



www.txappraisers.org

# Connections

## Official Publication of the Association of Texas Appraisers, Inc.



Dennis Crawford, ATA-R  
ATA President

I hope everyone had a great Thanksgiving enjoying family, friends and of course...football! It's so hard to believe that Christmas and the New Year are only a few weeks away. I know it is close

as I peek out the window and see Christmas lights going up all over our shrubs and trees. I may even go outside and help my wife put them up if I get this newsletter finished in time.

I am very fortunate and excited to serve as your ATA President which has afforded me the opportunity to travel to different regions of our great state. This has enabled me to visit the many diverse markets our ATA members practice in and to hear the challenges they are faced with. Whether it is a market experiencing an oil boom to a bust or from floods to extreme droughts, we are all faced with our unique challenges and must stay informed to develop a credible report in these changing markets. ATA will be there with you.

I'm very excited about the upcoming New Year for Appraisers and ATA. ATA will be offering more venues for Appraisers and Realtors in parts of Texas where we have not been before, but will be soon, such as El Paso. El Paso is located so far west that most Appraisers have to travel to New Mexico for their CE classes. I can't imagine having to leave my state to get continuing education where regulations and markets may not apply to my market or

comply with my state's regulations. Anyway El Paso, here we come.

Another exciting thing that the upcoming New Year will bring is that VA panel appraisers will receive a long overdue fee increase effective January 1, 2016. Yes, you read it right. In an email dated November 24, 2015, VA announced that they will increase the standard appraisal fee from \$400.00 to \$475.00. The \$75.00 increase also applies to Duplex, Triplex, 4plex and Condo appraisal reports. The original effective date was December 1, 2015, but it got pushed back one month.

Since the last ATA Connections newsletter, ATA held a meeting in Fort Worth on September 25-26th at the Hampton Inn and Suites. "Fannie Mae CU and You" and "Home Measurement Basics" were the courses offered and the Speaker was John Dingeman. John is an excellent Speaker from Roseville, CA and has been a featured speaker at previous ATA meetings. John also serves as Vice President of NAA.

Another exciting event for ATA was our participation at the Appraisal Summit & Expo which was hosted by the National Association of Appraisers (NAA) on November 17th and 18th in Las Vegas. ATA sits on the Board of Governors of NAA and I was proud to represent ATA during the State Appraisal Organization Leadership Forum meeting on the first day of the Appraisal Summit.

The first of many topics discussed were problems with the AQB's requirements of a four year degree to become a certified

*(Continued on page 2)*

### Upcoming Industry Meetings:

- Jan. 29—APB Public Meeting, Las Vegas, NV
- Feb. 18—IAC Meeting, Tampa, FL
- Feb. 19-20—ATA Mid-Year Meeting, New Braunfels, TX
- Mar. 3-4—TAFAC Meeting, Washington, DC
- March 10-11—ATA El Paso Meeting
- April 1-2—ATA Rio Grande Valley Meeting
- Apr. 8—AQB Public Meeting, Phoenix, AZ
- April 8-10—AARO Spring Meeting, Phoenix, AZ
- May 12—NACAO, Naples, FL
- June 17-18—ATA Houston Area Meeting
- Aug. 5-6—ATA Annual Meeting, Austin, TX

### Inside this issue:

<b>In Memoriam</b>	<b>2</b>
<b>New &amp; Designated Members</b>	<b>3</b>
<b>Mid-Year Meeting</b>	<b>4</b>
<b>Executive Summary</b>	<b>5</b>
<b>FHA Handbook</b>	<b>7</b>
<b>Regional Meetings</b>	<b>8</b>
<b>TALCB Corner</b>	<b>8</b>
<b>Do Unto Others</b>	<b>9</b>
<b>Appraiser Shortage</b>	<b>10</b>
<b>Career Advancement</b>	<b>11</b>
<b>ATA Awards</b>	<b>12</b>
<b>Registration Form</b>	<b>13</b>
<b>USPAP Instructors</b>	<b>14</b>

# From the President (con't)

(Continued from page 1)

appraiser. The general consensus was to petition the AQB to consider changing the four year degree requirement. Many college graduates who may consider appraising as a career have substantial student loans and the rules presently in place dissuades potential candidates from pursuing the appraisal profession. The recommendations were to let the four year degree stand in place of the two year "internship" and completion of additional education and testing. Four years of college as well as two years / 2500 hours of apprenticeship seemed out of line to most in attendance.

Also, FHA changed their long-standing rule of allowing licensed Appraisers to perform appraisals causing approximately 8,500 licensed appraisers to become unemployed. Many of those licensed appraisers were performing FHA assignments and suddenly found themselves out of work due to FHA requirements of appraisals being completed by "Certified Appraisers". The recommendation was to modify the AQB requirements to allow these qualified licensed appraisers to continue appraising with the completion of additional education.

Other topics included addressing practices of overzealous state regulatory board's sanctions against Appraisers and changing rules which would allow Appraisers the ability to perform BPO's without being held to USPAP's standards. Realtors are able to perform BPOs without the same unfair rules and standards that USPAP requires appraisers to adhere to. Apparently most banks do not use Appraisers to perform BPOs for that very reason.

The Appraisal Summit & Expo is a very important event which draws leaders from all parts of the country representing our profession. ATA's involvement in this Summit is crucial to the future of appraisers and I was proud to represent you.

One particular event of the many events I attended that resonated with me was when a speaker/review appraiser from a bank made a statement about the appraisal report which I will paraphrase: "Take the reader down the same path you took that led you to your opinion of value so you

both arrive at the same destination together".

While ATA was representing our members in Las Vegas, BOD Luis De La Garza and Past President Arturo Palacios were representing ATA at the TALCB Board meeting in Austin

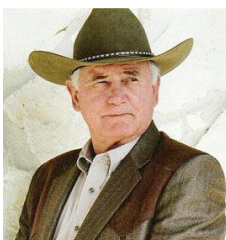


on November 20, 2015. We appreciate them taking time from their busy schedules and driving from Laredo and McAllen to attend this meeting.

