

Northern California

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S A N F R A N C I S C O



News from the Northern California Chapter of the Appraisal Institute

Understanding and Using DCF Software A Comparison of Argus, Pro-Ject and Dynalease

• March 26 • Fort Mason Center,
San Francisco



In a unique step-by-step fashion showing input methodology, this seminar covers the differences, the strengths, and the weaknesses of the most popular leased fee analysis software packages. It covers how to read the reports, audit files, and navigate through each program. Participants will learn the capabilities of Argus, Dynalease, and Pro-Ject, and through case studies examine the limitations of each program, both in terms of real estate valuation analysis and relative to each other.

The instructor will demonstrate and explain the differences in valuation results between programs. Attendees will learn which program is best suited to analyzing a particular property type (for example: hotel, apartment buildings, retail, industrial, mixed-use).

By the end of the seminar, you will understand:

- ▶ the different reports each program produces;
- ▶ how to review reports to ensure that input accurately reflects assumptions;
- ▶ information on maintenance;
- ▶ updates on each software.

John Gillott, MAI, SRA, has taught courses and seminars for the Appraisal Institute and its predecessor organizations for over fifteen years. He has served the Appraisal Institute on numerous chapter and national-level committees, including the National Education committee. Mr. Gillott is the developer of this seminar.

See "Spotlight," page 7

Dawn M. Molitor, SRA

President's Message

Challenge Your Capacity to Adapt, Survive and Thrive

The real estate and valuation profession hasn't stopped changing, hasn't stopped evolving over the past 50 years. Many significant innovations have occurred over this extensive time period that created our profession and provided us today with the techniques and methodologies we take for granted in our daily work product. Yet today, the words "change, adapt, evolve" don't give us the same "warm and fuzzy" feelings as in days past. Why? Because evolution in the past was slower and less aggressive, allowing for absorption and reflection. The ebbs and flows between change allowed for breathing room.

Today, in the fast paced, ever-changing world of technology, the ability to "access" anything and everything we could desire, dream of, need, or



Dawn Molitor

See "President," page 4

National Vice President Brian Glanville, MAI, Installs 1999 Officers, Directors & Subchapter Leadership



J. Hillas, L. Marcus, T. Brigantino, E. Griffin, B. Glanville, A. Safer, and D. Molitor at the Installation ceremony.

The newly merged Northern California Chapter started off with a 'bang' due to the many efforts of the Installation Committee that included: Winnie Farwell, MAI, Ann O'Rourke, SRPA, SRA, and Wayne Prescott, MAI. The event was held at the Castlewood Country Club on Saturday, January 9. The audience was privileged by the presence of National Vice President Brian Glanville, MAI, from Portland, Oregon, who officiated the installation of our 1999 Officers, Directors, and Subchapter leadership. He provided a congratulatory address to the merging Chapters, and updated those in attendance on the proactive steps being taken to move the Appraisal Institute into the next millennium. Brian will take his position as President of the Appraisal Institute in 2001. The Installation celebration was also proudly attended by our Region I Chair, Allen Safer, MAI, from Seattle, who

See "Installation," page 3

Subchapter Meeting Info

East Bay Subchapter

THURSDAY, MARCH 11

Location: Hs. Lordships
Berkeley Marina

Workshop: 4:00pm

Topic: *1999 USPAP Review*

Presenter: Greg Stephens,
GE Stephens & Associates

Social: 6:00pm

Dinner: 7:00pm

Topic: *East Bay Real Estate Economics*

Speaker: David Zehnder, Vice President,
Economic & Planning Systems

Price: NC Members Guests/Non-NC Members

Workshop only: \$25 \$30

Dinner only: \$25 \$30

Both: \$25 \$30

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, March 8. Please indicate the names of any guests that you might be bringing. Cancellations without penalty must be received by noon on Monday, March 8. Cancellations received after noon on March 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 chicken or beef. 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 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 The Appraisal Foundation Advisory Council Meetings in Washington, DC last 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. Find out if your certification conforms to 1999 USPAP requirements. If appraisals are no longer estimates of value, what are they? Plan to attend this informative workshop and learn the answers to these and other USPAP related questions.

