



Connections

Official Publication of the Association of Texas Appraisers, Inc.

Board of Directors 2009-2010

Tom Shirley, President
(830) 609-3629
tdsappco@sbcglobal.net

Candace Cooke, V. President
(512) 925-7329
Rpc@aol.com

Michael Braught, Treasurer
(512) 686-0677
mbraught@suddenlink.net

Eileen Brown, Secretary
(512) 694-9112
eileen.t.brown@sbcglobal.net

Frank Baker, Director
(830) 964-4972
appraise@gvtc.com

Ken Becker, Director
(830) 895-5456
debken@omniglobal.net

John Macy, Director
(281) 242-8863
johnmacy215@gmail.com

Bill Render, Director
(210) 493-1816
laneent@earthlink.net

Bobby Shafer, Director
(361) 575-8444
aaa.appraisals@yahoo.com

Bridgett Blankenship, Past Pres.
(361) 777-1200
bridgettblankenship@charter.net

From The Desk of the President

As I flip my calendar over to the month of December and overhear the weatherman on the radio mention the possibility of snow this week, I've now realized that it's almost Christmas. Yes, all the turkey and dressing I consumed and all the friends and family I visited with a week or so ago should have been a pretty big clue that this was coming. And, here it is. So, Merry Christmas and Happy Holidays to you and yours on behalf of the Association of Texas Appraisers!

This time of year also means that our Mid-Year ATA Meeting and Educational Conference is right around the corner. Gale has included conference details and a registration form in this edition of *The Connection*. As you may recall hearing, this will likely be Gale and Vladimir's last conference with us as ATA Members. So come if you can to thank them both for their contributions to this organization and to wish them well in their future endeavors. Hope to see you there. After all, "*In New Braunfels ist das leben schön*"! You can ask your waitress at the Friesenhaus Restaurant downtown what that means when you attend our optional social/dinner Friday evening.

It will be several months later in 2010 but not too soon to mark your calendars for our Fifth Annual Membership Meeting and Educational Conference to be held in Fredericksburg. We're all set with Fredericksburg Inn & Suites for August 13 & 14, 2010. Unfortunately, I'm not aware of any German expressions that the Fredericksburg Chamber of Commerce has adopted like the one that New Braunfels has endorsed. Oh well, hope to see you there anyway! More details about this meeting will be available at our Mid-Year meeting.

As I mentioned in a previous newsletter article, those two educational conferences would just about do it for a typical ATA year -- a February gathering in New Braunfels and an August annual meeting somewhere else in central or south Texas. But these are not ordinary times. In the wake of the implementation of the HVCC, tightened lending standards, and rapidly changing markets, many appraisers are facing more challenges than ever before. So in keeping with our mission of supporting our members, we (the Board of Directors) are still working on the possibility of offering a second educational offering this coming Summer to be held in the Houston/Katy area. We are hoping to provide an FHA Appraisal Class in mid-June of 2010. If it comes to pass, this class would serve the needs of our current membership (especially those east of the Brazos River) and potentially increase our membership as we venture into a new geographic region of the state. More details about this potential offering will also be available at our Mid-Year meeting.



Tom Shirley, President



Designations Awarded

Congratulations to Frank Schramm, San Antonio, and Derby David, Austin, who were recently awarded the Associate of Texas Appraisers-Residential, ATA-R designation.

If you are interested in applying for a designation with the ATA, go to our website www.txaappraisers.org and click on the “Membership” tab, where you will find the Designation Application, which includes information on designation requirements.

Mid-Year Meeting & Educational Conference



Mark your calendar today so you don't forget the Mid-Year Meeting and Educational Conference to be held at the McKenna Events Center in New Braunfels on February 19-20, 2010. Columbia Institute will be providing instructors to teach the USPAP Update course (ACE & MCE credit) on Saturday and a three hour course entitled “Appraiser Independence Update” (ACE credit) on Friday afternoon. Additionally, Deloris Kraft-Longoria, investigator with the TALCB, will be here on Friday afternoon to provide a one hour update on the TALCB.

