

President's Message

by John G. Hirschy, MAI, SRA

The Internet has streamlined the writing of and upgraded the quality of our reports by making expensive information sources available for the cost of our time in looking them up. I am sure many of you are already using some or all of the resources that I am about to cover, but the following is worthy of a scan to see if there is something new for your consideration.

FREE 2003 AERIALS:

<http://www.dfwmaps.com/index.asp> provides quick and easy access to 2001 & 2003 aerials in the Dallas/Fort Worth area. I believe the 2003 aerials have twice the definition as the 2001 aerials. This NCTCOG website labels the streets and highways, making locations easy to recognize. With a right-click of the mouse, the aerial is easily saved on your hard drive so that it can be inserted into your reports. Virtually all of my full narrative reports contain aerials. They are good for showing the subject property up close from above, and if the neighborhood is small enough, to show the neighborhood in detail.

FREE CENSUS DATA:

<http://www.census.dfwinfo.com/> again is a NCTCOG website that provides 2000 census data by census tract, zip code, city, county and the DFW region, or if you want, you can upload the information by radius from your subject property. For mature neighborhoods the data is still relatively current. Various reports are available: social, economic, housing, as well as general population statistics. For neighborhoods that are experiencing rapid change, another NCTCOG website will help to bring the census data up-to-date.

<http://www.nctcog.dst.tx.us/index.asp> provides current population estimates, housing estimates, demographic forecasts and much more. City planning departments are good about updating the NCTCOG data by providing new construction permits issued since the beginning of the year, and much of this can be collected online. Twenty years

ago, neighborhoods were much more difficult to analyze.

FREE PLATS & ABSTRACTS:

Dallas CAD, Collin CAD, and Tarrant CAD provide drawings and/or actual plats and abstracts online. Again, these are easily downloaded on the hard drive for inclusion in reports. My land sale data includes both a drawing of the site boundaries as well as a picture or aerial of the sale. While some of the sales data source will provide like type drawings, I have never found any one sales data source to include all of the sales data available in a neighborhood, and some of the sales data sources do not include drawings. Thank goodness the CADs are saving us trips to the County records for plats and abstracts.

FREE FEMA FLOOD PLAIN MAPS:

The steps to get a "FIRMette" map from <http://msc.fema.gov/MS/> are involved but not difficult. I wrote a brief article about the steps in a previous AI newsletter, and these steps are also available from some City engineering departments, FEMA at (800) 358-9616, or the downloadable documents from The FEMA Flood Map Store at the above referenced webpage. In my review of appraisal reports from other offices, I see flood maps that were bought with hard earned money, and I ask myself – why? They are free online.

These are a few of the readily usable free online sources that we can use in our everyday practice. Coupled with subscription services, appraisers are able to utilize their analytical skills more because they are spending much less time gathering the data. It is a wonderful era, and times are only getting better. Let's enjoy.

Mark Your Calendar!
Upcoming Chapter Meetings

Thursday, September 9
Thursday, October 14
Thursday, November 11

Highlights of Board of Directors Meeting June 27-29, 2004, Toronto, Ontario

At its meeting in Toronto this week, the Appraisal Institute's Board of Directors moved forward on several fronts, most notably on the plan to restructure the governance of the organization.

Governance Restructure: After debate, the Board voted overwhelming in support of the plan submitted by the Governance Restructure Project Team, which puts in place a new and more dynamic way of doing business and serving the needs of all members. Key elements of the plan include:

- Having a 26-member Board, including two representatives from each region. The Board will also include a representative from among the associate membership.
- Significantly reducing the number of standing committees and restructuring the General and Residential Appraiser Councils in favor of an Admissions and Designations Qualification Committee, which will be responsible for crafting admissions and designations qualifications policy for review and approval by the Board. The Appraisal Institute will continue to provide notice to members of proposed changes to the requirements for membership in Regulations 1 and 2.
- Two new key committees are the Leadership Development and Nominating Committee and the Strategic Planning Committee. The former will be responsible for identifying members for both elected and appointed positions and mentoring members in building their leadership skills. While the LD&NC will recommend potential position holders, the President will continue to make committee appointments, one of the many checks and balances of the new structure.

