

LUNCHEON MEETING SCHEDULED

Thursday, November 11, 2004

Mr. George Roddy, Owner, Roddy Information Services Company
will present

*Roddy's Barometer for the
D/FW Commercial Real Estate Market*

and

Mr. Jack Murray, Residential Strategies
will present

D/FW Housing Activity

Location: Prestonwood Country Club, 15909 Preston Road, Dallas, 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: \$20.00 per person (No Shows Will Be Billed)*

Reservations Required: Deadline-Tuesday, November 9

Call 972-233-2244 or e-mail ainorthtexas@worldlogon.com

Approved by the Appraisal Institute for 2 hours continuing education credit

Accepted by the Texas Appraiser Licensing and Certification Board for 2 hours continuing education credit

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

Thank you November Chapter Meeting Sponsor:

Roddy Information Services Company

President's Message

by John G. Hirschy, MAI, SRA

The North Texas Chapter's Finance Committee & Board of Directors, in October, approved the 2005 Budget for the Chapter, which included two free Chapter meetings and a \$50 Education Coupon for any course or seminar offered by our Chapter to all members who pay their annual membership dues.

Additionally, the Board of Directors approved the use of The Dozier Company to promote the Appraisal Institute and its professional designations locally. The Dozier Company is a public relations firm that is paid for actual articles published – not with a monthly retainer that may or may not produce results. It is hoped that this method of financing public relations will be more cost effective than advertising. The Dozier Company is oriented towards having stories published. Yes, individual members will be mentioned in the published articles, but we will all benefit by having the Appraisal Institute and our professional designations promoted to the public. If you have a story where the Appraisal Institute or our professional designations made a significant difference, please let me know. It is probably newsworthy.

At the September Board of Directors meeting the Board, by consensus, agreed that the following statement should be sent to Senator Todd Staples, FACT, and the National Government Relations Committee Chair:

Position Statement: The Appraisal Institute, North Texas Chapter Board of Directors is concerned that the annual dues appraisers paid to the Texas Appraisers Licensing and Certification Board are not used for the purpose intended, which is state appraiser certification enforcement. The Texas state legislature is encouraged to allocate more funding to provide for stronger appraisal enforcement. Without stronger enforcement, the entire appraisal industry is suffering, and the general public is in danger.

Rationale: The Texas Appraiser Licensing and Certification Board only employs two part-time investigators, who are responsible for enforcement of all Texas appraisers. Unfortunately, due to limited funding of these positions, two part-time investigators cannot manage the high volume of cases that are filed. Thus the investigators have limited capacity to serve and protect the general public from appraisers who violate

the Uniform Standards of Professional Appraisal Practice.

It is hoped that the position will encourage the TALCB to seek greater funding, encourage Texas state legislators to provide greater funding, and encourage our National organization to promote the same throughout the nation. It is also hoped that you, individually, will take a moment to write your legislator to provide greater funding for the enforcement of the Uniform Standards Professional Appraisal Practice. I have written my Texas Senator and Representative. Unfortunately, there is a need for greater enforcement of the standards. It is up to us, individually, to report violators of USPAP to the TALCB, and see to it that the TALCB has the necessary funding to appropriately discipline and punish the violators. Legislators do pay attention to letters from their constituents.

Our National meetings in Chicago will be the weekend before our November Chapter Meeting. The most controversial item is changing the requirements for the SRA designation. We plan to have a report on this and other items considered by the National Board of Directors at our Chapter Meeting.

We have two very able speakers/presenters at our upcoming meeting: Jack Murray with Residential Strategies addressing *DFW Housing Activity* and George Roddy addressing *Roddy's Barometer for the DFW Commercial Real Estate Market*. It should be a delightful two hours. I look forward to seeing you there.

MVP Leadership Survey Data Critical to Restructure Process

As Governance Restructure now moves forward, it's important for every member to complete the Member Volunteer Participation and Leadership Survey, accessible through our Web site. Information from the survey will play a critical role in selecting members to serve on future committees and project teams and in other leadership positions. All information collected in the Survey is for internal Appraisal Institute use only. To access the MVP Leadership Survey, go to <http://www.appraisalinstitute.org/membersonly/restrict/mvplshp.asp>.

Fall Education Provides Training and CE Credit

Several courses and seminars have been scheduled before the end of the year. 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.

