

## LUNCHEON MEETING SCHEDULED

*Tuesday, September 9, 2003*

**Ms. Carla G. Glass**  
**Member, Appraisal Standards Board**

will present

### ***Review of Changes to 2004 USPAP***

Prestonwood Country Club  
15909 Preston Road, Dallas, Texas 75248

**Board of Directors Meeting:** 9:30 to 11:15 a.m.

**Program and Lunch:** 11:30 a.m. to 1:30 p.m.

**Meal and/or Program Cost:** \$16.00 per person (No Shows Will Be Billed)\*

**Reservations Required:** Deadline-Friday, September 5

Call 972-233-2244 or e-mail [ainorthtexas@worldlogon.com](mailto: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*

\*Members are welcome to attend the program free of charge  
if they do not eat a meal or apply for continuing education credit.

## National Committee Service

If you know chapter members interested in getting involved in national committees, please encourage them to complete the Committee Service Request (CSR) form online at the Appraisal Institute web site ([www.appraisalinstitute.org/](http://www.appraisalinstitute.org/)). President Elect Gary Taylor will be making appointments in the coming weeks, and needs to know as soon as possible about members who are interested in serving on Appraisal Institute committees.

## CE Log Can Be Maintained Online

Designated members can now maintain their CE Log online. The new Continuing Education Status Report is now live in the Members Only area of [www.appraisalinstitute.org](http://www.appraisalinstitute.org). It allows members to add information to their own Log and replaces the "display only" CE Status Report. The information in the CE log goes right into the Appraisal Institute's main database. The CE Log hours are then added in with existing hours to give a complete picture of their continuing education status.

## Thank You Comp Exam Proctors

Several North Texas Chapter members generously volunteered their time to proctor the Comprehensive Examination that was held in Dallas August 25-26. The Chapter leadership would like to extend a sincere thank you to the following individuals:

Darrel Copeland, MAI  
Daryl Duncan, MAI, SRA  
Kyle Hearon, MAI  
Rusty Hutchison, MAI, SRA  
Steve Kincheloe, MAI  
Gerald McKim, MAI, SRA  
Melissa Neckar-McRoberts, MAI  
Lance Wetherill, MAI, SRA

## Upcoming Chapter Meetings

### OCTOBER 9

#### **2003 Texas Legislative Activities Update**

Panelists: Glenn Garoon, MAI, FACT President  
Deloris Kraft-Longoria, MAI, TALCB Investigator  
D. Todd Staples, SRA, Senator  
Lynda Vine, FACT Executive Director  
Ted Whitmer, MAI, TALCB Vice Chair

*(This will be a joint meeting with the Central Texas Chapter at Lone Star Park in Grand Prairie.)*

### NOVEMBER 13

#### **Second & Third Quarter 2003 New Home Activity**

Speaker: Jody Reese, Residential Strategies, Inc.  
*(Location-Prestonwood Country Club)*

### DECEMBER 11

#### **Annual Holiday Party and Installation of 2004 Officers**

*(Location-Park City Club)*

Members can earn six hours of Appraisal Institute and ACE continuing education credit (two hours per meeting) by attending the September, October, and November Chapter meetings. Plus, attendees will benefit from informative presentations by excellent speakers!

## Course 800 Scheduled September 11-12

The Chapter is sponsoring the highly rated Course 800, *Separating Real & Personal Property from Intangible Business Assets*, on Thursday and Friday, September 11 and 12.

This course provides the theoretical and analytical framework for separating the tangible and intangible assets of operating properties. Through discussion, lecture, readings, role-playing and case studies, participants will apply the theory of the firm and the concept of economic profit to the solution of problems related to ad valorem taxation, eminent domain, loan underwriting, and transaction price allocation.

The course qualifies for three-way continuing education credit – Appraisal Institute and ACE-15 hours/16 with exam, MCE-17 hours/0 legal hours. Tuition is \$250.00 (\$262.50 VISA/MC) for Appraisal Institute members and \$325.00 (\$341.25 VISA/MC) for nonmembers. Contact the Chapter office to register, or register online at [www.ainorthtexas.org](http://www.ainorthtexas.org).

## AI Direct Connection Expands Client Base; Seeks More Participants

AI Direct Connection, the Appraisal Institute's appraisal and valuation services company, has recently added clients for medium-size commercial property appraisals, rural and agricultural appraisals and high-end residential appraisals and reviews. However, to meet these clients' needs membership participation in AI Direct Connection needs to increase and encourages members to sign up. There is no charge to sign up – you simply need to go to <https://www.aidirectconnection.com/ss.asp> and complete the form.

AI Direct Connection was formed as a joint venture of AI Holdings, a wholly owned subsidiary of the Appraisal Institute, and Charter One Financial, Inc. to provide the market with high quality appraisal, valuation and related services. Thus far assignments through AI Direct Connection have resulted in over a million dollars in fee income to participating appraisers. Make an investment in client relations for the Appraisal Institute and for the appraisal profession by signing up today.