The next step to implement the plan will be to draft required Bylaws and Regulation changes (60-day notice) for consideration and approval by the Board in November 2004. Under this timetable, implementation would begin in 2005. For additional information, including a discussion of various issues about the new governance structure, members are directed to the information posted on the Governance Restructure page in the members' only section at www.appraisalinstitute.org.

2005 Vice President Nominee: Received the Nominating Committee's recommendation that Terry R. Dunkin, MAI, SRA, will serve as the 2005 Vice

President. The Board will take a formal vote on that nomination in November. In remarks to the Board, Dunkin thanked the committee for its support and assured the Board of his commitment to work for the best interests of the organization and all of its members. (A more complete statement of Dunkin's views of the challenges facing the organization and his goals is posted in members only at www.appraisalinstitute.org.) M. Ralph Griffin, MAI, and Joseph T. Thouvenell, MAI, were elected to the 2005 Executive Committee, and James D. Amornin, MAI, SRA, and David W. Riach, MAI, were elected to serve on the Audit Committee for 2005. Leslie P. Sellers, MAI, SRA, was elected Chair of the Regional Chairs for 2005.

717 (Education Evaluation) Project: Received a detailed report on the 717 Project, designed to better position the Appraisal Institute in the delivery of education programs and services. The Board authorized going forward with the implementation/planning phase. A final report will be issued to the Board in November, with the intent of rolling out the new system January 1, 2005. The Turnaround Report recommends building on our areas of strength - vis-a-vis chapters and national - and centralizing many of the functions to create synergies in the system.

Chapter-Developed Online Education: Approved a motion that provides direction to chapters that want to develop their own online education; chapters must have a specific audience in mind and must use national's online system.

SRA Requirements: Approved in concept changes in requirements for the SRA designation recommended by the Residential Admissions Project Team (RAPT). Under these recommendations, associates admitted on or after January 1, 2005, could achieve the SRA designation by fulfilling the following requirements:

- Meet the 2008 AQB requirements or equivalent (but not required for designation)
- Peer Review (Experience) of 3,000 hours - could be the same experience used towards meeting certification
- All AI required courses or AI Equivalency Exam (one-day compilation of required exams)
- Associate Degree or 21 hours of undergraduate education as outlined in the 2008 AQB qualification criteria
- The Demonstration Appraisal Report or Modular Demo would remain available for those associates wishing to complete it
- Good moral character

The current track, for those residential associate members wanting to stay on it, would remain open until December 31, 2007. The proposed changes will

be noticed to the membership in the 60-day notice for the November 2004 meeting.

MAI Requirements Study: Commissioned the General Appraiser Council to form a project team to review the admissions requirements for the MAI designation and to provide a preliminary report to the BOD in November.

Designation Promotion: Following an overview of the Designation Visibility Campaign by Ogilvy Public Relations Worldwide, the Board authorized development of such a program with the details to be finalized for the November 2004 meeting. The campaign would be designed to increase awareness of Appraisal Institute designated members to the general public and specific client groups. Pilot programs in Tampa and Houston have been completed and based on member feedback and analysis of the resultant data, a recommendation was made to allocate funding to further develop a national visibility campaign consistent with the pilot programs. (More details on the Visibility Campaign pilot programs can be found in the members' only area at www.appraisalinstitute.org.)

Non-Mortgage Report Protocols: Approved a plan to establish a protocol for the Appraisal Institute to develop appraisal forms for non-mortgage uses - basically, have the Appraisal Institute establish the standard(s) for a form to do alternative (residential) work such as divorce, financial planning/estate and other specialty areas.

Lender Report Protocols: Authorized the formation of a project team to evaluate how the Appraisal Institute can work with report protocols used by lenders in evaluating appraisals. Also approved funding to explore this for development of education, lender programs and related services.

LDAC Report: Karen Oberman, SRA, reported the recommendations of the Leadership Development and Advisory Council, which convened in March in Washington, D.C. She commented on the continuing success of LDAC and its efforts on behalf of the members of the Appraisal Institute. (LDAC recommendations appear in the 2nd Quarter 2004 issue of *Valuation Insights & Perspectives*.)

