

## Appraisal Institute, North Texas Chapter

### Luncheon and Program

11:30 a.m. to 1:30 p.m.

**Thursday, March 9, 2006**

Jim Gandy, President  
Frisco Economic Development Corporation will present

### *Economic Development in the City of Frisco*

**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.

**Luncheon and/or Program Cost:** \$20.00 per person -- \$25.00 per walkin  
(No Shows Will Be Billed)\*

**Reservations Required – Seating is Limited:** Deadline-Tuesday, March 7

**Online Registration and Payment:** [click here!](#)

**Call:** 972-233-2244

**Email:** [ainorthtexas@sbcglobal.net](mailto:ainorthtexas@sbcglobal.net)

*Appraisal Institute* – Application approved for 2 hours continuing education credit

*TALCB* – Accepted 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.

\*\*\*\*\*

### Associate Member Guidance Seminar

1:45 to 4:45 p.m.

This seminar will follow the Chapter meeting, and is designed to assist  
Associate Members in the designation process. Key topics include:

Experience Review

General Demonstration Report

Residential Demonstration Report

Comprehensive Exam

## Become a National Screener for the Appraisal Institute

Associate members seeking an Appraisal Institute designation must undergo experience review. The final level review relates to the credit that the associate needs for designation. Screeners review the associate's work, talk to the associate, and either approve experience credit or refer the associate to a review committee. The review is intended to be educational for the associate while the screener assesses their experience level. Associates may also choose to take advantage of an optional Advisory Review, which is a counseling review that provides them feedback about their work.

**What is required of an experience screener?** We are looking for members who enjoy being up-to-date in their skills and are willing to share their expertise with others. The initial training for a screener consists of a three-hour Experience Review Training seminar for which you can receive continuing education credit. Once you have taken the seminar, you will be mentored through several reviews by an experienced screener.

**Incentives:** Screening for experience is not a paid endeavor; however, you will be reimbursed \$75 per file. The education required is free and you receive AI continuing education credit. Finally, you will have the satisfaction of helping AI associates and members-to-be. If you're interested, please contact Marilyn Moore at [mmoore@appraisalinstitute.org](mailto:mmoore@appraisalinstitute.org) for upcoming Experience Review Training Seminar locations.

## New Appraisal Blog and Podcasts

Have you been looking for a way to express your views on current real estate valuation issues? Do you want to see the newest technologies available that can help you improve your work efficiency? Jim Amorin, MAI, SRA, has debuted a new appraisal blog, and is also releasing appraisal podcasts on the site. Some of the new posts include "What is Podcasting?" "Doing More with PowerPoint" and "Readdressing, Reassigning and Reappraising Property." To learn more about the site, visit the News section of <http://onlineed.appraisalinstitute.org/>.

**Visit the North Texas Chapter web site at [www.ainorthtexas.org](http://www.ainorthtexas.org) to view the 2006 Education Schedule and register for education programs.**

## Associate Member Guidance Seminar Thursday, March 9

*by Joe Milkes, MAI*

The North Texas Chapter has scheduled an Associate Guidance Seminar, which is designed to assist Associate Members in the designation process. The three-hour seminar combines brief presentations from Appraisal Institute designated members on each portion of the designation process. Key topics include:

Experience Review  
General Demonstration Report  
Residential Demonstration Report  
Comprehensive Exam

All questions or concerns about earning the designations are welcome at this seminar. Associate Members are strongly encouraged to attend this free program. Whether you only have one remaining requirement or are just beginning the path to designation, this seminar can increase understanding of the requirements and process, build confidence, and strengthen your determination to attain designation.

The Associate Guidance Seminar will be held on Thursday, March 9, 2006 (immediately following the Chapter meeting) at Prestonwood Country Club from 1:45 to 4:45 p.m. Contact Ruth Kelton ([ainorthtexas@sbcglobal.net](mailto:ainorthtexas@sbcglobal.net) or 972-233-2244) for reservations and with any questions. **Reservations are required!**

## Did You Know... Membership Benefits

**Health, Life, and Disability Insurance** - The Real Estate Appraisers Group Insurance Trust (REAGIT) offers health, life, and disability insurance specifically for Appraisal Institute members. For more information or for a quote, contact 800-222-9958 or visit [www.reagit.com](http://www.reagit.com).