The next scheduled TALCB Board meeting is scheduled for February 19, 2016. During this meeting we anticipate that the Governor's appointment of the Chair position will be announced. Your ATA Board is doing everything possible to encourage the Governor to appoint an Appraiser to that position. We will advise our members of our progress in the near future. If you can attend the TALCB Board meeting at 10:00 AM, it will be held in the Stephen F. Austin Building, Room 170 located at 1700 North Congress in Austin. We always encourage Appraisers to attend these meetings.

Merry Christmas and Happy New Year!!!

## In Memoriam—Raulie Irwin Jr.



Former longtime ATA member Raulie Irwin, Jr. passed away November 20, 2015. He was 66 years old. He was born January 26, 1949, in Corpus Christi, Texas, to Raulie Lee Irwin Sr. and Nan Kelly Irwin. He was a graduate of Texas A&M University, College Station, Class of 1972. Raulie was a very successful Real Estate Broker and appraiser in

the Rockport area. In 2001, Raulie moved his family and his business to Goliad, Texas.

He is preceded in death by his parents.

He is survived by his loving wife, Georgia Anne Irwin of Goliad, Texas; sons, Nathan Irwin (Ronda) of Goliad, Texas, Zachary Irwin (Jennifer) of Liberty Hill, Texas; sister, Lenora Keas (William) of Portland, Texas; nephew, Mark Kurtz (fiancee, Laura Ann Gayle) of Norfolk,

Virginia; four grandchildren, Kade, Barrett, Kraylor, Keira, and twins on the way, and a very close clan of Kelly cousins.

Expressions of sympathy may be made to Make a Wish / Texas Gulf Coast, 12625 Southwest Freeway, Stafford, Texas 77477.

Online condolences may be left at [www.charliemarshallfuneralhomes.com](http://www.charliemarshallfuneralhomes.com).

# New Members and Designated Members

## Welcome New Members

## New Designated Members

The ATA President and Board of Directors would like to welcome our newest members:

- **Holly Alonzo**, Victoria
- **Timothy Andersen**, Palm Beach Gardens, FL
- **John Wayne Cartwright**, Victoria
- **Gerald Gatlin**, Huntsville
- **Travis Horton**, Houston
- **Dennis Jorgensen**, Arlington
- **Samantha Saldivar**, Abilene
- **Shannon Slaker**, Pilot Point
- **Cherokee Smith**, Kaufman
- **Daniel Stadnick**, Katy


Congratulations to those who were recently awarded designations:

- Elma Salazar, ATA-R



If you are interested in applying for a designation with ATA, please go to our website, [www.txappraisers.org](http://www.txappraisers.org), and click on the Membership link and download the Designation Application.

**GET CONNECTED**  
*stay connected*



**APPRAISER GENIE**


325-704-2592

**Only Appraiser Genie offers you an all inclusive package.**

**SIMPLIFYING**  
Appraiser's Life

[www.appraisergenie.com](http://www.appraisergenie.com)  
[info@appraisergenie.com](mailto:info@appraisergenie.com)

**SIDE BY SIDE COMPARISON**

		Datamaster	Statwing	Redstone	Gandysoft	Savvi	NDC Property	MindSpring
Integrates with A la Mode Total	✓						X	
Integrates with A la Mode Wintotal	✓	X						
Types Your Report	✓	X					X	X
Peer Database	✓							
Multiple Regression Analysis	✓		X	X		X		
Multiple Adjustment Methods	✓							
Matched Pairs	✓				X			
Adjustment Support	✓		X	X	X	X		
1004MC	✓	X	X	X		X		
Automatic Cost Approach	✓							
Public Records Verification	By the end of Feb.	X					X	
Graphs	✓		X	X		X		
Workfile Documentation	✓							
Uses Your MLS Export	✓	X	X	X	X	X	X	
Works with Any MLS	✓		X	X	X			
Price per month (unlimited)	\$100	\$89	\$50		\$50	\$49	\$125-300	
Per Use	\$5			\$15	\$3.25			\$15
Number of Features	12	5	6	6	4	5	4	1

# ATA's 10th Mid-Year Meeting—Feb. 19-20, 2016

ATA has scheduled its 10th Mid-Year Meeting February 19-20 at Courtyard by Marriott River Village in New Braunfels. We will offer *TREC Legal I* (Separate Registration Fee) on Friday morning, *Appraiser's Guide to Covering Your Appraisals* on Friday afternoon and the *2016-2017 7-Hour National USPAP Update Course* on Saturday.

ATA member Bryan Reynolds (Owensboro, KY) will present *Appraiser's Guide to Covering Your Appraisals*, a 4-hour course designed for use by real property appraisers, financial institutions, underwriters, AMC personnel, and regulatory entities. The focus of the course is to bring awareness of the many common mistakes appraisers make that often lead to disciplinary action to the practicing appraiser and other users of appraisal services. This course is primarily targeted toward residential real property appraisers; however, it does apply to both residential and commercial appraisers alike. In summary, this course highlights errors and non-compliance issues with USPAP found in regulatory reviews and investigations.



AQB Certified USPAP Instructor, Amelia Lovorn (Olive Branch, MS) will present the *2016-2017 7-Hour USPAP Update Course*. Some of the changes include:

1. The definition of Assignment Results was modified to clarify that physical characteristics are not assignment results. Hence, assuming it is not prohibited by the client, an appraiser can share information about physical characteristics of the subject property with others without being in violation of the ETHICS RULE.
2. The Confidentiality section of the ETHICS RULE was revised to require an appraiser to take “reasonable steps to safeguard access to confidential information and assignment results by unauthorized individuals.” In addition, an appraiser must ensure that his or her employees, co-workers, subcontractors and others “are aware of the prohibitions on disclosure of such information or results.”
3. The RECORD KEEPING RULE was revised to require an appraiser to retain in the workfile true copies of all written reports; this would include previously transmitted copies of reports that were subsequently revised.
4. STANDARD 3 was revised to remove the requirement that a reviewer must identify and state the effective date of the appraisal review. As a result of this change, appraisal review reports will need to specify only three dates: (1) the date of the work under review; (2) the effective date of the opinions and conclusions in the work under

review; and (3) the date of the review report.

