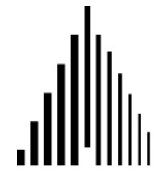


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**IOWA CHAPTER
of the Appraisal Institute**

***IOWA Chapter News
November 2007***



**Appraisal
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FROM THE PRESIDENT

Dennis L. Loll, SRA

I wanted to thank everyone for the privilege of serving the members of the Iowa Chapter during the past year. I also want to thank Wayne and Sonja, they are great and our chapter is fortunate to have them. Thanks also to Rich for all his hard work. He does an incredible job with education and the chapter is in debt to him for his work. Finally, thanks to the board and committees for their work the past year.

At the current time I am in the air traveling back to Iowa after being present at the Region II fall meetings in Golden, Colorado. During this weekend, I have heard a lot of differing views on what the AI should look like in the future. I think it is important to remember that the AI is the best professional organization for appraisers and I believe we have some very committed leaders that are resolute to do what is best for the appraisal profession and the AI membership.

During the next few years, we are going to see dramatic changes in our profession and in our professional organization. I believe we are not only going to see opportunities in our individual careers, but also see incredible changes in our organization.

However, as I have always said and believed in my heart, we are not here to serve the AI or build the organization up, but the AI is here to help and serve its members. Is that being done? Are you getting your monies worth from your AI membership?

I am very concerned when I hear anyone say they are not getting their monies worth from their membership. My answer to anyone feeling this way is to look beyond clients ordering appraisal services because you are an Appraisal Institute member or associate. Look at some of the less obvious benefits.

1. Professional connections.
2. Educational offerings and discounts on classes.
3. LUM library and online research.
4. Discounts on professional liability insurance or other appraiser services.
5. Government and lobbying efforts done by the AI on behalf of its members.
6. Professional and leadership development programs such as LDAC.
7. Chance to serve in leadership roles in your profession.
8. National meetings. Chance to meet some of the brightest and most innovative appraisers in the country.

The lobbying effort alone may pay you back. The AI helped to fight off the bundling of services by lenders that would have reduced appraisal fees. Further, during the past year or two the AI has been on the forefront fighting for appraiser independence and to help with lender pressure. These are all benefits I see from my dues. I ask each member to take stock in your membership and look at the benefit you receive from your affiliation with the AI. Then, in the future when asked if you get your monies worth from your membership; you can honestly say you get your monies worth and will be able to name the benefits you receive from your membership.

Thanks again.

FROM BOARD MEMBER

Rochelle Wolfe, SRA

THE APPRAISAL HUM-DRUMS – GETTING BACK TO THE BASICS

I am sure even the best of appraisers have been at this place in the past. You probably know what I am referring to.....that time in an appraiser's career when he or she feels like they are simply going through the motions. There is a struggle to bring "something new to the table" with the attitude of "just get the job done and move on to the next." Admit it; most of us have felt this way at some point. However, on the flip side, for those that have been in this place, you also know it is a stage that can be worked through.

I am in my ninth year of working in the appraisal industry. With eight years under my belt, I feel like a veteran on some days and quite like the rookie on other days. During these eight years, I have gone through many personal and professional changes. In both areas, there have been many blessings along the way, but not without some hurdles.

With the exception of the first two years that I was in the appraisal industry, this past year was one of the most difficult years I have had in the business. It is difficult to pin-point exactly why it is that I feel this way; I just know this is the case. I feel that I have been easily distracted and that I have gotten into this rut of making things/jobs harder than they need to be. So, I am trying to adopt some changes (though minor) into my routine that just might be enough to make the difference and kick start my appraisal rejuvenation (or re-birth!).

I was recently on the Appraisal Institute's national website to take a look at the seminars being offered on-line. There was one seminar in particular that caught my attention. It was titled "What Clients Would Like Their Appraiser's to Know: How to Meet Their Expectations". A main purpose of this seminar is to inform appraisers of the problematic issues that result in the loss of a client. According to the seminar description, the opinions of review appraisers were heavily relied in putting together the content of the seminar. This made me think back to the times that I have had the opportunity to receive feedback from a review appraiser (both inside and outside my immediate office). In most cases, I have been left with the feeling that I tend to make things harder than they need to be (of course, this is no shock to those who work closely with me!). I think many of us find ourselves in this situation. From this I say, get back to the basics! Know the client, have a clear scope of work, don't force it and try to make it fun again. Don't make it harder than it needs to be, you can only work with what you have!