**Errors & Omissions Insurance** - For information regarding the Appraisers Liability Insurance Program, contact: [www.liability.com](http://www.liability.com) or by mail at Liability Insurance Administrators, P. O. Box 1319, Santa Barbara, CA 93102, 1-800-334-0652.

# Upcoming North Texas Chapter Education

## **Basic Income Capitalization Course**

**March 13-18**

**Instructors:** Jay Massey, MAI, SRA/George Naeter, MAI

**Location:** Southfork Hotel, Plano

**CE Credits:** AI and ACE-36 hours/3 exam hours

## **NEW!! FHA and the New Residential Appraisal Forms Seminar**

**March 24**

**Instructor:** Jim Jacobs, SRA

**Location:** Metrotex Assoc. of Realtors, Dallas

**CE Credits:** AI and ACE-7 hours; MCE-8 hours/0 legal

## **Highest and Best Use & Market Analysis Course**

**March 26-April 1**

**Instructors:** Steve Fanning, MAI/Larry Wright, MAI, SRA

**Location:** Southfork Hotel, Plano

**CE Credits:** AI and ACE-36 hours/4 exam hours

## **Convincing Residential Appraisals Seminar**

**April 5**

**Instructor:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI and ACE-4 hours; MCE-to be submitted

## **Spotlight on USPAP and Scope of Work and the New URAR Seminar**

**April 5**

**Instructor:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI and ACE-3 hours

## **Appraising the Tough Ones: Case Studies in Complex Residential Valuation Seminar**

**April 6**

**Instructor:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI and ACE-7 hours; MCE-8 hours/0 legal

## **TREC Ethics MCE Course**

**April 7**

**Instructor:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI-7 hours; MCE-3 hours/3 legal  
ACE-not approved

## **TREC Legal Update MCE Course**

**April 7**

**Instructor:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI-7 hours; MCE-3 hours/3 legal  
ACE-not approved

## **7-Hour National USPAP Update Course**

**April 20**

**Instructors:** Gregory E. Stephens, SRA

**Location:** Radisson Hotel/NW Hwy., Dallas

**CE Credits:** AI and ACE-7 hours; MCE-8 hours/0 legal

## **Scope of Work: Expanding Your Range of Services Seminar**

**April 21**

**Instructor:** Gregory E. Stephens, SRA

**Location:** Radisson Hotel/NW Hwy., Dallas

**CE Credits:** AI and ACE-7 hours; MCE-8 hours/0 legal

## **7-Hour National USPAP Update Course**

**May 18**

**Instructors:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI and ACE-7 hours; MCE-8 hours/0 legal

## **Scope of Work: Expanding Your Range of Services Seminar**

**May 19**

**Instructor:** Jim Jacobs, SRA

**Location:** University of Phoenix Bldg., Dallas

**CE Credits:** AI and ACE-7 hours; MCE-8 hours/0 legal

**Registration:** [www.ainorthtexas.org/education2](http://www.ainorthtexas.org/education2)

**Questions:** Contact the North Texas Chapter -  
[ainorthtexas@sbcglobal.net](mailto:ainorthtexas@sbcglobal.net); 972-233-2244 (phone);

972-239-6857 (fax)

**The Chapter's email address has  
changed to  
[ainorthtexas@sbcglobal.net](mailto:ainorthtexas@sbcglobal.net).  
Please update your address book.**

## **Announcements**

**Jeff Briggs, MAI, MRICS** received the MRICS designation from the Royal Institution of Chartered Surveyors on January 30, 2006.

**Jack Friedman, MAI, SRA, FRICS** received the FRICS designation from the Royal Institution of Chartered Surveyors.

# Legislative Update

## TALCB Meeting–Friday, February 10

As required by the TALCB statute, the board is to have an annual meeting and is to elect officers during the meeting. As such, one of the first items of business was to elect 2006 TALCB officers. Appraiser members Shirley Ward (Alpine) and Larry Kokel (Georgetown) were re-elected Chair and Vice Chair, respectively; Malcomb Deason (Lufkin), a public member, was elected Secretary.

