course 400 (if eligible) plus Course 420.

Reminder: The Associate Member SPP requirement is found on the individual's Associate Status Report that may be downloaded from the Appraisal Institute's Web site Members Only page. The Associate Member must have created a user ID and password to access the Members Only sections.

New Books Coming Soon

Convenience Stores and Retail Fuel Properties: Essential Appraisal Issues, by Robert E. Bainbridge, MAI, SRA, is the most comprehensive work available on the appraisal of convenience stores and gas stations. Any appraiser who has valued a convenience store can tell you that there is more to these properties than meets the eye. It takes specialized knowledge and skills to value convenience store/gas station operations and a great deal of industry information. Convenience stores are ubiquitous, carpeting the American landscape and occupying every possible rural, urban and suburban roadside location. More than 120,000 convenience stores are operating in the United States today and each depends on the proper mix of a desirable location and a streamlined business operation.

For appraisers who regularly value these properties or others who will face this challenge in the future, this long-awaited text is a new and exciting resource. It provides readers with an overview of the physical characteristics of c-stores and recent development trends as well as a working vocabulary

of the specialized language of the convenience store business. Building on this foundation, the text demonstrates practical techniques that appraisers can use to collect property data, analyze local markets, and value both proposed and existing properties in the ever-changing convenience store industry.

Members can purchase a single copy of *Convenience Stores* for \$24 through September 15, 2003. The regular member price is \$30 and for nonmembers, \$35. Request Stock No. 0692M.

International Valuation Standards, Sixth Edition (2003), is the newest edition of the International Valuation Standards. It concludes the IVSC Standards Project, a three-year effort initiated to prepare a set of comprehensive and robust international standards to facilitate cross-border transactions involving property and contribute to both domestic and international financial stability. Appraisers active in global markets should be familiar with the work of the International Standards Committee and the standards, applications, statements, and guidance notes presented in this text. In addition, subscribers to the new IVS subscription service will receive e-mail notification and printed copies of all exposure drafts, new standards/guidance, and IVSC newsletters produced through April 2004. Members and nonmembers: \$50; IVSC subscription series: add \$25. Order online at www.ivsc.org or call 312-335-4147.

Scott Robinson, MAI, SRA Chair of RC, Visits Dallas



Scott Robinson, MAI, SRA, RC Chair, with some of the attendees at luncheon

Scott Robinson, MAI, SRA, from Salisbury, North Carolina, and 2003-2004 Chair of the Residential Appraiser Council, visited Dallas in May as the Appraisal Institute's official representative to the Employee Relocation Council's (ERC) annual conference. While in town, Scott took the opportunity to hold an informal lunch meeting with area appraisers (both designated and associate)

to discuss the state of the SRA designation and what the Appraisal Institute was doing and might do in the future to promote the residential designation. An open and wide ranging discussion was held with many ideas discussed.

Jim Jacobs, SRA from Sherman and Region VIII's representative to the Residential Appraiser Council also attended; as did members from as far away as Waxahachie and Houston.

Anyone with comments or other input to add to the discussion topics is invited to contact either Scott (arobinsonassoci@carolina.rr.com) or Jim (jejacobs@jacobsappraisals.com).

Legislative Update

by George N. Naeter, MAI
Legislative Committee Chair

S.B. 1013 Signed by Governor Perry

On behalf of Texas appraisers, we extend our thanks and appreciation to all of those in Austin who had a part in the passing of S.B. 1013, which amends the TALCB statute to allow for an extension to complete appraiser continuing education, an inactive status, and TALCB to have jurisdiction over unlicensed activity. Special thanks are extended to Senator Todd Staples for authoring this legislation and to Representative Kino Flores for sponsoring it in the House; special thanks are also extended to Governor Perry for signing it on May 20th!

TALCB Meetings – Thursday, May 15th and Friday, May 16th

The TALCB enforcement committees met on Thursday, May 15th; the education committee and regular board met on Friday, May 16th. As is customary, FACT was represented at these meetings by President Glenn Garoon and Executive Director Lynda Vine along with Past Presidents Randall Kopfer, Sam McAnally and Joe Woller. The following bullets summarize board actions that took place at the meetings.

The proposed amendment to TALCB Rules 22 TAC §153.18, as published, was approved. This rule requires the use of the one-day National USPAP Update for appraiser continuing education.