Another area of the appraisal process that many appraisers have difficulty with, is verifying comparable sales. Again, the "making things harder than they need to be" seems to rear its ugly head when the topic of verification comes up. I know this will never be something I look forward to, however I have been able to turn this part of the job into something I don't mind. Advice once given to me by a colleague was to dress up (more than normal) on the day you plan to make your verification phone calls. If you feel more professional and confident, this attitude will usually come through over the phone. In another case, a co-worker of mine was recently asked about why it appeared he had been wearing a tie most days to work (when before he had not). He replied, "Well, I suppose it's about time to start taking myself serious." Dressing the part really does matter, at least in my opinion. Again, from this I say, get back to the basics. Keep it professional, carry yourself confidently (even on the worst days), and the rest will follow.

The last point I want to make has to do with staying busy. I don't know about most of you, but I find that I am more productive the busier I am. This applies to both at work and in my home life. Now, we all know that there are times when we would like to have more work coming in the door at the office. We cannot always control this, so during those slower times...you got it! Get back to the basics! What groups or organization are in your

community. Look at what is right in front of you and get involved in whatever it is. Whether it is work related (AI chapter committee, or a local professional group), or volunteering your time for a non-profit agency, or with your child's t-ball team! Just do it. Stay busy and involved. I recently worked on a golf event as a fund-raiser for the United Way of Johnson County (at the urging of someone in my office that shall remain nameless!). At first I wondered what I had gotten myself into, but soon realized that it was a lot of fun, it was to help a very worthwhile cause, and I met some great people that I would not have otherwise come to know. Obviously, it diverted some of my attention away from work for a while, but that is not always a bad thing. In fact, it may have given me a little kick-start for the fall. So, whatever your interest, go after it and make it happen!

Have fun and good luck for a great start in 2008!

FROM THE GOVERNMENT RELATIONS CHAIR

Gary Caldwell

There is nothing to report on the state level at this time. I hear the occasional story of lenders updating their appraisal ordering procedures to not include any "target values" and to make sure there is no appearance of pressuring appraisers.

I received the following email from national:

"Urge Your Representative to Co-Sponsor H.R. 3837

The Appraisal Institute needs you to call your Representative urging them to co-sponsor H.R. 3837, legislation that offers significant reforms to the real estate appraisal regulatory structure, which will provide greater openness and accountability of federal and state appraiser regulators, prohibit inappropriate pressure of appraisers and promote higher quality appraisals. Simply click on the link below to contact your Representative today!

<http://capwiz.com/appraisal/callalert/index.tt?alertid=10462171&type=CO>

The name of the bill is the **Escrow, Appraisal, and Mortgage Servicing Improvements Act**. I read the legislation (hey, I couldn't sleep one night) to make sure it did not include anything that I found to create larger problems than it would solve. Some of the provisions of interest to appraisers include:

- Appraisals would be required for all mortgage transactions.
- A physical inspection of the interior of the subject would be required.
- If the purpose of the new mortgage is to finance a purchase within 180 days of a previous purchase and the new price is higher than the previous price, a new appraisal by a *different* appraiser would be required. (*Evidently this is included to expose illegal flipping.*)
- Parties with an interest in the transaction would be prohibited from pressuring or coercing the appraiser to influence values.
- It would be unlawful to fail to timely compensate an appraiser for a completed appraisal regardless of whether the transaction closes. (*I like this one especially well.*)
- It would be mandatory that an appraiser, mortgage lender, real estate broker, etc., report unethical or unprofessional conduct to state licensing regulators.

Please contact your Congressman to co-sponsor this bill by using the link above; in my opinion it is a good one! To find out more, this link should get you there: <http://thomas.loc.gov/cgi-bin/thomas> (in case YOU can't sleep some night.)

Please feel free to contact me at caldaprsl@mchsi.com if you have any questions or legislative issues that you would like to raise. Also, volunteers for the Government Relations Committee are encouraged to climb on board.

Have a great holiday season!

FROM THE REGIONAL REPRESENTATIVE

Gary G. Weckerlin, Jr., MAI

On October 19-21, I attended the Region II meetings in Golden, Colorado. Other attendees from our chapter included Dennis Loll, SRA (Chapter President), Bob Blincow, MAI (Chapter Vice President/Regional Representative) and Kevin Pollard, MAI (Regional Director).

A Chapter President's meeting was held on Saturday morning. The General Session began Saturday afternoon with a brief update on the Appraisal Institute by Immediate National Past President Dick Powers, MAI. Various committee reports followed Mr. Powers' presentation.