**Thank you 2003  
Meeting Sponsors:**

**Chesapeake Appraisal and  
Settlement Services**

**CoStar**

**North Texas Commercial  
Data Exchange**

**Roddy Information  
Services Company**

## **When Appraisal Review and Supervisory Work Qualify as Experience**

The Appraisal Institute Experience Review Staff regularly receives questions asking what type of review work qualifies for experience credit. In general, qualifying appraisal review assignments are those that are subject to Standard 3 of USPAP.

Supervisory work by associates is defined in a number of ways, but generally includes supervision of the appraisal, mentoring, and other general training or oversight of appraisers.

Most supervisory appraisers do not perform the extent of the appraisal process or work required to meet experience criteria – their contribution typically involves oversight and mentoring. It is unlikely that many reports can be used for experience by both the supervisory appraiser and the primary appraiser; however, it is possible.

Many associates erroneously believe that because they co-sign the appraisal and have assumed responsibility for the report and opinions, they will automatically receive credit. Regulations 1 and 2 (Part F, Section 2, Significant Professional Responsibility) indicate that the associate must be able to show that the appraisal process was followed and that this resulted in analysis, opinions and conclusions that were then incorporated in the appraisal. In the Experience Review process, the Screener or Reviewer may determine that the associate meets the test of Significant Professional

Responsibility if the associate is the sole signer of the report or is cited in the certification as having significant professional responsibility with disclosure of the extent of the contribution. While USPAP requires that you take full responsibility for reports that you sign, you do not receive experience credit without contributing significantly to the report.

The key to obtaining appropriate credit for appraisal contribution to an appraisal report is allowing the Screener to understand who did what. This allows each participant to receive credit for what was contributed, if appropriate. Standards Rule 2-2 (a, b, and c)(vii) indicates that “When any portion of the work involves significant real property appraisal assistance, the appraiser must summarize the extent of that assistance.”

The Appraisal Standards Board has clarified certification and significant assistance issues (2002 FAQ #108 and a June 2003 Q & A). They note that anyone who signs any part of the report must sign the certification and anyone who does not sign but has made a significant contribution is disclosed in the certification. Description of the assistance isn’t required to be in the certification but must be in the report. Therefore, it is reasonable to expect that experience credit cannot be given for any reports in which proper disclosure of assistance provided is not evident.

## **Legislative Update**

*by George N. Naeter, MAI  
Legislative Committee Chair*

The “codified” Texas Appraiser Licensing and Certification Act has been posted to the TALCB website ([www.talcb.state.tx.us](http://www.talcb.state.tx.us)). The Act was amended by SB-1013, 78<sup>th</sup> Legislature 2003, regular session, effective September 1, 2003. Two of the changes to the Act are listed below.

### **Sec. 1103.156. FEES.**

*Amended to include that the board may establish reasonable fees to administer this chapter, including:*

- (7) a fee for filing a request for a return to active status

### **Sec. 1103.212. EXTENSION OF TIME TO COMPLETE REQUIRED CONTINUING EDUCATION.**

- (a) The board by rule may establish procedures under which a person may obtain an extension of time to complete continuing education required to renew the person's certificate or license.

- (b) The board may require a person under this section to:
  - (1) pay an additional fee, not to exceed \$200, on or before the date the certificate or license is scheduled to expire; and
  - (2) complete the required continuing education not later than the 60th day after the date the certificate or license is scheduled to expire.
- (c) Notwithstanding the other provisions of this section, a person must complete the required continuing education before performing an appraisal in a federally related transaction.

**Sec. 1103.213. INACTIVE CERTIFICATE OR LICENSE.**

- (a) The board may place on inactive status the certificate or license of an appraiser if the appraiser:
  - (1) is not acting as an appraiser;
  - (2) is not sponsoring an appraiser trainee; and
  - (3) submits a written application to the board before the expiration date of the appraiser's certificate or license.
- (b) The board may place on inactive status the certificate or license of an appraiser whose certificate or license has expired if the appraiser applies for inactive status on a form prescribed by the board not later than the first anniversary of the expiration date of the appraiser's certificate or license.
- (c) An appraiser applying for inactive status shall terminate the appraiser's association with each appraiser trainee sponsored by the appraiser by giving written notice to each appraiser trainee before the 30th day preceding the date the appraiser applies for inactive status.
- (d) An appraiser on inactive status:
  - (1) may not perform any activity regulated under this chapter;
  - (2) must pay annual renewal fees; and
  - (3) is not required to pay the annual registry fee described by Section 1103.156(b).
- (e) The board shall maintain a list of each appraiser whose certificate or license is on inactive status.
- (f) The board shall remove an appraiser's certificate or license from inactive status if the appraiser:
  - (1) submits an application to the board;
  - (2) pays the required fee; and
  - (3) submits proof of complying with the continuing education requirements of Section 1103.211 during the two years preceding the date the application under Subdivision.