A number of proposed rule changes were considered during the meeting.

- 153.15(c) – will require a minimum of twelve months to acquire the 2,000 hours of experience to become a state licensed real estate appraiser – effective March 1, 2006.
- 153.21(a) – applicants to become an appraiser trainee will have to comply with the AQB guidelines requiring 75 “credible” classroom hours and will have to take and pass a 15-hour national USPAP course prior to become a trainee – effective March 31, 2006.
- 153.21(f), 153.21(g), 153.21(i), 153.21(j) and 153.21(k) – rule changes having to do with trainee and sponsor issues – tabled – *Editorial Comment: FACT has taken the position that rules having to do with the trainee-sponsor relationship should be consistent with the language that the AQB uses, i.e., supervise no more than 3 trainees at one time as opposed to sponsor no more than 3 trainees.*
- 153.1(28), 153.13(f), 153.13(g) and 153.13(i) – fundamental (core/qualifying) real estate appraisal courses will have to be approved by the AQB’s course approval program or be offered by an accredited college or university; in other words, TALCB will no longer be approving courses for qualifying education – passed to be published in the Texas Register for public comment.
- new 153.13(k) – currently, teachers of appraisal courses can earn all of the required continuing education by teaching; proposed rule will make the continuing education requirement for instructors consistent with the AQB’s criteria effective January 1, 2008, i.e., receive up to half of the continuing education requirement from teaching – passed to be published in the Texas Register for public comment.
- 153.18(c) – has to do with continuing education for appraisers called to active duty in the United States armed forces and provides a grace period for completion of the continuing education upon release from active duty – passed to be published in the Texas Register for public comment.
- 153.18(d) – amendments to the rule will require that continuing education has to be approved by the AQB’s course approval program or by another state’s appraiser licensing jurisdiction – passed to be published in the Texas Register for public comment – *Editorial Comment: As per the TALCB statute, courses recognized for continuing education by national appraisal associations (AI, ASA, ASFMRA, NAIFA, etc.) will still be accepted for appraiser continuing ed by TALCB.*

There were several other housekeeping measures passed that will be published in the Texas Register.

## FACT Board of Directors Meeting–Saturday, Feb. 11

Presentation by TALCB Commissioner – Commissioner Wayne Thorburn once again spoke at the opening session of the FACT board meeting. Thorburn gave an overview of changes that have been implemented over the last twelve months and noted that many of the changes have come about because of the two bills that passed during the 79th Legislative Session (S.B. 381 and S.B. 382).

Thorburn summarized some of the changes to the enforcement/complaint resolution process; most of these changes took effect January 1, 2006.

- TALCB has hired an attorney and no longer has to rely on an attorney from the Attorney General’s office. TALCB’s new attorney is Troy Beaulieu.
- Informal conferences can now be scheduled at any time during the year as opposed to being held in conjunction with Enforcement Committee meetings, which only took place approximately six times during the year. With the new format, the participants at the conferences are the respondent, the TALCB investigator and the TALCB attorney.
- Cases not dismissed, or for which there is no agreed order, will be heard by the TREC Administrative Law Judge (ALJ) as opposed to going to the State Office of Administrative Hearings (SOAH). This action will bring resolution to a case in a much shorter time frame.
- The TREC ALJ will make a final decision; however, the respondent can appeal the decision to TALCB and the board can modify the judgment, if it deems such an action is warranted.

Thorburn reported that a public forum was conducted after the February 10 TALCB meeting. He noted that the purpose of the forum was to solicit public comments so the board can prepare a strategic plan for 2007-2011. Gregory Stephens, SRA and Jack Poe, MAI were in attendance from the Appraisal Institute, North Texas Chapter. The TALCB invites comments from the public, and additional suggestions can be submitted via a link on the TALCB website.

**Legislative Consultant’s Report** – FACT Legislative Consultant, Roger Miller, gave his report. He gave a brief review of the actions that came about as a result of the 79th Session. He reported that a Special Session is projected to begin in April and will, once again, have to do with school finance issues. Miller advised that there have been on-going discussions regarding expanding sales tax to all services as one way to solve the school finance problems.