5. Statements on Appraisal Standards have all been retired. The information from the Statements that was intended to be enforceable has been moved into the Standards. The information that was intended to provide advice and guidance has been made into four new Advisory Opinions (AO-33 through AO-36, see below). The four new Advisory Opinions are:
  - AO-33 Discounted Cash Flow Analysis
  - AO-34: Retrospective and Prospective Value Opinions
  - AO-35: Reasonable Exposure Time in Real and Personal Property Opinions of Value
  - AO-36: Identification and Disclosure of Client, Intended Use, and Intended Users



The ATA Board of Directors will meet from 9-11 a.m. on Friday and there will be a Networking Reception from 5 -6:30 p.m. on Friday evening. These two events are open to all attendees.

A block of rooms has been reserved for attendees at the Courtyard by Marriott River Village. Sleeping rooms are \$111 (plus tax) per night for single/double rooms. Reservations must be received by Friday, January 30, 2016. After this date, reservations will be accepted on a space and rate availability basis. Call (800) 321-2211 and mention code Association of Texas Appraisers to receive this discounted rate.

Use the registration form on page 13 to register or log on to <http://www.txappraisers.org/meetings.html>.



# Executive Summary Report-Dave Towne



Folks.....

I spent two days last week at the Appraisal Summit and Expo in Las Vegas – which was extremely well planned and presented – co-sponsored by the Columbia Institute and the National Association of Appraisers.

Over those two days, in just about every topic presentation seminar, we appraisers were cajoled and implored to improve info we provide in reports to back up our stated value. We were told that most reports reviewed by lenders are deficient in this aspect. I admit that my reports need improvement in that kind of presentation – although over the years many ‘official reviewers’ have said my reports are pretty thorough and well written.

A common response of appraisers is the refrain .... “just read the @#\$\$% report!” .... when we get ‘stips’ or questions back from the various people who must wade through thousands of pages of reports each month – not just yours.

The information the users are looking for is often buried among the 25-35+ pages – as mine is. Usually the comment locations are not in common places among the hundreds of appraisal reports they see. And unfortunately, some appraisers don’t include any information that backs up what they did in the process of doing the analysis, making decisions, or in how the appraised value was determined. So ‘we’ are not helping the end user very well, and thus we get heaps

of criticism piled on – some understandably justified.

I’ve decided to add a new page to every report, which will be an Executive Summary. This page will be located between the Table of Contents page, and the first preprinted report page .... in other words, the 2nd report page – where reviewers will likely see it! I’m doing this on a Supplemental Addendum page from my software library of forms and pages. I will re-name that page (as shown below) so that it is not confused with the other Addendum page, which in my reports, has much additional detailed info and comments.



Note that this Executive Summary follows the same categories along the left side of the GSE forms, with the addition of the Market Conditions Info which will enhance info from the MC Form and other applicable market trends, etc.

To incorporate this new Executive Summary, I will carefully review the already pre-written info I have in various places in my reports – both on the forms and in the Addendum – and move what I can to the Executive Summary. The remaining Addendum (using the same category outline as the ‘form’), will still be included and will have additional back up info I believe is necessary.....including the US-

PAP reporting requirements and CYA junk we need to include.

The Executive Summary will contain key information, summarized, to help the end user understand my thought processes and decisions. I will be able to add to each category of info as the report is worked on, rather than at the end of the overall report writing process – which for me is mind-numbing if done at the end. Currently, by the time I get finished, I’m bleary-eyed – so it’s then tough to go back and re-think to put on paper why I reported what I did! Doing this along the way should relieve the stress.

My point in sending this to you is to encourage and suggest more appraisers adopt a similar Executive Summary format.

Give the users what they want right up front.

This should help eliminate many of the pesky and time consuming additional responses far too many AMC’s and Lenders ask us to complete after submitting our reports.

The way I write my templates is pretty simple...I include just about every statement or comment I can think of (in the form comment sections & Supplemental Addendum), or have been asked about by reviewers over the years. Then during report prep, I can either ‘take out’ or modify anything that does not directly apply. This Executive Summary uses that same format; details can be modified as property situations dictate. (I find ‘taking out’ is easier than trying to remember ‘what to include.’)

*(Continued on page 6)*

*“None of us is as smart as all of us.” Ken Blanchard*

(Continued from page 5)

Some appraisers think this extra page is unnecessary. Why? Because they already have such info buried within their report, multi-pages deep.

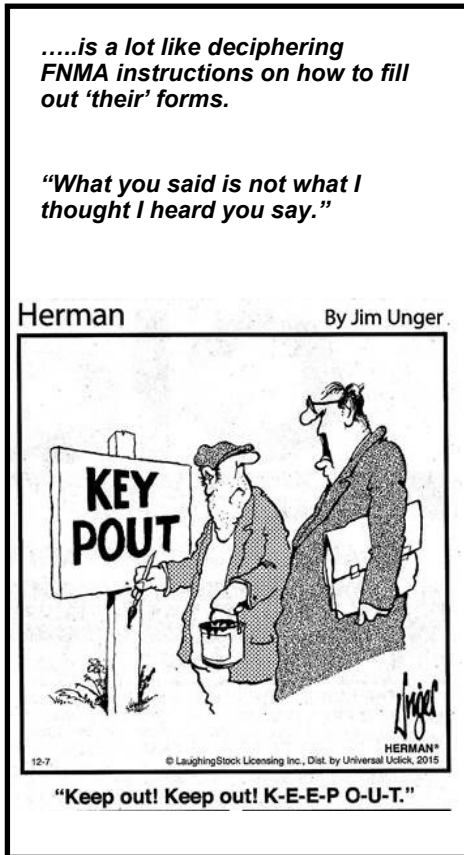
But that's precisely why an Executive Summary can help. It can help reviewers (and the borrower) find key items and understand why the appraiser made certain decisions.....without having to wade through dozens of report pages which they typically don't initially read. Many 'stips' are generated because end users won't take the extra time necessary to find info.

