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# Connections

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

### 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

MAN! IT'S HOT!!!

And the temperatures across Texas have been pretty hot, too. So, what is so hot? The ATA!

When preparing to write this article, I took a quick look back to September 2007 when you first honored me as the President of our association. We were just over a year old having 101 members. Once again, you have honored me by asking me to serve as your President. Today, we currently have 329 members. Now – that's HOT!



In April 2006, a group of us got together around a dining room table in hopes of creating something that its members would enjoy belonging, creating, and using. Something that would better the appraisal profession, better ourselves, and gain information that we could actually use in our appraisal practices. I remember during one of our very first ATA Meetings when an appraiser asked to speak. He said something that has stuck with me since. It is an honor that you have chosen me to represent your organization once again – the group we call the Association of Texas Appraisers. The group that was...and still is...referred to as "the best thing going"!

### Inside this issue:

New Members and Designations	3
New Board Members	4
Upcoming Meetings	3
a la mode Partnership	4
Could I Speak to William?	5
Kissing Cousins	7
TCRFC Update	9
Homeowner Flood Ins. Affordability. Act.	9
Victor/Victoria	10
Dues Statements	12
Pictures from Annual Meeting	13
Registration Form	14

What else is so hot?

On August 1-2, 2014, the ATA held its 9th Annual Meeting in Austin, TX and it was one of the best events we've had over the years. The 110 that attended that meeting were part of the largest event to date – not only by the attendance, but by what took place.

On Friday morning, before the event officially began, there were two short presentations. One was put on by ABC – the Appraiser's Business Companion and the second was by Mr. Doug Oldmixon, The Commissioner of the Texas Appraiser Licensing & Certification Board (TALCB) with Tony Slagle, TALCB Government Affairs.

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### 2014-2015 Board of Directors

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| Bobby Crisp, ATA-R, President          | AnnA DeMoss, ATA-R, Director           |
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| Curt Myrick, ATA-R, Treasurer          | Bobby Shafer, ATA-R, Director          |
| Andy Arledge, ATA-R, Director          | Arturo Palacios, ATA-G, Past President |

That afternoon, the ATA held a Governmental Affairs Update session hearing from Mr. Jim Park, Executive Director of the Appraisal Subcommittee and from Mr. Jeff Jensen, FBI Special Agent.



Jim Park, Executive Director of the Appraisal Subcommittee (ASC) and ATA President Bobby Crisp, ATA-R.

After our guest speakers, the Annual General Membership Meeting was held. We had the largest attendance for a General Membership Meeting....ever. Now, that's HOT! After discussing the status of the ATA, it was announced the terms for three Directors were up. I want to say "Thank You" to Arturo Palacios, Donna Green, and Dennis Crawford for the past three years that they have served our organization. A special "Thank You" goes to Arturo Palacios, our Past-President, for all the hard work he put forth this past year. The general membership then voted to install three new Directors. I would like to welcome AnnA DeMoss, Curt Myrick, and welcome back Dennis Crawford.

After the General Membership Meeting was concluded, the ATA Board of Directors held a short session where new Officers were voted upon. Mava Jalufka was voted in as Secretary, Curt Myrick was voted as Treasurer, and Dennis Crawford was voted as Vice President.



2014-2015 ATA Board of Directors

Friday evening, we held a mixer that provided everyone the chance to visit and hear from our exhibitors. I want to send out a personal "Thank You" to all of the exhibitors that came to Austin and help our event become one of the best we've had. Exhibitors were ABC, Alameda, DataMaster, Landy, and SFREP. Now, that's HOT!

Saturday was spent on a new course by Diana Jacob called "Support For Your Workfile". There was a lot of discussion on this topic and everyone came away with a better understanding. Now, that's HOT!

During lunch Saturday, there was a small presentation where some exhibitors drew for prizes handed out to the lucky winners. The Outstanding Service Award winners for 2014 were recognized:

- Rick Neighbors – North region
- Ian Martinez – Rio Grande Valley region
- Frank Baker – Central region
- Robert Partin – East region

Then, the 2014 Appraiser of the Year Award was presented. This year's award went to Mr. Rick Neighbors. Congratulations!