This program is strictly informational and is not intended to meet the 7-hour USPAP requirement for licensing/certification renewal. Applications for 2-hours of OREA, AI and SBE CEC have been submitted. Attendees seeking CE must arrive by the 4:00pm start time. Partial credit is not available.

About the Dinner Topic:

David Zehnder, Vice President of Economic & Planning Systems, will speak on East Bay real estate economics. He will address such questions as:

- ▶ What do land economists really do?
- ▶ How do they work with appraisers?
- ▶ What has been the effect of military base closures?

Plan to attend and bring your own East Bay real estate related questions!

Sierra Subchapter

TUESDAY, MARCH 16

Location: Doubletree Hotel
1150 – 9th Street, Modesto
Directions: 209/526-6000

Parking: Adjacent parking structure off of
9th Street – Validated Free Parking

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

Price: NC Members Guests/Non-NC Members

Workshop only: \$32 \$36

Dinner only: \$32 \$36

Both: \$32 \$36

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 Thursday, March 11. Please indicate the names of any guests that you might be bringing. Cancellations without penalty must be received by noon on Thursday, March 11. Cancellations received after noon on March 11, 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 Prime Rib or Pecan-Crusted Halibut. 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 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 The Appraisal Foundation Advisory Council Meetings in Washington, DC last 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. Find out if your certification conforms to 1999 USPAP requirements. If appraisals are no longer estimates of value, what are they? Plan to attend this informative workshop and learn the answers to these and other USPAP related questions.

This program is strictly informational and is not intended to meet the 7-hour USPAP requirement for licensing/certification renewal. Applications for 2-hours of OREA, AI and SBE CEC have been submitted. Attendees seeking CE must arrive by the 4:00pm start time. Partial credit is not available.

About the Dinner Topic:

Here's an opportunity to meet the Acting Director of the OREA! Jerry Jolly will be our featured dinner speaker. Mr. Jolly will provide us with a State of the Union for the OREA as of 1999; financial, staffing, backlog of complaints, etc. He will address education, recertification, and the potential fee increase. Hear first-hand the direction of the office, the new regime's agenda relative to OREA, and Jolly's position in the organization. Legislation and technical questions will be taken from the floor.

Subchapter Meeting Info

Monterey Bay Subchapter

FRIDAY, MARCH 26

Location: Doubletree Hotel
Two Portola Plaza at Fisherman's
Wharf, Monterey
Directions 831/649-4115

Parking: \$10-\$12 on-site. Nearby garages: \$3

Lunch: 12:00pm

Workshop I: 1:00pm

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

Presenter: Mary Dum, Appraisal Computer Whiz

Workshop II: 3:15pm - 5:15pm

Topic: *1999 USPAP Review*

Presenter: Greg Stephens,
GE Stephens & Associates

Price: NC Members Guests/Non-NC Members

Lunch only: \$35 \$40

Lunch & Workshop I:

\$35 \$40

Lunch, Workshops I & II:

\$55 \$60

Reservations and 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 Tuesday, March 23. Please indicate the names of any guests that you might be bringing. Cancellations without penalty must be received by noon on Tuesday, March 23. Cancellations received after noon on March 23, 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. Payment will be collected at the door. We reserve the right to substitute speakers under circumstances beyond our control.

About Lunch:

Strictly social! Been buried in appraisal work? Take a break. Plan to attend the Monterey Bay Subchapter's first meeting of 1999!

About the Workshops:

Workshop I: Update: Hardware, Software and Improving Efficiency in the Small Office. Mary Dum, Editor of "REAMUG Journal" and author of "WinAppraiser: Windows for Real Estate Appraisers" will speak on computer hardware and software geared toward the real estate appraiser. She will cover present and future trends in computer hardware and appraisal software, the best digital cameras and color printers to serve our special needs, and the benefits of using the Internet. This workshop will be pertinent for both commercial and residential appraisers. This is an update to one of Mary's most popular workshops "Hardware, Software and Improving Efficiency in the Small Office" originally presented in 1994. Don't miss this opportunity to draw upon her wealth of knowledge and experience. Two hours of OREA, Appraisal Institute and SBE continuing education credit are being applied for. Attendees seeking credit must arrive by the 1:00pm start time. Partial credit is not available.