So.....spoon feed it up front!

Use this sample to format your own. Give it a try and see if it cuts down on the annoying call backs you get.

Dave Towne

For the pdf sample report, go to [www.txappraisers.orgs/executivesummary.PDF](http://www.txappraisers.orgs/executivesummary.PDF)



Executive Summary - Report Information					File No. 1511005
Borrower	REDACTED, Laine				
Property Address	Redacted Avon St				
City	Mount Vernon	County	Skagit	State	WA Zip Code 98273
Lender	Redacted				

**Appraiser's Analysis, Decisions & Reconciliation**

*Executive Summary page is provided to give a quick summary of relevant data and decisions. Additional info is contained on the pre-printed report pages, Supplemental Addendum and other exhibit pages.*

**SUBJECT PROPERTY -**

- Parcel number / Treasurer's Account number / Current Taxes obtained from the County Assessor's web site
- Census Tract automatically generated from within report software; assumed to be correct
- Not in a PUD or Condo development; not in a development with a HOA
- Property has no known connection to any Leasehold interest; therefore Fee Simple Property Rights is appropriate
- MLS searched for the subject; no current listing found; prior listing found for the most recent year 2010 sale
- Is in a mapped FEMA Flood Zone

**CONTRACT INFO -**

- Assignment is for a Refinance; thus no Contract

**NEIGHBORHOOD -** In addition to limited info on GSE form page 1 and expanded comments in the Supplemental Addendum, this provides additional Neighborhood information, and appraiser search methods:

- The location of the subject is within a very small residential area outside local urban centers with few sales or listings over many years
- The neighborhood boundaries search parameters determined by the appraiser had to be increased farther in distance than normally preferred in order to locate properties considered appropriately comparable/competitive to the subject

**SITE INFO -**

- Typical residential site in this small suburban neighborhood which was originally platted in the late 1800's - early 1900's; see Plat Map page in report
- Site is adjacent to a paved county-maintained street; no restrictions to site access
- Some sites in the area are larger; subject's smaller site is not considered to be adverse because other similar smaller sites exist in the subject's immediate neighborhood
- Legal, Non-Conforming is due to zoning instituted many years after the original plat; not considered an adverse condition as other typical small sites in the area have the same designation; see assumed 're-buiding' comments in the report
- Site served by public utilities; electric, water, cable TV, natural gas, wired phone; cellular phone service by multiple providers in area
- FEMA flood zone area designation corresponds with the Flood Map page in report - which was obtained from the FEMA Flood Map Service Center
- On-site septic system is common for the neighborhood area
- Site community is surrounded by major farming areas; location is not considered to be adverse as other similar residential areas are within Skagit County

**IMPROVEMENTS INFO -**

- Subject is a stand-alone site-built SFR
- Subject's construction is similar to other dwellings in the immediate area - although it is considered to be semi-custom design due to the unique roof line; not considered an adverse condition
- During past 5 years, the owner (borrower) has made improvements and done renovations to the dwelling to extend the service life of various components; this has contributed to lower the opinion of Effective Age

**COMPARABLE SALES & LISTINGS INFO -**

- Only one sale of an appropriately comparable/competitive property was found in the subject's immediate neighborhood
- No listings were found in the subject's immediate neighborhood
- Due to lack of sales and listings, the property search distance had to be extended; this is typical in this suburban area
- Lack of recent nearby comparable/competitive sales forced the sale date timing to be extended up to 22 months; again typical
- Of 7 total sales and listings found, 3 (or 43%) were distressed in some way; this is common in this market and could not be avoided
- Are located in similar Flood Zones as the subject

**MARKET CONDITIONS INFO -**

- The Historical Value Trends page shows sales activity for comparable/competitive properties back in time nearly 5 years; the Market Conditions form is not used for trend research due to its improper design giving results not considered credible
- Overall property values have been increasing during the extended time period shown on the HVT page graph
- Values during the previous 12 months from the Effective Date are considered to be Stable based on trends of individual property sales

**RECONCILIATION -**

- Reported Opinion of Market Value (\$157,000) is supported by properties selected as comparable/competitive to the subject
- The OMV is placed at the upper end of the sale comps adjusted value range; Listings are considered to be Above Market
- The appraiser has reviewed the MLS listing sheets/photos, made drive by observations of the comparable properties and if necessary discussed with unbiased third party sources the condition and characteristics of the comparable sales/listings in this report. These details were used to help analyze quality and condition, and to make a decision about the comp's applicability to this assignment
- Comparables are deemed to have appropriate similarities to the subject property as reported in the adjustment grid, from which the OMV can be determined
- Read the Supplemental Addendum Reconciliation Section for info about the individual comp properties in the report

**APPRAISER'S ADDITIONAL CERTIFICATION -**

Appraiser [ ] has [X] has NOT performed prior appraisal service or had other involvement with this property in the past three years prior to assignment acceptance

Form TADD - "TOTAL" appraisal software by a la mode, Inc. - 1-800-ALAMODE

# Still not sure about FHA's Handbook 4000.1? - Bobby Crisp, ATA-R



The Department of Housing and Urban Development (HUD) released the long awaited consolidation of all its Hand-

books and Mortgagee Letters by publishing the FHA Single Family Housing Policy Handbook 4000.1, which became effective September 14, 2015.

Although there have been courses taught, appraisal group discussions on forums, blogs across the internet, Facebook pages, and tons of other media formats regarding the new Handbook 4000.1, there are those that are still "on the fence" or "just not quite sure" about this new Handbook.

