



Connections

Official Publication of the
Association of Texas Appraisers, Inc.

www.txappraisers.org

Mission Statement of the Association of Texas Appraisers

The Association of Texas Appraisers was organized to provide opportunities for continuing education and professional association for real estate appraisers and other interested parties within the State of Texas; to establish and maintain minimum requirements for membership; to confer membership designations to properly qualified appraisers; and to provide and maintain an organization that serves the needs of its members.

From the Desk of the President

Time passes quickly. It affects all of us. We tend to be fickle about it. One day we can't wait for something to get here or arrive and the next, we cannot understand how fast time has flown. I have to admit that I am no different. This past year has gone fast. I like to look back and see what has transpired during a certain time period, hoping I accomplished a few things that will make me feel better about how quickly the time has passed. As I look back over the past year, I see how ATA has grown and is moving in a positive direction for its members. We have expanded educational classes for continuing education to the Ft Worth/Dallas area, joined with the McAllen group in south Texas and have expanded the Houston meeting to a two day session. We have had a greater presence and input with TALCB and their work for improving appraising in Texas. We added booths at our New Braunfels meeting for our members to learn more about support services available to appraisers to help them get advice, support for fee collection, becoming more involved and informed with state legislation and more. We will be sending an ATA representative to Washington D.C. to further our application with TAFAC for professional growth, connection, involvement and more. It does seem as though the year has gone by quickly, but I am reminded of what has been accomplished during this time.



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I am proud to be a member of ATA. I have been blessed to have been on the board since ATA started. I have been able to see the hard work and dedication of some of the finest professionals in the appraisal business lead, teach, plan, share and more. I have made new friendships and am sorry to have lost some fine professionals over these past few years. I can only begin to thank all of those who have laid the ground work to get ATA where it is today, and will be cheering for those who will be helping to take ATA to it's next level and beyond. I will be going off this year as president and as a board member and encourage all members to continue their efforts to stay involved and to serve in any capacity they can to strengthen ATA and themselves as professionals. We would not be where we are today as an association without people like Gale Pospisil, all the former board members and directors. Thanks to all of

2011-2012 Board of Directors

Mike Braught, President, ATA-R	Frank Baker, ATA-R
Rick Neighbors, ATA-R, Vice President	Ken Becker, Director
Donna Green-Harris, ATA-G, Secretary	Dennis Crawford, ATA-R, Director
Arturo Palacios, Treasurer	Bobby Crisp, ATA-R, Director
	Candy Cooke, ATA-G, Past President

I want to thank Teresa Walker, Executive Director, for her hours of work and dedication this past year. I can only begin to thank all the current board members for their hard work, time, dedication, commitment, support and leadership they have provided this year for ATA and myself. Thanks to all the members for allowing me to serve you this past year. We are growing and changing, and I know with the quality of people we have in ATA, we will continue to grow stronger and change for the better in the years to come.

Mike



ATA Annual Meeting—August 3-4, Austin Ft. Worth—October 5-6

ATA's 7th Annual Meeting and Educational conference will be held at the Holiday Inn Town Lake in Austin.

This year's Conference will begin at 12:30 p.m. on Friday, August 3 with the "A Word from TALCB" presented by Doug Oldmixon, TALCB Commissioner. The remainder of the afternoon will be Governmental Affairs Perspectives, No. 053 (3 hours), which addresses governmental affairs from varying perspectives. The following individuals have been invited to speak:

- Marya Crigler, Chief Appraiser, Travis County Appraisal District
- Troy Beaulieu, Managing Attorney, TALCB
- Jim Park, Executive Director, Appraisal Subcommittee

At 4:15 p.m., we will hold the General Membership Meeting and election of three new directors (see Nominating Committee report on page 3). The Board of Directors will hold their regular meeting at 5:15 p.m., at which time they will elect new officers, approve the 2012-2013 budget and discuss other items of concern. We will have an informal reception following the general membership meeting.

We will have two concurrent sessions on Saturday. We will be offering *Attacking and Defending an Appraisal in Litigation, Part 1, No. 150* (8 hours) with Ted Whitmer and *Write it Right, No. 148* with Diana Jacob.

The Holiday Inn Town Lake, which overlooks Lady Bird Lake, is the perfect place to stay for leisure travelers looking for outdoor activities. Rent a Segway, kayak or bike in the lobby. You can go fishing, hike or bike along the lake, visit Zilker Park or tour the State Capitol or Lyndon Johnson Presidential Library. You can also take the complimentary shuttle to the world-famous Sixth Street/Warehouse Entertainment Districts.



