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Connections

Official Publication of the
Association of Texas Appraisers, Inc.



Dennis Crawford, ATA-R
ATA President

WOW! Can we throw a party or what? For those of you who were unable to attend the ATA's 10th Annual Meeting and Educational Conference at San Antonio's Omni Hotel....well all I can say is you missed one heck of a celebration!

On Friday morning we started the day off with a Board of Directors meeting. During that meeting it was unanimously decided that ATA would have a Chairman of the Board and voted Bobby Crisp to fill that position. It was also decided that we will hold classes in El Paso, TX in early 2016. We are excited to bring ATA's quality instructors and classes to far West Texas. During the meeting it was disclosed that ATA membership was at an all-time high of 347 members (we are now at 351).

Before our Understanding Green in Real Estate class began, we held our ATA General Membership Meeting. During that meeting, the membership nominated and installed four new Directors to the 2015-2016 Board of Directors. I would like to welcome new Directors Stacey Cartwright from Victoria, Luis De La Garza from Laredo and Wade Jordan from Garden Ridge and a warm "welcome back" to Rick Neighbors from Keene. (The bio's and pictures of the new board members are listed on page 3.) I would like to send a sincere "thank you" to the outgoing Directors Andy Arledge of

Abilene, David McInturff of Austin and Mava Jalufka of Moulton. Your service and leadership to the Board of Directors is greatly appreciated! Congratulations go out to Co-Founder and Past President Bobby Crisp who is our new Chairman of the Board. Bobby's knowledge and leadership will no doubt continue to keep our ATA membership abreast of the challenges facing our profession.

During a break, the ATA Board of Directors went into session to vote in new Officers. Stacey Cartwright was voted in as our new Secretary, Bobby Shafer was voted as Treasurer, and Curt Myrick was voted as Vice President.

In April, we selected the 2015 Outstanding Appraiser for the Rio Grande Valley Area. Eddie Garces was not able to attend at that meeting so he received his award on Friday afternoon. Congratulations Eddie!

We wrapped up the day with a Networking Reception and at 6:00 that evening, we held our 10th Anniversary Celebration Dinner/Banquet with 155 people in attendance. Frank Baker gave the Invocation. While ATA Members and their guests enjoyed a wonderful dinner, special guests Vladimir and Gale Pospisil were recognized for their contributions to ATA and were credited for getting ATA started. Gale and Vladimir presented two ATA members with Pospisil Scholarship Awards. This year's recipients were



(Continued on page 2)

Upcoming Meetings:

- Oct. 2—The Appraisal Foundation Advisory Council (TAFAC), Washington, DC
- Oct. 8—TALCB Education Committee, Conference Call
- Oct. 16-19—Association of Appraisal Regulatory Officials (AARO), Washington, DC
- Nov. 18—State Appraisal Organization Leadership Forum, Las Vegas
- Nov. 18-20—Appraisal Summit & Expo, Las Vegas
- Nov. 20—TALCB Board Meeting, Austin
- Feb. 19-20—ATA Mid-Year Meeting, New Braunfels, TX
- March 2016—ATA El Paso Meeting
- April 2016—ATA Rio Grande Valley Meeting
- May 2016—ATA West Texas Meeting
- June 2016—ATA Houston Area Meeting
- Aug. 2016—ATA Annual Meeting, Austin, TX

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From the President (con't)

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Elma Salazar of Corpus Christi and Amy Coston of San Antonio. The annual Appraiser of the Year was announced and presented to Karis Crawford of Abilene.



During the lunch break, new members were recognized and our sponsors were given time to talk about their products and give away door prizes. A huge thank you goes out to our gold sponsors:

SFREP-Appraise-It, Champions School of Real Estate, Appraiser Genie, ABC- Appraiser's Business Companion, and a la mode, Inc.

After the awards ceremony, Bobby Crisp recognized the outgoing Directors for their service this past year. Afterwards, the installation of the 2015/2016 Board of Directors was conducted. Bobby Crisp was also recognized for his leadership role as President and congratulated for becoming our new ATA Chairman of the Board!

But wait, that's not all. ATA provided a DJ and dance floor and then the celebration was in full swing!



On Saturday morning ATA presented the course: FHA SFR - Handbook 4000.1, No 154 and our instructor (and new ATA member) was Bryan Reynolds from Owensboro, KY. If you have never attended a course taught by Bryan, you need to. He missed his calling in stand-up comedy, but we were glad to have him. Prior to attending this class, many appraisers including myself had heard how the new FHA Handbook 4000.1 would make FHA appraisal assignments so much more difficult to complete. The majority of my fears were put to rest after attending this class. If you haven't taken this course, please make plans to do so. The Handbook 4000.1 goes in to effect on September 14, 2015.