I receive emails and phone calls almost every day since the new Handbook 4000.1 was released. Many appraisers from all over the country are asking several of the same questions. So, I thought I would try to shed some light regarding those most frequently asked.

## Attic Space –

- FHA wants appraisers to observe the interiors of all attic spaces. If there are 3 separate attic spaces (one in the garage, one in a hallway, and another in the owner's bedroom closet), look in all three.
- Don't do anything that is unsafe. Do not disturb insulation. Do not move personal items. Don't move furniture, equipment or anything that obstructs access or visibility. If unable to view the area safely in their entirety, the Appraiser must contact the lender and reschedule a time when observation can be

performed OR complete the appraisal subject to inspection by a qualified third party.

- In cases where access is through a scuttle and is limited where the appraiser cannot fully enter the attic, at least a head and shoulders view will suffice. If there is no access at all, then the appraiser is to report lack of accessibility in the report. Do not cut open walls, ceilings or floors.

## Appliances –

- Cabinets and built-in appliances that are considered real property must be present and operational.
- Appraisers must note the appliances present at time of observation and indicate whether that appliance is considered personal property or real property.
- Appraisers must operate all conveyed appliances and observe their performance. Notify the lender if any conveyed appliances are inoperable.

Many appraisers have claimed that this is "new". Actually, it isn't. FHA has always wanted to know the property's Condition. Appliances are part of the property. Appraisers have always identified those appliances that were present on the effective date. How can the condition of something be determined if we don't test it? Appraisers have always been required to test the hot water – to see if the water heater operates and that the plumbing system operates properly. Appraisers have

always been required to test the heat & air – to see if the heating & air conditioning unit operate. Same goes for the appliances.

With today's technology, some appliances have more buttons and controls than a cockpit of an airplane. If you are unable to operate an appliance, require an inspection by a qualified third party.

## Electrical System –

- No visible frayed wiring
- No exposed wiring
- Includes garages and basement areas
- Report if the amperage and panel size appears inadequate for the property
  - Operate a sample of switches, light fixtures, outlet receptacles
    - Inside the house
    - Garage
    - Exterior walls
  - Report deficiencies
  - Appraiser is not required to insert any tool, probe or testing devise inside the electrical panel (breaker box) or to dismantle any electrical devise or control.



## Final Inspection –

When is the 1004D to be used for finals vs. the Compliance Inspection Report (CIR)?

- If your client is requesting a Final for a property that is New Construction or Manufactured Housing – Appraisers are to provide the HUD-92051 Compliance Inspection Report (CIR) in a pdf format.
- If your client requests a Final for an Existing Property (repair items)

(Continued on page 8)



# FHA (con't)

(Continued from page 7)

– Appraisers are to provide the Fannie Mae Form 1004D/Freddie Mac Form 442 Appraisal Update and/or Completion Report in MIS-MO 2.6 Errata 1 format

Many have replied to me that “my client requires the 1004D for new construction finals.” That may very well be so. But, FHA wants the CIR.

These are the areas that appraisers ask about most often. For those appraisers that have performed appraisals for FHA-insured transactions in the past, the most important thing to re-

member is that FHA has not changed their stance on any examination items. They may have added some commentary for clarification and so that appraisers understand what exactly FHA wants us to observe. I know there will be those that do not agree, but nothing has “changed”. If you feel that FHA has changed the way they want appraisers to examine a property, maybe you haven’t been doing it correctly all along.

Here is a link to the Single Family Policy Handbook 4000.1

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/handbook\\_4000-1](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1)

At the right side of the webpage, there is an on-line version and a pdf version that can be downloaded. At the bottom right, there is a link to subscribe to FHA INFO announcements and SF NEWS.

On the left hand side of this webpage there is a link called “Supplemental Documents” that will provide a list of documents that supplement the Handbook 4000.1. On this webpage, there is a link to the Appraisal Report and Data Delivery Guide, which provides line-by-line instruction on how to complete the URAR for FHA.

Food for thought!

## Other Upcoming ATA Meetings

ATA will host regional meetings in the following locations:

March 10-11	El Paso, TX
April 1-2	South Padre Island
June 17-18	Houston Area

*ABC's to Support Your Appraisal* and the *2016-2017 7-Hour USPAP Course* will be offered in El Paso, South Padre and Houston.

*ABC's to Support Your Appraisal* explores the fundamental skills of developing a highest and best use, support for an opinion of site value, and a residential Sales Comparison Approach focusing on the evidence of support for adjustments. The text opens with the discussion of Uniform Standards of

Professional Appraisal Practice (USPAP) and the Principles behind the Sales Comparison Approach and the adjustments. This is a 4 hour course that spends the majority of its time in these key areas:

1. Recognizing those USPAP Rules and Standards that play a role in the Residential Appraisal
2. Understanding the methods and techniques for site valuation
3. Recognizing and making determinations regarding central tendencies in support the adjustment process
4. Understanding and applying weighted statistical analyses



5. How to identify and develop of Economic Life and Effective Age from market data

This course will be taught by Bobby Crisp, ATA-R and will be submitted to TALCB and TREC for 4 hours of ACE and MCE.

The ATA 11th Annual Meeting will be held in Austin, August 5-6. The Education for this meeting will be decided at the February Board of Directors Meeting. If you have any suggestions on course topics, please email us by January 15 at [info@txappraisers.org](mailto:info@txappraisers.org).

## TALCB Corner

### Upcoming TALCB Meetings:

The next TALCB meeting will be held on Feb. 19. TALCB welcomes all interested parties to be in attendance

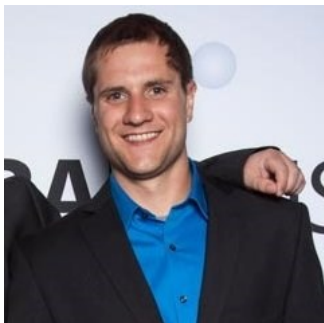
or to monitor the session live via the simulcast link on their website.