ATA 2014 Appraiser of the Year, Rick Neighbors, ATA-R and Bobby Crisp, ATA-R

If there is someone that you would like to nominate for an Outstanding Service Award, here is a link for the guidelines and application form. <http://www.txappraisers.org/ATA%20Awards.pdf>.

Also, if you'd like to nominate (or 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.

The next event will be held in Ft. Worth on September 26-27, 2014 at the Holiday Inn Airport South. There will be three 4-hour courses being offered, of which two are brand new, never been offered before, classes. Not, that's HOT!

Additional meetings have been set for 2015. Information on these upcoming events can be found on our website at [www.txappraisers.org](http://www.txappraisers.org) as they become available.

On an additional note, I was invited to join a teleconference held by the National Association of Appraisers (NAA) Governmental Affairs Committee to discuss the draft of the new FHA Single Family Housing Policy Handbook. The NAA is looking to send a response to HUD regarding this new Handbook with some recommendations. A lot of it is to bring the standards up to date (i.e. no more VC-Sheets, the advent of the UAD protocol, etc.). But, there are several changes that HUD is making and some clarification is necessary. We'll keep you posted on what we find out.

ATA has really grown and we are starting to branch out to bring the ATA to other areas of Texas. Our Mid-Year Meeting will be back in New Braunfels in February where we will be offering another new course never before presented. Next August will be our 10th Annual Meeting. We have a lot going on. New courses, new venues, strong leadership, strong membership.....this is "the best thing going" - NOW THAT'S HOT!

## Welcome New Members

The ATA President and Board of Directors would like to welcome our newest members: **James Anderson**, Amarillo; **Patrick Currier**, Austin; **Denise Arnold**, Spring; **Jessie Broadhead**, Houston; **John Paul Cartwright**, Victoria; **Robert Hatfield, III**, Waco; **Vaughn Kerkorian**, Plano; **Devlin Kirchman**, Greenville; **Michael Langer**, Conroe; **Diana Land**, Amarillo, **Steve Land**, Amarillo; **Katherine Lewis**, Austin; **Tommy Marshall**, Denton; **Michelle Parker**, Greenville; **Tracy Runnels**, Denton; **John Passero, Jr.**, Houston; **Richard Price**, Lakeway; **Elma Salazar**, Corpus Christi; **Tim Tapp**, Lubbock; **Gregory Washburn**, Tatum; **Douglas Wilburn**, Lewisville and **Lisa Witt**, San Diego, (CA).

Not a member? Log on to [www.txappraisers.org](http://www.txappraisers.org) and click on the Membership tab for information on joining ATA. If you have questions, please contact [info@txappraisers.org](mailto:info@txappraisers.org).

## Welcome New ATA Board Members

**AnnA DeMoss, ATA-R**, Certified Appraiser, covers the Greater Houston Metropolitan area. An appraiser for the past 12 years, she has been a member of ATA for about 7 years. Prior to her career in the appraisal industry, AnnA lived in the Dallas area where she was a freelance writer and a partner in Blue Sky, a boutique advertising agency.



When not appraising, Anna spends time with two beautiful grandbabies, attends church, reads mystery novels and enjoys travel.

**Ace "Curt" Myrick, ATA-R** is a co-owner of Heads Up Real Estate Consulting, Inc. located in Bee Cave. He has been appraising in Central Texas since 2004 and is currently a Certified Residential Appraiser and a Licensed Real Estate Sales agent since 2006. As Treasurer of the Association of Texas Appraisers he will promote the benefits of the ATA to the real property appraisal industry and promote the associations goals. Curt is married with two children and currently lives in Austin.



## ATA DFW Meeting

Don't miss our Ft. Worth Meeting, September 26-27, 2014 at the Holiday Inn Airport South, 14320 Centre Station, Ft. Worth, TX.