As a member of ATA, I can't say enough about the long hours and extra hard work that Teresa and Bobby and others have sacrificed to make this special event such a success. Their constant, selfless dedication to this Association is what makes ATA such a great organization.

I would like to say thank you to the members of the Association of Texas Appraisers for allowing me to serve as your President for this upcoming year. My goals are to continue to serve the ATA membership to promote the continued growth of our organization as one of the most respected affordable educational providers in the State.

This upcoming year will present new challenges for appraisers as new laws and new rules go into effect. Your ATA Board of Directors have always tried to have representation at all TALCB board meetings and we need your help. I encourage members to attend these meetings and let your voice be heard.

Our next scheduled meeting will be held on September 25-26 at the Hampton Inn & Suites, 4201 Reggis Ct., Ft. Worth, TX. Friday afternoon - 1:00 p.m. - 5:00 p.m. - Fannie Mae CU and You - 4 hrs ACE/MCE*. Saturday - 8:00 a.m. - 5:00 p.m. - Home Measurement Basics - 8 hrs ACE/MCE*.

For more details, go to page 4.

Hope to see you there!

Dennis Crawford

*Both these courses are approved for ACE and MCE.

A BIG THANK YOU TO OUR 10TH ANNUAL MEETING SPONSORS & EXHIBITORS

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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.

New ATA Board Members



Stacey Cartwright is the owner of J & S Real Estate Appraisals located in Victoria, TX. Stacey has 11 years of appraisal experience and became a State Certified Residential Real Estate Appraiser in 2007. She is a Charter member of the ATA and received her ATA-R designation in 2011. She has been on the FHA panel of appraisers since 2008 and on the VA panel of appraisers since 2012. Stacey is very happy to be a newly elected Board member of the ATA and to serve as Secretary of the Board. She hopes to promote the ATA and its benefits to all appraisers in the State of Texas. Stacey proudly learned the appraisal business from her father Bobby Shafer (Charter member, past President and Board Member of the ATA). She enjoys a full life being married with 4 children and 4 grandchildren. J and S Real Estate Appraisals P.O. Box 3951 Victoria, TX 77901 361-574-7032 (Voice) 361-655-1409 (Cell) jandsappraisals@yahoo.com

Luis De La Garza is a certified residential appraiser and real estate broker and he resides in Laredo. He is president of DLG Appraisal, Inc. Luis serves on the VA Fee Appraiser Panel and is an FHA Roster Appraiser. He holds a Bachelor's Degree from St. Edwards University and has a

Master's in International Trade from Texas A&M International University. Luis was a TALCB board member from 2008-2014, serving as chair for two years. He has also served in numerous capacities with other organizations such as the American Red Cross, Laredo Manufacturing Association, Laredo Chamber of Commerce, Kiwanis International and Laredo Association of Realtors.

My name is **Wade Jordan**, I am a graduate of Smithson Valley High School and grew up in the Canyon Lake area. I married my wife, Debbie Faulkner Jordan in June 1997 and joined her family in the Real Estate business and became a realtor with Century 21 Northside in 1998. While I enjoyed working with buyers and sellers, I became increasingly more interested in the appraising aspect of the business.

Over the years, I crossed paths with a local appraiser who would eventually become my mentor and trainer and became a licensed trainee in 2004. After a three year working relationship, I ventured out on my own and started Jordan Appraisals, Inc. in June 2007. I have been an active member of the ATA for many years and was proudly awarded the Outstanding Service Award for Central Texas in February 2015.



In addition to being a licensed realtor and appraiser, I also service my community by being a full time fire fighter/Medic with the Bracken Fire Department in the Garden Ridge area. I am also a husband to my

wife of 18 years and a father to my 11 year old daughter, Ashlyn. In my spare time, I enjoy hunting, fishing, and spending time with my family.

