

Northern California

V O L . 7 • N O . 2
February • 1 9 9 9
S A N F R A N C I S C O



News from the Northern California Chapter of the Appraisal Institute

Education Spotlight

Supporting Sales Comparison Grid Adjustments for Residential Appraisers

Friday, February 19 • Monterey Beach Hotel, Monterey

This new intermediate level seminar is designed to provide residential appraisers with experience using alternative methods specifically developed to support and justify each adjustment made in the sales comparison approach. Students will learn how these methods can help improve the efficiency of their residential appraisal assignments while also meeting the financial and risk concerns of clients. Attendees will leave the seminar knowing how to complete the sales comparison grids on residential appraisal report forms quickly and accurately. Topics include:

- ▶ the two methods of estimating adjustments: quantitative and qualitative;
- ▶ the advantages and disadvantages of the various methods and techniques for making adjustments;
- ▶ the importance of being able to support all adjustments and the implementation of new technologies for deriving them.

Instructor John Couturier, SRA, will lead attendees through "real world" scenarios so that they will:

- ▶ understand the adjustment process better;
- ▶ apply quantitative support for adjustments via matched pairs, graphic analysis, market extraction, regression analysis, and cost-related adjustments;

See "Education," page 7

Last Call...

Name the Newsletter & Win!

Did you notice that this month's newsletter still does not have a title? That's because we need your creative ideas for a new name for our new Northern California Chapter newsletter.

Submit your suggestions in writing to the Chapter Office at 415/398-4259 FAX or Lisa@SFBay-AI.org. The winning entry will be selected by the former newsletter editors of the San Francisco Bay Area, Sierra, Monterey Bay and San Jose Chapters. If your title is selected, you could win complementary tuition at this year's Monterey Bay Seminar or Annual Fall Conference. Get those creative ideas flowing!

Dawn M. Molitor, SRA

President's Message

USPAP Revisions And What it Means to You



Dawn Molitor

One of the major responsibilities the Appraisal Institute has to its members is to make you aware of changing factors in your profession and provide you with the tools to pro-actively adapt and respond. On March 31, 1999, 'you' will be required to practice and adhere to the newly adopted revisions to USPAP (accepted at the September 16, 1998, Appraisal Standards Board (ASB) meeting).

Do you *clearly* understand how these revisions will impact 'you' as an appraiser, and your appraisal practice? To answer this question, can you answer the following questions:

- ▶ is the purpose of USPAP clear to you?
- ▶ does the term 'Provision' still exist, i.e., Departure Provision; how does a 'Rule' differ from a 'Provision'?
- ▶ are we regulated by 'Guidelines' or have they changed to 'Requirements'?
- ▶ do you provide 'opinions of value' or 'estimates of value'?
- ▶ what specific changes in the Ethics, Management, and Departure 'Rules' impact you, and the valuation?
- ▶ have the types of appraisals and reporting options changed?
- ▶ for any given Standard, Rule, or Requirement do you know what changes occurred?
- ▶ has there been any changes in what constitutes an 'appraisal'?

If you lacked any of the answers, if you knew only some of the answers, or kinda' thought you knew the answer and you consider yourself a *professional* then your attendance is strongly recommended at a 2-hour USPAP workshop (OREA credit pending, or an updated 7-hour USPAP recertification seminar, or Courses 410/420 or 430 depending on your educational needs. The first educational offerings will start in February with 2-hour USPAP workshops at many Subchapter meetings, followed by 7-hour USPAP seminars (in late spring), and USPAP courses (stay glued to this Newsletter for specific details). Why? — because you need to have *all the answers* when it relates to USPAP and your appraisal practice!

Recognize that these revisions to USPAP have been enacted not only to clarify your capacity to function as an appraiser

See "President," page 7

Subchapter Meeting Info

East Bay Subchapter

Thursday, February 11

Location: Hs. Lordships
Berkeley Marina

Workshop: 4:00pm

Topic: *The Two East Bay MLSs*

Panelists: Suzanne Crofts, CEO
East Bay Regional Data Service
Bob Greenspan, Manager
SACAR/CCAR MLS

Social: 6:00pm

Dinner: 7:00pm

Topic: *Free Computer Advice*

Speaker: Robert Cullman, President
Eon Technologies

Price: NC Members Guests/Non-NC Members

Workshop only: \$25 \$30

Dinner only: \$25 \$30

Both: \$25 \$30

East Bay Advisory Board meeting (in the same room as the workshop) from 3:00pm-4:00pm. Everyone is welcome to attend. Free doughnuts!