The hotel offers complimentary Wi-Fi access and parking. You can relax by the outdoor, rooftop pool with a cool drink or watch the latest hit in their private movie theater. You can burn calories in the Fitness Center and savor a delicious meal in the full-service Pecan Tree Restaurant.

For reservations, call (888) 615-0509 and reference the Association of Texas Appraisers to receive our discounted rate of \$99 single/double room rate. **The cut-off date for room reservations is Tuesday, July 14.**

Don't miss the education, the fun, or the networking. Turn to page 13 of this newsletter for the Meeting Registration Form to register..

ATA Nominating Committee Report

The ATA Nominating Committee (which is comprised of Past-President President Candy Cooke, ATA-G, President Mike Braught, ATA-R and Vice-President Rick Neighbors, ATA-G) has finalized their work and are pleased to announce that the following individuals have been nominated to run for election to the ATA Board of Directors at the business meeting to be held on August 3th in Austin:

- **Mava Jalufka**—07072
- **Kevin McWatters**—06027
- **David McInturf**—09139
- **Mike Plumlee**—10148



There will be three director positions to fill during the election as the terms of Ken Becker, Mike Braught, ATA-R and Candy Cooke, ATA-G will be expiring. Of course, nominations can also be made from the floor during the meeting. However, if you wish to nominate someone at that time, please be sure to check with that person to be sure they are willing to be nominated. Thank you to all of the above members who have agreed to serve if elected and good luck during the elections!

Welcome New Members

The president and members of the Board of Directors would like to welcome our newest members: **Jonnie Barnett**, Caldwell; **Valeriano Cadena**, Del Rio; **Ann Carter**, Kingwood; **Eric Cotton**, Tomball; **Kay Crotts**, Richmond; **Michael Eddleton**, Briarcliff; **Chris Evans**, Arcola; **Sam Ferreri**, Houston; **Pamela Green**, Weatherford; **Robert Henderson**, Houston; **David Holle**, Friendswood; **Bryan Lantzy**, Garden Ridge; **Carol Lea**, Weatherford; **Lonald Leitzman**, Ft. Worth; **Sarah McDowell**, San Antonio; **John David McKinney**, Midland; **Gary Miller**, Houston; **Carolyn Moody**, Winnsboro; **Christopher Rieve**, Beaumont; **Danny Ryan**, Henderson; **Israel Saenz, Jr.**, Pearland; **Mark Sargent**, Katy; **Deborah Shoemaker**, League City; **Wren Tuttle**, Victoria; **Victor Vaughan**, McKinney; **Wayne Walker**, Abilene and **Roy Weber**, Houston.



Welcome Back: **Mario Garza**, McAllen and **Rick Taylor**, Conroe.

Designation Information

Congratulations to the following members who were recently awarded designations: **Andy Arledge**, ATA-R; **Wendell Duncan**, ATA-R, **Clay Kistler**, ATA-G, and **Frank Roberts**, ATA-R.

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

Don't forget...ATA Bylaws, Article III, *Section 2 - Maintenance of Designation*: In order to maintain a designation, a designated member must attend at least one association meeting per year. Any request for waiver of this requirement due to extenuating circumstances must be submitted in writing to the board for approval.

If you did not attend the February 2012 meeting in New Braunfels or June 2012 meeting in Houston, you must attend this conference in Austin to maintain your designation.

Ft. Worth Meeting

The next Ft. Worth meeting is scheduled for October 5-6 at the Holiday Inn DFW Airport South, 14320 Centre Station, Ft. Worth. We will offer two 8-hour ACE courses, *Staying Out of Trouble-What Every Appraiser Needs to Know, No. 149* on Friday and *Write it Right, No. 148* on Saturday.

To register, use the Registration Form on page 14. If you have any questions, please contact Teresa Walker at (210) 837-7123.

New AQB Criteria

Change is in the Air for Texas Appraisers—Diana T. Jacob and Arturo Palacios

The most recent changes to the Texas Occupations Code, Title 7. Practices and Professions Related to Real Property and Housing were revised and in effect on September 1, 2011 and March 1, 2012. These changes affect the Texas Real Estate Appraisers and their relationship with Appraisal Management Companies, (AMC). Appraisal Management Companies fall under Chapter 1104. There are some interesting impacting regulations that flow from this chapter.