Rick Neighbors was born in Roswell, New Mexico. His father is a Retired Air Force NCO, and his Mother is a homemaker. Rick did a lot of traveling while his Dad was serving our country for almost a quarter century. The family settled in Texas in the late 60's. Rick married Nancy in 1972 and they have 2 sons, Nathan & Ryan. Nancy spent 38 years in the wholesale specialty food business for a world wide distributor and traveled a lot. She resigned from that and now works in the Gas Well Industry. Nathan has a degree in Criminal Justice and works in the IT Dept for a large financial investments corporation. Ryan is a Firefighter/Paramedic and has been in that industry for 16 of his 32 years. Rick states that "Marrying Nancy and having 2 sons are my greatest accomplishments in life!"



Rick & Nancy enjoy raising registered Texas Longhorns and Foundation Quarter Horses on their small ranch in Keene. Rick says "We have just enough land and livestock to keep us broke most of the time!" :-). They also enjoy a small 16,000 square foot garden that helps keep the freezers full of fresh produce all year. Other hobbies include lots of outdoor cooking on smokers and BBQ grills, and Rick enjoys amateur bartending in his newalmost complete.....home bar.

(Continued on page 4)

"None of us is as smart as all of us." Ken Blanchard

New ATA Board Members (Con't)

(Continued from page 3)

Past endeavors include being President of the ATA, also Secretary and Treasurer, sitting on the local Economic Development Board as both a board member and President, and serving on the Chamber of Commerce.

Rick entered the appraisal profession in 1998, got his trainee status finished, and ended up in business for himself in 2001. Like a lot of Appraisers, Rick operates out of his home office as a one man operation. Based in Keene, just south of Ft. Worth, he has covered apx 7 counties for a lot of years. He enjoys appraising in spite all the rules and regulations that keep piling up, and hopes to continue until retirement. He also states that "Joining the ATA has been one of the best decisions in my appraisal career!"



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-Lane D, Mississippi

New Members and Designated Members

Welcome New Members

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

- **Craig Baker**, Houston
- **David Beal**, The Woodlands
- **William Coleman**, Pearland
- **Barry Duncan**, Webster
- **Shawn Ferguson**, Splendora
- **Carman Flores**, Laredo
- **Catherine Goodner**, New Braunfels
- **Tracey Hanback**, Georgetown
- **Cathy Lynn Harper**, Corpus Christi
- **Abbie Hawkins**, Humble
- **William Houlihan**, San Antonio
- **Melissa Myers**, Grapevine
- **Paul Phillips**, Houston
- **Annemieke Roell**, Terilton, OK
- **Charmaine Smith**, San Angelo
- **Roxanne Spalding**, Kemah
- **Pamela Teel**, Bulverde

- **Rollin Visser**, Canyon Lake
- **Billie Waits**, Kaufman
- **Judy Ward**, Frisco
- **James Wood**, Austin

New Designated Members

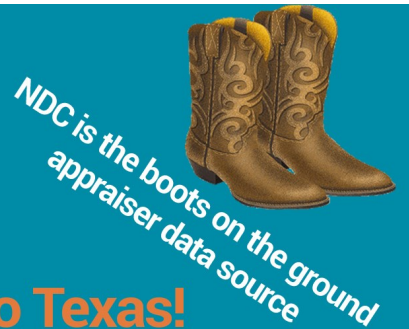


Congratulations to those who were recently awarded designations:

- **Gail Blair**, ATA-R,
- **Kathy Dalton**, ATA-R
- **Billy Locke**, 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.

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DFW Regional Meeting

Don't miss our **Ft. Worth Meeting**, September 25-26 at the Hampton Inn & Suites, 4201 Reggis Ct., Ft. Worth, TX.

We will be offering 2 courses.

- Friday afternoon - 12:30 p.m. - 1:00 p.m. - *Welcome and Association Update*
- Friday afternoon - 1:00 p.m. - 5:00 p.m. - *Fannie Mae CU and You* - 4 hrs ACE/MCE* (ACE and MCE approved). This course provides information on the Federal National Mortgage Association's Collateral Underwriter and Appraisal Quality Monitoring. It takes an in-depth look at the Fannie Mae's monitoring system and common red flags that prompt the association's warning letters to appraisers as well as other possible disciplinary actions. Fannie Mae is looking for patterns and exposing the appraiser's self-discrepancies. This course provides students with solutions for

corrective action of items readily within their control and also avenues for exploring recognized techniques to support their opinions.

- Saturday - 8:00 a.m. - 5:00 p.m. - *Home Measurement Basics* - 8 hrs ACE/MCE* (ACE and MCE approval pending). Learn to create consistent, reliable, and reproducible square footage measurements in single-family homes, based on the ANSI Guideline. The most complete how to course for measuring residential square footage ever created. This course will give you a new perspective on the all-powerful price-per-square-foot formula. Discover the secret power of square footage. Indeed, size matters! This 8 hour course describes the most often utilized practices and procedures for measuring and calculating square footage in detached single-family dwellings.