Workshop II: 1999 USPAP Review. The instructor, Greg Stephens, has been teaching USPAP for five years, attended The Appraisal Foundation's 1999 USPAP training session in Seattle,

See "Workshops," continued at right

The Minority and Women Business Directory of Real Estate Appraisers to be Updated

The Minority Outreach Committee is updating its business directory. If you would like to update information, please contact Sheila Barnes, Human Resources, 312/335-4121, and a form will be faxed to you.

Information must be submitted no later than March 31, 1999. To be listed in this directory, individuals must be a member of the Appraisal Institute in good standing and be a minority as defined by the U.S. Census.

Installation, from page 1

enlightened the audience with positive accolades about our Region, and commended the Chapters on our merger commitment and success.

The current and upcoming national leadership provides a strong feeling of confidence. We clearly are being directed by competent and dedicated professionals under the current presidency of Bert Thornton, MAI, President-elect, Woodward Hanson, MAI, Vice President-elect, Brian Glanville, MAI, our Executive Vice President, John Ross and the national staff. At Region I, Chair, Allen Safer, MAI, and Directors Ron Garland, MAI, SRA, and Dave Hamilton, MAI, SRA, also provide strong leadership and represent us well.

Following the installation, Northern California Chapter President, Dawn Molitor, SRA, reviewed her goals for the year, applauded national's efforts to be 'one' with the local Chapters on goals and objectives, and commemorated all those who paved the road to merger success, including Brian Glanville, Allen Safer, Ron Garland, Dave Hamilton, and each of the past presidents of the merging Chapters: Eric Griffin, MAI, Tony Brigantino, MAI, John Hillas, SRA, and Lou Marcus, SRA.

The salutatory was followed by a delectable prime rib or salmon dinner with evening dancing orchestrated by the Walt Tolleson Band. Congratulations to everyone in attendance; you were witnesses to a monumental moment in our Chapter's history!

Workshops, from column at left

WA in December, and The Appraisal Foundation Advisory Council Meetings in Washington, DC last 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. Find out if your certification conforms to 1999 USPAP requirements. If appraisals are no longer estimates of value, what are they? Plan to attend this informative workshop and learn the answers to these and other USPAP related questions.

This program is strictly informational and is not intended to meet the 7-hour USPAP requirement for licensing/certification renewal. Applications for 2-hours of OREA, AI and SBE CEC have been submitted. Attendees seeking CE must arrive by the 3:15pm start time. Partial credit is not available.

President

from page 1

want is no longer days, months, or years away but instead just “moments.” Electronic commerce can be exhilarating, adventurous, and thrilling or it can be exhausting, overwhelming, and frightening depending on what side of the drinking cup you are looking through — is it half-full or half-empty?

The Appraisal Institute, as an organization, can take either viewpoint — half-full or half-empty — but for us as a profession to survive and thrive, the many changes, challenges, and expectations facing us today and coming tomorrow, there really is only one choice: the cup is half-full, and the goal is to reach the rim!

The ability to embrace an issue, gather the facts, provide open feedback, highlight the positive and reverse the negatives into opportunities, display a plan of action and fine-tune it over time is the definition of leadership. In these rapid, changing times it is the Appraisal Institute and your Chapter’s obligation to provide this leadership in order for you to flourish and be a leader in our appraisal profession.

This message is the beginning of a series of articles that will highlight issues that deal with changing circumstances within our profession, both residential and commercial. Some topics will surface concern, others will encourage new business venues, and all will challenge your capacity to adapt, survive, and thrive.

I encourage you to discuss these issues among your colleagues, send your opinions to your Board, to me, to national. This forum has no agenda outside of making you aware of the forces around you, and giving you the opportunity to be directly involved in the solution. I personally have no crystal ball, no Tarot cards, and I don’t read palms so what specifically the future holds I can’t answer. What I can tell you is the cup is half-full, and all those tart lemons on the counter make fantastic lemonade — it’s all in your perception and perspective!

Let’s begin our forum with a topic that has begun to shape the Commercial Appraiser’s world, the development of a commercial real estate database. In gathering the facts, at least four points are known:

- 1) CSSA, a trade association for conduits and commercial mortgage backed securities is evaluating the

See “President,” page 6

Answers to Tough Questions About the Institute’s Residential Database

Part III of a III Part Series

Q. WHO CAN PARTICIPATE IN THIS PROGRAM?

A. Members and non-members can contribute to the national database program. AI members will receive a higher percentage of the fees each time a customer accesses their data. This program is designed to increase the value of your membership in the Appraisal Institute.