Diana Jacob

Myth – After July 1, 2012, any error found in an appraisal report by an AMC must be automatically turned into the Texas Appraisal Licensing & Certification Board (TALCB), as a complaint against the appraiser. The myth is dispelled by the definition of an appraisal review. The definition of an appraisal review means “the act or process of developing and communicating an opinion about the quality of another appraiser’s work that was performed as part of an appraisal assignment. The term does not include an examination of an appraisal for grammatical, typographical, mathematical, or other similar administrative errors that do not involve the appraiser’s professional judgment, including compliance with the elements of the client’s statement of work.” As per the Interagency Appraisal and Evaluations Guidelines Section XVIII Referrals, “effective April 1, 2011, an institution MUST file a complaint with the appropriate state appraiser certifying and licensing agency under certain circumstances”. Please see 12 CFR 226.42(g).



Arturo Palacios

This is vitally important, as there have been grave misunderstandings as to how a typical administrative review by an AMC for quality control may lead the AMC to no alternative, but to forward the complaint to the TALCB. Clearly, from this definition, that simply ***is not*** true. A professional AMC should be administratively reviewing for these types of mistakes and sending them back to the appraiser to correct, as they are the manager of the lender.

Look at the Lender Responsibility section of the Fannie Mae Selling Guide: B4-1.1-01, General Information on Appraisal Requirements (07/26/2011) Introduction:

Lender Responsibilities

The lender is responsible for:

the accuracy and completeness of the appraisal and its assessment of the marketability of the property;
selecting the appraiser;
underwriting the completed appraisal report to determine whether the subject property presents adequate collateral for the mortgage;
continually evaluating the quality of the appraiser’s work through normal underwriting review of all appraisal reports and spot-check field review of appraisals as part of its quality control system;
ensuring that the appraiser uses sound reasoning and provides evidence to support the methodology used for developing the value opinion, particularly in cases that are not covered by Fannie Mae guidelines;
ensuring that the appraiser provides an accurate opinion, an adequately supported value, and an accurate description of the property;
ensuring that the appraiser provides his or her license or certification number on the individual appraisal report forms; and
complying with the Appraiser Independence Requirements.

Lenders must take appropriate action to ensure that appraisers do not engage in unacceptable appraisal practices. Now think about the role of the AMC - Are they not in essence performing or are expected to perform some of these lender responsibilities? As per Sec. 1104.003, Definitions. (b) (1) “Appraisal Management Company”, means, in connection with valuing properties collateralizing mortgage loans or mortgages incorporated in a securitization, an external third party authorized either by a creditor of a consumer credit transaction secured by a consumer’s principal dwelling or by an underwriter of or other principal in the secondary mortgage markets that directly or indirectly performs appraisal management services.

Therefore, Appraisal Management Companies are directly and/or indirectly performing appraisal management services. As per Sec. 1104.003, Definitions. (b) (2) “Appraisal Management Service” means to directly or indirectly perform any of the following acts: (E) (iii) conducting quality control of a completed appraisal before delivery of the appraisal to the person who ordered the appraisal. AMC’s are to conduct “quality control of a completed appraisal”.

When I read these obligations and I read the TX AMC Regulations, it seems logical to me that a professional AMC would ask the appraiser to make revisions or to expand their detail of communication-why, because they're acting as the management agent for the lender. AMC's are to conduct "quality control of a completed appraisal".

Here is another interesting tidbit of the TX AMC regulations – Section 1104.004 EXEMPTIONS item (1) (b)... *"An appraisal management company may not require an employee of the appraisal management company who is an appraiser to sign an appraisal that is completed by another appraiser who contracts with the appraisal management company in order to avoid the requirements of this chapter.... This is proactive in the expectation that someone may "willfully and knowingly" try to work around the rules and if they do it in Texas-they will be subject to the legal consequences associated with identify theft.* Can we all say THANK YOU for this forethought?