The enclosed principles and methods are based on the American National Standard for Single-Family Buildings (ANSI) Guideline. This course offers real estate professionals a stronger understanding of this complex topic, and a closer look at how square footage influences home values in CMAs, AVMs and appraisals. Square footage is the currency of real estate, and every buyer and seller views real estate agents as the square footage experts! Attendees will have the opportunity to network with fellow appraisal professionals.

See page 13 for registration information.

* Fannie Mae CU & You and Home Measurement Basics approved under MCE Provider #9974.

ATA Committees

ATA is looking for individuals to serve on one of our committees. The current committees are:

- Membership
- Professional Standards
- Program

If you are interested in serving on a committee, please contact ATA President Dennis Crawford at president@txappraisers.org or Chairman of Board Bobby Crisp at bobby@txappraisers.org.



TALCB Corner

TALCB Accepting Volunteer Applications for Working Group

The Texas Appraiser Licensing and Certification Board (TALCB) will appoint a working group of appraisers and other industry participants to make recommendations to the Board for implementation of the Appraiser Qualifications Board (AQB) criteria for appraiser criminal history background reviews. Beginning in

October 2015, meetings will be held in Austin and also via tele-conference. Invited working group members will not receive any compensation for their participation. TALCB invites license holders, industry participants and members of the public to apply. Anyone interested in being considered should submit a letter of interest and resume to the Board's General Counsel at general.counsel@talcb.texas.gov by September 18, 2015.

Upcoming TALCB Meetings:

- Oct. 8 -TALCB Education Committee (via conference call)
- Nov. 20—TALCB Board Meeting, Austin, TX



TRID—What's it Mean for Appraisers—Issac Peck



Lenders, AMCs, and appraisers are anxiously awaiting TRID, the TILA-RESPA Integrated Disclosure rules, which will bring significant changes to borrower disclosures. TRID essentially merges the HUD-1 Settlement Statement, Good Faith Estimate (GFE) and the Truth-in-Lending disclosure form into two new forms: a Loan Estimate and a Closing Disclosure. Here's what it means for appraisers and appraiser fees.

TRID's effective date is just around the corner, recently extended to October 3, 2015, a Saturday, which many say gives lenders an opportunity to roll out new systems over the weekend. Richard Cordroy, Director of the Consumer Financial Protection Bureau (CFPB), has also indicated to Congress that the CFPB will be "sensitive" to institutions making good faith efforts to implement TRID. This suggests that a grace period will ease the transition, even after October 3, although lenders and AMCs are not wasting any time formulating strategies to comply.

While much attention has been paid to how this process will impact lenders and mortgage brokers, not much analysis has been offered on how this process will affect appraisers. This is what you need to know.

Zero Tolerance
Much like the GFE, the Loan Estimate (LE) must be sent to a borrower within three business days after the borrower applies for a loan. However, while the GFE previously allowed for a 10% variance in appraisal fees, the new TRID rule now classifies appraisal fees in the zero-percent tolerance category along with all the other fees that consumers cannot shop for.

Zero Tolerance

The result of this change is that, except in very specific circumstances, the original appraisal fee quoted to the borrower cannot be changed. There

are six exceptions where zero-tolerance fees (like appraisal fees) may be adjusted based on specific criteria. These instances include: (1) a changed circumstance, (2) a changed circumstance requiring eligibility, (3) revisions requested by the consumer, (4) interest rate dependent changes, (5) expiration of terms due to consumer delays, and (6) a delayed settlement date on a construction loan.

While seemingly broad in scope, most of these exceptions have little to do with appraisals and, for the most part, will be applicable to only a small fraction of appraisal fees. Yet there is one exception that many insiders say may apply to appraisals and that is a changed circumstance. In the vast majority of cases, a changed circumstance will be the applicable exception for any change to an appraisal fee, making it important for AMCs and appraisers to understand the criteria behind it.

Changed Circumstance

TRID defines a changed circumstance as one that is "beyond the control of any interested party." Such a circumstance may occur because of an "unexpected event specific to the consumer or the transaction" or because "information specific to the consumer or transaction... was inaccurate or changed after the disclosures were provided." A changed circumstance may also be the "discovery of new information specific to the consumer or transaction that the creditor did not rely on when providing the original disclosures."