Semi-retired status: Proposed modification of the requirements for this membership status, increasing the income cap to \$25,000 (from \$14,500) but also increasing dues to 50 percent (from 25 percent) of annual designated member dues. Age requirement would stay at 60 years old. Proposed modification of the income limit will appear in the 60-day notice for the November 2004 meeting.

Valuation for Financial Reporting: Moved to support the work of the VFR project team, to develop a plan for a full curriculum for financial reporting to equip appraisers to work in an interdisciplinary, non-mortgage environment.

Fall Education Provides Training and CE Credit

Numerous courses and seminars have been scheduled during the second half of 2004. The programs will: (1) provide members courses and seminars necessary to earn the MAI and SRA designations, and to satisfy continuing education requirements; and (2) to provide education to individuals not affiliated with the Appraisal Institute. Please review the attached 2004 Education Schedule for information.

Details regarding these programs are available in the 2004 Education Catalog, which can be downloaded from the Chapter web site at www.ainorthtexas.org. Applications for the programs can be made online at the Chapter's web site, or on the Registration Form in the 2004 Education Catalog.

If you have any questions about the education programs, please contact the Chapter Office at 972-233-2244.

***As a member of the
North Texas Chapter, if you
are in attendance at the
September 9 meeting and
your name is drawn,
you will win \$500!***

In Memoriam

The North Texas Chapter acknowledges with sincere regret the recent passing of Betty Moore Wardlaw, 1993 Chapter President.

▶ Health Savings Accounts

- Significant Savings...
 - On your health insurance premiums.
 - They're new – and available now!
 - For a Premium Comparison...
- Call: (972) 276-6130
- Compare – competitive premiums...
from – **4 leading HSA companies.**

Including –

The Appraisal Institute / REAGIT's:

- Six – New HSA Deductible Plans!
- For Extra Savings – HSA/PPO Combinations
 - PPO Network: PHCS
- Plus – a Guaranteed Issue plan!

American Medical Association amednews:

“Health Savings Accounts have real promise as a tool to transform the way America relates to health care.” Senator Larry Craig 06-14-2004

HSA Main Points:

- ▶ It's a One Deductible Plan --
Not a separate deductible for every family member. -- *A major savings opportunity!*
- ▶ Contributions – to the HSA are
-- 100% Tax Deductible – and very flexible.
- ▶ Funds... can be used for most health expenses tax-free. *Fund Growth is also tax-free.*
- ▶ At age 65+ -- unused funds can be withdrawn for non-medical reasons without penalty. Similar to an IRA – then ordinary income tax guidelines will apply.

Our clients are now paying for...

- | | |
|--------------------------|---|
| 1.) <u>Prescriptions</u> | 4.) <u>Doctor's Office Visits</u> |
| 2.) <u>Dental Bills</u> | 5.) <u>Annual Check-Ups</u> |
| 3.) <u>Vision Exams</u> | 6.) <u>Medical Bills – and <u>more...</u></u> |

...**with tax-free dollars** – up to **28% less...**this year, next year, and they will be able to every year to age 65 -- *a substantial savings potential!*

- For Annuities – Health – Life Information call:

John Naegle, CSA -- (972) 276-6130

Email: johnnaegle@aol.com

JC Naegle & Associates

14902 Preston Road, Suite 404, LB 214
Dallas, TX 75254

“Working with North Texas Appraisers since 1988.”

Appraisal Institute Enhances Directory with Member Profiles

More than a thousand designated members have already completed a Member Profile, which will appear in conjunction with their listing in the Appraisal Institute Web site directory. This will allow directory users to search for designated members by specific business services and/or property types in addition to standard geographical parameters. Major property type categories include Residential, Land, Commercial, Industrial, Public, Recreational, Agricultural, Special Purpose and Ownership Forms, each of which has a number of subset options. The profile also offers designated members the opportunity to provide information on the market areas they serve, their formal education, foreign language ability and other professional affiliations. Profile information will be accessible on the Appraisal Institute's Web site directory ([Find an Appraiser](#)) by early June.