The Saturday social involved a tour of the Coors Brewery and dinner at Rhapsody's restaurant, both in downtown Golden.

Sunday morning began with more committee reports, followed by a discussion of the 45-Day Notice of Proposed Amendments to Appraisal Institute Bylaws and Regulations. The two most contentious issues involved Associate Member voting rights and a GMAT alternative to the college degree requirement for General Associate Members. While a formal vote was not taken, the region endorsed the idea of limited voting rights for Associate Members and accepted the idea of a GMAT alternative without any caveat. I opposed both. Finally, nominations were accepted for formation of the next Regional Nominating Committee. Closing remarks were then given by Region II Chair Rick Mosier, MAI.

Next year will be interesting as merger talks heat up. A joint regional meeting is planned in Austin, Texas, next June. As always, I welcome your input.

FROM THE REGIONAL DIRECTOR

Kevin M. Pollard, MAI

2007 has been an exciting year for the Appraisal Institute and the Iowa Chapter, but the challenges we face over the next few years will have a much greater impact upon our organization, and the appraisal industry as a whole. I have had the honor to serve on the Board of Directors of Region II in 2007, which involves concurrently serving on the National Board of Directors of the Appraisal Institute (with two years remaining). I am also in my second year on the National Finance Committee, which is an enlightening experience, and one that carries with it a tremendous responsibility.

Now to the pressing issues facing the Appraisal Institute...we are at a point where we **must** grow in terms of membership. This includes designated members, as well as Associates and Affiliates. The average age of designated members is roughly 55, and there will be a significant decrease in the number of designated members over the next five years due to retirements, attrition, etc. The Strategic Planning Committee has set a goal of recruiting 2,800 new Associate members in 2008, and designating more than 100 new MAI's and 130 new SRA's as well. The budget proposal which has been sent to the Board of Directors includes a significant decrease in the dues for Associates (and the potential elimination of chapter dues - to be reimbursed by National), which will hopefully attract new people, and be an incentive for current Associates to continue to

belong to this organization, rather than let their membership lapse. I am hopeful that our Chapter will also continue contacting Associates to help with their progress toward designation, and offer mentoring by existing members when they need help. I think this is a major step toward retaining Associates.

One of the first things that needs to happen is that all designated members who have employees that are not affiliated with the Institute require that they join. If the dues are reduced as planned, there is no reason that everyone who is producing appraisals for a designated member should not be associated with the Institute. Current General Associates should also realize that this is an excellent opportunity to get over those last two hurdles (the Demo, and the Comprehensive Exam), and attain the designation. The National office has completely reorganized their departments, with special emphasis on helping designated members and Associates solve any problems, and to answer any questions they have (**very quickly**). I think you will be impressed with their progress. The AI web site is also being re-invented, and will premier January 1, 2008.

There have also been 80 new SRA's designated nationally this year as a result of the new 45-hour class offering. Although some think this was a cop out as an alternative to a demonstration report, I can assure you that the course is no cake walk. After talking to the instructors and developers of the course, as well as attendees, I am confident that it was equal to, or even more difficult, than writing a demonstration appraisal.

I realize that many Associates think that State Certification is sufficient to continue working, and that the MAI and SRA designations may not have a significant impact upon their future earnings. Believe me; after almost 30 years in this business, there is no doubt that my designation has made a **substantial** difference in my earnings capability. While it may not be obvious to some, the Appraisal Institute designations are still a major factor in employment decisions by institutional firms, and are typically a requirement to be involved in litigation, government assignments, and to be approved by many lenders and clients. Especially in light of the recent sub-prime mortgage crisis, it is clear that the demand for designated appraisers will increase, as it did in the mid-1980's after the Savings and Loan bail-out, which resulted in the formation of the Appraisal Foundation, and eventually USPAP.

I apologize for the length of this message, but it is **imperative** that we seize the moment at hand. The Appraisal Institute is currently negotiating with the American Society of Appraisers, and the American Society of Farm Managers and Rural Appraisers to unify, merge, or consolidate. This could potentially expand our membership by as much as 7,000. It is not a done deal, and may, or may not, happen.

The National Association of Realtors is also asking us to re-affiliate with them after a 20+ year divorce. Their resources are almost unlimited, and they have more political clout than we could ever hope for. They are reportedly no longer going to support their appraisal designations, and want us to be their appraisal affiliate, and the primary provider of educational programs regarding valuation issues. This could also potentially be a significant source of new members (10,000+), and increase our revenues from courses and seminars.