Reservations & Payment:

Advanced reservations are required to ensure adequate seating and workshop materials. Simply fax a completed copy of the address portion of this newsletter to the Chapter Office at 415/398-4259 by Monday, February 8. Please indicate the names of any guests that you might be bringing. Cancellations without penalty must be received by noon on Monday, February 8. Cancellations received after noon on February 8, and "no-shows" will be charged unless we are able to re-sell your reservation. Reservations received after the cut-off date and walk-ins cannot be guaranteed. Attendees staying for the dinner will have a choice of Brochette of Beef or Chicken Pomodoro. Please indicate your meal selection on your reservation form prior to faxing it to the Chapter Office. Payment will be collected at the door. We reserve the right to substitute speakers under circumstances beyond our control.

About the Workshop: *The Two East Bay MLSs: Are we going forward or backward? Why did the old MLS split into two MLSs? Where did the missing data on the new SACAR/CCAR MLS go? Having problems figuring out how to use the East Bay Regional new GTE software (assuming that you've been able to install it)?* Suzanne Crofts, CEO, East Bay Regional Data Service and Bob Greenspan, Manager, SACAR/CCAR MLS will be here to answer these and many more questions. Yes, they will be wearing flak jackets for you DOS diehards!

Applications for 2-hours of OREA, AI and SBE CEC are being submitted. Attendees seeking CE must arrive by the 4:00pm start time. Partial credit is not available.

About the Dinner Presentation

Robert Cullman, President of Eon Technologies, a genuine computer guru who is understandable, will provide free computer advice. What computer should you buy? What about Y2K? Should you upgrade to Windows 98? Should you network your computers? As an extra bonus topic, Robert has experience installing the new GTE MLS software and will share his opinions about it. Come hear one of Alameda's best "little secrets." Bring your computer questions.

Silicon Valley Subchapter

Thursday, February 18

Location: Silicon Valley Capital Club
Fairmont Plaza

50 W. San Fernando, Suite 1700
San Jose Directions: 408/971-9300

Parking: The Pavillion/Second Street Lot

Lunch: 11:30am

Lunch Speaker: Lawrence Stone, Assessor,
Santa Clara County

Topic: *Forecasts for the Santa Clara Co./
Silicon Valley*

Workshop: 1:30pm

Topic: *1999 USPAP Review*

Presenter: Greg Stephens
GE Stephens & Associates

Price: NC Members Guests/Non-NC Members

Lunch only: \$30 \$34

Workshop only: \$30 \$34

Both: \$30 \$34

Reservations & Payment:

Advanced reservations are required to ensure adequate seating and workshop materials. Simply fax a completed copy of the address portion of this newsletter to the Chapter Office at 415/398-4259 by Monday, February 15. Please indicate the names of any guests that you might be bringing. Cancellations without penalty must be received by noon on Monday, February 15. Cancellations received after noon on February 15, and "no-shows" will be charged unless we are able to re-sell your reservation. Reservations received after the cut-off date and walk-ins cannot be guaranteed. A buffet lunch will be served to those registering for lunch. Payment will be collected at the door. We reserve the right to substitute speakers due to circumstances beyond our control.

About the Lunch Topic:

The Assessor will be discussing current and future developments within the Assessor's office, as well as his "assessment" of '99 and 2000+ forecasts as they relate to the commercial and residential markets within Santa Clara County/Silicon Valley.

About the Workshop:

The instructor, Greg Stephens, has been teaching USPAP for five years, attended The Appraisal Foundation's 1999 USPAP training session in Seattle, WA in December, and will be attending The Appraisal Foundation Advisory Council Meetings in Washington, DC early this month. Mr. Stephens will share all of the changes that become effective March 31, 1999, including the current ASB position regarding the issue of Comp Searches....

This program is strictly informational and is not intended to meet the 7-hour USPAP requirement for licensing/certification renewal nor will it meet the Institute's Standards designation requirement. Applications for 2-hours of OREA, AI and SBE CEC are being submitted. Attendees seeking CE must arrive by the 1:30pm start time. Partial credit is not available.

National Challenge Exam Day

Monday, March 15 • Clarion Hotel, Millbrae
Contact Zuri James at 312/335-4209
for registration information.

Subchapter Meeting Info

Sierra Subchapter

Tuesday, March 16

Location: Doubletree Hotel
1150 - 9th Street
Modesto

Workshop: 4:00pm

Topic: 1999 USPAP Review

Presenter: Greg Stephens, GE Stephens & Associates

Social: 6:00pm

Dinner: 7:00pm

Speaker: Jerry Jolly, Acting Director of the OREA

Watch for registration information in the March newsletter or contact the Chapter Office at 415/398-2876.