The Foundation Appraisers Coalition of Texas (FACT) has been instrumental over the years in monitoring and affecting the regulation of the

appraisal profession through legislation, education and communication. Through membership in the North Texas Chapter, you are also members of FACT. The membership fee the Chapter pays to FACT, on your behalf, offsets FACT's operating expenses. However, it is very important that FACT recognizes the individuals in Austin who helped during the 78<sup>th</sup> Session of the Legislature. Please contribute to FACTPAC (see attached FACTPAC Form.pdf). Your donation will enable FACT to continue its hard work on your behalf. If you have any questions about FACT, feel free to contact the Executive Director, Lynda Vine (210-696-8909, [lvine@attglobal.net](mailto:lvine@attglobal.net)) or FACT President, Glenn Garoon, MAI (817-377-9554, [glegar@sbcglobal.net](mailto:glegar@sbcglobal.net)).

## Hotel Data Available at Discount to Members

Hotel Brokers International, specializing in hotel sales comparable information, is offering an Appraisal Institute member discount on the 2003 *TransActions Recap*, its annual hotel real estate transactions publication. The 2003 edition provides summaries, valuations and in-depth analysis of the 2002 hotel sales industry, including:

- Summaries of all HBI-member transactions 1998-2002
- Summaries of additional 2002 hotel transactions
- Hotel values by brand, location and segment
- National and regional statistics
- 2003 hotel-lender surveys
- 2002 transaction analysis
- Index of hospitality lenders

HBI is offering the publication to members of the Appraisal Institute at the discounted rate of \$85, a savings of more than 20 percent off the \$109 list price. HBI is also offering the \$379 *TransActions* Subscription Service for \$275. The service includes the 2003 edition of *TransActions Recap* and three custom searches during the next year from HBI's Information Services Division. For more information, visit [www.hmba.com/html/taorder.htm](http://www.hmba.com/html/taorder.htm). To order, call 816-505-4315. Appraisal Institute members should identify themselves as such in order to receive the discount.

# Announcements

**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](mailto:jpoe@poeco.net) to arrange for an interview.

# Marketplace

## **Positions Available**

Washington Mutual has a great opportunity for a **Commercial Review Appraiser** in our Dallas office. The ideal candidate will have 5+ years of professional experience and be responsible for reviewing appraisals by fee appraisers for multi-family income properties. A certified Real Estate Appraisal License is required. Apply to: [milisa.whalen@wamu.net](mailto:milisa.whalen@wamu.net), or fax 206-490-5660. *Washington Mutual is an Equal Opportunity Employer. Anyone needing accommodation to complete the interview process should notify the recruiter.*

**Job Opportunity In Real Estate Investment Banking** - Churchill Capital Company, LLC, a Dallas-based Real Estate Investment Banking firm, specializes in structuring debt and equity for all commercial property types. The principals of Churchill Capital Company have experience in closing over \$5 billion in real estate finance transactions. We are currently seeking an analyst who can perform detailed analysis of commercial property capital structures, assist the originators of the firm in closing large transactions, and support the firm's new business generation and client relationship efforts. This position will involve significant interaction with clients, lenders and investors on both a local and national scale. It also involves working closely with the professionals of the company in a capacity providing the opportunity for tremendous growth in the business. Necessary requirements for the position include: (1) MBA, or other degree with strong emphasis on finance; (2) 2 – 5 years experience in commercial real estate or related field; (3) Effective oral and written communication skills; (4) Keen organization; and (5) Ability to work as part of a team. Please e-mail resumes to Penny Dabbs at [pdabbs@churchillcapital.com](mailto:pdabbs@churchillcapital.com).

# Calendar of Events

## **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

## **October**

- 2 Regional Reps Meeting
- 9 Board of Directors Meeting/  
Chapter Luncheon Meeting-  
Lone Star Park
- 17 *Analyzing Commercial Lease Clauses Seminar* – University of Phoenix-Dallas
- 18 *Analyzing Distressed Real Estate Seminar* –  
University of Phoenix-Dallas
- 24-25 Region VIII Meeting-Albuquerque, NM

# North Texas Chapter

## **2003 Officers**

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

## **2003 Committee Chairs**

Education ..... Marc Farmer, MAI  
Finance..... Shannon Fawcett, 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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972/239-6857 (fax)  
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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) <b>MCE Approved</b>	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 <b>MCE Approved</b>	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 <b>MCE Application to be Submitted</b>	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) <b>MCE Approved</b>	G. Naeter, MAI	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours MCE-8 hours/8 legal hours	\$145-members \$195-nonmembers
December 11	7 Hour National USPAP Update (400) <b>MCE Approved</b>	T. Kirby, MAI, SRA	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours MCE-8 hours/8 legal hours	\$145-members \$195-nonmembers
December 12	Business Practices & Ethics (420)	T. Kirby, MAI, SRA	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours	\$145-members \$195-nonmembers



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