A two-hour module is to be developed to address the TALCB statute, rules and policies. The module is to be written and maintained by TALCB and will be available for chapters to present as a program for continuing education; the module is expected to be written this fall. The proposed amendment to TALCB Rules 22 TAC §153.20, as published, was tabled - to be rewritten. The amendment would have given the TALCB enforcement committees broad authority over what could be required

of those subject to investigation. FACT submitted both written comments and oral testimony. Here are excerpts from the FACT letter to the TALCB.

On behalf of the appraisers represented by FACT, ... we support TALCB's authority to appropriately process an enforcement action, (however) ... we oppose the proposed §153.20(j) as published. In the explanation offered as to the rationale for and the impact of the proposed rule, ... it (is stated as) "... being added specifically to provide for the accepted practice of requiring respondents in a complaint to provide the board with information and documentation ..." In reading this statement, it is viewed as being somewhat ambiguous. After reading the proposed rule, we find that the proposed rule is extremely broad and believe that it goes beyond the scope of what should appropriately be considered germane in investigating a complaint brought against a licensee. Simply put, we believe that §153.20(j)(1), as proposed, would grant TALCB the authority to conduct what amounts to unlimited discovery which we do not believe was the intent when the rule was drafted, voted upon and put out for public comment.

S.B. 1013 amends the TALCB statute to allow for an extension to complete appraiser continuing education, an inactive status, and TALCB to have jurisdiction over unlicensed activity. Based on S.B. 1013, amendments were drafted to the TALCB rules. In that there was insufficient time to adequately address some concerns identified in the drafts, the proposed rules were also tabled.

It was voted to publish for comment an amendment to TALCB Rules 22 TAC §153.13; the amendment will extend course approvals from two years to five years.

TALCB voted to send a comment letter to the AQB relative to the fourth exposure draft, which would state their opposition to limiting a certified appraiser to no more than two Trainees.

It was reported that the ability to renew online is growing in popularity. The process for renewals, now that continuing education forms are not submitted at the time of renewal and are only submitted for those that are subject to verification, is as previously reported:

Renewal application received and identified as being subject to 25% random audit

For paper renewals, application reviewed to ascertain if it is complete

Renewal certificate issued

For those being verified, individual informed of the audit and given instructions to submit ACE documentation

Should the ACE documentation be inadequate, the individual can be sanctioned

A board workshop was held on Wednesday, June 25, to address the rules that were tabled along with educational matters and trainee matters. The next regular TALCB meeting will be Friday, September 19th, and will be preceded by a day of enforcement committee meetings.

TALCB Appointments

The membership of the Texas Appraiser Licensing and Certification Board is four appraiser members, four public members and the Executive Secretary of the Texas VLB. The eight appointed members serve two-year staggered terms, with two appraiser members and two public members having terms ending January 31st each year; board members may be appointed for up to three terms. James Synatzske, an appraiser member, was first appointed in 1997, has been appointed to three terms and was not eligible for another appointment to TALCB; the May 16th meeting was Mr. Synatzske's last meeting.

Governor Perry named the new appointees, which the Senate has confirmed. L.W. "Wayne" Mayo (Richardson) was re-appointed to a third term as an appraiser member; Mr. Mayo currently serves as Chair of TALCB. William A. "Rusty" Faulk (Brownsville) was re-appointed to a second term as a public member. Larry D. Kokel (Georgetown), an appraiser member, and Malcolm J. Deason (Lufkin), a public member, were both appointed to their first terms.

The other appraiser members of TALCB include Shirley Ward (Alpine) and Ted Whitmer (College Station); the other public members include Elroy Carson (Lubbock) and Dona Scurry (El Paso). Doug Oldmixon is the ninth member by virtue of being Executive Secretary of the Texas VLB.

Announcements

Member Volunteers Needed – MAI members are needed to proctor examinations for individuals that challenge exams and individuals that take Appraisal Institute courses online. If you have a conference room or a vacant office, and can spare a few hours, your help would be appreciated. Please contact Ruth Kelton if you can volunteer.

Member Profiles – One of the goals of the 2003 Newsletter Committee is to promote chapter members by publishing their profile in this newsletter. If you are interested in having your biography published please email jpoe@poeco.net to arrange for an interview.