Monterey Bay Subchapter

Friday, March 26

Location: Monterey

Lunch: 12:00pm

Workshop: 1:00pm

Topic: *Hardware, Software & Improving Efficiency in the Small Office*

Presenter: Mary Dum, Appraisal Computer Whiz

Watch for registration information in the March newsletter or contact the Chapter Office at 415/398-2876.

Valuation 2000 Papers Wanted

July 10-13, 2000

Las Vegas, Nevada is the place! You will want to start planning now to attend the international education conference of appraisers/valuers, allied professionals and academics in valuation, management and consulting! The conference will be sponsored by the ASA, Appraisal Institute and the American Society of Farm Managers & Rural Appraisers.

Proposals for papers are being solicited now. To ensure consideration, abstracts of prospective papers must be received by April 1, 1999. Authors will be notified of selection by June 15, 1999, with completed papers due October 1, 1999. Final authors will be notified by January 1, 2000. For more details visit <http://www.appraisers.org/val2000>. Start your abstract today. What a wonderful way to get professional recognition!

Dues Statement

Correction/Clarification

The e-mail address listed for Continuing Education status inquiries was incorrectly printed on the 1999 Dues Invoices. Inquiries should be sent to: cesl@appraisalinstitute.org.

Some of you may have questioned the name of the Chapter which appeared on your dues invoice. Prior to the effective date of our merger, the National Office generated the 1999 dues invoices. Since the merger was not in effect at that time, former chapter names were listed.

Answers to Tough Questions About the Institute's Residential Database

Part II of a III Part Series

Q. HOW DOES LETTING CONSUMERS HAVE ACCESS TO THIS INFORMATION HELP US?

A. The Residential Database gives consumers knowledge about what appraisers do. Most consumers rarely see residential appraisals. Traditionally, consumers have listened as mortgage lenders criticized appraisers for low values. They have not realized that appraisers help protect them, as consumers, from paying too much (or taking too little) for their home. They have not known appraisers are the unbiased party, unlike mortgage lenders or real estate agents. Also, they have not been aware of the expertise that appraisers must obtain to perform qualified appraisals. The Appraisal Institute hopes to change these public perceptions.

Q. WHO WILL MAKE ANY MONEY OFF THIS JOINT VENTURE?

A. The appraisers who contribute to this database will receive compensation every time their information is accessed. It will be a source of revenue for all contributors. FNC is financing the majority of the start-up and development costs of the Residential Database. However, the majority of revenue we collect from clients for data access will be passed on to those providing the information.

Q. SHOULD THE APPRAISAL INSTITUTE BE DOING SOMETHING I VIEW AS COMPETITIVE?

A. The Residential Database is not intended to compete with our members. The Database will not estimate a value of an individual property. Instead, it complements what our members are doing. It will be the same as getting information from local/regional data service companies or from fellow appraisers but on a national scale. We believe it's an effective way of informing the public about residential properties and the role of professional appraisers, as well as providing another source of data for our members.

▶ For the past several months, the Appraisal Institute's Board of Directors, Executive Committee members, Regional Directors and Chapter Presidents have had extensive discussions about the Residential Database. Information on the Database has been published in the second and third quarter 1998 issues of *Valuation, Insights and Perspectives* and recent issues of the *Appraiser News in Brief*.

▶ During the Annual Members Meeting in June 1998 held in San Antonio, the Board of Directors approved the development of the Residential Database by an overwhelming majority. Thirty-six members voted for it; four members abstained from voting. About 40% of the members on the Board of Directors are involved in residential appraisal work.

Q. WILL THIS LESSEN THE VALUE OF OUR WORK?

A. Actually, we do not expect the Residential Database to affect appraisal fees at all. We hope for the opposite effect. The viewer will not be looking at an appraisal in its entirety. A look at the Residential Database is not an appraisal of a specific property but an overview of physical property data and its comparable properties. Only a qualified appraiser can determine the appropriate value for a specific property.

New at the Y.T. and Louise Lum Library

the best source for real estate appraisal information

You've heard about the Lum Library and perhaps used it in the past. But do you know what is new? Read on.

Last month, the Library received a new state-of-the-art Ameritech Library Services' Horizon Management System. An Internet browser capable of online cataloging was installed. Grants from the Chicago Library and State of Illinois made this upgrade possible.

By year-end 1999, the new online catalog will include exact reproductions of each article in its original print format (including graphs, tables, pictures) for periodicals, *The Appraisal Journal* and *Valuations Insights and Perspectives*. Access will be free to all members. Non-members will only have access to citations with fees at \$7.50 per fax, \$5 per copy, and \$80/hr research time.