For those members who are also licensed real estate practitioners, Friday morning we'll be offering the 3 hour MCE Legal course required for real estate license renewal. The Board of Directors will be holding their meeting Friday at 5:15p.m. and you are certainly welcome to sit in on their meeting. And Friday evening you'll have the opportunity to try some real German food if you attend the group dinner that is planned at the Friesenhaus in downtown New Braunfels. Hope to see you there!!!

Unfortunately the Holiday Inn, where we have met for the past many years, is in the process of changing ownership and wasn't able to book our meeting. Thus the new location at the McKenna Events Center in New Braunfels. Although there isn't a hotel next to the McKenna Events Center, there is an ample selection of hotels within 10-15 minutes of our meeting place. You can go to the Greater New Braunfels website www.nbcham.org to find a complete listing of hotels. Once on their site click “Visitor Information”, then “Where to Stay”, and finally “Hotels”. Most of the hotels listed are within 10-15 minute drive from the McKenna Events Center.

As usual, your registration will cover the classes plus breaks both days and breakfast and lunch on Saturday. Although we won't be providing lunch on Friday, there are a couple good restaurants near McKenna. If you like barbeque, be sure you try Granzin's restaurant which is just down the street from McKenna. They've been around a long time and serve up some mean BBQ.

You can use the registration form on the last page of the newsletter to register by mail. Or visit our website www.txappraisers.org, click on the “Membership” tab and then on the “Pay Dues and Fees Here” button at the bottom of the page and register online with your credit card or PayPal.



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.

Member News



New Members:

The President and other members of the Board of Directors would like to welcome our two newest members: Carolyn Sloan-Thibault from Ingleside and Patricia Crawford from San Marcos. Welcome aboard ladies!!

Retirements:

Well time marches on and some of our members have, over the last year or two, decided to ride off into the retirement sunset. We will miss seeing these three retirees who have been so much a part of the appraisal industry in South Central Texas for many a year. Our best wishes for many happy retirement years go out to Hank Warren, San Antonio, C.E. (Coot) Davis, Uvalde, and Vladimir Pospisil, New Braunfels, who have all decided to not renew their ATA membership this year.

Although these three gentlemen have retired from appraising, we suspect they'll be busy in other areas. You will probably find Hank out on the golf course somewhere and Coot and Vladimir have both contracted the travel bug so may be hard to find.

Kudos for PR Efforts:

A special thank you on behalf of the ATA goes out to Rick Neighbors from Keene. Rick is a frequent participant in Texas appraisal forums online and has been our best PR man. Rick continues to sing the praises of the ATA to whomever will listen and we appreciate it. Thanks Rick -- you are keen!!

Executive Director Applicants:

The Board of Directors is happy to report that they have received applications from four very qualified individuals for the soon to be vacant Executive Director position. The Board is in the process of reviewing the application and interviewing the applicants and are hopeful of having a decision well before the February meeting.

NAR Committee Appointment:

Congratulations to Candy Cooke, ATA Vice President, for her appointment to the NAR Appraisal Committee for 2010. In writing about her appointment, Candy said "I'm not sure how much I can do but at least we will have a Texas voice on the committee." Good to have one of our members on such an important committee and Candy will certainly be an articulate voice!

Las Vegas Appraisal Summit:

Former ATA President Bobby Crisp wrote that he is planning to attend the Appraisal Summit in Las Vegas Dec 9-12. Hmmmm, what a good excuse for a trip to Vegas Bobby. But seriously, we look forward to getting some good up to date information from Bobby after the Summit. We'll be sure to get it out to all our members as soon as possible.

USPAP ISSUES

By: Bobby Crisp
AQB Certified USPAP Instructor #10287



Lately, there has been a lot of attention being paid to appraiser geographical competency. Over the past few weeks there have been numerous articles posted on the internet about this subject. My initial thought was, “Why has this become such a big thing all of a sudden? Hasn’t this been an issue in ... like ... FOREVER?” After reading these articles, internet blogs, and even HUD Mortgagee Letter 09-28, it appears to me that somewhere along the line, something has changed ...or has it?

