

Notice of North Texas Chapter Luncheon Meeting

Registration Information to Follow

Tuesday, January 13, 2009

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

Special Guest Speaker:

Dr. Mark G. Dotzour

**Chief Economist, and Director of Research
Real Estate Center at Texas A&M University**

The North Texas Chapter is honored to have Dr. Mark Dotzour join us as a guest speaker at the January 13, 2009 North Texas Chapter meeting. He will present, *2009 Economic Outlook: Impact on Real Estate*.

Dr. Dotzour has been at the Real Estate Center since August 1997. Since then, he has published 59 articles in magazines and given over 700 presentations to more than 90,000 people. As Chief Economist, he is currently doing market research to monitor how global and national trends are likely to impact residential and commercial real estate markets.

Due to high attendance estimates, the meeting will be held at the Dallas Marriott Quorum by the Galleria, 14901 Dallas Parkway, Dallas, Texas, 75254.

Registration information will be distributed soon, along with meeting details. Mark your calendars – you don't want to miss this very special meeting!

Appraisal Institute Issues Call to Action on Surveys

The Appraisal Institute's Board of Directors is encouraging members to take part in a variety of important research studies to be conducted by the Appraisal Institute's Strategic Planning & Research Department in 2009. Many will be online survey questionnaires, others will be focus groups, and some will be panel discussions, according to Bill Godden, Appraisal Institute Director of Strategic Planning and Research. The Board explained that they need input from a broad spectrum of members on many important issues and topics.

"Please be on the lookout for future survey and research announcements from the Appraisal Institute, and please take part in them," Godden said. He added that e-mail announcements would include a unique subject line, which will read "AI Research Study #0000," wherein the four-digit number will indicate the research topic number.

"Leadership and staff are able to make better decisions because of member participation in surveys, focus groups, panel discussions, and other types of research," Godden said. "If you have participated in Appraisal Institute surveys or other research studies in the past, thank you, we are a smarter and more responsive organization because of you. If you have not participated in previous research efforts, we encourage you to take part in future studies and help us become a more effective learning organization."

Congratulations Newly Designated Members

Congratulations to the following members
on the awarding of the MAI designation!

Michael Huffman, MAI
Mark Lowery, MAI

Congratulations to **Robert McCarty, SRA**
on the awarding of the SRA designation!

Appraisal Institute Board Adopts Long Range Plan, Numerous 45-Day Notice Items

At its November 6-7, 2008, meeting in San Antonio, Texas, the Appraisal Institute Board of Directors (BOD) discussed a variety of current topics facing the Appraisal Institute and the appraisal profession, including a report of the Long-Range Planning Project Team and adoption of numerous 45-Day Notice items. Other issues discussed that have been previously reported in *Appraiser News Online* include the voting down of possible affiliation with the National Association of Realtors and the election of Joseph Magzdiarz, MAI, SRA, as the Appraisal Institute's 2009 Vice President.

The BOD received a recommendation from the Long-Range Planning Project Team regarding the course and direction of the Appraisal Institute looking forward to 2014 and beyond. The overall goal of the Long-Range Plan is to ensure the long-term growth and success of the Appraisal Institute. Highlighted recommendations to the Board included the following:

- The Appraisal Institute's continued focus on its 76-year tradition as a professional association, with an emphasis on advocacy of professional standards and ethics.
- The development of new valuation methodologies and techniques.
- Exploring ways in which to unify the property economics profession.
- Transform the Appraisal Institute into a multidisciplinary association, which will include professionals in commercial and residential real estate valuation, and non-real estate valuation disciplines.

In addition, the Long-Range Planning Project Team recommended recruiting and educating more international members in order to increase the prominence of AI designations and enhance business opportunities for AI members worldwide. The next phase in the process is to develop an Action Plan consisting of long-range strategies. The first phase of the Action Plan will be ready for the January 2009 Board meeting.

The Board approved a number of proposed changes to the Bylaws and Regulations, as set forth in the recent 45-Day Notice, including education requirement equivalencies for residential associate members outside the United States; residential educational equivalencies for dual associate members; and an equivalency for the college degree requirement for SRA membership. The Board adopted the 45-Day Notice proposal under which residential Associate Members will be deemed to have met the creditable class hour requirement. The Board also adopted the 45-Day Notice proposal under which the Leadership Development and Nominating Committee's functions and responsibilities would be divided into two committees,

effective January 1, 2009, as follows: a national Nominating Committee and a national Leadership Development and Training Committee.