Love, love, LOVE the compensation requirement of the TX AMC regulation-on Compensation of Appraisers. **"(a) An appraisal management company shall:** (1) except in cases of breach of contract or substandard performance of services **pay an appraiser** for the completion of an appraisal or valuation assignment **not later than the 60th day** after the date of the appraiser provides the completed appraisal or valuation assignment to the company or its assignee (2) compensate appraisers at a rate that is reasonable and customary for appraisals being performed in the market area of the property being appraised consistent with the presumptions under Federal law. (b) **An appraiser who is aggrieved under this section may file a complaint with the board against the appraisal management company** if the matter remains unresolved after the appraiser completes the company's dispute resolution process under Section 1104.162." The ***AMC cannot prohibit the appraiser from stating the fee that was paid by the company in the appraisal report.***

Now here is the interesting and controversial part of the regulation Section 1104.155 Professional Standards. "An appraisal management company registered under this chapter shall on a periodic basis perform an appraisal review of the work of appraisers performing appraisal services for the company to ensure that the services comply with: (1) the edition of the Uniform Standards of Professional Appraisal Practice in effect at the time of the appraisal; or (2) other standards prescribed by board rule." ***Here's the schedule according to §159.155 Periodic Review of Appraisals (adopted 03/05/2012)*** (a) A registrant shall review the work of appraisers performing appraisal services by performing a review in accordance with Standard 3 of USPAP of:
one of the first five appraisals performed for the registrant by each appraiser; and
(a) A total of five percent, randomly selected, of the appraisals performed for the AMC per twelve-month period.
(b) Appraisals performed pursuant to subsection (a) (1) shall be counted toward the calculation of five percent for the purposes of subsection (a) (2).
(c) A review pursuant to subsection (a)(1) is not required if the first five appraisals by an appraiser were completed before the AMC was required by Chapter 1104, Texas Occupations Code, to be registered with the Board.
(d) In addition to satisfying the requirements of §1104.153 of the Act, the review appraiser must have access to appropriate data sources for the appraisal being reviewed.
(e) A certified residential appraiser may perform a review of a residential real estate appraisal completed by a certified general appraiser if the review appraiser is otherwise permitted by the Texas Appraiser Licensing and Certification Act to perform the assignment.

So what does this mean for the appraiser who works for the AMC? In order to perform some of these review requirements there will be a cost involved for many of the AMCs, as they will need to hire competent reviewers to perform the reviews and that includes those who have the appropriate data sources. For example-you are not going to review appraisals in San Angelo unless you have access to the San Angelo MLS and that is not going to happen with anyone who does not belong to the San Angelo MLS. Their proprietorship is very solid in the San Angelo areas-they do not share data-so don't ask. However, you can certainly hire a local

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.

appraiser to do that type of review. Even though the Board has not explained what a review includes you can read the intent is to be thorough given the expectation of the person reviewing to have access to appropriate data sources. The 5% means for every 20 reports that come in over the 12 month period (assumed to begin from their license date) one must be reviewed regardless of the location. That means some type of tallying will have to be maintained to ensure that when the magic number comes up, the call for a review of that assignment will automatically have to occur at the time that assignment is turned in. Nevertheless, notice what they did not say. At their last meeting, the Board did discuss the need for clarity on these types of issues and they are intending on adding additional rules of clarity for the reasons noted.

For example; the current rules fail to say to whom the review should be sent. Who is the client? Is the client the TALCB? Probably not; the client will be the AMC and the intended use will be for compliance with the TX AMC Law. However, it does raise the issue of "other intended user" which may need to be defined within the review. Does the appraiser get a copy of their review? If the appraiser gets a copy of the review is there a rebuttal process? Does the AMC just keep the review and a log to show how they complied with the process? These are the unanswered questions that are being worked on as of this writing. The law does offer in §159.162 directions on Dispute Resolution. This section precedes §159.201 Guidelines for Revocation, Suspension, or Denial of a Registration.

In the Dispute Resolution, it gives process directions for appraisers who have been turned in by the AMC that involves a possible review by an external "third party"; or (2) internal review by a person whose position within the company is above the level of the person responsible for the decision or action under review.

In the Guidelines for Revocation, Suspension, or Denial of a Registration it states in item (6) that failure to comply with the USPAP in effect at the time of the appraisal or appraisal practice is reason for the Board to suspend or revoke an AMC registration. It is this one section above all others that grieve many AMC owners who try to make the world a better place for the appraiser. The requirement to turn in appraisers is yet another arrow in the quiver of "Archers Against Appraisers". It is also why some will decide to close their doors rather than be put in positions of "turning in" their fellow appraisers. But in the end consider what has to happen before the appraiser would be turned in. It begins with a discovery of a non-adherence to USPAP, a notice to the appraiser for the opportunity to remedy the error and, then an unwillingness of the appraiser to make the correction. I have to ask the question-is that such a wrong idea?