TALCB offices will be closed December 24, 25 and 31 and January 1.





# Appraiser Shortage—Zach Bodack



As thousands of appraisers are getting ready for retirement, many professionals within the mortgage

industry are beginning to wonder who's going to take their place. When comparing the number of upcoming retirees to those expected to join the appraiser workforce, there is no comparison, raising many red flags with all involved in the industry.

According to both National Mortgage News and Valuation Review, the Appraisal Institute has estimated that the number of residential appraisers in the U.S. has already declined by roughly 28% (23,000) since 2007. In addition, it has also been estimated that approximately 30% (61,000) of the certified and licensed residential appraisers in the country are no longer practicing – with another 20-30% contemplating retirement.

To help defuse this growing problem, the Appraisal Foundation has begun reaching out to anyone and everyone they can to try to bring more individuals into the world of appraising. They are hoping to sway these individuals with their new “Fast Facts for Future Appraisers” infographic, which is designed to be a helpful guide for those considering a career within the appraisal profession.

The infographic itself is divided into five subsections that are designed to grab the attention and interest of new or potential prospects, and provides explanations relating to the many job opportunities that await future appraisers.

The first subsection emphasizes the fact that appraisers can literally work across the country and are always in demand. The second subsection talks about the average salaries that appraisers can expect, as well as the numerous factors that lead to those figures – geography, experience, and specialization. The third subsection speaks of the diversity factor and points out that appraisers can value more than just properties and homes – using sports memorabilia, art, and antiques as further examples.

The fourth subsection speaks of the growing technological advancements that have been made within the appraisal industry over the last few years—such as mobile applications, advanced software, and electronic measurement apparatuses—to try to lure those with an interest in technology to the profession. To conclude the infographic, the fifth and final subsection highlights the amount of flexibility appraisers have with their schedules, which has promoted many entrepreneurial opportunities in the past.

The Appraisal Foundation is hopeful that its new infographic can help spur some much needed growth within the industry. However, with nearly 6 in 10 appraisers being more than 50 years old, and only 11% aged 35 or younger, time is slowly running out to correct this clear imbalance.

To view the new “Fast Facts for Future Appraisers” infographic, check out the Appraisal Foundation’s website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

*Zach Bodack is the Marketing Coordinator for Global DMS (the mortgage industry’s leading provider of commercial and residential real estate valuation solutions -- catering to lenders, AMCs, appraisers, and other real estate entities) and he is responsible for: lead management; maintaining the company’s social networking sites; writing blogs for the company website; maintaining and updating the website; producing mass-emails to send to both clients and prospects; creating news releases, whitepapers, brochures, and newsletters; coordinating pre-tradeshaw activities, such as company/employee registration and the ordering of all materials; and editing all marketing collateral.*

*Reprinted with permission from Global DMS ([www.globaldms.com](http://www.globaldms.com))*

## Sources:

Appraisal Foundation – [www.appraisalfoundation.org](http://www.appraisalfoundation.org)  
Valuation Review – [www.valuationreview.com](http://www.valuationreview.com)  
National Mortgage News – [www.nationalmortgagenews.com](http://www.nationalmortgagenews.com)



# Do Unto Others—Dustin Harris



It was actually the second time I had been to the property. The first was one week prior. The homeowner had met me at the door and informed me that she could not let

me in that day. There was not more explanation than that. Strange, but oh well.

My office set up another appointment and I was back, seven days later, at the same door. After I knocked, she opened the door, came outside, and promptly closed the door behind her. Now, it was just her and I on the front porch. Again, a little strange, but I have seen crazier things. “I can’t let you in,” she began, “until I warn you.”

Oh boy, here it comes, I thought.

“Do you know that show on TV about the hoarders?”

I nodded, apprehensively, that I did.

“Well, I have come to the devastating conclusion that that is me. I am one of those hoarders.”

I could tell she was embarrassed and just beside herself with what to do. On the one hand, she wanted the loan and that required allowing an appraiser to tour her home. On the other hand, she was terribly humiliated by having me there. I assured her that I had been doing this gig for 20 years and had seen it all. She had nothing to be worried about.

Honestly, nothing could have prepared me for what I saw on the inside. There were stacks of garbage in every room. There was a small pathway that led from the Lazy-Boy in the front room to the kitchen, back to the bathroom, and finally to a bed. There was so much junk in this house that it was impossible to get around well. There was cat feces littering the floor, moldy food on the countertops, and the smell was something indescribable.

The poor lady followed me around apologizing for everything I was seeing and experiencing. I kept reassuring her that it was okay, but the “I am sorry’s,” and “please forgive me’s” just kept coming. Finally, near the end of the inspection, I stopped what I was doing, turned to her, looked her in the eyes and said, “My dear, you do not need to apologize. Your home is your home. I am simply a real estate appraiser who is here doing my job. I make no judgement on you or your circumstances. I learned a very long time ago that I am in no place to judge another’s heart or situation. I do not know you. I don’t have any idea what experiences you have had, and frankly, it is none of my business. My business is to walk through your home, make some notes, take a few pictures, and be on my way. I do not and will not judge you.”

That is all it took. Her body relaxed. Her tone of voice changed, and we spoke no more of her home’s condition from there on. Instead, we had a pleasant conversation about her husband who had passed on a few years earlier. I

did not gain a new friend. I probably will never see her or interact with her again, but we had a new understanding.

It is easy, as appraisers, to get so involved in racing from one appointment to another to forget that we are not just professionals; we are human beings. Furthermore, we are intruding on people’s personal space. We are in their most private and intimate areas; their homes. It is already a difficult place for most people to be in. When we make that short time with them together memorable, it might just make someone else’s day.