ATA is happy to offer classes in the DFW area again this year. We will be offering 3 separate 4-hour courses.



On September 26 (1:00 p.m. - 5:00 p.m.) Candy Cooke, ATA-G will present *Understanding Promulgated Contracts* - The course is designed for appraisers and brokers to give them insight into analyzing promulgated contracts with primary emphasis on information that may adversely or positively affect value.

On September 27 in the morning (8:00 a.m. - Noon) Diana Jacob, ATA-G will present *Top 25 Design Styles*. What's the primary difference between a ranch versus a bungalow? Why is design style relevant beyond the UAD requirement? Where do you go to find the design style? Does design style have anything to do with quality of construction? Is the floor plan relevant to the identifying the design style? What does "traditional mean?", When does the line get crossed on conformity? If you can't answer these questions you need to take this course.



In the afternoon on September 27 (1:00 p.m. - 5:00 p.m.) Diana Jacob, ATA-G will present *Understanding Plans and Specs* (4 hrs ACE). You get the question, did you the appraiser have the plans and specs? You say yes, and then you start reading things such as "2 inch faux blinds", "post tension concrete slab 3000 psi", "hardi backer facia", do you know the difference? What is the difference between a floor plan and a spec? Are you comfortable with reading those details to form your opinion of the value passed on the proposed construction? Learn how to read the plans and convert those details into your hypothetical descriptor of the subject improvements.

A block of rooms has 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. 10, 2014**. 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.

**Appraiser's Business Companion** will be exhibiting at this meeting. For more information on them, log on to [www.abc-mgt.com](http://www.abc-mgt.com).

Use the registration form on page 14 to register for this meeting.

## A la mode Community Partnership

The ATA is excited to announce that they have joined a la mode's Community Partnerships Program, an initiative from a la mode to support appraisal organizations in new and better ways than ever before. They want what we want: for the ATA to grow, protect appraisers' interests, and help you reduce the costs of operating an appraisal business. You might be thinking, "OK, great. What exactly does that mean for ATA members like me?" Here's what it means:



ATA members will be eligible for discounts to a la mode education courses – real, tangible, and immediate member benefits and savings. Furthermore, a la mode will donate 1% of total purchases to the ATA, *in cash* for every purchase an appraiser makes on a la mode products and services – renewals, new purchases, etc. – where they use the affinity code (or "give back code") "affATA". So for the purchases you already have to make to run your business, you'll also help provide further funding to our efforts *without spending any extra money*.

And if you're not an a la mode user, don't worry. a la mode's program is to support any and all appraisal organizations, regardless of age, size, or how many members use their software. They don't want this to be a proprietary relationship, they just want to support us further, and the ATA will still be participating with other software vendors as well. You can learn more about the Community Partnerships Program at [www.alamode.com/community](http://www.alamode.com/community).

## Overseas AMC Staff: Could I Speak to “Villiam?”

by Isaac Peck, Associate Editor

At least one appraisal management company (AMC) put a new accent on appraising by having the point of contact be in another country—specifically, a call-center in India. According to ATA member appraiser Bill Strep, this is how the conversation went:

Bill Strep: “Hi, this is Bill.”

AMC Staff: “HELLO! Bill. Could I please speak to Villiam?”

Bill Strep: “This is Bill.”

AMC Staff: “Yes, Bill. I need to speak to Villiam.”

Bill Strep: “My name is Bill, it’s short for William.”

AMC Staff: “Yes... (insert long pause) Could I please speak to Villiam?”

Bill Strep: “This IS William.”

AMC Staff: “No, this is Bill. I need to speak to Villiam.”

Bill Strep: “Hang on...” I set the phone down and shuffle some papers around.

Bill Strep: “Hello, this is William.”

AMC Staff: “VILLIAM! HELLO!”

Bill Strep: CLICK.



While the above story is funny, wasting time and money are not. Ever since AMCs gained prominence, appraisers have lamented having to deal with inexperienced AMC staff who have little or no knowledge of real estate in many instances, let alone the standards and requirements of an appraisal report compliant with the Uniform Standards of Professional Appraisal Practice (USPAP).