Back in March 2008, we were introduced to the Home Valuation Code of Conduct agreement. With this agreement, appraisers could see that many of their business relationships were going to disappear. With the final version of the HVCC introduced in December 2008 and becoming effective May 1, 2009, a lot of appraisers saw their fears turn into reality – their client base just shrunk, and in some cases, vanished to nothing. So, how were these appraisers going to maintain a sufficient workload in order to make a living in this profession that they have chosen?

Although it was never required, many lenders decided it would be a better business decision on their part to utilize Appraisal Management Companies (AMCs). In order to comply with the HVCC agreement, many lenders concluded that ordering and managing appraisal assignments through AMCs was the better solution for their companies. There are so many articles lately saying lenders were “forced” to use AMCs. No one has ever “forced” a lender to use an AMC. They do so solely out of choice. Since the majority of lenders made the decision to use AMCs, appraisers who wanted to continue appraising for mortgage lending transactions were left little choice. Appraisers would have to join AMCs.

Now that so many appraisers have joined or signed up with AMCs all across the country, it has become apparent that some appraisers are receiving assignments in areas that they do not have the geographical competency to complete. The AMC doesn’t know which appraiser has competency and which does not. The AMC is ordering assignments based on information provided to them by the appraiser. When joining/signing up with an AMC, the appraiser indicates the property type and the areas for which they have knowledge and experience. Yet, many are so quick to blame the AMC for hiring the appraiser that doesn’t have the competency to perform the assignment. Still, the problem is not that appraisers are accepting these assignments, but rather that they do not appear to be following the Rule set forth in USPAP regarding this matter.

If an appraiser does not have the competency to perform an appraisal assigned to them, can they appraise the property? You bet they can! BUT, there are steps that must be taken PRIOR to accepting the assignment.

COMPETENCY RULE

Prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or alternatively, must:

1. disclose the lack of knowledge and/or experience to the client before accepting the assignment;
2. take all steps necessary or appropriate to complete the assignment competently; and
3. describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.

In the 2010-2011 USPAP document, which becomes effective on January 1, 2010, the Appraisal Standards Board has re-written the current Competency Rule. The new version of USPAP is broken out

(Continued on Page 5)

into sections of Being Competent, Acquiring Competency, and Lack of Competency. Both the current and new USPAP documents specifically address geographic competency:

Current 2008-2009 USPAP:

In an assignment where geographic competency is necessary, an appraiser preparing an appraisal in an unfamiliar location must spend sufficient time to understand the nuances of the local market and the supply and demand factors relating to the specific property type and the location involved. Such understanding will not be imparted solely from a consideration of specific data such as demographics, costs, sales, and rentals. The necessary understanding of local market conditions provides the bridge between a sale and a comparable sale or a rental and a comparable rental. If an appraiser is not in a position to spend the necessary amount of time in a market area to obtain this understanding, affiliation with a qualified local appraiser may be the appropriate response to ensure development of credible assignment results.

2010-2011 USPAP:

Competency can be acquired in various ways, including, but not limited to, personal study by the appraiser, association with an appraiser reasonably believed to have the necessary knowledge and/or experience, or retention of others who possess the necessary knowledge and/or experience.

In an assignment where geographic competency is necessary, an appraiser who is unfamiliar with the relevant market characteristics must acquire an understanding necessary to produce credible assignment results for the specific property type and market involved.

In addition to USPAP, Fannie Mae developed a Uniform Residential Appraisal Report (URAR) form that has three pages of pre-printed Statements of Assumptions and Limiting Conditions along with Appraiser's Certifications that are signed by the appraiser and/or supervisory appraiser – and all secondary market participants have adopted this form when the appraisal is for mortgage lending purposes.

URAR Certification #11:

“I have knowledge and experience in appraising this type of property in this market area.”

URAR Certification #12:

“I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.”