ATA Seeks Membership in TAFAC



At the ATA meeting in February the general membership in attendance voted to seek membership in The Appraisal Foundation Advisory Council (TAFAC). On May 2, 2012 Mr. Berntsen, sent the following email to Diana T. Jacob, representative for ATA. "I am writing to you on behalf of TAFAC (The Appraisal Foundation Advisory Council). Your organization has a membership application pending with us and we would like to interview a representative from your group prior to our next meeting.

The next TAFAC meeting is scheduled for June 8, 2012. All committee meetings take place the day prior to the general membership committee. Motions adopted at each of the committee meetings is brought before the general membership the next day for approval.

I would like to invite you or a representative from your group to attend the membership committee meeting which will take place at 1:00 p.m." The response was sent immediately

"Mr. Berntsen,

It will be an honor to attend your committee meeting for this interview on June 7, 2012 at 1:00 p.m. at the Madison Hotel prior to the June 8, 2012 TAFAC Meeting. If I can provide you with any information prior to the interview please let me know. This is a very exciting time for our organization. We are in hopes that you and the other committee members can find the benefit of our membership as we seek to serve the mission, purpose and goals of TAFAC."

The primary purpose of TAFAC can be found in the Operating Procedures Introduction:

- To provide appropriate guidance in the formulation of recommendations and/or comments to the Board of Trustees (BOT), the Appraisal Standards Board (ASB), and the Appraiser Qualifications Board (AQB) collectively known as Boards.
- To foster the development of quality appraisal standards and appraiser qualifications by having clearly communicated procedures
- To increase the credibility and stature of the work products of the BOT, ASB, and AQB by ensuring they are developed and promulgated with visible and documented procedures.
- To foster and to enhance the appraisal profession generally.

I'm excited for ATA as this next step is taken to further the growth and the recognition of ATA as a strong credible professional appraisal organization. Being able to participate in TAFAC gives a voice, our voice in the pursuit of TAFAC goals. I don't know of another state appraisal organization that is as large in number or more proactive in keeping their members current in the mainstream of matters impacting the appraisal profession as ATA. If our interview proves successful I will look forward to hearing your input as I worked hard at serving on whatever committees we are assigned.



A big thank you to Appraisal World for exhibiting on Friday, June 1st at the Houston Meeting.



**Interactive Valuation Modeling, No. 226 (a CVR training Class)
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June 7-8**

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When Relying on Your Own Abilities Would Violate USPAP

Dustin Harris

It was one of *those* houses. You know, the kind where you utter a few choice words under your breath when you first pull up. I knew there was a good chance of it because I knew the neighborhood, but it was a recently finished construction, and no preliminary data was available. Though I had asked the client for a fee increase before I got there, I immediately knew it was not going to be enough when I saw this Mc-mansion.



Dustin Harris

I met the caretaker at the door and then began my measuring of the outside. It became immediately apparent, and I am not shy to admit it... I was way over my head! This place had so many odd angles (and several of them would need to be measured from the inside of the house due to the new landscaping) that I just knew I would get it wrong. We are not talking 90°, 45°, or even 30° angles. They were more like 19°, 62°, and even 38.62° angles! The master of the house was some fancy-pants engineering firm owner back East, and this was his idea of a tribute to the world of architecture.

After measuring about 3 sides, and sinking deeper into despair, I returned to the front door. “Do you happen to know if there are plans and specs on this place that I might be able to obtain?” I asked. I admitted my dilemma, and he chuckled a bit.

“Yeah, it ain’t exactly an easy one to measure,” he retorted. “Of course we have plans! In fact, give me your business card, and I will email you the .pdf.” Ahhh, sweet relief! I completed the rest of the inspection with full confidence that my life just got a lot easier. While at the property, I did measure the majority of the walls (most of them from the inside) so that I could verify the lengths against the plans which were on their way to my inbox but knew I would be better to trust the angles rather than my own ability (or inability as the case was) to accurately measure them.

Back at the office, the plans had arrived, and I went to work. The lengths I had measured matched up, and the plans looked strikingly like the house I had just been to. I felt confident that they were correct, but took one additional step... I called the architect to confirm that the house had been built to the specs which were on my monitor and to verify the GLA. Everything checked out. The plans were placed in the report, and the following statement was written (in bold) in my scope of work section: **“Though I personally measured the subject upon inspection, the angles encountered and difficulty in reaching certain areas from the exterior caused my own measurements to be unreliable. Instead, I have included the architectural drawings which show all lengths, angles, and room placements. I have verified the lengths of the major walls, confirmed the accuracy of the plans with the architect, and I am making an extraordinary assumption that the sketch included in this report reflects the final build.”** Pretty good, eh? I thought all that up myself!