The Board defeated a proposal in the 45-Day Notice to create national, regional and chapter Associate Member Committees, but directed the next 45-Day Notice to include a new proposal for a national Associate Member Committee.

Furthermore, the Board approved a motion for the Vice Chair of the Leadership Development and Advisory Council to serve a one-year term on the Strategic Planning Committee during the year in which the Vice Chair assumes such position on LDAC.

The Board approved a motion to require chapters to hold elections prior to June 30 each year; to make available for use at the Region and Chapter levels the Leadership Resources Registry used at the National Level, and to include all members in this resource; and to set a policy that chapter forums take place inside Communities of Practice. The Board recommended that the Northern California Chapter and other chapters, as assigned by the Executive Committee, beta test the appraisal forums for Communities.

In Memoriam

The North Texas Chapter acknowledges with sincere regret the passing of Pete J. Haginas, Jr., MAI, member of the Houston Chapter.

Comprehensive Exam Update

Following are the dates and deadlines for the 2009 Comprehensive Exam offerings. Note that the deadline for the January 2009 offering has passed.

April 22-23 (Wednesday-Thursday)

Application deadline: February 25

July 28-29 (Tuesday-Wednesday)

Application deadline: June 2

October 28-29 (Wednesday-Thursday)

Application deadline: September 2

The 2009 General Comprehensive Exam Application can be found on the "[Designation Requirement Tools](#)" page, which appears under the "Membership" tab on the Appraisal Institute's Web site.

If you have any questions concerning the Comprehensive Examination, please contact the Associate & Affiliate Member Service Center at 312-335-4111 or comp@appraisalinstitute.org

Winners Announced in Call for Papers Competition

by Peter Malin, MAI
and Mark O'Briant, MAI

The *Call for Papers* program is sponsored by the North Texas Chapter to promote the Appraisal Institute and highlight the real estate expertise of the Chapter membership.

We are pleased to report that several papers were submitted for the competition. We would like to extend a sincere thank you to all members who participated in the program this year. All papers were very well written, which made the selection of winning papers difficult for the judges.

The scoring was so close that two members will share the first and second place prize money. Congratulations to the three winning authors:

John D. Bailey, MAI – First Place
Max Sanders, MAI – First Place
Andrew Essington, MAI – Third Place

The winning papers will be posted on the Chapter web site. All Chapter members are encouraged to participate in the competition next year.

Nominating Committee Election to be Held at January 13 Meeting

The North Texas Chapter Nominating Committee consists of the immediate past President of the Chapter, one member appointed by the Board of Directors, one member appointed by the Chapter President and two members elected by the Chapter membership. The membership will elect two members of the Nominating Committee at the Tuesday, January 13, 2009 Chapter meeting. All nominations for the two elected members shall be made from the floor. Please consider serving in these positions.

Nominating Committee members cannot serve consecutive terms. Members of the 2008 Nominating Committee were: Mark O'Briant, MAI, Chair, Richard Baker, MAI, Jeff Briggs, MAI, Bill Morris, MAI, and Jack Poe, MAI. K.Lynn Ray, MAI shall serve as Chair of the 2009 Nominating Committee.

The Nominating Committee will prepare a slate for the year 2010 to fill the positions of President, Vice President, Secretary, Treasurer, three (3) members of the Board of Directors (three-year terms), two (2) Regional Representatives (two-year terms), and up to ten (10) Alternate Regional Representatives (one-year terms).

Contact Ruth Kelton (ainorthtexas@sbcglobal.net or 972-233-2244) if you are interested in serving in any of these positions in 2010.

Scholarship Committee Election to be Held at January 13 Meeting

The North Texas Chapter Scholarship Committee consists of three members – one member is appointed by the Chapter President, one member is appointed by the Board of Directors, and one member is elected by the Chapter membership. Eligible committee members include Designated and Associate Members. Neither committee members nor their immediate families are eligible for a scholarship during the year of service. Scholarship Committee members shall serve no more than two consecutive years on the committee. 2009 Scholarship Committee member terms expire December 31, 2009.