All active designated members (including life and semi-retired members) were sent a solicitation in mid-May by e-mail or letter, inviting them to submit a Member Profile electronically. Any such members who have failed to receive or see the Member Profile notification may access the survey by logging into the Members Only area of the Appraisal Institute Web site and clicking on the link Member Profile Setup. In addition to serving as the portal to create the profile, this will also provide members access to update their profile when needed. Profiles may be submitted and updated at any time.

The members who received the Profile survey are also being asked to complete a Member Volunteer Participation and Leadership Survey. That information, which will be for internal Appraisal Institute use only, will assist the association when seeking member feedback on particular issues and selecting members for future committees and project teams.

Questions about the Member Profile can be referred to Jan Seefeldt, Executive Editor, at jseefeldt@appraisalinstitute.org.

Have you Updated Your Web Site Profile Lately?

As you know, the North Texas Chapter has a searchable membership database on its web site. This feature is a terrific member benefit, as users of appraisal services can access this database to locate members to provide services for them.

Members will need an i.d. and password to access their personal record on the database. Simply decide on a personal i.d. and password (not to exceed more than seven letters and/or numbers), and notify Ruth Kelton (ainorthtexas@worldlogon.com or 972-233-2244) of your selection. She will update the web site accordingly, and you will then have the freedom to access your record at any time.

Members are responsible for maintaining their personal profile information. Profiles can contain information such as property type specialization, geographic areas served, and type of service. It also includes a comments section for additional information. Feel free to contact Ruth with any questions.

Marketplace

POSITIONS AVAILABLE

Greensboro, North Carolina - See our web site at <http://www.jmaappraisals.com>. Wanted experienced eminent domain appraisers for large regional practice. Contact Darryl Kirkman at darryl@jmaappraisals.com. See also Greensboro, North Carolina at <http://www.greensboronc.org>.

Integra Realty Resources-Austin is seeking experienced commercial real estate appraisers. IRR-Austin has a strong eminent domain practice as well as conventional appraisal clientele. We are seeking senior analysts who desire to live in Austin, have good analytical and writing skills, and welcome challenging assignments. Please fax or e-mail your resume to Randy A. Williams, MAI, SR/WA, 512.459.4423, rawilliams@irr.com. All responses will be kept confidential.

Commercial Appraiser: Deloitte & Touche is looking for commercial appraisers with 3-5 years experience and a general certification in good standing in Texas. Excellent computer, analytical and writing skills are required. This is an excellent opportunity to work in dispute consulting and other areas of valuation. Some business related travel. If

qualified, please send your resume to bebarnett@deloitte.com for consideration.

Fannie Mae Review Appraisers

Fannie Mae, a New York Stock Exchange company and the largest non-bank financial services company in the world, is seeking Review Appraisers. These positions are responsible for the administrative and technical valuation review of appraisal reports submitted by servicers and lenders to Fannie Mae's National Underwriting Center (NUC).

The qualified candidate for this position will be responsible for:

- Researching internal and external properties and market data information.
- Directing qualified field appraisers to perform field reviews and retrospective appraisals to verify if appraisals meet Fannie Mae guidelines, USPAP, and other professional appraisal standards.
- Ensuring the Quality Control Workstation (QCW) is updated in a timely manner with an accurate valuation analysis.
- Consulting with the Underwriters in the National Underwriter Center to provide information necessary to support final decisions and actions.
- Reviewing and outlining appraisal summations In the event an appraisal or value conclusion is deemed unacceptable, the Appraiser will be required to write a detailed professional description highlighting the inadequacies identified during the review process. This will be used to communicate the critical issues to both internal and external customers.
- Tracking and maintaining review productivity reports to make sure that the department's benchmarks are met as well as supporting the department and Fannie Mae's Housing goals and the American Dream Commitment.
- Interacting with internal and external customers to respond to valuation questions and disseminate Fannie Mae valuation guidelines and requirements.

Send your resume to toni_mitchell-morgan@fanniemae.com.