*Dustin Harris is a successful, self-employed, residential real estate appraiser. He has been appraising for nearly two decades. He is the owner and President of Appraisal Precision and Consulting Group, Inc., and is a popular author, speaker and consultant. He also owns and operates The Appraiser Coach where he personally advises and mentors other appraisers helping them to also run successful appraisal companies and increase their net worth. His free podcast can be listened to on iTunes and Stitcher. He and his wife reside in Idaho with their four children. He has recently relapsed on his addiction to Swedish Fish.*



---

The opinions and statements expressed herein are those of the individual authors and do not necessarily reflect the viewpoints of the Association of Texas Appraisers or of its individual members.

# The Single Most Important Factor Appraisers Should Consider to Advance Their Careers—Mark Melikian



Long before I joined Summit Valuations as Chief Valuation Officer, I was a working

real estate appraiser. I got my start back in 1987 and have appraised property in just about every set of market conditions you can imagine. Like most appraisers still working today, I've watched property values rise and fall. I have also reviewed thousands of reports as part of my forensic review work for Fannie Mae and Freddie Mac.

What I've learned is that a good appraiser will deliver a sound market value if given room to work, enough time to perform the required research, and with some experience in the local market. The vast majority of appraisers I've come across have been solid professionals, hard-working men and women just trying to earn a decent living by doing complicated work.

I would like to tell you that there was some-

thing you could do on the job that would set you apart, really make you successful. But the truth is, our work is most valuable when we're able to cut through all the noise and just deliver a solid valuation. Nothing fancy. No frills, just good numbers that can be defended if need be.

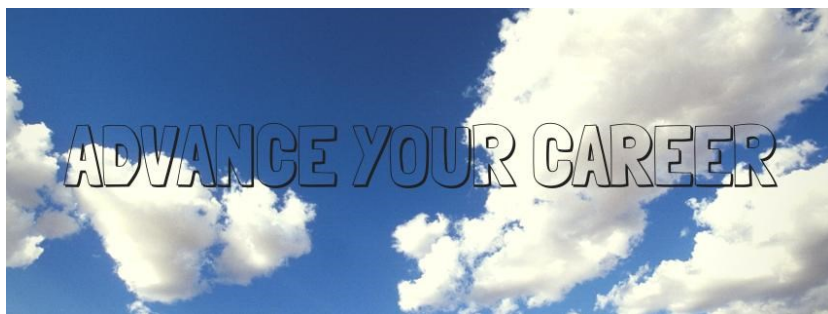
It's all of the stuff that's not part of the appraisal report that really sets a good appraiser above the rest. The very best valuation professionals I

have ever worked with were those that really understood the value of relationships.

## The relationship to the local market

One of the first things we look at when we evaluate a new appraiser for our panel is the professional's relationship to the local market. This is a local business and the people we're looking for have established themselves in a given community by focusing on the long term. This almost always means long-term relationships.

When vetting an appraiser I haven't worked with before, I like to reach out to real estate agents and especially brokers in the local market and find out who knows the person. Without good relationships with the brokers,



appraisers are far less likely to do a good job of valuing real estate consistently. Good appraisers know that these sales professionals are intimately aware of the value in certain neighborhoods. They are an invaluable source of information that good appraisers tap into on a regular basis. I consider any appraiser stronger who takes the time to build out these relationships.

## The relationships within the industry

Most appraisers working today have experience with appraisal management companies or other valuation providers. Whether you love them or hate them, these firms have established themselves and some good appraisers

have built solid relationships with them.

Knowing who an appraiser has worked with previously will tell you a little about the quality of that professional's work. Knowing how long they've worked with various companies in the industry will tell you even more.

Since 2005, I've been working on national valuation teams, going out into communities across the country to find the best valuation professionals. The best I've found take their inter-industry relationships seriously. They provide good, clear reports that are easy to defend. They provide enough information, on

a regular basis, to firmly establish themselves as the consummate professional for valuation in their community.

When I think about the appraisers I've known who fit this description, the words that come to my mind are "always provides a quality product." Sometimes, it can be as simple as



*(Continued on page 12)*



# Career Advancement (con't)

(Continued from page 11)

adding a single line to his or her comments, just a bit more explanation than someone else would have provided. They connect the dots.

I know they're not doing this to build a stronger relationship with my company and me. They're doing it because they know what it means to deliver a quality product. But every time they do it, they strengthen that relationship.

We need the property value to satisfy our clients. We want a relationship with a consummate professional and that's why we look to the appraisers we do.

*Mark Melikian serves as Chief Valuation Officer at Summit Valuations where he oversees the performance and training of the Quality Assurance team, product development, and is the*

*valuation expert representing Summit Valuations. Mr. Melikian's focus on team building in a collaborative and positive environment and his objective and comprehensive approach to valuation analysis have proven instrumental to his success. Mr. Melikian has been appraising real estate since 1987 and has been active in nationwide valuation services since 2005. He has successfully led teams of analysts, developed valuation services to meet client needs and represented buyers and sellers in secondary market loan tie out meetings. Much of his recent experience has focused on forensic reviews of REO properties for Fannie Mae and Freddie Mac. This work has given him a unique insight to risk factors, beyond value, that impact a property's likelihood of going into foreclosure. Mr. Melikian holds a B.S. in Business Administration from San Diego State University. About Summit Valuations Summit Valuations, LLC, Niles, Illinois, was*

*established in 2007 as a full service valuation company offering a single source for nationwide real estate valuations, including residential and commercial BPOs, inspections and full appraisals. The founders applied over 20 years of national real estate experience to build a company that has built its reputation based on higher standards and superior results. All reports can be delivered to our customers via email or downloaded from our secure website. The company's services are designed to offer faster turnaround times, thorough quality assurance, streamlined ordering and delivery processes, and accurate results. As one of the fastest growing property valuation companies in the country, Summit is dedicated to accuracy and unparalleled customer service.*

(Reprinted with permission from Appraisal Buzz ...[www.appraisalbuzz.com](http://www.appraisalbuzz.com))

## ATA Awards

Don't forget ATA's Regional Outstanding Service Awards. If you feel someone is deserving of one of the Awards, you can nominate them for an Outstanding Service Award. Here is a link for the guidelines and application form. <http://www.txappraisers.org/ATA%20Awards.pdf>. You can also self-nominate.