In addition, development of an archives of supplemental standards, regulations, code of ethics and bylaws; research papers; tables of contents and abstracts of seminar materials; and access to online commercial information databases will follow. Beginning last month "FirstSearch" an informational database was free to members through another grant from the State of Illinois. Be sure to check out the homepage! If you have other suggestions email your ideas to:

ai_library@ai.ccmail.compuserve.com.
The library staff wants to hear from you.

Reminder Chapter Members

The Chapter Office has a library of periodicals, videos and texts available for your use. For a listing of items in the library, call 415/398-2876 or e-mail Jenny@SFBay-AI.org. Requests can be mailed and loaned out for a period of two-weeks at no charge. Library hours are by appointment.

What's New in '99?

Four new texts are currently available for purchase through the National Office. The following can be charged by phone (VISA/MC) by calling 847/640-5270:

- *Appraising the Appraisal: The Art of Appraisal Review*
- *Valuation of Marinas*
- *GIS in Real Estate: Integrating Locational Information*
- *Senior Housing: Looking Toward the Third Millennium*

Status Changes

Transfers

from Reno-Tahoe-Carson

Charles D. Bailey, MAI

Charles D. Bailey & Associates
421 East Strawberry Drive
Mill Valley, CA 94941
415/383-9797
FAX 415/383-9799
CBaileyMAI@aol.com

Members on the Move

Kelvin J. Sheahan, MAI

Sheahan & Associates
23653 Mt. Charlie Road
Los Gatos, CA 95033
408/354-1650
FAX 408/353-8592

Roger M. Hodge, MAI

Roger M. Hodge Associates
268 Bush Street, Suite 3342
San Francisco, CA 94104
206/399-2430
FAX 415/765-1565
RHodge2001@aol.com

Duplicate Mailings, & Miscellanea

If you are receiving duplicate mailings from the Chapter Office, please contact us at 415/398-2876, FAX 415/398-4259 or Jenny@SFBay-AI.org. Please bear with us as we transition into the new Northern California Chapter. Some of you may have been newsletter subscribers in the past, and we were not able to purge the files prior to some of our early first quarter mailings. Your patience and cooperation is greatly appreciated.

In an effort to use up excess inventory and control costs, we will be phasing out old stationery, envelopes and other miscellaneous office supplies prior to reprinting with our new official Northern California name. The stationery will include our new web site address. Be sure to visit it at NorCal-AI.org. Our old address of SFBay-AI.org will remain accessible for the next several months.

Attention Newly Designated Members: Where is Your Profile?

New members are reminded to send their "Member Profile" to the Newsletter Editor, Sean O'Reilly, SRA, c/o Hamilton-Ricci & Associates, 930 Montgomery Street, Suite 300, San Francisco, CA 94133, upon notification of receiving your designation. All profiles should be submitted on disk. In addition, a professional quality black and white, wallet-sized photo should accompany your submission.

All profiles are printed on a first come, first printed basis. Isn't it time that you are recognized for your achievement? Submit your profile today!

Members in the News

Special thanks to **Winnie Farwell, MAI**, **Wayne Prescott, MAI**, and **Ann O'Rourke, SRPA, SRA**, for their efforts in planning the first *Installation Celebration* for the new Northern California Chapter. Members and their guests enjoyed the beautiful atmosphere of Castlewood Country Club and danced to the music of Walt Tolleson Entertainment. **Brian Glanville, MAI**, 1999 Appraisal Institute Vice President, installed the 1999 Officers, Directors and Subchapter Chairs. 1998 Chapter Presidents **Lou Marcus, SRA**, **Eric Griffin, MAI**, **Tony Brigantino, MAI**, and **John Hillas, SRA**, were recognized for their service and role in helping with the successful merger. Other members who were recognized for their role in supporting the merger were **Ron Garland, MAI, SRA**, Region I Director, and **Gary DeWeese, MAI**, 1997 San Francisco Bay Area Chapter President. Region I Chair, **Allen Safer, MAI**, commended the Chapter for its merger accomplishments and for serving as a role model for other chapter mergers.

Ann O'Rourke, SRPA, SRA, does it again! Thanks Ann for helping 1999 Workshop/Program Chair, **Bill Bambas, MAI**, put together an interesting 2-hour workshop titled "Appraiser and the Internet — Part II," prior to our January HUB Meeting. Bill was responsible for securing Jerry Jolly, Acting Director of the OREA, as the featured dinner speaker.