Courses that will be offered include:

- **USPAP Update** (Course 400)-7 hours-Nov. 15, 2004
- **USPAP** (Course 410)-15 hours-Dec. 16-17, 2004
- **Business Practices and Ethics** (Course 420)-7 hours-Nov. 16, 2004

Seminars that will be offered include:

- **Appraisal Review: General Seminar**-7 hours-Dec. 2, 2004
- **Supporting Capitalization Rates Seminar**-7 hours-Dec. 3, 2004

The attached 2004 Fall Education Schedule provides basic information about upcoming programs. 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 November 11 meeting and your name is drawn, you will win \$700!

USPAP Course Requirements Amended

Designated and Associate members may now fulfill their USPAP course requirements by taking and passing the appropriate national uniform USPAP course **from an AQB-certified USPAP course instructor.**

For Designated and Associate members to be granted credit for their respective USPAP requirements, the course must have been taken **on or after January 1, 2003**, and have been taught by an Appraiser Qualifications Board (AQB) certified USPAP instructor. The Appraisal Foundation's "USPAP Course Completion Verification Form" must be forwarded to the Membership Services Department to be reviewed for credit in lieu of the Appraisal Institute's *Course 410 (15-Hour National USPAP)* **or** *Course 400 (7-Hour National USPAP Update)*.

Associate members should submit the appropriate documentation to Dorothy Williams at: dwilliams@appraisalinstitute.org; T: 312-335-4172; F: 312-335-4170.

Designated members should submit the appropriate documentation to Rebecca Hiddle at: rhiddle@appraisalinstitute.org; T: 312-335-4190; F: 312-335-4195.

Prerequisites to be granted reciprocal credit for the *7-Hour National USPAP Update* Course:

- The 15-Hour National USPAP (or an acceptable equivalent) must have been taken from:
 - an Appraisal Institute local chapter, or
 - an appraisal sponsor of The Appraisal Foundation (www.appraisalfoundation.org), or
 - another provider **on or after 1/1/2003** **and** taught by an AQB-certified USPAP instructor.

If these requirements have **not** been met, then the *7-Hour National USPAP Update* will **not** meet the Appraisal Institute's USPAP requirements for members.

2nd Washington Appraisal Summit Scheduled for Dec. 13-14

The second annual Washington Appraisal Summit will be held December 13-14 at the J.W. Marriott Hotel (1331 Pennsylvania Ave. N.W.). This is your opportunity to meet the policy makers who affect your profession. Chapter government affairs chairs in particular should plan to attend this event. Last year more than 150 members had a chance to both hear and be heard by key representatives of various federal agencies. This year's Summit will focus on:

- Improving state appraiser board performance
- Decreasing the appraiser regulatory burden while enhancing enforcement
- New residential appraisal forms and guidelines
- RESPA reform, client pressure and the VA appraisal panel
- Valuation of land donations and changes to IRS valuation guidelines
- Upcoming environmental rules and opportunities for appraisers
- Changes to the Uniform Act and Federal Condemnation Rules

In addition to networking with fellow participants and policymakers, attendees will learn about new federal contracting opportunities and get a first-hand look at how the results of the 2004 elections will likely affect appraisal policy. Participants will also earn Appraisal Institute continuing education credits.

Register by November 12 at the early-bird rate of \$350 for this unique two-day event. After that date, the registration fee increases to \$399. Also through November 12, hotel accommodations can be secured at the Appraisal Institute rate of \$168/plus tax per night; thereafter, regular hotel rates will apply. For a full program schedule and the opportunity to register online, go to:
<http://www.appraisalinstitute.org/govtaffairs/summit/downloads/WashingtonSummit2004.pdf>.

Congratulations New Member

Congratulations to Ronald Dunham, MAI who recently completed the requirements to earn the MAI designation!

Member Profile Information Goes Live on Web Site Directory

Approximately 1,700 designated members already have their Member Profile on display in the Appraisal Institute's web site Directory of Members-www.appraisalinstitute.org/search.asp (Find an Appraiser). Profile information went live in early June. As a result, these members can be located in searches by property types and/or business services as well as by geographical parameters. The Member Profile gives designated members the opportunity to provide information on their specific types of practice in their directory listing.

There is no charge for having a Member Profile. In addition to business services, other information such as the market areas served, formal education, foreign language ability and other professional affiliations can be highlighted in the profile. Take advantage of this new, free business marketing tool. Members must submit their data electronically by accessing the Member Profile Setup via the Members Only area of www.appraisalinstitute.org. For more information about the Member Profile project, contact Jan Seefeldt at 312-335-4440 or jseefeldt@appraisalinstitute.org.