The membership will elect one member of the Scholarship Committee at the Tuesday, January 13, 2009 Chapter meeting. All nominations shall be made from the floor. Please consider serving in these positions.

The Scholarship Committee will meet in January and/or February to award education scholarships to North Texas Chapter Associate Members.

The 2007 Scholarship Committee members were David Mentasana, MAI, Max Sanders, MAI, and Brad Wirth, MAI. The 2008 Scholarship Committee members were James Justice, MAI, Ed Litloff, MAI, and Pat Murphy, MAI, SRA.

Contact Ruth Kelton (ainorthtexas@sbcglobal.net or 972-233-2244) with any questions.

Meet Education Requirements with Programs Sponsored by the North Texas Chapter

Appraisers can meet state licensing and certification education requirements and Appraisal Institute education requirements by taking North Texas Chapter sponsored programs. Entry level and advanced level courses and seminars, as well as hotel topic seminars, will be offered throughout the year.

A listing of the courses and seminars that will be offered during the first quarter of 2009 can be found in the Calendar of Events on the last page of this newsletter. Program details and registration information can be found at www.appraisalinstitute.org/education/northtexas.aspx.

Feel free to contact the Chapter Office (ainorthtexas@sbcglobal.net or 972-233-2244) with any questions.

Marketplace

APPRAISERS:

Our appraisal group in Dallas is currently seeking 10 individuals who have 10+ years of residential appraising experience. These individuals must have experience valuing properties for resale. A majority of the homes will be in need of rehab. The appraisers will need to be able to determine what the real number value of the home is. For example: The individual will need to be able to determine the value of a home based on location, age, maintenance history, etc. If a home is 20 years old and all the piping and HVAC has been removed, the individual will need to be able to assess the real value of the property. They should be familiar with value reductions that come from all rehabilitation issues. These individuals can have experience locally or nationally. They may have experience working on a smaller scale for an individually owned company to a larger banking/mortgage/real estate firm. They must have a license or certification or one that has recently expired. They will not need any underwriting experience. This will be a long-term project. The manager indicated it could potentially go upwards of two years. These appraisers will be responsible for reviewing 20-30 documents per day. And we can pay up to \$50/hour. Please send resumes to kbartels@justinbradley.com.

FANNIE MAE DALLAS REVIEW APPRAISER POSITIONS:

Princeton Information has been a tier one, direct vendor to Fannie Mae for more than 15 years. We have more than 100 employees/contractors currently working at their sites. Fannie Mae Dallas is urgently in need of Review Appraisers for positions lasting 12+ months. Please contact Missy Cottrell, Princeton Information, 703-442-7600, missy.cottrell@princetoninformation.com.

*From Fannie Mae procurement: The bottom line is this - These appraisers need **national REVIEW** experience. The managers are not looking for folks who own a firm or who work for a small enterprise. These individuals should come from large banking/mortgage companies doing residential review work on a national basis. We do not need field reviewers. We need due diligence type appraisers who understand and are comfortable in a large office environment. They should have 10+ years experience and should have a license. Remember: **national review experience in a large company** - We will not stray from this requirement so please don't waste your time, the candidate's or ours.*

These are the requirements:

27324, Appraisers

The contract appraiser will assist the SAM asset managers in the review of all draft appraisals to determine the validity of assumptions and methodology used by the appraisal company contracted to perform the appraisal. As warranted, the contract appraiser will discuss and question the appraiser's valuation methodology to validate the property's value. Upon review of each appraisal, the contractor appraiser will document the appraisal's

valuation methodology and address whether it concurs or not with the final value. Contractor appraiser applicants experience should include:

- 1) Review experience should entail
 - a) Five years at a federally insured institution;
 - b) Asset base covering the entire nation;
 - c) A mix of non-complex and complex properties;
 - b) Range of values from \$1M to \$50M
- 2) MAI designation;
- 3) American Citizen

27494, Review Appraisers

The NUC Review Appraiser is responsible for conducting retrospective valuation reviews of appraisal reports used by seller/servicers to support lending decisions and determine if they meet Fannie Mae guidelines, the Uniform Standards of Professional Appraisal Practice (USPAP) and other professional appraisal standards.