Extra kudos go to **Mike Herwood, SRA**, and **Dale Wyckoff** who are responsible for updating the Chapter's webpage. Be sure to check it out to see what's new. Before long, the member directory will also be available online. Bruce Hahn, SRA, and Sean O'Reilly, SRA, are working on putting the newsletter on the website, too.

Appraisal Institute Lobbyist Meets With Vice President Gore

The Appraisal Institute's chief lobbyist, Donald E. Kelly, was on hand the last week in November with Vice President Al Gore and HUD Secretary Andrew Cuomo for a budget briefing and awards ceremony. Gore congratulated all those who supported this year's legislation and budget initiatives, which resulted in the most favorable appropriations for the agency in 10 years.

According to Kelly, "a new energy and excitement is evident at HUD and opportunities for Appraisal Institute involvement in policy matters are expanding."

HUD Focusing On Housing Discrimination

In November, HUD Secretary Andrew Cuomo announced the most comprehensive and sophisticated nationwide audit ever conducted to test for and evaluate housing discrimination throughout the nation.

"By determining the extent and scope of housing discrimination in greater detail than ever before," said Cuomo, "the audit will help us give all American families the opportunity to exercise their legal right to move into any neighborhood and any home they can afford."

The Secretary said the audit, which will cost \$7.5 million, will include 3,000 to 5,000 tests for housing discrimination. The audit will examine and evaluate patterns and trends in housing sales, rentals and mortgage lending to minorities. In 1998's funding bill, Congress increased HUD's fair housing budget by 33% to \$40 million for the current fiscal year.

Endorsing the audit, Mortgage Bankers Association Executive Vice President Paul Reed said, "We welcome this initiative by Secretary Cuomo to conduct this comprehensive audit. As the leading source of mortgage loans for homeowners in America, MBA supports all efforts to open the doors of homeownership."

In an issued statement, the National Association of Realtors® was less enthusiastic: "We are opposed to the use of federal funds unless there is bona fide evidence of discrimination."

Deadlines & Guidelines

The newsletter submission deadline is noon on the 5th of the preceding month. All submissions for the March 1999 issue must be received by noon on February 5.

We reserve the right to reject or edit classified ads. Ads are limited to 40 words. A \$40 publishing fee must accompany submission from non-affiliates. Advertising is complimentary for AI members and affiliates. Ads will be printed on a space available basis. The Appraisal Institute assumes no responsibility for the reliability of ads other than to publish them.

A Presentation to The San Francisco U.S. — China Exchange Council

Last October, the Bay Area was visited by a delegation of appraisers from the GuangDong Region of China. The Northern California Chapter (unofficial at the time) was invited to make a presentation to the delegation. They scheduled our presentation for the evening of November 3rd, 1998 and provided us with a list of subjects they would like to hear about. About 30 Chinese delegates were in attendance. They represented the Banking and Lending Institutions from their Region, and were touring several U.S. cities. The use of an interpretator was necessary, which made the presentation more interesting. The Appraisal Institute was represented by **Eric Griffin, MAI, Dawn Molitor-Gennrich, SRA, Michael Yovino-Young, MAI, Gary DeWeese, MAI, and Lou Marcus, SRA.** The topics included: The History and Development of the Appraisal Industry, USPAP, Licensing and Appraisal Management, and Exchanges among Professional Appraisers and Trade Organizations. The presentation was well received, with many questions from the audience. The Appraisal Institute is always interested in gaining exposure to the Lending and Appraisal Industries in other countries. We hope that this was just another small step in that direction.

— Lou Marcus, SRA

Surfin' On the Net

NOR CAL CHAPTER OF AI
<http://www.SFBay-AI.org>
 APPRAISAL INSTITUTE (CHICAGO)
<http://www.appraisalinstitute.org>
 THE APPRAISAL FOUNDATION
<http://www.appraisalfoundation.org>
 FANNIE MAE
<http://www.FannieMae.com>
 OFFICE OF REAL ESTATE APPRAISERS
<http://www.orea.ca.gov>
<http://www.orea.cahwnet.gov>

State Laws & Regulations Course ASA Sacramento Chapter February 9

Radisson Hotel, Stockton
 1:00pm – 5:30pm
 4-hour OREA approval pending
 Instructors:
 Mike Evans, ASA, and
 John Winner, ASA, MGA
 Contact: Bill Hunter, Chapter
 President at 916/972-7941

State Laws & Regulations Monterey Bay Seminar May 22

Monterey Bay Institute, Monterey
 Contact: NorCal Chapter Office at
 415/398-2876.