Appraisers point out that the inexperience of AMC staff sometimes leads to extra time spent clarifying, providing additional information, answering questions that are addressed in the report, and what some appraisers call “educating” the AMC staff making the requests. Some say this has gotten better as AMCs have matured. Others say it is still a daily struggle. And time is money.

Strep, an appraiser from San Antonio, Texas, says that he now declines work from AMCs that consistently use India for their call-centers. “It’s just too much of a headache. I don’t have anything against India or Indians but I’m tired of hearing the same old script when all of the questions they ask are already addressed in the report,” Strep says.



The outsourcing of AMC staff is not the problem, as Strep sees it, but is simply illustrative of the business model of AMCs to cut their costs while requiring more time and work from appraisers to complete an appraisal order. “So many AMCs are taking the cheapest route to servicing their clients, they’re carving out of the middle as much as they possibly can by fishing for the lowest fee and outsourcing their call-centers. It would be different if they were doing it on a cost-plus basis, but no-one likes getting a fee-haircut AND being pestered by unnecessary requests and stipulations on top of that,” says Strep.

(story continues below)

Strep doesn’t think that all AMCs are bad or “greedy,” he just tries not to work for the ones that don’t pay fair fees or invest in hiring competent staff. “Right after the real estate crash, business was tight and we knew we had to deal with AMCs with untrained staff. But as the real estate market picked up, appraisers have more options and they’re going to remember which AMCs treated them well,” says Strep.

Joseph Cagle, an appraiser from Warner Robbins, Georgia, is an appraiser who worked for one AMC both before and after they began utilizing call-centers in India. “I really don’t have a problem with the call-center in India,” says Cagle, who admits that globalization has changed the way that we all do business. “The problem

is that it's incredibly difficult to discuss issues regarding an appraisal when the person you're talking to usually doesn't have a clue what you're talking about," says Cagle.

"We're talking about someone who usually has little or no knowledge about the appraisal process, your geographic region, or even what an appraisal report is supposed to contain—it makes it pretty difficult to negotiate fees, let alone deal with the 100 follow-up questions that typically follow," says Cagle.

Echoing the sentiments of other appraisers who raise their fees on AMC's that are difficult to deal with, Cagle says that he usually charges "problem" AMC's two to three times his normal fee because their staff typically have 100 questions, many of which have already been addressed in the report, which makes it clear that the report wasn't even read by the staff. In fairness, Cagle says that inexperienced AMC staff is nothing new to the industry, but the language barrier and the lack of knowledge about appraising certainly make things a little more difficult. "The calls at eight o'clock on Sunday night certainly don't help either," says Cagle.

Richard Hagar, SRA, has a similar story, but this time it involved a review appraiser. He says that about two years ago he received a call from a review appraiser. "He had impeccable British English and there was significant time lag in our conversation, the kind you would expect when you talk to someone on the other side of the world. After speaking to him further, he ended up telling me that he was calling me from India," says Hagar.



Tring Tring  
Who's calling?

### **Great Expectations**

David Brauner, Editor of Working RE and Senior Broker at OREP E&O insurance sees a disconnect between the increasing pressure on appraisers to provide more complex data and analysis in their appraisals and the silence from lenders and regulators about situations like this. "Appraisers are directed to improve the quality of their reports and expand the products they deliver beyond form filling into more analytics, if they wish to remain competitive," Brauner says. And worse: with Fannie Mae's new AQM (Appraisal Quality Monitoring), appraisers now must meet very specific reporting requirements or face "blacklisting." "According to many, what Fannie Mae is asking for is simply sound appraising," Brauner says. "But we really won't know until we see who makes the blacklist and why, and how the rebuttal process works. Stories like this overseas call center and many others illustrate a seeming indifference to quality and a smooth process. You wonder why these issues on the ordering side are not being as vigorously addressed or even acknowledged by most industry leaders," said Brauner.