Mark Your Calendar! Upcoming Chapter Meetings

Thursday, November 11
Tuesday, December 7 (Holiday Party)

New Member Benefits

The Appraisal Institute recently added several new membership benefit programs that offer useful products and services at discounted rates to our members.

RERC Real Estate Report

Real Estate Research Corporation (RERC) is offering Appraisal Institute members the current issue of the *RERC Real Estate Report* free of charge, plus a 20 percent discount on two of RERC's premier publications and free reports from the past three years. Further, if you already subscribe to RERC publications, you can sign up to receive a free copy of *Expectations & Market Realities in Real Estate*: for 2004 or 2005. For the last 70 years, RERC has been producing real estate research, publications, market studies, property valuations, investment criteria, and trends analyses. For more information on this discount program, visit www.appraisalinstitute.org/join/benefits.asp.

PPR Fundamentals

Property & Portfolio Research (PPR) is offering Appraisal Institute members a 25 percent discount on its quarterly research publication, *PPR Fundamentals*. The forecasting bulletin includes vacancy rates, demand, supply, and rent changes for 54 top markets nationwide for five property types (office, retail, hotel, apartment, warehouse). It can be purchased both by property type and geography. For more information and to view a sample, visit www.ppr-research.com. To gain access to the discount link, visit www.appraisalinstitute.org/join/benefits.asp.

Paychex

Paychex, Inc., is a provider of payroll, human resource, and benefits outsourcing solutions for small to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration and employee pay services, including direct deposit, check signing and Readychex®. Human resource and benefits outsourcing services include 401(k) plan, recordkeeping, workers' compensation administration, section 125 plans, a professional employer organization and other administrative services in business. Paychex is offering Appraisal Institute members 15 percent off of their normal payroll processing pricing. Additionally, they are offering a 15 percent discount on selected human resource processing fees. For more information on this benefit, contact Paychex at 800-322-7292.

Web Site Now Offers Direct Links to Key Federal Agencies

To help appraisers navigate the sea of information coming from various federal agencies having an impact on the appraisal profession, the Appraisal Institute has compiled a web-listing of such agencies. The new "Federal Agency Hub," located in the Government Affairs section of the web site, provides a wealth of information explaining the mission and purview of these agencies, identifies the key contacts at the agency for appraisal related issues, summarizes important appraisal-related laws and regulations implemented by the agency, and also provides links to the latest news and views.

This easy-to-use page, located at (<http://www.appraisalinstitute.org/govtaffairs/agency/agencyhub.asp>), is segmented in an alphabetical drop-down master list and also in four categories: Commercial/General, Appraisal Oversight, Federal Bank Regulators, and Residential Housing. For more information, contact Bill Garber, Director of Government Affairs at 202-298-5586 or bgarber@appraisalinstitute.org.

AI Web Site Offers Help in Reporting Client Pressure Problems

The Appraisal Institute has unveiled its Appraisal Independence Action Center on its Web site to assist appraisers in reporting client pressure problems. Submitting complaints about inappropriate behavior can be particularly challenging since there are five different types of financial institutions operating in the United States, which, in turn, are regulated by five separate federal regulatory agencies.

The AIAC is an effective resource for pointing appraisers in the right direction. Located at www.appraisalinstitute.org/govtaffairs/appraiser-independence/cmplnt_cntr.asp, the site not only directs one to contacts for federally regulated institutions, but also lists various agencies at the state level for complaints against mortgage brokers, non-banking lenders and real estate agents. The site also provides guidance on filing a complaint against an appraiser. For further information, contact Bill Garber, Director of Government Affairs of the Appraisal Institute at 202-298-5586 or bgarber@appraisalinstitute.org.

North Texas Chapter

2004 Officers

PresidentJohn Hirschy, MAI, SRA
Vice President..... George Naeter, MAI
Secretary Shannon Fawcett, MAI, SRA
TreasurerMark O'Briant, MAI

2004 Committee Chairs

Client Advisory.....Marc Farmer, MAI
Data Exchange Charles Kelly, MAI
Education Jim Underhill, MAI
FinanceMark O'Briant, MAI
Guidance..... Kevin Carson, MAI
Legislative Affairs/FACT Greg Stephens, SRA
Meeting Sponsorship Julius Blatt, MAI
Membership Development/
Retention..... Mitchell Todd, MAI
Newsletter Jack Poe, MAI
Programs..... Shannon Fawcett, MAI, SRA
John Hirschy, MAI, SRA
Bryan Humphries, MAI
Public Relations..... Jimmy Jackson, MAI
Telephone Richard Brown
Web Site Richard Baker, MAI
Jim Getto, MAI, SRA