What I see is happening is a gradual disintegration of many of the competing appraisal associations relative to the Appraisal Institute. There is no question that our educational offerings are by far the best, and we now appear to be recognized as the voice of the appraisal profession, based upon the media spots we have garnered, our involvement with government hearings in Washington, and our expansion internationally into Korea, Turkey, Mexico, and China, just to name a few. I hope that in the future, the Appraisal Institute can consolidate, unify, or otherwise merge with all of the other organizations to promote a single valuation option. The Valuation for Financial Reporting issue will also be a major factor in the appraisal profession in the years to come. It could exponentially increase the demand for appraisal services.

In closing, I would simply ask that you make every effort to recruit and retain any potential members that are out there. We also need young people to enter this profession in order to maintain the quality of service that we currently provide. The Appraisal Institute is making a significant commitment to attaining that goal, and is striving to provide the best member services, and the best education available. There is no doubt in my mind that the MAI and SRA designations will continue to be in high demand for years into the future, if we continue to demonstrate our professionalism, and exceptional service.

Please contact me if you have any questions or concerns.

FROM THE PUBLIC RELATIONS CHAIR

Gene F. Nelsen, MAI CCIM

The University of Northern Iowa Advisory Council met October 10 in Cedar Falls. Much of this meeting was to update the Bylaws of the Council. The Council modified the membership to include the president of the newly formed Finance Major Advisory Council and moved some other classifications, such as University positions, to a non-voting capacity. The Council voted to change the term of the officers to two years each to allow for more continuity due to the bi-annual meeting format. Despite current Iowa Association of Realtors leadership voting to end funding for the Program, the UNIREEP Advisory Council has been assured of the continued support by the University, and the Council is confident in the continued support by Realtors at large. The Realtors on the Council will continue their active membership and support of the Program.

The CCIM Board of Directors met recently and will hold its Annual Inaugural Meeting at Des Moines Golf and Country Club in November. Gene F. Nelsen, MAI CCIM has been elected Secretary of the Iowa Chapter of CCIM and by so doing is on the ladder for Chapter President in three years.

The 11th Annual Commercial Real Estate Expo - The Iowa Chapter was represented well during the Real Estate Expo held at the Sheraton in West Des Moines. This year Ted McWilliams presented a break-out session on Building Feasibility Analysis using a case study format. He was well-received by those who attended. Gene Nelsen gave a brief description of the Appraisal Institute at the Association Recognition and moderated the Finance Panel break-out session.

ICREA - The Iowa Commercial Real Estate Association held its monthly meeting November 1st at the Des Moines Golf and Country Club. Members of the Iowa Legislature presented current legislative issues.

For more detailed information on these associations and/or good suggestions to market the Appraisal Institute contact Gene at 515/276-0021 or by email at gene@nelsenappraisal.com.

MEMBER NEWS

Newly Designated Members

Congratulations to Heather J. Wren, SRA, and Laura M. Oldfather, SRA, on their recent designation.

Retired

The Chapter sends best wishes to Larry W. Joslin, SRA, on his retirement.

New Associates/Affiliates

The Iowa Chapter welcomes 13 new members who joined our chapter since the May Newsletter. This is a total of 27 new associates/affiliates for 2007. They are:

Jennifer S. Adair, Associate General	Aegon USA Realty Advisors, Inc.
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Matthew D. Catron, Associate General	Altoona, IA
Daniel W. Dvorak, Associate General	Iowa Appraisal & Research Corp.
Pamela J. Housman, Associate Resi/Gen.	Housman Appraisal
Amanda M. Luscombe, Associate Residential	Holstein, IA
Sarah A. Meylor, Associate General	Iowa Appraisal & Research Corp.
Barry A. Murray, Associate General	Woebeter Appraisal & Associates
Shawna A. Neal, Associate Resi/Gen.	Neal Appraisal Services
Robert K. Olson, Associate General	The Olson Group
Robyn M. Marshall, Associate General	Iowa Appraisal & Research Corp.
Rand R. Richardson, Associate General	Federal Highway Administration
Joseph A. Short, Affiliate	Appraisal Research Counselors, Ltd.
Thomas A. Tully, Associate Residential	Kane Howe Appraisal Services

Melissa Rupp, associate residential, transferred to the Chapter this summer.

We welcome these new associates, affiliates, and transferees. If the Chapter can be of help to any of you, please contact your Residential Associate Chair, Karen Oberman, SRA, at karen@review.forsytheappraisals.com or 515-277-4600 and/or your General Associate Chair, Bob Blincow, MAI at Blincow.bob@principal.com or 515-246-7002. Good luck to all of you in your path to an exciting and prestigious designation.