The "India" story may be an anomaly because it involves overseas staff, but appraisers have complained about underqualified AMC staff, time-wasting stipulations and reconsiderations of value for years. Many appraisers view the tangled submission/review process as a more serious threat to their livelihoods than even a lack of customary and reasonable fees.

"Something or several things are bogging the system down and robbing appraisers of time, money and their pleasant dispositions," Brauner said. "Perhaps those who can make things happen ought to be concerned with finding ways to increase quality, streamlining and consistency on both sides of the lending equation."

If Streep is right about appraisers having more options when times are good, the AMC's that invest in experienced, knowledgeable staff and pay fair fees are the ones that appraisers will want to work for.

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## Kissing Cousins

Dustin Harris

I have always loved Texas. There is something about a state who flies the state flag as prominently (or more so in some cases) than the Stars and Stripes that you gotta admire. My sister lives with her husband and four children in North Forth Worth. Thus, I have occasion to visit there from time to time. Though I am from a little, backward town in Idaho, I could see myself in Texas someday. If I were destined to live in a big city, I suppose Dallas would be my choice. Well, maybe Fort Worth (and there IS a difference).



Due to my frequent travels to Texas (I have been there three times in the past 12 months), I am beginning to get a better feel for its layout, economy, and community. In many ways, it resembles my own home state of Idaho. Though we cannot boast the large metropolitan centers that Texas has, we have a good mix of city verses rural life. Our staple economic products of agriculture, livestock and mining are also synonymous. When I talk to Texan appraisers, I feel like I am talking to my peers here in Idaho. When inspecting homes once you get out of the city, property types are anything but standard. Finally, appraisers in Texas seem to think the same way I do. Rather than just being technicians, Texans seem to get it when it comes to a sense of entrepreneurialism and outside-the-box mentality. Though we traveled the country presenting our Go Create Some Value workshops, over 25% of our participants came from Texas. Yes, Texas appraisers seem to desire to not just be appraisers, but to be the CEO of their company. It is with that commonality that I share with you a few ideas.

I realize it is somewhat unfair to place people in categories. Now that that is out of the way, I have found that most people fit into one of four categories. Some are Doers. Others are Thinkers. A few are Thinker/Doers and far too many are Neithers. Let's take them one at a time (not necessarily in that order).

### Neithers

I want to deal with the Neithers first because they are the easiest ones to spot. Even the untrained eye can usually identify a Neither. These are creatures that do not care too much about themselves or the circumstances around them. Oh, their speech might tell a different story (they can be quite outspoken about the "lucky folk"), but it is their actions that you have to watch.

Neithers are often found in front of televisions, game consuls, or even in the food stamp line. Do not misunderstand; all four specimens can be found—at various times—in all of these places, but Neithers tend to linger there. Unfortunately, our world is filled with Neithers. Though living this lifestyle is fraught with difficulty, it appears to be easier and is thus a popular path.

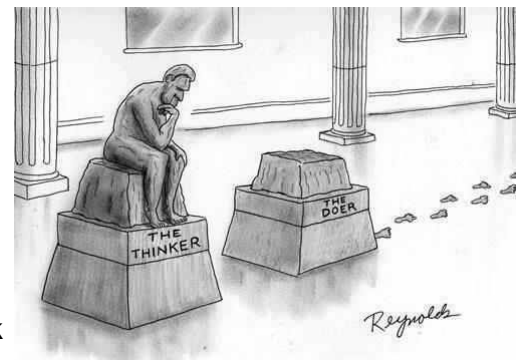
### Thinkers

Thinkers are the wannabe entrepreneurs of the world. In fact, they can be mistaken (often by their own judgment) as true entrepreneurs. They are often looked up to by others as being true leaders in the world, but underneath the surface, it is all just talk. These are the visionaries. They are the ones who have big dreams and lots of ideas. Typically, thinkers are not shy about their ideas. They talk a big talk, but action is lacking.