TRID provides an appraisal-related example that is easy to follow. Imagine that a borrower submits a loan application for a residential property located outside of town. The lender issues a Loan Estimate with an appraisal fee of \$400 and the borrower indicates she is ready to move forward (a requirement under TRID). However, upon arriving at the subject property, the appraiser realizes that the property is located on a farm. The assignment, consequently,

warrants a higher appraisal fee and this is considered a changed circumstance because "information specific to the consumer or transaction... was inaccurate or changed after the disclosures were provided." In other words, the consumer provided inaccurate information which, once discovered, constitutes a changed circumstance.

How broad will this exception be? It depends on how lenders and the CFPB interpret the definition of a changed circumstance. If a property that is originally thought to be 1,200 sq. ft. turns out to be 2,400 sq. ft., does that constitute a changed circumstance? What if there is negative stigma or functional obsolescence associated with the property? The broad language of TRID means that interpretations will vary. After all, the realization that some information is inaccurate or changed, as well as the discovery of new information, can all be indicators of a changed circumstance and thus apply to the appraisal process.

Some industry insiders insist that because the address was already known before the fee was disclosed to the borrower, only the most extreme changes in circumstance will be allowed. The downside for everyone involved is that once a changed circumstance is established and an increase in an appraisal fee is agreed upon, the lender then has to

issue revised disclosures to the borrower. This process, while not expensive, costs the lender time and money. The result likely will be that lenders may be reluctant to allow such changes even if the criterion for a changed circumstance is clearly present.

Appraiser Money

Tim Shaw, President of Accurity Valuation, a nationwide appraisal firm, reports that TRID may cause some negative repercussions for appraisers. "Depending on the AMC, TRID may make it much more likely that requests for fee increases will be declined. It's likely to suppress appraisal fees," says Shaw. One potential strategy that AMCs might use will be to bid out or



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TRID—Con't

(Continued from page 7)

ders, similar to the way commercial appraisals are ordered, to avoid TRID violations. “We may see an increase in appraisal order bidding for rural property, outliers, and complex properties, as AMCs and lenders become wary to estimate the cost of an appraisal on atypical properties. The downside to this as a widespread approach is that it may slow the loan process down by up to a day,” reports Shaw.

AMCs and lenders have different interpretations of TRID, but ultimately the decision and the responsibility of how best to comply with TRID lies with the lender. Sharon Lynn, Vice President of Client Relations for AMC Valuation Management Group (VMG), says that when VMG meets with lenders to discuss strategies for complying with TRID, she always makes it clear that VMG is not the lender’s general counsel, but its AMC. The result is that each lender decides individually how to interpret TRID and achieve compliance.

VMG’s approach stresses the importance of creating a dialogue with the buyer (or owner during a refinance) about the property in question. “Each client is different, but for the most part there has historically been very little dialogue with the buyer/owner as it relates to the property. TRID makes it very important that we understand, in advance, what kind of property we are dealing with. VMG is introducing a buyer/owner questionnaire to our clients and encouraging them to use it to collect additional information about the property that will be appraised,” says Lynn.

Creating a dialogue with the buyer and having them fill out a questionnaire regarding the property will provide critical information to both the lender and the AMC. “The questionnaire we are recommending to our lender clients will tip us off if we are dealing with a complex property and allow us to respond accordingly. If the

property looks like it may be atypical or unique, we can then put that order out to bid immediately and before our client issues the Loan Estimate. The result is that we’ll be able to pay reasonable and customary fees to appraisers while helping our clients comply with TRID,” Lynn says.

The questionnaire may also need to vary, based on the region or state, as some property characteristics are atypical in some markets, but not others.

Lynn reports that some lenders have adopted an interpretation that any property that is discovered to be atypical or unique would constitute a changed circumstance, but is careful to note that lenders are interpreting TRID differently. “While TRID is clear that location is not a valid changed circumstance, since the property address was known at the time of disclosure,



the discovery of other property attributes may be considered a valid changed circumstance by some lenders,” says Lynn. In terms of what kinds of properties will be put out to bid, and what kinds

of property attributes that, when discovered, may constitute a changed circumstance, VMG cites the following:

- Unique architectural style – log home, dome home, berm home
- Manufactured housing
- Historic homes
- Homes with accessory units (garage apartments, in-law suites, guest houses)
- Large and/or high end, luxury homes
- Ocean front, lakefront, mountain homes
- Homes on acreage
- Anything that is atypical or unique for the market

However, each lender will respond differently. “As an AMC that works with many different lenders, we are seeing a variety of different approaches. We are committed to paying reasonable and customary fees and we try to be sensitive to the needs of our

clients when formulating strategies to deal with TRID,” says Lynn.