Several articles and blogs discuss how appraisers have been known to drive 40-50 (one article said over 100) miles to perform an appraisal. I guess in some areas of the country that may be a big deal. If so, the Competency Rule of USPAP applies. I know several appraisers that travel 40 miles just to go to their store for groceries! If the assignment is for a mortgage lending transaction, there are Certifications being signed by the appraiser. If the appraiser does not have competency (geographic or otherwise), and the necessary steps were not taken to appropriately gain competency, then the appraiser is liable.



Geographical competency isn't new...it's always been here. Is there a problem? I think so, especially now that the HVCC agreement has dictated who can and cannot order appraisal. It seems that appraisers are broadening their coverage areas in order to gain the number of assignments they need to provide for their families. I think many appraisers do not want to tell their clients that they do not have the competency for a specific area/location in fear of losing the assignment....when all along, USPAP is on their side!

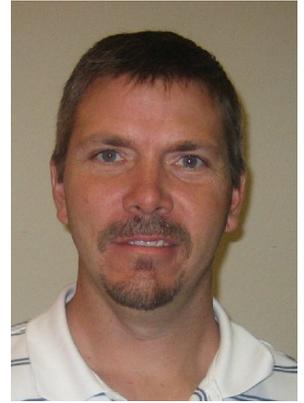
Food for thought!

Bobby Crisp



Work for free, and love it

By Frank Baker, Director



I know what you are thinking. “What do you mean work for free? I work too hard to not get paid.” But before you get too excited, let me explain. Some of the most rewarding work you will do, you will do for free. Unless you have inherited millions, working is something we all have to do to pay the bills. Some of us really enjoy our profession and do quite well financially with it, but truly the most rewarding work you will do will not pay you a dime. I’m talking about volunteering your time to the community.

Whether you serve meals at a soup kitchen, help at a homeless shelter, volunteer as a Little League Baseball coach, become a mentor in the Big Brother/Big Sister program, deliver meals on wheels, or volunteer with any other non profit service, you will get more enjoyment and satisfaction from the giving of your time than any 1004 could ever give you. Serving others not only makes the world a better place, but it makes you a better person. Although it means that you are doing something for someone else, I have found that each time I volunteer I receive something far greater than the one that I have served. It is true joy at its finest. After one experience of serving, you will understand.

A few weeks ago, my wife and I went to a local nursing home as part of a church wide project to serve those in our community. Listening to the elderly tell their stories and just spending time with them brought joy to their day and a moment of happiness for them. The nurses on staff said that the residents hadn’t been that happy in a long time. Although I know the residents enjoyed us being there, I am the one that left feeling like I had been served. It was quite an experience. Also, this Thanksgiving, my family and I went on a mission trip to an orphanage that houses 205 kids in Mexico. We were there to help in various ways: repair electrical and plumbing lines, build beds, and play and interact with the kids. We worked from sun up to sun down and I was completely exhausted when I returned home. I know we brought happiness to them, but they did much more for us than we could have ever done for them. It brought a sense of appreciation for our many blessings, as well as knowing that I did something good for someone in need. It warmed our hearts, and all of it was for free. I will never forget that experience and I look forward to the next opportunity I have to do it again. It is hard to explain, but it moves something inside of you that no job or paycheck could ever do.



Lastly, being around those who are less fortunate than you, will truly bring a sense of realizing how blessed you are. I now have a deeper appreciation for living in the USA that I would not have known had I not experienced the poverty I saw in Mexico. If you have not had the opportunity to experience true poverty, you should. It will move you in a way that will move you to act. It is truly a life changing experience.

So, get involved. Do something for free and experience true joy. We are so blessed living here and much is required of us for what we have been given. “...From everyone who has been given much, much will be demanded; and from the one who has been entrusted with much, much more will be asked.” Luke 12:48

Now, go and make the world a better place and do it for free. It will change your life.



(Note from the Editor: In addition to all the above, Frank has been serving on the Comal Independent School District Board for several years. No pay and lots of gripes from constituents but Frank has a reputation as a fine school board member!)