1999 Member Directory and Associate/Affiliate Roster Update Forms Are Due

Last November, all members of the new Northern California Chapter were sent directory/roster update forms. All forms and photos (for Member Directory only) were originally due on January 8. Unfortunately, responses were not received from many of you. We want to be sure that your information is correct before we go to press with these useful marketing tools. Our goal is to complete the 1999-2000 Member Directory and Associate/Affiliate Roster by the end of March. The Member Directory information will also be posted on our web site.

If you know that you did not complete the appropriate form and/or did not supply a professional quality black and white photo, you have a second chance! Contact the Chapter Office at 415/398-2876, FAX 415/398-4259 or Jenny@SFBay-AI.org and we will provide you with another form. Many of you have questioned the need for black and white photos. Since the directory is produced in black and white, black and white photos reproduce better than colored photos. Professional photos also reproduce better than passport photos.

All updates must be received by Friday, February 26. No further extensions will be granted.

AGENDA for Associates

E • D • U • C • A • T • I • O • N



Associates On the Move

Charmaine Cheuk

GMAC Commercial Mortgage/RSI
550 California Street, 12th Floor
San Francisco, CA 94104
415/835-9272
FAX 415/391-2949
charmaine_cheuk@gmaccm.com

Angelo N. Karampelas

57 Post Street, Suite 814
San Francisco, CA 94104
415/576-0336 FAX 415/576-0515

Guidance for Associate Members

Need help understanding the requirements for designation or a little nudge to get your demo started? Confused about all of the changes that have occurred since you became an associate member? Fear no more! Contact the following Associates' Guidance Chairs for assistance:

General Associates' Guidance

Jeff Fillmore, MAI
408/241-4400

Residential Associates' Guidance

Bruce Hahn, SRA
925/855-4950
bhahn@ricochet.net

In addition, feel free to contact the Member Services Department at 312/335-4100. The professionals who staff this department are experts in helping to determine your needs and can help put you on the path toward designation.

Comprehensive Exam

Rebecca Hiddle or Katie Laughlin

Associate Records

Dorothy Williams

Experience Review

Marilyn Moore or Harriet Kudlacik

Status/Demo Reports

Jim Jones, Sonja Mann or
Margaret Latimore



A Look at 1999 Educational Offerings

Supporting Sales Comparison Grid Adjustments Seminar February 19

Approved for 7-hours of OREA (#9854C499) and AI CEC

Instructor: John Couturier, SRA

Location: Monterey Beach Hotel, Monterey

Tuition: \$145 NorCal Chapter Members
\$175 All Others

Course 540: Report Writing February 21-27

Instructors: Dan Swango, PhD, MAI, & Alan Blankenship, PhD

Location: Monarch Hotel, Dublin

Tuition: \$650 NorCal Chapter Members
\$750 All Others

Course 110: Appraisal Principles March 1-6

Instructors: Arlen C. Mills, MAI, SRA & Craig A. Owyang, MAI

Location: Monarch Hotel, Dublin

Tuition: \$455 NorCal Chapter Members
\$555 All Others

Marshall and Swift's: Non-Residential Handbook Cost Estimating March 25

Approved for 7-hours of Appraisal Institute CEC; applications for 7- hours of OREA and SBE CEC are being submitted

Instructor: John Gillott, MAI

Location: Fort Mason Center, San Francisco

Tuition: \$145 NorCal Chapter Members
\$175 All Others

Understanding and Using DCF Software March 26

Approved for 7-hours of OREA (#97754C454) and AI CEC

Instructor: John Gillott, MAI

Location: Fort Mason Center, San Francisco

Tuition: \$145 NorCal Chapter Members
\$175 All Others

Courses 410 & 420: Standards of Professional Practice Parts A&B April 7-9

Instructor: Arlen C. Mills, MAI, SRA

Fort Mason Center, San Francisco

Tuition: \$375 410 and 420 NorCal Chapter Members
\$450 410 and 420 All Others
\$250 410 or 420 NorCal Chapter Members
\$300 410 or 420 All Others

Experts on Trial: Attacking and Defending Appraisals April 22-23

Instructor: Ted Whitmer, MAI

Location: Pleasanton Hilton, Pleasanton

Second Quarter Course Offerings:

Course 120: Appraisal Principles

Course 310: Basic Income Capitalization

Course 530: Advanced Sales Comparison

Third and Fourth Quarter Course Offerings:

Course 700: Litigation Valuation Overview

Course 710: Eminent Domain - Part A

Course 430: Standards of Professional Practice - Part C

Course 510: Advanced Income Capitalization

Course 610: Cost Valuation of Small, Mixed-Use Properties

Course 330: Apartment Appraisal: Concepts and Applications

To receive advanced notification of these upcoming course offerings, contact the Chapter Office at 415/398-2876.