Customary & Reasonable Considerations

One potential problem some industry insiders see is that TRID and Dodd-Frank’s C&R fee legislation might end up conflicting, depending on how the CFPB enforces TRID. If the CFPB rules that complex properties do not constitute a changed circumstance, then TRID may wind up denying C&R fees for properties that turn out to be complex. Given that the lender only has three days from receiving the borrower’s application to issuing a Loan Estimate, the expectation that the lender can research and know about every attribute of a property before quoting an appraisal fee seems unrealistic, and the extent that certain lenders and AMCs set fees in stone will undoubtedly influence whether C&R fees are paid to appraisers.

Additionally, while lenders may be tempted to adopt flat fee models across the country, such practices may lead to less than C&R fees being paid in some areas, given how widely fees vary nationally. A fee that is generous in one state may be less than C&R in another.

The potential upside for appraisers is that in some cases TRID may result in higher appraisal fees. Based on conversations Working RE has had with AMCs and lenders, some lenders may opt to pay a flat fee, on the high end, and quote it on everything; so all appraisers on a given panel will be paid the higher fee. In these cases, appraisers might actually end up getting paid more.

TRID is set to go into effect October 3, 2015.

About the Author

Isaac Peck is the Editor of Working RE Magazine and Director of Marketing at OREP.org, a leading provider of E&O Insurance for appraisers, inspectors, and other real estate professionals in 49 states. He received his Bachelors in Business Management at San Diego State University. He can be contacted at Isaac@orep.org or (888) 347-5273.

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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



2015 Mobile App Business List—From Jim Morrison

About this time last year Appraisal Buzz published an article about some new smartphone and tablet apps for appraisers to use to manage their everyday lives and small business. With technology moving as fast as it does these days it is important to stay up to date on all the latest. That is why they put together a new list of apps for you to try for 2015. Let us know which ones you like, which ones you could do without and which apps we forgot to put on the list.



Addappt: ([Addappt](#))

Free for all devices
Average Rating: 4.1 / 5 stars
The longer anyone stays in any industry the harder it is to keep track of your contact's up to date phone numbers and email addresses. Now there is an app that can help you with that. Addappt lets your business associates update their contact information in *your* address book. This helps you avoid having to search through your contacts all the time and update them one at a time. You can also organize contacts into different groups and send messages via Addappt.



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Most small business owners do not speak the language of accountants. Most of the accounting programs are tough to get the hang of. As with the simple language it uses, FreshBooks is simple to use. Fresh books found a way to simplify it all and keep track of your time, create invoices, and manage your payments. You can import data from other financial programs you currently use.



1password: ([Agilebits, Inc.](#))

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With technology advancing the way it does it is more important that you have strong passwords to secure your self from potential cyber hackers. Now you can either just request a new password every time you want to login to your favorite sites or create a really hard password that can be tough to remember. According to Late Night with Seth Meyers, [making up a song](#) can help you remember your password. 1password is an app that fixes all that for you. Use your master password or thumb scan and the app will automatically input your passwords in the correct place. It will even make up passwords for sites when you are registering that meet the criteria of the site then remember them for you with a press of your finger next time you need to login.



Road Warrior Route Planner: ([RoadWarrior, LLC](#))

Free to download for all devices.
Monthly subscription plans may apply
Average Rating 4.3 / 5 stars
As appraisers you have most likely had to run all over town doing appraisals in different areas, taking pictures in others, and running the occasional mid day errand. This app allows you to plot all of your stops first thing in the morning then plots a route to help you waste the least amount of time backtracking. Save gas, time, and patience by preplanning a route for yourself.



Doodle: Schedule Maker: ([Doodle](#))

Free to download for all devices.
Average Rating 4 / 5 stars
Getting a lot of people together to

schedule a meeting can be a hassle. Doodle allows you to send everyone a link to a form where they can fill out yes, no, or maybe for each available option. Then doodle will automatically figure out for you which time works best for the majority of people. It is a quick way to get feedback and helps to prevent those long email chains where everyone lists their availability.