Q. HOW DOES AN APPRAISER JOIN THE PROGRAM?

A. An appraiser will enroll in the program through the Appraisal Institute. The participation process follows these basic steps:

- ▶ Participants need a personal computer using Microsoft Windows 95 or more recent Windows software;
- ▶ Participants should have access to the World Wide Web through an Internet account;
- ▶ Enrollees can attend a workshop or purchase training materials to learn how to store and maintain data;
- ▶ Participants should select a method of storing their information that allows access from the National Database’s common interface;
- ▶ Enrollees should store and post appraisal data in the common format, which will be automated;
- ▶ Participants will receive payments for data accessed by customers.

Q. WILL THE RESIDENTIAL DATABASE GUARANTEE THE VALIDITY OF THE DATA?

A. The joint venture of AI and FNC is not claiming ownership of the data, only of the technical interface. Individual contributors will maintain control of their information, and only they can guarantee the validity of their data. Verification of data is a problem that already exists when an appraiser buys or is given data from another source, e.g. local data services. There will be a disclaimer on the Database similar to the one listed on the MLS: “warranted to be accurate but not guaranteed.”

Q. DO APPRAISERS OWN THEIR DATA?

A. The debate over data ownership is never ending. The information included on AI’s Residential Database will be taken from the front page of the URAR. Since the mid-1980s, Fannie Mae has allowed disclosure of the front side of the URAR form to data service providers without seeking permission (URAR Cert. 10 and 2055 Cert. 7). USPAP does not prohibit the disclosure of appraisal data unless the client tells an appraiser that the data is confidential.

Q. WHY DID THE APPRAISAL INSTITUTE CHOOSE TO FORM A PARTNERSHIP WITH FNC, INC.?

A. FNC, Inc. is a leading provider in electronic data interchange (EDI) and data warehousing software for the financial services industry. FNC, Inc., specializes in custom Internet/Intranet-based client-server solutions and decision support tools for the management of real estate appraisal data and processes. All FNC, Inc., systems are fully year 2000 compliant.

- ▶ While the Appraisal Institute could have selected another partner or used outsourcing for the same or similar technology, FNC, Inc., has several advantages. The company is knowledgeable about the appraisal process and industry and has extensive technological expertise. FNC will be financing the majority of the project. Forming a partnership with FNC has allowed the project to proceed on solid financial footing.

Appraisal Assistant Wanted

Real Estate Appraisal Assistant with a career path to the MAI designation is wanted for the San Jose office of an international, full-service, commercial real estate firm. Initial responsibilities include market research and data collection, area analysis

write-ups, and cash flow data entry. A college degree, computer literacy, and strong verbal and writing skills are required.

FAX resume to Ken Matlin, MAI, at Cushman & Wakefield, 408/434-1554.

Government Relations Work for You

The following is a series of legislative issues that our AI Washington, DC, office was involved with in 1998 into 1999, and their current status or outcome. If you have further questions, contact Don Kelly at aikelly@erols.com or 202/296-4447.

Favorable PMI Bill Signed Into Law

New legislation provides consumers with annual disclosures on what private mortgage insurance is and outlines national guidelines for its cancellation. The first notices are required July 19, 1999. The Act includes an AI backed provision for "early out" cancellation of PMI, and *presents an opportunity for appraisers' to market additional services*. Please refer to the third quarter 1998, *Valuation Insights & Perspectives*, page 33-35, on how to take advantage of this legislation in your residential appraisal practice.

This Washington victory started with Past President Kenneth L. Nicholson, SRA, before the Senate Banking Committee, required numerous trips to Capitol Hill to lobby Senators by members of the AI and our DC office. It provided an opportunity to create coalitions with consumer organizations and educating the media on who is the Appraisal Institute.