We reserve the right to cancel or substitute dates, locations and/or instructors as necessary. Interested attendees are encouraged to register at least 37 days prior to the offering to help avoid possible cancellation.

President's

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when completing a valuation assignment, but *these changes primarily are focused on improving enforceability by the regulators of our services.*

The prior USPAP had ambiguities, provoked confusion, and lacked clarity in many of its facets, this is a known fact. Today, it is my opinion that the USPAP revisions will begin to move our profession to a greater accountability of what specifically is required to complete a 'compliant' valuation assignment. This statement does not imply there is no need for further improvement or refinement of USPAP, contraire. However, what it should impose upon you is that enforcement officials will have larger, more powerful microscopes for identifying those within our profession who knowingly or unknowingly do not 'understand' and 'comply with' USPAP. So... 'Appraiser be Aware, be Prepared, and Know your USPAP'!

At the recent January 21 HUB meeting, Jerry Jolly, Director of the OREA advised the audience that the majority of infractions that OREA acts upon are USPAP-related. A review of the 1998 OREA Newsletters, *The California Appraiser* clearly reflects Mr. Jolly's points. Of the hundreds of enforcement actions, at least fifty percent were USPAP-related, the most common identified as:

- ▶ failure to properly perform and report appraisals.

Secondary positions were closely held by the following infractions:

- ▶ failure to adequately collect, verify, analyze, describe, and reconcile available data; and
- ▶ failure to adequately describe the subject property;
- ▶ omission of comparable sales available;
- ▶ failure to employ recognized appraisal methods or techniques;
- ▶ failure to adequately support the value estimate.

The Appraisal Institute, the Northern California Chapter and affiliated Subchapters are committed to providing you with timely, accurate quality education. These USPAP workshops, seminars, and courses will provide you with the water necessary to grow and thrive as a professional. They will give you an opportunity to listen, talk, and ask questions with educated and experienced colleagues. However, if you choose not to take advantage of these

services, your demise will be your own and yours alone to shoulder.

Local USPAP Offerings

- 2/11 1999 USPAP Update (2-hours)
— San Jose
- TBA 1999 USPAP Update (2-hours)
— East Bay
- 3/16 1999 USPAP Update (2-hours)
— Modesto
- 4/7-8 Course 410: Standards – Part A
— San Francisco
- 5/21 USPAP Update (7-hours)
— Monterey
- TBA Course 430: Standards – Part C
— TBA

Contact the Chapter Office at 415/398-2876 or Jenny @SFBay-AI.org for registration information.

Revised 1999 USPAP Available

The Appraisal Foundation is pleased to announce the availability of the 1999 revised USPAP (bound edition). This edition becomes effective March 31, 1999, and is also available on CD-ROM. To order your copy, contact The Appraisal Foundation at 202/347-7722, 202/347-7727 by fax, or through their website at: www.appraisalfoundation.org.

Education

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- ▶ demonstrative familiarity with the theory of qualitative adjustments;
- ▶ rank properties by attributes via a three-tier or five-tier scale;
- ▶ demonstrate an understanding of how adjustments from the sales comparison approach can be applied to unique properties and/or situations in the appraisal process;
- ▶ apply qualitative adjustments to various attributes.

Attendees should have a strong understanding of the fundamentals of residential real estate appraisal and have an intermediate level of appraisal experience. Use of an HP-19B11, HP-17B11, HP-12C or equivalent financial calculator is required.

The seminar is approved for 7-hours of OREA (#98754C499) and Appraisal Institute Continuing Education Credit. Partial credit is not available. The tuition fee is \$145 for Northern California Chapter Members; \$175 for all others.

This seminar is expected to sell-out early. We regret that faxed registrations cannot be processed. All registrants will receive a detailed confirmation letter and map. Don't delay — register today!

See page 6 for other hot new seminars coming in 1999!

Q & A

from page 3

Q. WILL THE RESIDENTIAL DATABASE ACCELERATE AVMS?

A. Automated Valuation Models (AVMs) are here to stay no matter what the Appraisal Institute does or does not do. AVMs are most suited to low-risk lending transactions such as low LTV home equity loans. Banking regulations require a physical property appraisal in a vast majority of residential lending transactions. The professional appraisal industry can manage the impact of AVMs by providing more comprehensive property information such as the development of our Residential Database. Our Database can also put more tools in the hands of our members, so they can both compete with AVMs, as well as effectively utilize them. It is anticipated that the Database will help in the diversification of the role for the residential appraiser.

Part III in this series will appear in the March newsletter.