Three days later, the revision request from the AMC was as follows: *The sketch provided does not meet the standards required by the client. Appraiser to provide a personal sketch of the subject with all exterior walls and internal room placement...* Blah. Blah. Blah. Where do these underwriters come from?



So, what do you do when complying with the ‘requirements’ from the AMC would cause you to do something you are uncomfortable with? Have courage, my son, and stand your ground! It is in these situations that you must remember who the appraiser is and ultimately whose license/reputation is on the line. There are many requests that come from our clients which may be a pain in the butt, but are not a violation of USPAP. In those cases, it may be best to comply, take note, and then decide if you really want to work for that company in the future. In this case, however, my response was as follows: **“The client has requested that a personal sketch be included with the report rather than the architectural drawings. However, and as stated above, the subject has a series of**

unusual angles and unreachable areas which would need to be measured from the interior. Though I verified the major walls through individual measurement, a personal sketch would be considered inaccurate and inferior to the sketch which is already provided. As USPAP requires an appraisal report to not be misleading, I am deferring to the blueprints provided in lieu of a requested personal sketch which would be far less reliable.”

Naturally, it took a few more back-and-forths before they were convinced, but they received a better product for it in the end. Sometimes standing up to the hand that feeds us can be intimidating and scary. What if they know more about this than I do? What if they decide to yank this order and assign it to someone who *will* do what they want? What if they never hire me to do another appraisal again? What if... What if... What if... The fact is, the ‘what ifs’ do not matter in the end. What ultimately matters is that you do what is right and document your reasonings. In the end, you will be a better appraiser and highly respected for it.

Now, go create some value!

A Word From Ramir Rodriguez – Treasure Valley Factors

Collecting What’s Owed To You

On April 27, 2011, H.B. No. 1146 also known as “AMC Bill” was passed in the state of Texas. This bill requires the registration and regulation of appraisal management companies doing business in Texas.



Ramir Rodriguez
Treasure Valley Factors

Some highlights of the bill include appraisal review, competency of appraisers, removal of appraiser from appraisal panel, and statement of fees. Though all are important, one particular highlight of interest is outlined under Sec. 1104.157 titled “Compensation of Appraisers.”

Compensation of Appraisers... Revisited

This section of H.B. No. 1146 reads that appraisal management companies shall:

“Except in cases of breach of contract or substandard performance of services, pay an appraiser for the completion of an appraisal or valuation assignment not later than the 60th day after the date the appraiser provides the completed appraisal or valuation to the company or its assignee;”

As long you provide a completed appraisal report to an AMC, they are required to pay you within 60 days of submission.

Financially speaking, this is a significant win for appraisers in Texas. Of course it is best if your clients paid you within *your* terms, but this gives you reason to expect payment within a certain time frame. We’re all familiar with this section of the bill right? If not, you should be.

If payment is not made after the allotted time, there are steps you can do to recover your funds owed to you. Section 1104.162 under “Dispute Resolution” states:

“An appraisal management company shall make a dispute resolution process available to review a written request by an appraiser who... is not paid as required by Section 1104.157...”

And if you still have not received payment from an AMC after the dispute resolution process you may...

“... file a complaint with the board against the appraisal management company if the matter remains unresolved... and... the board may reprimand an appraisal management company or conditionally or unconditionally suspend or revoke any registration...”

Furthermore, if an AMC continues to avoid payment it may be given an administrative penalty of up to \$10,000 for each violation.

Improving Collections of Accounts Receivable

There will (or should) be more sense of urgency for AMCs to pay appraisers for reports completed. But you must continue to stay on top of your receivables. Remember, AMCs have 60 days to pay you. Regardless of their financial status, they can withhold payment as long as they can. Your financial obligations, however, cannot wait 60 days to be paid.

Here are three ways you can improve your collections:

Clear understanding of terms of payment – Every invoice that you submit to your client should clearly indicate *how* and *when* your clients need to pay. It does not have to be in big bold letters in the middle of the invoice but should be very visible. Consider having this clause next to the amount owed.

If there are penalties for late payments present that on the invoice also. We all do not want to pay for more than we agreed to right? Your clients may be more inclined to send payments on time if they understand the consequences of paying late.