One challenge that many Thinkers experience is the tendency to think too much. They often have a baker's dozen of ideas for various successes, but none of them are being implemented because they cannot seem to focus on just one or two. Thinkers can be successful, but they must be surrounded by a team of Doers in order to implement their various ideas.

### Doers

On the opposite end of the spectrum from the Thinker is the Doer. These creatures are especially good at... well... working! They get up every morning and hit their jobs with all that they have. These are the laborers.



They work hard all week and cannot wait till Friday. Managers will often fit nicely into this box as well. They are good at implementing the details for the ideas of others. Doers truly earn their paycheck, but all they can ever hope for in life is... well... a paycheck.

The world is full of Doers, and for good reason. There is a lot of work to do on this earth, and it is a better place for having a lot of Doers. Furthermore, most Doers are quite content just being Doers. There is really no drive for more.

### **Thinkers/Doers**

The Thinker/Doer is hard to spot because there are so few of them. Some are high profile and reach almost celebrity status, but others are quietly peppered throughout your own community. Though primarily leaning to the thinking side, the Thinker/Doer has learned which rabbit to focus the sights on despite the fact that literally hundreds are hopping all around. This rare creature has found a seemingly perfect balance between big dreams and implementation of the ones which have the best chance of success. The truly successful Thinker/Doers do not see 'work' as work. They love what they do because they focus primarily on what they love.

Thinkers/Doers are often mistaken for the mythical creature, The Lucky. To others, they seem to have life given to them on a stick and appear to work less than those who surround them on all sides. What is not seen, however, is what happens behind the scenes. Thinkers/Doers often work more than 60 hours a week (sometimes much more) and are almost never seen in front of sitcoms or *Call of Duty: Modern Warfare 3*. Rather, they spend a majority of their lives typing business plans, researching, consulting with experts, hiring and training employees, dealing with problems, and being criticized by Doers.

The success that Thinkers/Doers have is not confined only to their work. Rather, they are often leaders in their churches and communities, excel in their chosen talents, and they seem to even have stronger family relationships. Indeed, it is a way of life that has implications in nearly all aspects of their being. That is not to say they do not have their shortfalls. They do. However, they do not live in fear that falling down will keep them down. Because they live by certain, true principles, they are often able to recover quickly from nearly any disaster. Furthermore, Thinkers/Doers are not afraid to try. What some call 'risks,' they call experiments. They know that success only comes after failure and that failure is only 'tuition' for future success.

It is not all work for Thinkers/Doers, however. In fact, the only salvation for most of these is their ability to recreate. They seem to strike an ever-perfect balance between working hard and playing harder. They wake up each day with a smile on their face ready to tackle any 'problem' which may come their way. In general, life is good for the Thinkers/Doers.

### **Conclusion**

I reiterate, pigeon holing the entire population into four boxes is not an exercise in exactness. There are obvious exceptions to the rule, and many people straddle between two or three boxes. More importantly, most of us travel from one box to another throughout our lives. Still others live like a rodent in Wack-a-Mole game, popping up in each of the four boxes on a daily basis! The point is, we are never definitely in one box, and more importantly, it is not a caste system. We are not born in one box and confined to that habitat for the rest of our lives. In other words, YOU HAVE A CHOICE as to where you are going to be.

Where are you? Which box do you find yourself in today? Which box would you like to be in? Are the two boxes the same? If so, congratulations! If not, what will you do about it... today?

To all my friends in Texas—not matter what box you find yourself in—I tip my hat to you. Now, go create some value!

*Dustin Harris is a super-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. He and his wife reside in Idaho with their four children.*





## Victor Victoria

By Joan Trice

(Reprinted with permission from Appraisal Buzz)

I am, and always have been a bit of a movie freak. So you will notice from time to time, when I am not busy interviewing myself, I will refer to a great line from a movie or steal a title. Today, I am stealing the title and the plot. The tag line for Victor Victoria was "A woman pretending to be a man impersonating a woman".