Commercial Underwriting

The Federal Reserve has recently approved their proposed rule that would allow certain non-bank (section 20) subsidiaries to underwrite and deal in

mortgage-backed securities without having to obtain appraisals on the underlying property. The AI had urged the FRB to "undertake the responsibility to articulate a uniform standard for due diligence in the CMBS market... such a standard should be in place before adjusting the requirements for appraisals."

The AI is planning to conduct a formal study to document collateral valuation procedures for all segments of the commercial market.

AI Delivers RESPA/TILA Testimony To Congress

In testimony to the House Banking Committee, the AI contended that disclosure of information about who performed the appraisal and how much it cost would benefit the home buying consumer. "Disclosure will not only offer valuable information to the consumer but can also be a check against misrepresentation and service product mark-up in the mortgage transaction." Congress has begun the review of the Real Estate Settlement Procedures Act and the Truth in Lending Act, the results will have a significant impact on the real estate industry as a whole.

Federal Lands

Woodward S. Hanson, MAI, Vice-President of the AI, testified before the House Resources Subcommittee on National Parks and Public Lands reviewing the federal land exchange and appraisal process of the Bureau of Land Management (BLM). He called upon Congress to "make a real commitment to better define public policy relating to the valuation of public lands." Since then, the AI has been working with the Director of the BLM to develop an internship program where our members would be placed in BLM offices throughout the country in an advisory capacity.

FHA Reform Process Continues, Member Input Sought

An AI working group with broad membership representation has been formed to analyze final draft proposals of the revised URAR and VC sheets. Members of the AI are encouraged to review the proposed forms, available at: <http://www.hud.gov/reac/reasfappr.html> and forward comments to Matt Sullivan, AI Washington office at aimatt@erols.com. Additionally, the General Accounting Office is expected to issue a report in April on their review of the entire FHA appraisal process; Congressional hearings are expected.

MANDATORY HOME INSPECTION LEGISLATION BLOCKED

As a result of opposition from the AI and other organizations, legislation that would have mandated home inspections on all FHA single-family insured properties died (tentatively) in 1998. Michael F. Sweeney, MAI, SRA, Government Relations Chair informed Members of Congress that mandatory inspections draw attention away from appraisal reform efforts at FHA and ultimately reduce the value of the over 800,000 FHA appraisals performed annually.

The AI has called for a hearing on this issue and offers four significant solutions (for details see AI National website: www.appraisalinstitute.org).

FARM SERVICE AGENCY PROPOSAL

FSA has issued a proposed rule that would raise the agency's threshold to require a State Certified General Appraiser on real estate transactions from the existing \$100,000 to \$250,000. Michael F. Sweeney, MAI, SRA for the AI pointed out that "omission of a licensing requirement for properties under \$250,000 by FSA will create a disruptive gap in the enforcement of appraisal standards."

WANTED: Valuation 2000 Papers

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 the Web: <http://www.appraisers.org/val2000>.

Start your abstract today. What a wonderful way to get professional recognition.

Deadlines & Guidelines

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

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>

President

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development of a national collateral information database on commercial properties and mortgages that are the basis for their securities. Today, many Departments of Transportation in various states are requiring the appraiser to provide their comparable sales and subject data electronically for capture into such a database;

- 2) NAR announced the creation of a national Internet-based commercial property MLS. Two other private firms already offer commercial MLSs via the Internet;
- 3) Comps, Inc. is now in 41 markets and expects to double that number within two years;
- 4) The Multifamily Housing Institute, with funding and cooperation by Freddie Mac, Fannie Mae, and private lenders has an extensive and growing apartment property database.

Not all forms of commercial property will be amendable to database formats, e.g., office buildings. However, apartments, warehouse facilities, retail malls can be standardized. One point is clear, the availability and access of such information will begin to shift power into the hands of those investing in or selling commercial property. Who will be the point of contact for buyers and sellers will ultimately be the parties drinking the "lemonade."

It is true, change will occur less rapidly than in the residential area due to lack of homogeneous markets and standardization of information. These facts will provide the commercial appraiser more time to adjust their practices, and be part of the end-product. However, with the rapid growth of REITs and commercial mortgage backed securities their money and power within the commercial property industry could change the scenery quickly and force a level of standardization. Finally, these trends are not just occurring in the mortgage segment, but have begun in the area of commercial eminent domain work.