- Perform desk review of appraisals.
- Conduct research and analysis on Fannie Mae collateral utilizing expertise, internal/external property valuation tools and resources.
- Determine appropriate actions to take in accordance with department and company policies.
- Document conclusions in the Quality Assurance System (QAS) with an accurate assessment of the valuation review.
- If warranted, compose a letter used to communicate inadequacies to the lender that were identified through the review process.
- Manage and prioritize caseload of pending and active appraisal reviews.
- Maintain review productivity in line with the department's benchmarks.
- Respond to valuation questions and disseminate Fannie Mae valuation guidelines and requirements with internal/external customers.
- Maintain thorough and up-to-date knowledge of all Fannie Mae guidelines, products and systems, as well as USPAP, that are pertinent to the loan review process.
- Support Fannie Mae's Housing goals and other corporate goals.
- Minimum of seven to ten years experience with appraisal review or valuation of single family, 2-4 family, condominium, cooperative, land trusts, leasehold and factory-built properties.
- Demonstrated ability to calculate loan-to-value ratios, utilize market extraction, and derive gross rent multipliers is required; preferred to have experience of developing cap rates and discounted cash flow analysis.
- Must be able to support department objectives with minimal supervision.
- Must be responsible for work that requires advance level of skills and knowledge in a field of specialization.
- Demonstrated organizational, analytical and research skills as well as the ability to conceptualize issues and develop complex processes, procedures or solutions.

- Ability to work with others in an integrated way to achieve individual objectives as well as organizational results.
- Excellent analytical and communication skills, including written, and familiarity with Microsoft Office Suite (i.e. Word, Excel).
- Strong organizational skills, attention to detail, ability to work under time constraints, good interpersonal skills, and high degree of initiative.
- Working knowledge of Fannie Mae valuation guidelines, USPAP, AVM/APS and other valuation tools, as well as a general knowledge of the Selling and Servicing guides, Desktop Underwriter, Fannie Mae's products and the underwriting process.
- **DO NOT WANT AUS (AUTOMATED UNDERWRITING SYSTEM) EXP.**
- **MANUAL UNDERWRITING EXP IS A MUST.**
- Secondary Market Exp is ideal.
- Need to know Fannie Mae and Freddie Mac guidelines.
- **NO SUB-PRIME EXP.**

27201, Appraiser

Our appraisal group in Dallas is currently seeking 10 individuals who have 10+ years of residential appraising experience. These individuals must have experience valuing properties for resale. A majority of the homes will be in need of rehab. The appraisers will need to be able to determine what the real number value of the home is. For example: The individual will need to be able to determine the value of a home based on location, age, maintenance history, etc. If a home is 20 years old and all the piping and HVAC has been removed, the individual will need to be able to assess the real value of the property. They should be familiar with value reductions that come from all rehabilitation issues. These individuals can have experience locally or nationally. They may have experience working on a smaller scale for an individually owned company to a larger banking/mortgage/real estate firm. They must have a license or certification or one that has recently expired. They will not need any underwriting experience. This will be a long-term project. The manager indicated it could potentially go upwards of two years. These appraisers will be responsible for reviewing 20-30 documents per day.

27533, Underwriter

Underwriting Consultant

The National Underwriting Center (NUC) manages Fannie Mae's loan-level quality assurance by reviewing loan files, analyzing and reporting on significant loan quality trends, and initiating necessary action(s) to mitigate losses.

- Review closed loans for eligibility with respect to Fannie Mae's Selling Guide, DU Guide, and/or negotiated terms as defined by contracts with Fannie Mae's lender partners.
- Perform risk analysis and make decision regarding deficiencies identified during the review process.
- Identify transaction components that indicate a potential for fraud and perform sufficient investigative work to resolve issues that are identified.

- Accurately record data and review conclusions in QAS (Quality Assurance System).
- Professionally communicate the results of file reviews both verbally and in written format to internal and external customers.
- Maintain a sound knowledge of Fannie Mae guidelines, DU guidelines, and risk assessment tools used to decision mortgage loans.
- Maintain a sound knowledge of secondary market activity, practices, and business/industry practices as they impact underwriting quality and origination activity.
- Undergraduate degree strongly preferred. Graduate degree in business, finance, accounting or related discipline preferred.
- Prefer a minimum of 10 years of underwriting experience.
- Understanding of traditional mortgage origination and underwriting practices.
- In-depth knowledge of Fannie Mae's underwriting and quality control guidelines; Strong analytical, problem solving, and negotiation skills.
- Effective written and verbal communication/presentation skills.
- Intermediate user of MS Word and MS Excel, or comparable software packages.
- Strong organizational skills, teamwork, and results orientation.
- **DO NOT WANT AUS (AUTOMATED UNDERWRITING SYSTEM) EXP.**
- **MANUAL UNDERWRITING EXP IS A MUST.**
- Secondary Market Exp is ideal Need to know Fannie Mae and Freddie Mac guidelines.
- **NO SUB-PRIME EXP.**