Organize yourself! – You have to be organized. Having effective organization of your accounts receivable gives you the ability to better track your unpaid invoices and therefore preventing any potential non-payments.

Call your customer – It is a good idea to contact your client about a week or so after you send them an invoice. The purpose of this call is NOT to pressure your clients for payment rather it's to make contact with the person that pays the bills (whether it's the owner or someone from accounts payable). Calling to confirm if they received the invoice or asking them if they have any questions can help you build a relationship with your clients – especially the person that sends payments.



Factoring As An Option

Factoring is a great option for your appraisal business if you have clients (AMCs, banks, etc.) that cannot meet your terms. As your business grows or if you're having a slow month, factoring can help your appraisal business receive funds owed to you in a shorter amount of time - typically within a business day or two. It's cost effective and once the invoice you submitted is approved the risk of collecting is transferred to the factor.

For more questions about factoring, please email me at rrodriguez@treasurevalleyfactors.com or visit our blog [Factoring Helps](#) or our website www.treasurevalleyfactors.com

On-Line Education Reminder

Don't forget ATA has signed an agreement with McKissock to offer on-line education via their referral program. For a list of courses and (industries), [click here](#) or go to www.txappraisers.org and click on the McKissock logo.



"If you want to be happy, set a goal that commands your thoughts, liberates your energy, and inspires your hopes." In other words—keep your dream alive and it will keep you alive.

Andrew Carnegie

ATA Proposed 2012-2013 Fiscal Year Budget (Sept. 1, 2012 - Aug. 31, 2013) (YTD as of June 5, 2012)

	Budget 09-10	Actual 09-10	Budget 10-11	Actual 10-11	Budget 11-12	YTD 11-12	Proposed 12-13
Income							
Designation Fees	100.00	75.00	100.00	575.00	300.00	235.00	300.00
Interest	0.00	103.43	150.00	65.98	100.00		100.00
Meeting Fees		13,590.00	13,500.00	25,245.00	25,000.00	28,508.00	33,000.00
Membership Dues	10,000.00	11,675.00	12,000.00	18,695.00	20,000.00	16,460.00	21,000.00
Misc. (Exh/Spon)	0.00	0.00	500.00	0.00	500.00	950.00	1,500.00
Misc. (Item Sales)		0.00	0.00	378.00	500.00	257.42	500.00
Pins, Membership	10.00	0.00	10.00	5.00	10.00	15.00	25.00
Total Income	10,110.00	25,443.43	26,010.00	44,963.98	46,410.00	46,425.42	56,425.00
Expense							
Bank Fees	15.00	0.00	50.00	14.00	50.00	5.00	50.00
BoD Expenses	1,000.00	735.00	1,000.00	1,000.00	2,000.00	350.00	2,000.00
Equipment	500.00	393.98	500.00	579.99	500.00	138.88	500.00
Executive Director	4,800.00	5,300.00	6,000.00	6,000.00	8,400.00	8,200.00	12,000.00
Incorporation Costs	0.00	5.00	0.00	0.00	0.00	0.00	0.00
Meeting Expenses*	1,000.00						
Door Prizes		347.48	300.00	320.00	500.00	300.00	500.00
Meeting Materials		1,975.00	300.00	2,284.74	3,000.00	8,108.50	4,000.00
Rooms & Meals		6,490.32	7,000.00	16,190.66	11,000.00	8,557.14	15,000.00
Speakers		6,975.00	7,000.00	8,220.76	9,000.00	10,765.36	9,000.00
Supplies		28.89	0.00	292.70	100.00	19.79	200.00
Postage**			0.00	1,239.53	1,200.00	256.83	500.00
Printing**			0.00	901.12	1,500.00	686.70	1,000.00
Mtg. Exp. - Other		75.00	500.00	74.78	250.00	1,250.00	1,500.00
Total Meeting Ex-	1,000.00	15,891.69	15,100.00	29,524.29	26,550.00	29,944.32	31,700.00
Accounting Ex-					1,000.00	0.00	1,000.00
Membership Recruitment			400.00	442.41	1,500.00	402.75	1,000.00
Miscellaneous	100.00	230.00	100.00	559.95	100.00	275.00	100.00
Other Assn. Mtgs.					3,500.00		2,000.00
TAFAC						636.70	3,000.00
Pay Pal	390.00	234.55	400.00	668.31	800.00	858.47	1,200.00
Postage	30.00	42.47	200.00	229.96	500.00	162.83	400.00
Scholarship					200.00		200.00
Supplies	100.00	106.83	100.00	274.89	200.00	196.60	200.00
Telephone					750.00	199.66	250.00
Uncategorized Expenses***				1,371.94		949.50	
Website/Database	300.00	427.37	1,325.00	1,420.00	300.00	204.24	300.00
Total Expense	8,235.00	23,366.89	25,175.00	42,085.74	46,350.00	42,523.95	55,900.00
Net Income	1,875.00	2,076.54	835.00	2,878.24	60.00	3,901.47	525.00