To counteract some of these facts, and begin to transfer 'power' to the Appraisal Institute it has become our responsibility to assert the role of the appraiser in the data management arena by the establish-

See "President," page 8

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A Look at 1999 Educational Offerings

Sold Out!

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

Appraisal Review - Income Properties **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**

[Course 410 meets the OREA's requirement for 16-hours of USPAP for initial licensing/certification as well as the USPAP requirement for licensing/certification renewal.]
 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 an Appraisal in Litigation **April 22-23**

Applications for 14-hours of Appraisal Institute OREA, SBE and California Bar CEC are being submitted.
 Instructor: Ted Whitmer, MAI
 Location: Pleasanton Hilton, Pleasanton
 Tuition: \$230 NorCal Members
 \$270 All Others

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.

See Pages 2 & 3 for Workshop offerings

Spotlight

from page 1

The seminar is approved for 7-hours of Appraisal Institute and OREA (#97754C454) Continuing Education Credit. An application for 7-hours of SBE is also being submitted. Partial credit will not be 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 with directions. Don't delay — register today!

Experts on Trial:

Attacking & Defending an Appraisal in Litigation

April 22-23, 1999
Pleasanton Hilton

Finally, the seminar you've been waiting for is coming to the Bay Area this spring! Attacking & Defending an Appraisal in Litigation provides the framework and considerations for attacking and defending an appraisal in litigation. Common mistakes made in appraising and testifying concerning an appraisal are stressed. Various standards and ethical rules that are commonly misapplied or misunderstood are highlighted and explained. In addition, common tricks and how to prepare for tricks on cross-examination are identified, as well as answering hypothetical questions at trial. Part II of the this seminar also highlights substantive appraisal theory differences that often cause different approaches and thus values for appraisals in litigation.

Major topic areas include:

- ▶ The Basic Framework: Effective Attack & Defense;
- ▶ Foundations: Definitions & 3 Approaches;
- ▶ The Appraiser: Instructions from the Attorney;
- ▶ The Appraisal: Trapped by USPAP & Ethics?;
- ▶ The Appraisal Report: Minimum Requirements;
- ▶ The Review Appraisal: Preparing your Attorney.

This seminar will be presented by its developer Ted R. Whitmer, MAI, CCIM, Attorney. Mr. Whitmer has engaged in real estate appraisal since 1981 apprais-

Continued at right

NEWS FLASH: More on the December 1998 National Meetings

NAR Affiliate Model Rejected; Strategic Alliances Endorsed

After debate and input from the AI Regions, the Appraisal Institute Board of Directors was unanimous in its conclusion that affiliation under the 'affiliate' model of NAR is *not* consistent with the best interests and objectives of the AI. Nevertheless after calling for discontinuing the discussions on affiliation, the Board affirmed that "our organization continues to be interested in establishing an alliance with NAR, as well as with pursuing relationships with its affiliates, and other appraisal societies and real estate organizations. We want to work together whenever and wherever appropriate to advance the best interests of our members and the appraisal profession."

Key Recommendations Accepted for a Commercial Property Database

The Appraisal Institute Board showed industry leadership in moving forward on the development of a Commercial Database. The Board agreed to establish a vision statement and strategic plan for the project and organize a Commercial Real Estate Data Standards Committee.

The Board approved, in concept, a business plan to move forward. Any final

On Trial

from column at left

ing numerous types of property. He has significant experience teaching at the university level and for appraisal organizations. Ted is renowned in the Appraisal Institute for his development and presentation of The Comprehensive Appraisal Workshop.

Applications for 14-hours of Appraisal Institute OREA, SBE and California Bar CEC are being submitted. Partial credit will not be available.

The tuition fee is \$230 for Northern California Chapter Members; \$270 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!

agreement involving DST Realty and First Realty Advisors must meet specific functional criteria, while the Appraisal Institute retains the right to terminate the agreement.

Looking to the Future: Center for Advanced Real Estate Analysis - Part II

The Appraisal Institute Board unanimously endorsed the incorporation of and provided funding for the new Center for Advanced Real Estate Analysis. The Center will provide advanced seminars primarily to designated members, starting in September 1999.

The Center will also sponsor research and analysis advancing the resolution of key technical and emerging issues. Currently, information regarding the Center can be obtained from the national website: www.appraisalinstitute.org.