## Other Business

2005 - 2007 FACT Executive Committee

- ASA Representative - Van Northrup
- ASFMRA Representative - A.E. “Butch” Nelson, FACT President
- AI Representative Gregory Stephens, SRA, FACT Secretary
- NAIFA Representative Terry Clark, FACT Vice President
- Gerald Keller, FACT Immediate Past President

# Appraisal Groups Push for Amending FIRREA via Support of New Obama Bill and H.R. 1295

A new bill aimed at combating mortgage fraud was introduced in the Senate February 14 by Sen. Barack Obama, D-III. The bill, S. 2280, known as the Stop Fraud Act and co-sponsored by Sen. Dick Durbin, D-III., would authorize \$10 million more for anti-mortgage fraud programs, including state appraisal board enforcement activities, in the Departments of Justice and Housing and Urban Development. It also would require the FBI to update bankers on fraudulent activity in a formal, systematic way, and establish a national database of mortgage professionals who have been sanctioned by state or federal regulatory agencies.

In response to Obama's initiative, the Appraisal Institute spearheaded a letter that complimented the proposed legislation and suggested modifications to Title XI of FIRREA directly. In a February 21 letter, cosigned by the Appraisal Institute, American Society of Appraisers and American Society of Farm Managers and Rural Appraisers, the three organizations expressed their support for the bill, primarily the state funding, and offered suggestions on how to strengthen that aspect. "We believe your bill can be even more effective by addressing the state board problem with an amendment to Title XI [of FIRREA] itself. New language specifically addressing enforcement dynamics as well as mechanics between appraisers and their clients would be a powerful solution to assist in curtailing abusive behavior by bad actors," they wrote.

Currently, prosecutions for mortgage fraud at the federal level generally occur under the wire fraud, mail fraud and bank fraud statutes. Obama's bill would make it unlawful for any mortgage professional, including an appraiser, to knowingly execute or attempt to execute a scheme or artifice either (1) to defraud any personal or financial institution in connection with the offer or extension of consumer credit secured by an interest in real property or (2) to obtain, by means of false or fraudulent pretenses, representations or promises, any money or property, including fees or charges, in connection with the extension of such credit. The maximum penalty for violation of the statute would be 35 years in prison and a \$5,000,000 fine.

In addition to commenting on this new legislation the three appraisal organizations recently provided another push for the passage of H.R. 1295, the Responsible Lending Act, introduced last year in the House. In a February 10 letter to Rep. Michael Oxley, R-Ohio, chair of the House Committee on Financial Services, and Rep. Barney Frank, D-Mass., ranking member, the appraisal groups urged passage of H.R. 1295, emphasizing that the appraisal process is designed to be a meaningful, independently prepared tool in the asset underwriting process. "Demands that appraisers reach predetermined values in order to maintain business relationships are bad for appraisers, bad for business and bad

for the country. It is unacceptable for our members, and it should be unacceptable for those who desire a safe and secure housing finance sector, to allow this ever-growing scourge to be tolerated," they said. H.R. 1295 offers solutions to appraisal-related issues, including a prohibition on coercion of appraisers, provision for tools and resources for federal and state regulators and incentives that will help promote professionalism among appraisers.

Copies of both of the letters are available at [www.appraisalinstitute.org/govtaffairs/downloads/ltrs\\_tstmny.asp](http://www.appraisalinstitute.org/govtaffairs/downloads/ltrs_tstmny.asp).

## Chapter Seeking 2006 LDAC Participants

The annual Leadership Development and Advisory Council (LDAC) will be held May 16-18 in Washington, DC. LDAC helps to establish an appraiser presence in Congress and provides a forum where ideas and opinions of targeted topics of concern in the appraisal profession are exchanged. LDAC alumni will tell you that LDAC has been one of their most positive experiences with the Appraisal Institute. Here's why:

- LDAC is your springboard for future leadership within the Appraisal Institute
- You get to make a difference in the Appraisal Institute by helping to formulate solutions to obstacles and challenges faced by the appraisal industry
- You have an opportunity to make your voice heard by the nation's lawmakers.