Also, if you'd like to nominate (or even self-nominate) for the Pospisil Scholarship, please click on this link for the guidelines, procedures and application. <http://www.txappraisers.org/Scholarship.pdf>. It only takes a couple of seconds to nominate someone.



**CHAMPIONS SCHOOL OF APPRAISAL®**

Appraisal | Real Estate | Loan Origination | Home Inspection

### Appraisal Continuing Education

**\$369**

Pick and choose from the list of courses that can be done in the classroom for continuing education credit. These courses can be taken in four consecutive days or can be taken individually to meet your continuing education requirements.

Prepay to Save \$88!

Day 1	National USPAP Update (7 hrs)	\$129
Day 2	Today's FHA and VA (7 hrs)	\$129
Day 3 - 4	Residential Market Analysis and Highest and Best Use (14 hrs)	\$199



28 hr Packages are also available online

**\$385**

Choose To Be A Champion!

**Call a Campus Nearest You and Enroll Today**

Dallas 972-867-4100  
Houston North 281-893-4484  
San Antonio 210-349-7600

**ChampionsSchool.com/AppraisalCE**

Open to the Public; TREC #0005

Lone Star College Tomball Provider #0123

# Association of Texas Appraisers - Meeting Registration Form

10th Mid Year Meeting—Feb. 19-20, 2016

New Braunfels, TX

Name: \_\_\_\_\_ Name for Badge: \_\_\_\_\_  
 Address: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
 \_\_\_\_\_ Phone: \_\_\_\_\_

## Early Bird Fee (Before Feb. 4/with and with out USPAP):

Member	\$125/195
Non-Member	\$250/320
Guest Lunch ( <b>not for attendees</b> )	\$20

## After Feb. 4/with and with out USPAP:

Member	\$145/205
Non-Member	\$270/340
Guest Lunch ( <b>not for attendees</b> )	\$20

Member TREC Legal I	\$30
Non-Member TREC Legal I	\$40

Total Due \$ \_\_\_\_\_

### **Mail Registration and Payment:**

**Association of Texas Appraisers**  
 13530 Escort Drive  
 San Antonio, TX 78233

### **Register and Pay On-line:**

[www.txappraisers.org](http://www.txappraisers.org) (Scroll down on the home page and select the appropriate meeting. Go to the bottom of the meeting page and it will take you to Pay Pal.)

**Registration form and payment must be received by Feb. 15. No refunds after Sept. Feb. 15.**

For more information, contact:  
**Teresa Walker** at (210) 837-7123  
[info@txappraisers.org](mailto:info@txappraisers.org)

## Schedule

### Friday, Feb. 19

8:00 a.m. - Noon	<i>TREC Legal I</i>
11:30 a.m.	Registration
12:30 p.m. - 1:00 p.m.	Welcome and ATA Update
1:00 p.m. - 5:00 p.m.	<i>Appraiser's Guide to Covering Your Appraisals</i>
5:00 p.m. - 6:30 p.m.	<i>Networking Reception</i>

### Saturday, Feb. 20

7:30 a.m.	Breakfast
8:00 a.m. - Noon:	<i>7 Hour National USPAP Update</i>
Noon - 1:00 p.m.	Lunch (included with your registration fee)
1:00 p.m. - 4:00 p.m.	<i>USPAP Update (con't)</i>

Don't forget to make your **Hotel Reservations.**

A block of rooms has been reserved for attendees at the Courtyard by Marriott River Village. Sleeping rooms are \$111 (plus tax) per night for single/double rooms. Reservations must be received by Friday, January 30, 2016. After this date, reservations will be accepted on a space and rate availability basis. Call (800) 321-2211 and mention code Association of Texas Appraisers to receive this discounted rate.

# 2016 USPAP Instructor Certification Course

The Instructor Certification Course (ICC) is a 2.5 day classroom course given by The Appraisal Foundation (Foundation) once every two years to certify individuals to teach the Uniform Standards of Professional Appraisal Practice (USPAP) courses. The intent of the course is to ensure that individuals teaching USPAP have in-depth knowledge and understanding of USPAP.

To become an Appraiser Qualifications Board (AQB) Certified USPAP Instructor you must complete the steps listed below:

(1) Apply online to the AQB Certified USPAP Instructor Program;

(2) Upon notification of the application's approval, register for the ICC;  
(3) Attend the entire ICC and successfully complete the examination;  
(4) After attending the entire ICC and passing the examination, complete and sign a USPAP Instructor Performance and a Confidentiality Agreement and submit these documents to Foundation staff.

For more information on the program, log on to [www.appraisalfoundation.org](http://www.appraisalfoundation.org) and click on the Standards & Qualifications, USPAP Instructor Program, How to Become an Instructor. Be sure to review the Frequently Asked Questions regarding the program and the

specific requirements needed before applying.

If you qualify and are interested in taking this course in 2016, contact Mavis Kleso at the Appraisal Foundation ([mavis@appraisalfoundation.org](mailto:mavis@appraisalfoundation.org).)



*From ATA Board of Directors and Staff*

## ATA 2015-2016 Board of Directors

Dennis Crawford, ATA-R, President  
Curt Myrick, ATA-R, Vice-President  
Stacey Cartwright ATA-R, Secretary  
Bobby Shafer, ATA-R, Treasurer  
Luis De La Garza, Director  
AnnA DeMoss, ATA-R, Director

Diana Jacob, ATA-G, Director  
Wade Jordan, ATA-R, Director  
Rick Neighbors, ATA-R, Director  
Bobby Crisp, ATA-R, Past-President &  
Chairman of the Board

Teresa Walker, Executive Director