When is an appraisal firm an AMC pretending to be an appraisal firm? And even wilder when would an appraisal firm actually pretend to be an AMC? Who are these imposters and why?

While we wait on the FFIEC regulators to finalize the AMC Rules there is a lot of angst among the State regulators on what will be required of them on oversight of AMCs. After the agencies issue final rules the Appraisal Subcommittee has 3 years to issue policy statements to the new rules. Keep in mind that while there is currently a legal definition that an AMC is an entity that has a panel of 15 or more appraisers, there is no prohibition on the States to refuse registration based upon this minimum. I doubt anyone thought someone would claim to be an AMC when they are not and volunteer to pay registration fees. But it is happening, a lot, I think.

Let's examine why this is happening. There are currently close to 600 AMCs and the numbers continue to grow. But if you take a look at the list you will see that most of the registered AMCs do business in a single State. Some do not have websites. Some are single appraisers and if you call them they are in the field doing an appraisal. Why would anyone volunteer to register with the State and pay the fees and meet the bond requirements? Because State registrations give them an air of legitimacy and they can continue to accept broker business, phony firewalls and all. Nothing has changed.

In the meantime, there is high anxiety on the lender side of the equation regarding third party oversight of their Appraisal Management Companies. There are complicated issues regarding the oversight of AMCs. Many of these are reflected in the comment letters to the agencies. But today I am only going to address one issue or at least make an attempt.

Under the category of SRDH (Stuff Rolls Down Hill) appraisers have been asked recently if they are a sole proprietor or an appraisal firm. If they are a firm they are being asked if they engage independent contractors (ICs) or W2 employees. Many appraisers feel this is no one's business but their own. For third party oversight reasons, lenders should or do care and are making it their business.

If a lender engages an AMC and the AMC engages what they believe to be a firm but they are actually an AMC all sorts of unraveling begins. An AMC engaging another AMC would be a bad plan. Some lenders are beginning to prohibit that practice by specifically writing it into their contracts. Would an AMC engage yet another AMC to evade registration in all States where they do business? The FFIEC regulators are not likely to be pleased with third parties engaging other third parties for a multitude of reasons. The concerns go to risk.

First, a lender must vet their vendors and know with whom they are doing business. And they must know with whom their third party is doing business. The further you get away from the source, the greater the risk. This also makes compliance a costly endeavor. The guidance does not suggest a lender cannot engage a third party. It merely states that a lender cannot offload risk or accountability. And by proxy, an AMC, as the agent for the lender must perform proper due diligence of their fee panel.

If an AMC engages yet another AMC or Appraisal Firm (that doesn't know they are actually an AMC) all heck breaks loose. You can see why this gets important, yes? And there is no assurance that the field appraiser was properly vetted. Or that the appraiser selected is actually the one doing the inspection. On a go forward

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**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.**

basis, neither lenders or AMCs, should be approving appraisal firms or a blanket approval for all appraisers on a given AMC's panel. The lender is 100% responsible for who is engaged.

Let's look at this scenario in reverse. There are quite a few appraisal firms that are functionally an AMC, regardless of their size. The IRS has very specific rules about independent contractors vs. employee status. I suspect much of the confusion is based on the legacy exemption for real estate agents. So for those appraisers who operate an Appraisal Firm, who criticize the AMC model so harshly, you might want to take a look in the mirror and assess whether or not you are indeed operating as an AMC. An appraisal firm is one who engages W2 employees, may offer benefits, training, QC support, and often has a non compete.

The moral of the story is... don't be an imposter. It will complicate your life. The advice is to figure out your business plan and be authentic to that plan. Make sure you engage a competent attorney and accountant to ensure that your business is properly structured and aligns with your goals.


Joan N. Trice is the founder and CEO of Clearbox, LLC, publisher of Appraisal Buzz, and host of the annual Valuation Expo, the largest conference for the valuation community. Joan also hosts the Collateral Risk Network, a members-only group of more than 300 dedicated chief appraisers, collateral risk managers, regulators, and valuation experts who are focused on resolving the many challenges facing our profession.