LDAC will be held immediately following the DC Appraisal Summit (May 16). The event brings together appraisers with representatives from Congressional offices, key federal agencies and the real estate industry. The Washington Appraisal Summit has helped spur legislation in Congress and has helped state and federal agencies work through tough valuation issues of the day. An array of hot topics will be featured, including the surge in the use of exclusionary "do not use this appraiser" lists; mortgage fraud investigations and prosecution; changes to eminent domain impacting just compensation; valuation of conservation and historic preservation easements; and updates from federal agency chief appraisers.

The North Texas Chapter is seeking members who are interested in participating in LDAC. Candidates would be potential leaders in the Chapter, articulate, and could make a strong contribution to discussion of appraisal topics. Funding is available to subsidize the cost of attendance.

Please contact Ruth Kelton ([ainorthtexas@sbcglobal.net](mailto:ainorthtexas@sbcglobal.net) or 972-233-2244) if you are interested in participating or if you have any questions. The deadline to submit an application for the 2006 LDAC program was Friday, February 17, but that deadline has been extended. Please visit [www.appraisalinstitute.org/membership/events/LDAC.asp](http://www.appraisalinstitute.org/membership/events/LDAC.asp) to download an LDAC application.

# North Texas Chapter Leadership

## 2006 Officers

President .....Shannon Fawcett, MAI, SRA  
Vice President ..... Mark O'Briant, MAI  
Secretary ..... K. Lynn Naugher, MAI  
Treasurer ..... James E. Jacobs, SRA

## 2006 Committee Chairs

Client Advisory..... Marc Farmer, MAI  
Data Exchange ..... Jay M. Massey, MAI, SRA  
Education ..... Jeff Briggs, MAI  
Finance..... James E. Jacobs, SRA  
Government Relations/FACT .....Greg Stephens, SRA  
Guidance .....Joe Milkes, MAI  
Membership Development/  
Retention..... Mitchell Todd, MAI  
Newsletter .....Jack Poe, MAI  
Programs ..... Mark O'Briant, MAI  
Public Relations .....Doug Prickett, MAI  
Telephone ..... Bruce Minchey  
Web Site..... Richard N. Baker, MAI

## Chapter Office

Executive Director ..... Ruth A. Kelton  
Assistant..... Nancy Young  
972/233-2244  
972/239-6857 (fax)  
[www.ainorthtexas.org](http://www.ainorthtexas.org) (web site)  
[ainorthtexas@sbcglobal.net](mailto:ainorthtexas@sbcglobal.net) (e-mail)

# 2006 Calendar of Events

## March

- 9 Board of Directors and Chapter Meeting  
Associate Guidance Meeting –  
Prestonwood Country Club  
13-18 *Basic Income Capitalization Course*  
Southfork Hotel, Plano  
24 *FHA and the New Residential Appraisal Forms Seminar* – Metrotex Assoc. of Realtors, Dallas  
26-4/1 *Highest and Best Use & Market Analysis Course*  
Southfork Hotel, Plano

## April

- 5 *Convincing Residential Appraisals Seminar and Spotlight on USPAP and Scope of Work and the New URAR Seminar* – Univ. of Phoenix Bldg., Dallas  
6 *Appraising the Tough Ones: Case Studies in Complex Residential Valuation Sem.*–Univ. of Phoenix Bldg.  
7 *TREC Ethics MCE Course and TREC Legal Update MCE Course* – Univ. of Phoenix Bldg., Dallas  
13 Chapter Meeting - Tyler, Texas  
20 *7-Hour National USPAP Update Course* - Radisson Hotel/NW Highway, Dallas  
21 *Scope of Work Seminar* – Radisson Hotel/NW Highway, Dallas

## May

- 11 Board of Directors and Chapter Meeting - Prestonwood Country Club  
18 *7-Hour National USPAP Update Course* - Univ. of Phoenix Bldg., Dallas  
19 *Scope of Work Seminar* – Univ. of Phoenix Bldg., Dallas