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Free to download for all devices.
Monthly subscription plans may apply
Average Rating 3.9 / 5 stars
Sharing everything with your office while on the go or traveling can be a bit of a hassle. This app allows you to share screen video chat comment and edit on documents all from the comfort of your own screen. Make it seem like you are right in the office with this program. The desktop app is the best way to use this program. This program also allows you to set up tasks and gives you reminders when they are due or still need to be completed.



Google Drive: ([Google, Inc.](#))

Free to download for all devices
Average rating 4.4 / 5 stars
While we included this in [last year's article](#) on apps to download we thought we should include it again because of the additions they have made for the smartphone app. Now you can scan documents, edit or sign PDFs and store or email it all from your phone. The desktop app allows you to collaborate on spreadsheets, PowerPoint's, and Word documents all at the same time.

Jim Morrison is a graduate of the Franklin Perdue School of Business at Salisbury University and the Director of Marketing for the Appraisal Buzz .

Determining What to Charge for Appraisal Fees

By Dustin Harris



Have you ever asked yourself why gasoline prices seem to fluctuate so dramatically? Maybe it's the weather. Perhaps it is a conspiracy in the Middle East. Surely

the politicians are to blame. To be sure, the correct answer is complicated and likely multifaceted. There is much that goes into what your card is charged at the pump, but not much the common man probably understands. You can bet however that those who make these decisions do indeed know and understand how it all works. Have you ever wondered why a Big Mac will set you back \$3.99 at McDonald's, yet any size soda will only cost you a buck? Rest assured, these decisions are not determined on a whim. Successful businesses understand costs and thus are able to properly determine correct prices to remain viable in the current market.

What about appraisers? What do you charge for your services? More importantly, why? If you received a phone call today from a potential customer for a standard appraisal, what would your fee be? Would it make a difference if it were an attorney, a homeowner, an AMC? Does the type of assignment or even the type of customer play into your fee decisions?

As appraisers, we spend a lot of time complaining about our low fees, but where do those fees actually come from? Why is \$350 per appraisal a common number in many areas? Who determines fees and how? Is it tradition? Is it just because that is what it has always

been? Are they set in concrete? Can we realistically change/raise them? We have the idea that appraisal fees are what they are and cannot be changed (like touching the Ark of Covenant), but does that perception meet reality? Maybe it is time for us as business owners to step back and get to the basics of costs and fees.

Within any business, there are hard costs and soft costs. Hard costs are basically the same every month. They include things such as your building rent, internet access charges, payroll, MLS membership fees, your cell phone bill, etc. Though they may fluctuate slightly, you can basically plan on paying the same fee for them month after month after month. Furthermore, these are costs you incur whether you do 1 appraisal or 100. Soft costs, on the other hand, are different. They will change based on your volume. They include such things as gasoline, print cartridges (another reason to go paperless), contract labor, taxes, and vendor portal usage fees. There are

reasons to like and dislike each type of charge. Business owners like hard costs because they are predictable. They can be planned for. On the other hand, when volume is low and times are lean, hard costs are difficult sometimes to satisfy. Soft costs are liked because they are easier to pay when they come due. A high volume means a high income to satisfy obligations. Yet, they are not easy to budget for because they are so volatile. The big question here is, do you know what your hard and soft

costs are? I am not asking if you know the definition of the two. Rather, I am asking if you, as a business owner, know your own numbers. Do you know how much you spend every month in hard costs? Do you know how much, per appraisal, you spend on soft costs? The answers to these questions are essential if you expect to remain in business long-term.

The above measure is not as difficult as it at first might appear. Begin by either getting out your receipts from last month and going through them or just go to your Quickbooks (or whatever financial software provider you use) and start putting purchases into two categories; hard and soft costs. Do that for at least two other months from earlier in the year to give an accurate picture. What? You don't track your expenses that closely? Well, now you know where to begin. Once you have the data you need, it is now time to start analyzing. Don't worry, you are an appraiser. You can do this!

Once you have determined your hard and soft costs (as well as a realistic monthly estimate of your volume), it is now time to look at your competition. Do you know what Mary T. or John D. Appraiser down the road are charging for a typical appraisal fee? It would be ridiculous to determine your fees without a working knowledge of what other appraisers, doing similar type work in your area, are charging. Otherwise, you could charge whatever the devil you want. Fact is, you live and work in a capitalistic society where competition matters. Charge too little and you go can't cover your expenses and still



Determining What to Charge for Appraisal Fees-Con't

(Continued from page 11)

have something at the end of the day to take home to your family. Ask for too much and your potential clients will simply choose a comparable appraiser whose fees are less. You have to find a happy medium.