Members on the Move

Lois M. Hand-Miller (Lois Kelly) has moved to Rehoboth, MA. She has retained her membership in our Chapter.

William M. Morris, MAI, has transferred his membership to a Texas Chapter and Daniel Kann has moved to the Kansas Chapter.

Condolences

Retired members of the Iowa Chapter - Robert P. Hayes, MAI, and Donald L. Johnson, MAI, - passed away this summer. Both were active members, contributing time and expertise to our Chapter. Robert was the father and grandfather of Mike and Shannon R. Hayes. Our thoughts to the families. Memorial donations were made to the Lum Library in their names.

2008 Revised Dues for Associates

A recent communication from the Appraisal Institute indicates 2008 associate dues are reduced to \$295, which includes national and chapter dues. Information or application for membership may be found on the Appraisal Institute's web site www.appraisalinstitute.org.

The Iowa Chapter offers many benefits and welcomes new members. For information on the Iowa Chapter visit our web site www.aiofiowa.org.

Certified appraisers in Iowa are encouraged to take advantage of this reduced dues offering.

EDUCATION SCHEDULE - 2008

Date	Location (Instructor)	Seminars	No. of CE Hours Granted by:	Tuition
03/18/08	Davenport, IA (Alan Blankenship, PhD)	<u>Effective Appraisal Writing</u>	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS	AI Members - \$115 Non-Members - \$165
03/19/08	Des Moines, IA (Alan Blankenship, PhD)	<u>Effective Appraisal Writing</u>	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS	AI Members - \$115 Non-Members - \$165
04/16/08 thru 04/17/08	Des Moines, IA	Residential Market Analysis and Highest & Best Use		
04/18/08 thru 04/19/08	Des Moines, IA (Dick Koestner)	Residential Site Valuation and Cost Approach		
04/24/08 thru 04/27/08	Des Moines, IA (Cheryl Kunzler)	Residential Sales Comparison and Income Approaches		
05/06/08	Davenport, IA (Karen L. Oberman, SRA)	<u>Nat'l USPAP Update</u>	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS 7 hrs-Appraisers Illinois	AI Members - \$125 Non-Members - \$165
05/08/08	Des Moines, IA (Karen L. Oberman, SRA)	<u>Nat'l USPAP Update</u>	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS 7 hrs-Appraisers Illinois	AI Members - \$125 Non-Members - \$165
05/09/08	Sioux City, IA (Cay Lacey, MAI)	<u>Nat'l USPAP Update</u>	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS	AI Members - \$125 Non-Members - \$165
06/05/08	Davenport, IA (Vince Dowling)	Office Building Valuation		
06/06/08	Des Moines, IA (Vince Dowling)	Office Building Valuation		
06/17/08	Davenport, IA (Alan Blankenship, PhD)	Effective Appraisal Writing	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS	AI Members - \$115 Non-Members - \$165
06/18/08	Des Moines, IA (Alan Blankenship, PhD)	Effective Appraisal Writing	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS	AI Members - \$115 Non-Members - \$165
06/19/08	Clear Lake, IA (Alan Blankenship, PhD)	Effective Appraisal Writing	7 hrs-Appraisal Institute 7 hrs-Appraisers/Assessors & IA REALTORS	AI Members - \$115 Non-Members - \$165
07/16/08 thru 07/19/08	Des Moines, IA (Joe Magdziarz)	General Market Analysis and Highest & Best Use		
08/13/08 thru 08/16/08	Des Moines, IA (Dick Koestner)	Basic Appraisal Principles		
08/20/08 thru 08/23/08	Des Moines, IA (Dick Koestner)	Basic Appraisal Procedures		
09/19/08	Cedar Rapids, IA (Vince Dowling)	Forecasting Revenue		
10/17/08 thru 10/18/08	Des Moines, IA (Karen L. Oberman, SRA)	Nat'l USPAP	15 hrs	
11/14/08	Amana, IA	Local Issues & Dinner Meeting		

NOTE – Certified appraisers **are required** to attend a report writing seminar to fulfill their 2-year cycle. This is a new state requirement. Please check the report writing dates above. The Effective Appraisal Writing classes are filling up fast.

CHECK OUT OUR WEB SITE FOR CURRENT INFORMATION ON THE IOWA CHAPTER
www.aiofiowa.org