Have any comments or would you like to submit content of your own? Email [comments@appraisalbuzz.com](mailto:comments@appraisalbuzz.com)

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*I really enjoyed the meeting and educational experience. My joining ATA was one of the best business decisions I have made. The two meetings I have attended have allowed me to acquire 22 of the needed 28 hours for my 2016 certification renewal. I am far ahead of schedule and at this rate will have all my educational credits completed with the February meeting.*

*Keep up the good work. Don Graham*



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## 2014-2015 Dues Statements



Your 2014-2015 Dues Statement was emailed in late August. If you have not paid your dues yet, please do so immediately.

If you have any questions, please email [info@txappraisers.org](mailto:info@txappraisers.org).



<https://www.facebook.com/AssociationofTexasAppraisers>

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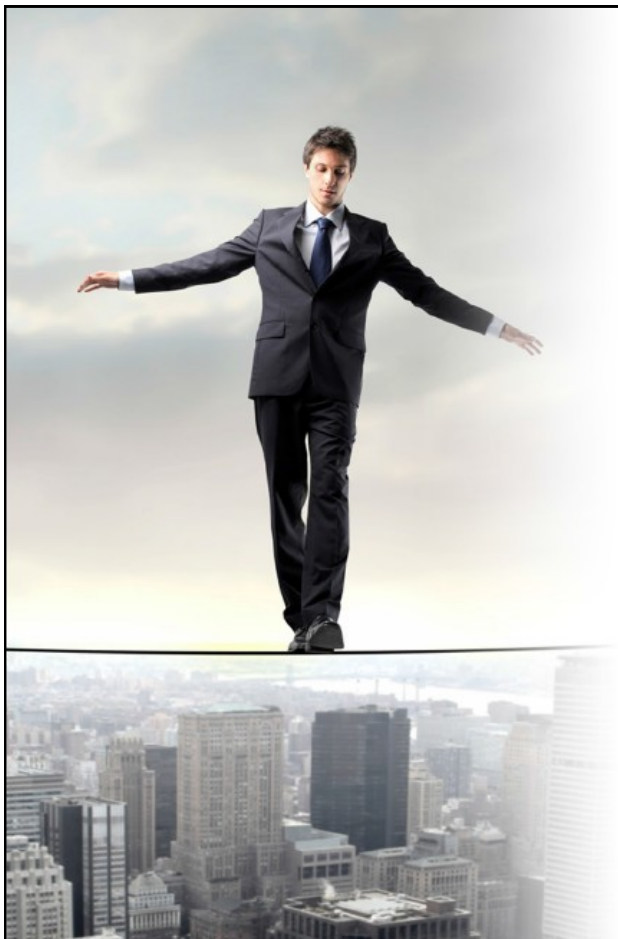
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# ATA's 9th Annual Meeting Photos—August 1-2, 2014—Austin, TX



**SAVE THE DATE**  
**COMING UP**

**Mark Your Calendar:**  
**9th Mid-Year Meeting—New Braunfels—February 20-21**

# Association of Texas Appraisers - Meeting Registration Form

Ft. Worth Meeting  
September 26-27, 2014  
Holiday Inn DFW Airport South

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

## Early Bird Fee (Before Sept. 12):

Member	\$99
Non-Member	\$198
Guest Lunch*	\$20

## After Sept. 12 Fee:

Member	\$119
Non-Member	\$218
Guest Lunch*	\$20

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

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

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

## **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 Sept 22. No refunds after Sept. 22.**

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

## Schedule

### Friday, September 26

11:30 a.m. Registration  
1:00 p.m. - 5:00 p.m. *Understanding Promulgated Contracts*

### Saturday, September 27

7:30 a.m. Breakfast  
8:00 a.m. - Noon: *Top 25 Design Styles*  
Noon to 1:00 p.m. Lunch (included with your registration fee)  
1:00 p.m. - 5:00 p.m. *Understanding Plans and Specs*

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

A block of rooms has 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. 10, 2014**. 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.