Mark Your Calendar! 2009 Chapter Meeting Dates

The following are North Texas Chapter 2009 meeting dates. Please note that all meetings are scheduled on the second Tuesday of each month (except the November 17 meeting, which will be on the third Tuesday). All meetings will be held at Prestonwood Country Club, located at 15909 Preston Road in Dallas, except the January 13 meeting (held at the Dallas Marriott Quorum by the Galleria) and the April 14 meeting (held in Tyler).

January 13 (Marriott)	May 12
February 10	September 8
March 10	October 13
April 14 (Tyler)	November 17

Members in the News

Jack P. Friedman, PhD, MAI wrote the 7th edition of *The Dictionary of Real Estate Terms*, published by Barron's Educational Series. Previous editions have been on bestseller lists of major periodicals and bookstores, and have sold more than half a million copies.

Friedman has been described as the Noah Webster of Business. He has written or co-authored more than 25 different titles, with several now in their 6th or 7th edition. Friedman holds the PhD, CPA, MAI and CRE credentials. He is a real estate appraiser and economist in Dallas, Texas. Most of his consulting work is in real estate expert witness testimony. E-mail jackfriedman@prodigy.net.

North Texas Chapter Leadership

2008 Officers

President.....K. Lynn Ray, MAI
Vice President James Jacobs, SRA
Secretary..... Jim Underhill, MAI
Treasurer.....James Justice, MAI

2008 Committee Chairs

Education.....Ann Kostishak, MAI
FinanceJames Justice, MAI
Government Relations.....Greg Stephens, SRA
Bruce Minchey
NewsletterJohn Scarborough, SRA
Nominating.....Mark O'Briant, MAI
Programs James Jacobs, SRA
Jim Underhill, MAI
Public Relations.....Mark O'Briant, MAI
Peter Malin, MAI
Web Site Richard Baker, MAI
Gary Ray, MAI

Chapter Office

Executive DirectorRuth A. Kelton
972-233-2244; 972-239-6857 (fax)
www.ainorthtexas.org (web site)
ainorthtexas@sbcglobal.net (e-mail)

Calendar of Events 2009

JANUARY

13 Board of Directors and Chapter Meetings –
Dallas Marriott Quorum by the Galleria
26-29 *Basic Appraisal Principles* –
Southfork Hotel, Plano
30-2/2 *Basic Appraisal Procedures* –
Southfork Hotel, Plano

FEBRUARY

3-4 *15-Hour National USPAP* –
Southfork Hotel, Plano
10 Board of Directors and Chapter Meetings –
Prestonwood Country Club
12 *REO Appraisal Seminar* –
Admiral Hotel, Arlington
13 *Introduction to FHA Appraising Seminar* –
Admiral Hotel, Arlington
17-20 *General Appraiser Income Approach, Part 1* –
Southfork Hotel, Plano
21-24 *General Appraiser Income Approach, Part 2* –
Southfork Hotel, Plano

MARCH

10 Board of Directors and Chapter Meetings –
Prestonwood Country Club
13-16 *General Appraiser Sales Comparison Approach* -
Southfork Hotel, Plano
17-20 *General Appraiser Site Valuation and Cost
Approach* – Southfork Hotel, Plano
26-29 *General Appraiser Market Analysis and
Highest & Best Use* – Southfork Hotel, Plano
26 *Business Practices and Ethics* –
University of Phoenix Bldg., Dallas
27 *7-Hour National USPAP Update*–
University of Phoenix Bldg., Dallas
30-4/2 *General Appraiser Report Writing & Case
Studies* – Southfork Hotel, Plano

Visit the Chapter's web site at
www.appraisalinstitute.org
for information about upcoming meetings and
education programs,
the Chapter's membership directory and
newsletters, online discussions,
employment forum, resources, and information
about the valuation process.