Moved? Moving? New Phone Number? New e-Mail? Keep us Posted!

If you have answered "yes" to any of the above, please submit your updated information *in writing* to the Chapter Office. Your assistance in helping us keep your mailing and phone information up-to-date is greatly appreciated. When making an address change, please indicate if the update represents your business or home address and whether it is your preferred mailing address.

The Appraisal of Real Estate, 11th Edition, Available Locally

The Chapter Office has a new supply of *The Appraisal of Real Estate, Eleventh Edition (1996)*. The price (which includes sales tax) is \$49.50 for Appraisal Institute Members and \$53.50 for non-members. To order your copy, send your check (add \$7 for shipping/handling per text) payable to: Appraisal Institute, 110 Sutter Street, Suite 1010, San Francisco, CA 94104. Contact the Chapter Office at 415/398-2876 for a list of other texts currently in stock.

Looking Ahead

- Feb 11 East Bay Workshop/Dinner
— Berkeley
- Feb 18 Silicon Valley Lunch/
Workshop
— San Jose
- Feb 19 Grid Adjustments Seminar
— Monterey
- Feb 21-27 Course 540
— Dublin
- March 1-6 Course 110
— Dublin
- March 16 Board Meeting
— Modesto
- March 16 Sierra Workshop/Dinner
— Modesto
- March 17-19 YAC Meeting
— Washington, DC
- March 25 M&S: Non-Res Handbook
— San Francisco
- March 26 Monterey Lunch/Workshop
— Monterey
- March 26 DCF Software
— San Francisco
- April 7-9 Courses 410/420
— San Francisco
- April 8 East Bay Workshop/Dinner
— East Bay TBA
- April 22-23 Experts on Trial
— Pleasanton

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SF Library Hours by Appointment

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Jenny Greene
e-mail: Jenny@SFBay-AI.org

SIERRA OFFICE

Darcy Krajewski
209/526-3526

Appraisers Wanted

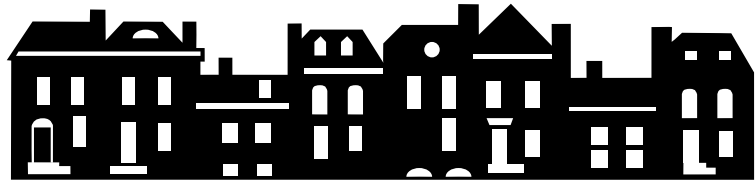
San Jose Appraisal Firm has an opening for a commercial appraiser and/or appraiser trainee. Requires strong analytical and writing skills. Please fax resume to: E. Wessels at 408/535-0900.

Curtis-Rosenthal, LLC, is looking for the best and brightest experienced commercial appraisers to join our rapidly expanding firm. Positions are available in San Francisco, Los Angeles and Newport Beach offices. Assignments include complex properties and possible expert witness services and testimony. The successful candidate will have MAI designation or advanced candidacy; CA Certified General License; strong written, verbal and computer skills; an entrepreneurial approach to business; an optimistic attitude and a good sense of humor. FAX resume, compensation history and references to: Jennifer Segal, MAI, at 415/677-4102 or e-mail to jsegal@curtisrosenthal.com or www.curtisrosenthal.com.

35 Year Old Firm Specializing in Senior Housing, Healthcare, Lodging, Recreational, Ranch, Shopping Centers, Industrial, Businesses and mostly litigation has opening for experienced, licensed appraiser with excellent verbal, analytical and computer skills for assignments in California and western states. FAX resume to Head of Appraisal Firm at 415/339-1855.

Commercial Appraiser Position Available. State License required. Minimum one to three years experience. MAI or actively seeking designation. Send resume to: Jeffrey W. Fillmore, MAI, 4100 Moorpark Avenue, Suite 201, San Jose, CA 95117. Phone 408/241-4400; FAX 408/241-1414.

Certified Commercial Real Estate Appraiser — Initially a fee position which could work into a FT salaried position with benefits. Seeking appraisers with various levels of experience. Administrative support available. Microsoft Office 97. Please fax resume to Jim Larsson, MAI, at 925/299-8190; E-mail LSLINCCA@aol.com



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FIRST CLASS MAIL



Mark Your Choice!

Please mark the appropriate boxes below when registering for the East Bay (2/11) or Silicon Valley (2/18) Meetings. Please carefully check all that apply:

I am a: NorCal Member Non-member/Guest

I will attend: 2/11 Workshop 2/11 Dinner Both

2/11 EB dinner preference: Beef Brochette Chicken Pomodoro

I will attend: 2/18 Workshop 2/18 Lunch Both