TALCB Commissioner Renil C. Linér to Retire -- TALCB Commissioner Renil C. Linér has announced that he will retire on August 31st. A job search has now begun to find a replacement for Commissioner Linér. To view the job description and requirements, you may go to:

<http://www.talcb.state.tx.us/pdf/employment/commissioner-0603.pdf>

New GIS WebSource

The Arlington Chamber of Commerce has launched a geographical information system, or GIS, Web site to provide information on commercial and industrial properties for sale or lease in the city. [Arlington isites](#) allows viewers to look at, create, and print maps; perform site-selection searches; develop custom demographic radius reports; and find sources of capital for commercial or business development.

Marketplace

Position Available

Experienced Desk Reviewer – Competitive salary with bonus, benefits, educational expenses paid with paid time off for classes, designation fees paid, 401K matching, two-week annual vacation and opportunity for advancement. Fax resume to Evelyn Grevelle, LandSafe Appraisal Svcs. at 972-608-2144.

Dallas – Established commercial firm seeks appraisers for valuation of investment-grade properties in Metroplex. Assignments involve office, retail, multifamily and industrial. Candidate must have strong skills in Microsoft software and digital technology. Compensation and benefits are negotiable. E-mail resume (confidentially) to ajm@mcrobertsinc.com. See company web site – www.mcrobertsinc.com.

National Appraisal Group seeks highly experienced appraisers interested in assisting with Dallas/Ft. Worth area real estate appraisal and consulting assignments on a contract basis. Please contact or forward qualifications to: Willard H. (Bill) Langhenry, MAI, Regional Director, National Appraisal Group, 6805 Hillcrest Avenue, Suite 200, Dallas, Texas 75205; Telephone: 214-692-6920; Facsimile: 214-692-7550; E-mail: nationalapp@aol.com.

Houston, Texas – The Gerald A. Teel Co. currently has a senior-level position available. Proficiency in Word, Excel and Argus; a minimum of 3 years commercial appraisal experience; and a state certified general real estate appraisal license is required. Competitive compensation package with benefits offered. Inquiries held in strict confidence. Please e-mail your resume to gteel@gateel.com or call Gerald Teel at 713-467-5858.

Calendar of Events

July

4 Independence Day

August

25 Comprehensive Exam-Dallas, TX

26 Comprehensive Exam-Dallas, TX

September

9 Board of Directors Meeting/
Chapter Luncheon Meeting-
Prestonwood Country Club

11-12 *Separating Real & Personal Property from
Intangible Business Assets* (Course 800)
University of Phoenix-Dallas

North Texas Chapter

2003 Officers

President	Mac Bottum, MAI
Vice President	John Hirschy, MAI, SRA
Secretary	George Naeter, MAI
Treasurer	Shannon Dykes, MAI, SRA

2003 Committee Chairs

Education	Marc Farmer, MAI
Finance	Shannon Dykes, MAI, SRA
Guidance	Kevin Carson, MAI
Legislative Affairs/FACT	George Naeter, MAI
Membership Development/Retention	Mitchell Todd, MAI
Newsletter	Jack Poe, MAI
Programs	K. Lynn Naugher, MAI
Public Relations	Jimmy Jackson, MAI
Social and Charity Events	Tracy Law, MAI
Telephone	John Hirschy, MAI, SRA
Web Site	Richard Baker, MAI

Chapter Office

Executive Director	Ruth A. Kelton
Assistant	Nancy Young

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**2003 Education Schedule
Appraisal Institute, North Texas Chapter**

Date	Course/Seminar	Instructor(s)	Location	Continuing Education Credits	Tuition
September 11-12	Separating Real & Personal Property from Intangible Business Assets (800) MCE Ap approved	J. Amorin, MAI	University of Phoenix-(D/FW Campus)	AI-15 hours/1 exam hour ACE-15 hours/1 exam hour MCE-17 hours/0 legal hours	\$150-members \$325-nonmembers
October 17	Analyzing Commercial Lease Clauses Seminar MCE Ap application to be Submitted	W. T. Anglyn, MAI	University of Phoenix-(D/FW Campus)	AI-7 hours ACE-7 hours	\$145-members \$195-nonmembers
October 18	Analyzing Distressed Real Estate Seminar MCE Ap application to be Submitted	W. T. Anglyn, MAI	University of Phoenix-(D/FW Campus)	AI-4 hours ACE-4 hours	\$75-members \$125-nonmembers
November 14	7 Hour National USPAP Update (400) MCE Ap application to be Submitted	G. Naeter, MAI	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours MCE-8 hours/8 legal hours	\$145-members \$195-nonmembers

Appraisal Institute, North Texas Chapter

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