USPAP Standards 4 & 5 — Recommend Removal

The Appraisal Institute Board approved the recommendation to support removal of Standards 4 & 5 from USPAP. This action was taken forward to the Appraisal Standards Board of The Appraisal Foundation at their January 21, 1999 meeting.

In Memoriam

We regret to inform you that
Cartier Blackburn, SRA,
passed away on
January 7, 1999.

The Chapter Office has
also been notified that
Al Rimmer
also passed away late last
month. Mr. Rimmer had
been very active in the
former Golden Gate Chapter.

Condolences are extended
to the families and
former colleagues of these
longtime members.

Looking Ahead

- March 1-6 Course 110
— Dublin
- March 11 EB Workshop/Dinner
— Berkeley
- March 16 Board Meeting
— Modesto
- March 16 Sierra Workshop/Dinner
— Modesto
- March 17-19 YAC Meeting
— Washington, DC
- March 25 Appraisal Review
— San Francisco
- March 26 Monterey Lunch/Workshops
— Monterey
- March 26 DCF Software
— San Francisco
- April 7-9 Course 410/420
— San Francisco
- April 8 East Bay Workshop/Dinner
— East Bay TBA
- April 22-23 Experts on Trial
— Pleasanton

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ment of our own commercial database (under national review and consideration at this time) and educate members on alternative valuation methodologies that database information can provide, and how this product can create new business (not take it away). We expect to maintain a leadership role in standards for data management and use, through control of our data. Partnerships and alliances with other groups that minimize duplication of effort and establish the standing of our members with client groups is also being fostered, e.g., National Association of Realtors, American Bankers Association, and other

appraisal organizations, e.g., American Society of Appraisers, American Society of Farm Managers and Rural Appraisers.

This is not an inclusive list of remedies, but only a handful of creative ideas to boost involvement in an evolving solution. Honest feedback and inventive suggestions are critical in developing a productive outcome. Come be involved, be proactive, let's hear from you: What do you think?

"The world is moving so fast there are days when the person who says it can't be done is interrupted by someone doing it!"

Excerpts from this forum were paraphrased from the article, "Taking Aim on the Future" in the Appraisal Institute Magazine, Valuation Insights and Perspectives, 4th Quarter 1998.

Appraisers Wanted

"Commercial" appraiser position available with established Stockton appraisal firm. We are seeking a person who is eager to learn, is seeking excellence, and has good writing and computer skills. MAI designation or general associate (candidate) membership is helpful but not required. We offer good working/learning environment and competitive fee split compensation. Please mail or FAX resume to: The Bramwell-Smith Company, 2025 W. March Lane, Suite 1, Stockton, CA 95209, FAX 209/478-4451.

Experienced Market Analyst/Appraiser. Typical assignments are market/feasibility studies and appraisals of restricted income residential properties. Must be able to delegate to appraisal assistant staff, work independently. Some travel required. Most often in the Western and Southeastern US. Position is salaried. Please FAX resume to: The Valuation Group at 415/356-8001 or e-mail to NOBKEN@NOVOCO.COM.



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FIRST CLASS MAIL



Mark Your Choice!

Please mark the appropriate boxes below when registering for the East Bay (3/11), Sierra (3/16), Monterey Bay (3/26) Meetings. *Carefully check all that apply.*

I am a:	<input type="checkbox"/> NorCal Member	<input type="checkbox"/> Non-member/Guest
I will attend:	<input type="checkbox"/> 3/11 Workshop	<input type="checkbox"/> 3/11 Dinner <input type="checkbox"/> 3/11 Both
EBS dinner preference:	<input type="checkbox"/> Beef	<input type="checkbox"/> Chicken
I will attend:	<input type="checkbox"/> 3/16 Workshop	<input type="checkbox"/> 3/16 Dinner <input type="checkbox"/> 3/16 Both
SS dinner preference:	<input type="checkbox"/> Prime Rib	<input type="checkbox"/> Halibut
I will attend:	<input type="checkbox"/> 3/26 Lunch	<input type="checkbox"/> 3/26 Workshop I
	<input type="checkbox"/> 3/26 Workshop II	<input type="checkbox"/> 3/26 Lunch/Both Workshops