Though there are a lot of moving parts here, there are essentially only two, main components (determining costs (both hard and soft) and knowing your competition). The problem here is that I dare say most appraisers look only at the latter and pay very little (if any) attention to the former. It is not easy to accurately determine your soft and hard costs. It takes work. With so much else vying for our time, this portion often gets neglected. Do not allow it to. If you need to pay an accountant or financial genius to help you out, do it! It will be well worth what you put into it.

It is in step 3 that the real magic happens. This is where you must finally determine what your fees will be on a typical assignment. Frankly, some guesswork must play out here. Though you have some hard numbers on your costs and a pretty good idea as to what your competition is doing, you still have to determine what it is you will do. If I could offer any advice at this point, it is to aim high. You might be surprised at what the

market will actually sustain. Maybe you have always charged \$350 per appraisal and you can indeed make

a living at that amount. What would it do for you and your business to raise that fee to \$375? Too much? What would even \$365 do for you? Would your clients sustain you in such a minor change? There is only one way to find out?

So, what determines your success in finding the perfect fee in order to run a successful business yet not be constantly passed over for lower fees being charged by your competition? First of all, it is not all about numbers. I assume that, like me, you do not always go for the cheapest product or service out there. Successful consumers usually means not picking the highest prices, but not choosing the lowest either. The old saying that you get what you pay for is usually true. Normally, I look for a mid-level product for a mid-level price. As an appraiser, there are ways to make your product superior to all of your peers yet not necessarily charge the highest fees. Even in the world of AMCs, your end product does indeed matter. Your clients do care about your quality and turn time. I know. I

know, but they really do. No really, they do!

Over the past several years, I have been able to successfully develop a business model that allows us to

work more efficiently, but not cut corners in the meanwhile. Sometimes it is called work-

ing smarter rather than harder, but it essentially allows us to be in a different league than our competition. We are able to keep our costs at a minimum, our productivity high,

our quality control strict, and our fees in line (if not slightly less) with (than)

our peers. Know your costs. Understand them intimately. Be aware of your competition. Understand not only their fees, but their expertises and weaknesses. Merge these two components and you will know exactly where your fees should be. This is a key to a successful appraisal office in today's challenging appraisal world.

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 is helplessly addicted to Swedish Fish.



Association of Texas Appraisers - Meeting Registration Form

2015 DFW Regional Meeting—Sept. 25-26

Ft. Worth, TX

Name: _____ Name for Badge: _____

Address: _____ E-Mail: _____

_____ Phone: _____

Early Bird Fee (Before Sept. 14):

Member	\$125
Non-Member	\$250
Guest Lunch (not for attendees)	\$20

After Sept. 14 Fee:

Member	\$145
Non-Member	\$270
Guest Lunch (not for attendees)	\$20

Total Due \$ _____

For more information, contact:

Teresa Walker (210) 837-7123

info@txappraisers.org

Schedule

Friday, Sept. 25

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>Fannie Mae CU and You</i>

Saturday, Sept. 26

7:30 a.m.	Breakfast
8:00 a.m. - Noon:	<i>Home Measurement Basics</i>
Noon - 1:00 p.m.	Lunch (included with your registration fee)
1:00 p.m. - 5:00 p.m.	<i>Home Measurement Basics (con't)</i>

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

ATA has negotiated a \$99 sleeping room rate for this meeting at the Hampton Inn & Suites. To reserve your room call (817) 952-3080. The cut-off date for reservations is September 14. Rooms will be available on a space/rate available basis after this date.

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

Register and Pay On-line:
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. 21. No refunds after Sept. 21.

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

NAA Membership

As an ATA member, you are automatically considered an individual affiliate member of the NAA. This provides increased representation at both the state and national level and several other benefits noted on the following pages. However, this is not mandatory. If you would prefer *not* to be counted as an individual affiliate member of the NAA, please contact Teresa at, Teresa@naappraisers.org and

she will remove your name from our roles.

If you would like to participate at a higher level, you can join the NAA as a designated member (MNAA) and we will waive the initial \$50 processing fee. To do this, please take a moment and register at www.naappraisers.org/membership.html. Select the Designated Member option and

simply pay \$100 instead of \$150 when you check out. If you would like additional information, or just to discuss the profession, Mike Brunson at mike@redamages.com



a la mode Partnership

Don't forget that ATA 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 imme-

diated 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 ap-

praisal 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.



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