Real Estate Appraisers- American Appraisal Associates, the international leader in valuation services, is seeking 2 Associate Appraisers – Real Estate to join our Dallas, TX office. This position entails the valuation and assisting in the management of the valuation process of a multi-billion dollar real estate portfolio. Candidates must have a Bachelor's degree in Real Estate or Bachelor's degree in Finance/Business with real estate courses and strong

2004 Education Schedule

Appraisal Institute, North Texas Chapter

Date	Course/Seminar	Instructor(s)	Location	Continuing Education Credits	Tuition
August 8-14	Advanced Sales Comparison and Cost Approaches (530)	E. Nelson Bowes, MAI Larry T. Wright, MAI, SRA	Southfork Hotel Plano, TX	AI-36 hours/4 exam hours ACE-36 hours/4 exam hours	\$600-members \$675-nonmembers
August 26-27	USPAP 2004 (410) MCE Approved	James E. Jacobs, SRA	University of Phoenix- (D/FW Campus)	AI-15 hours/1 exam hour ACE-15 hours/1 exam hour MCE-15 hours/6 legal hours	\$199-members \$199-nonmembers
September 13	USPAP Update 2004 (400) MCE Approved	George N. Naeter, MAI	University of Phoenix- (D/FW Campus)	AI-7 hours ACE-7 hours MCE-8 hours/8 legal hours	\$145-members \$195-nonmembers
September 14	Subdivision Analysis Seminar MCE Application to be Submitted	Marc Farmer, MAI	University of Phoenix- (D/FW Campus)	AI-7 hours ACE-7 hours	\$145-members \$195-nonmembers
September 20-21	Litigation Appraising: Specialized Topics and Applications (705) MCE Application to be Submitted	John Underwood, Jr., MAI, SRA	Greater Dallas Association of Realtors	AI-15 hours/1 exam hour ACE-15 hours/1 exam hour	\$300-members \$375-nonmembers
October 4-5	USPAP 2004 (410) MCE Approved	James E. Jacobs, SRA	University of Phoenix- (D/FW Campus)	AI-15 hours/1 exam hour ACE-15 hours/1 exam hour MCE-15 hours/6 legal hours	\$199-members \$199-nonmembers
October 8-10 and 22-24	Basic Income Capitalization (310)	Jay M. Massey, MAI, SRA	Southfork Hotel Plano, TX	AI-36 hours/3 exam hours ACE-36 hours/3 exam hours	\$500-members \$575-nonmembers
October 12-13	Evaluating Commercial Construction Seminar MCE Application to be Submitted	James C. Canestaro	University of Phoenix (D/FW Campus)	AI-16 hours ACE 16 hours	\$250-members \$325-nonmembers
October 15	Evaluating Residential Construction Seminar MCE Application to be Submitted	James C. Canestaro	University of Phoenix (D/FW Campus)	AI-8 hours ACE-8 hours	\$145-members \$195-nonmembers
November 15	USPAP Update 2004 (400) MCE Approved	Gregory E. Stephens, SRA	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours MCE-8 hours/8 legal hours	\$145-members \$195-nonmembers
November 16	Business Practices and Ethics (420)	Gregory E. Stephens, SRA	Greater Dallas Association of Realtors	AI-7 hours/1 exam hour ACE-7 hours/1 exam hour	\$145-members \$195-nonmembers
December 2	Appraisal Review: General Seminar MCE Approved	Vincent M. Dowling, MAI, SRA	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours MCE-8 hours/1 legal hour	\$145-members \$195-nonmembers
December 3	Supporting Capitalization Rates Seminar MCE Application to be Submitted	Vincent M. Dowling, MAI, SRA	Greater Dallas Association of Realtors	AI-7 hours ACE-7 hours	\$145-members \$195-nonmembers
December 16-17	USPAP 2004 (410) MCE Approved	James E. Jacobs, SRA	University of Phoenix- (D/FW Campus)	AI-15 hours/1 exam hour ACE-15 hours/1 exam hour MCE-15 hours/6 legal hours	\$199-members \$199-nonmembers



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