Chapter Office

Executive Director Ruth A. Kelton
Assistant Nancy Young
972/233-2244
972/239-6857 (fax)
www.ainorthtexas.org (web site)
ainorthtexas@worldlogon.com (e-mail)

Calendar of Events

November

3-10 National Meetings-Chicago, IL
11 Board of Directors/Chapter Luncheon
Meetings-Prestonwood Country Club
15 *USPAP Update 2004* (400)-GDAR
16 *Business Practices and Ethics* (420)-GDAR

December

2 *Appraisal Review: General Seminar*-GDAR
3 *Supporting Capitalization Rates Seminar*-
GDAR
7 Chapter Holiday Party-Park City Club
16-17 *15-Hour USPAP 2004 (410)*-Univ. of Phoenix

Marketplace

"I wish I had known about this business 20 years ago." This quote was made by an MAI last week at lunch who is a part-time property tax consultant. We are a Dallas based, very successful property tax consulting firm seeking a highly motivated, experienced commercial appraiser to join our company. This individual must have five years of commercial appraisal experience with good people skills and a disciplined approach to work. Salary, bonus and benefits are very competitive. Send resume to PO Box 810380, Dallas, TX 75381-0380.

TxDOT Right of Way Appraiser III (007048)
– **Wichita Falls** - Appraises real estate and reviews and validates real estate appraisals to substantiate approved property values. Ensures compliance with policies, procedures and the Federal Highway Administration (FHWA) standards. Work requires contact with private entities and/or governmental agencies. Employees at this level perform work independently on assignments; however, all unusual issues are referred to the supervisor. Position closes at midnight on November 4, 2004. See detailed information about position at www.dot.state.tx.us. Applications will be accepted at any TxDOT office. Contact Human Resources at 940-720-7795 for more information.

2005 Preliminary Education Schedule Appraisal Institute, North Texas Chapter

| <u>Date(s)</u> | <u>Course/Seminar</u> | <u>Instructor(s)</u> |
|----------------------------------|---|------------------------------|
| January 4 | Course 400 | G. Stephens, SRA |
| January 5 | Course 400 | G. Stephens, SRA |
| February 23-26 | Basic Appraisal Principles | L. Coyle, MAI/G. Naeter, MAI |
| February 28-March 3 | Basic Appraisal Procedures | L. Coyle, MAI/G. Naeter, MAI |
| March 4-5 | Course 410 | J. Jacobs, SRA |
| March 11, 12, 13 & 18, 19, 20 | Course 320 | J. Massey, MAI, SRA |
| April 1 | Course 400 | G. Stephens, SRA |
| April 14 | Course 400 (Tyler) | G. Naeter, MAI |
| April 18 | Avoiding Liability as a Residential Appraiser Seminar | J. Jacobs, SRA |
| April 19 | Understanding & Testing DCF Valuation Models Seminar | M. Farmer, MAI |
| April 19 | Analyzing Distressed Real Estate Seminar | M. Farmer, MAI |
| May 13 | Appraisal Consulting Seminar | J. Amorin, MAI, SRA |
| September 14-17 | Basic Appraisal Principles | L. Coyle, MAI/G. Naeter, MAI |
| September 19-22 | Basic Appraisal Procedures | L. Coyle, MAI/G. Naeter, MAI |
| September 23-24 | Course 410 | J. Jacobs, SRA |
| September 26-27 | Residential Market Analysis and Highest & Best Use | G. Naeter, MAI |
| October 17 | Course 400 | G. Stephens, SRA |
| October 18 | Appraisal Review-Single Family Residential Seminar | G. Stephens, SRA |
| November 17 | Analyzing Operating Expenses | M. Farmer, MAI |
| November 18 | Scope of Work: Expanding Your Range of Services Seminar | J. Jacobs, SRA |
| December 12 | Course 400 | J. Jacobs, SRA |
| December 13 | Real Estate Finance, Value, and Investment Performance Seminar | A. Hansz, PhD |

2004 Fall Education Schedule Appraisal Institute, North Texas Chapter

| Date | Course/Seminar | Instructor(s) | Location | Continuing Education Credits | Tuition |
|----------------|---|------------------------------|---|---|-----------------------------------|
| 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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