Membership List
as of
Nov. 2009

Andrews	Dwayne	Loftus	Mark
Ansari	Ed	Longfellow	Thomas J.
Atkinson	Wayne	Loper	Jim
Baker	Frank	Lumpkins	Phil
Becker	Ken	Macy	John
Blackmon	Shaun	Matkin	Melanie
Boarnet	Bernie	McAllister	Bill
Brought	Michael	McAllister	Shirley
Brillhart	Ruth	McDaniel	Jessica
Brillhart	Don	McDougall	Bridget
Brown	Eileen	McWatters	Kevin
Bruce	Kenneth	Mellert	Sandra
Buchwald	J.D.	Morris	Jim
Carns	Frank	Nance	Colleen
Carter	Neil	Neighbors	Rick
Clawson	Jo Ann	O'Dell	Virginia
Cooke	Candy	Palacios	Tony
Crawford	Patricia	Pruett	Ken
Crisp	Bobby	Prukop	Deborah
David	Earle W. (Derby)	Render	Bill
Davis	Chris L.	Render	Lora
Davis	L.T.	Schneider	John
Drapela	Dave	Schramm	Frank
Dresch	Michael	Seidel	Georg
Funk	Bill	Shafer	Bobby
Garces	Eduardo (Eddie)	Sheehy	Patrick
Gibson	Wade	Sherry	Buster
Goebel	Patrick	Shirley	Tom
Gray	Edward	Shuman	Edward (Ed)
Green	Bill	Sloan-Thibault	Carolyn
Hanz	Ron	Smith	Paul
Harris	Carol	Smith	Jay H.
Harrison	George	Smith	Bill
Ireland	Joe	Stehling	Laura
Jacobs	Joyce	Streep	Bill
Jalufka	Mava	Tredway	Kathryn
Jones	Robert (Randy)	Tredway	Garland (Bubba)
Jordan	Wade	Voit	Gary
Kellogg	David	Wells	Donald
Lane	Roger	Wells, Jr.	Donald
Leamon	Nester	Woodruff	Ed
Locke	Billy		

The above is a list of all members who have paid their ATA dues for fiscal year 2009-2010. If you don't see your name above, then we have no record of having received your dues. If you believe you have paid your dues, please provide additional information and we'll triple check our records.



Association of Texas Appraisers

Mid-Year Meeting & Educational Conference
McKenna Events Center
801 W. San Antonio Street, New Braunfels



February 19-20, 2010

Meeting Registration Form

Name: _____

E-mail: _____

Address: _____

Phone: _____

Mail Registration and Payment To:

Member Fri p.m. & Sat. \$ 75
Non-Member Fri p.m. & Sat. \$150
Lunch Tickets for Guests \$ 15

Association of Texas Appraisers
Michael Braught, Treasurer
207 Rio Vista Drive
Georgetown, TX 78626

Member Friday a.m. MCE \$ 25
Non-Member Friday a.m. MCE \$ 35

OR Pay and Register Online At:



Total Due \$ _____

www.txappraisers.org
(Click on "Membership" tab, then go to
"Pay Dues & Fees Here" at bottom of page)



For further information, contact
Gale Pospisil (830) 629-2447 or
Michael Braught (512) 686-0677.

**Registration must be received by Feb. 16. No
refunds after Feb. 16.**

Visit www.nbcham.org for a complete listing of local hotels, all with 10-15 minute drive of McKenna.

Meeting Times:	Friday MCE	Register 8:00 a.m.	Class 8:30 - 11:30 a.m.
	Friday ACE	Register Noon-1:00 p.m.	Class 1:00 - 5:00 p.m.
	Saturday ACE	Brkfst 7:30	Class 8:00 a.m. - 5:00 p.m.

Membership List and Unpaid Dues



A current list of members is shown on Page 7 of this newsletter. If you are not listed on that membership list, then we have not received your 2009-2010 membership dues as of Nov. 30.

If you still want to pay your dues, you can send a check marked "Membership Dues" and made payable to "Association of Texas Appraisers" to Gale Pospisil, Exec. Dir., 6 Mission Drive, New Braunfels, TX 78130. Or pay online by visiting our website, clicking on the "Membership" tab and clicking on the "Pay Dues and Fees Here" button at the bottom of the page. Dues must be paid before the February meeting to receive "Member" rate shown above.