*Meeting figures previously budgeted as a loss under expenses. 2010-2011 budget will list income and ex-

**Expenses to Market Houston Meeting (Postage is USPS postage and mailing house

***Fees for RGV Appraisers Conference and ARRO Meeting (2010-11) and Membership Pins for 2011-12

Houston Meeting, June 1-2, 2012



Association of Texas Appraisers - Meeting Registration Form

Annual Membership Meeting and Education Conference

Holiday Inn Town Lake, Austin, TX

August 3-4, 2012

Name: _____ Name for Badge: _____
Address: _____ E-Mail: _____
_____ Phone: _____

Member	\$85
Non-Member	\$170
*Guest Lunch	\$20
Total Due	\$ _____

Mail Registration and Payment to:
Association of Texas Appraisers
13530 Escort Drive
San Antonio, TX 78233

I will attend:

_____ *Write it Right, No 148*
_____ *Attacking and Defending an Appraisal in Litigation,
Part 1, No. 150*

Or Register and Pay on-line at:

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.)

*Saturday Lunch is included in your registration fee. Only add \$20 if you are bringing a guest.

Registration form and payment must be received by July 30. No refunds after July 30.

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

Schedule

Friday:

11:30 a.m. Registration
12:30 to 1:00 p.m. *A word from TALCB—Doug Oldmixon*
12:30 to 4:00 p.m. Spouse Gathering
1:00 to 4:00 p.m. *Governmental Affairs Perspectives, No. 053*

Saturday:

7:30 a.m. Breakfast
8:00 a.m. to 5:00 p.m. *Write it Right, No 148—Diana Jacob*
8:00 a.m. to 5:00 p.m. *Attacking and Defending an Appraisal in Litigation, Part 1,
No. 150 —Ted Whitmer*



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

A block of rooms has been reserved for ATA members at the [Holiday Inn Town Lake](#), 20 N. IH 35, Austin, TX. Sleeping rooms are \$99 (plus tax) per night for single/double. Reservations must be received by **July 17, 2012.** After this date, reservations will be accepted on a space and rate availability basis. Call (888) 615-0509 and mention code Association of Texas Appraisers to receive this discounted rate.

Association of Texas Appraisers - Meeting Registration Form

Ft. Worth Meeting
October 5-6, 2012
Holiday Inn DFW Airport South

Name: _____ Name for Badge: _____
Address: _____ E-Mail: _____
_____ Phone: _____

_____ Staying out of Trouble (Member)	\$100
_____ Staying out of Trouble (Non-Member)	\$185
_____ Write It Right (Member)	\$85
_____ Write It Right (Non-Member)	\$170

Total Due \$ _____

For more information, contact:
Teresa Walker (210) 837-7123
(info@txappraisers.org)

October 5: *Staying Out of Trouble-What Every Appraiser Needs to Know, No. 149*

Times: Class: 8:00 a.m. - 5:00 p.m.
Lunch: Noon to 1:00 p.m.

October 6: *Write it Right, No. 148*

Times: Class: 8:00 a.m. - 5:00 p.m.
Lunch: Noon to 1:00 p.m. (included with your registration fee)

Mail Registration and Payment to:

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

Or Register and Pay on-line at:

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 July 30. No refunds after July 30.

For more information, contact:
Teresa Walker (210) 837-7123
(info@txappraisers.org)

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

A block of rooms have been reserved for ATA attendees at the Holiday Inn DFW Airport South, 14320 Centre Station, Ft. Worth, TX. Sleeping rooms are \$89 (plus tax) per night for single/double rooms. Reservations must be received by **Sept. 15**. After this date, reservations will be accepted on a space and rate availability basis. Call (817) 399-1800 and reference Texas Appraisers to receive this discounted rate.

Look forward to seeing you there!