



New Federal Reserve Appraisal Rules

By Lynn Gering

You may have missed it with all the election coverage of the last few weeks, but the Federal Reserve unveiled new rules on October 18, 2010, impacting residential real estate appraisers. The "Interim Final Rule" was issued at the request of Congress in response to the widely criticized Home Valuation Code of Conduct (HVCC) pushed through last year by investors Fannie Mae and Freddie Mac to prevent inflationary appraisals, which helped fuel the housing boom.

Under the HVCC, appraisals are ordered at arm's length, most often through a national appraisal management company, hoping to shield appraisers from undue pressure to over-value property by the lender or agent. An estimated two-thirds of all home-loan appraisals are produced by appraisal management companies. Many of these companies have slashed appraiser fees from traditional norms and require quick turnaround, say within 24 to 36 hours. Experienced appraisers generally do not work for such low compensation, and rushed delivery demands are leading critics to claim jobs are going to inexperienced appraisers willing to travel well outside their home market to take assignments. Mortgage lenders and brokers can't hire familiar appraisers, and communication between the real estate agent and builder and appraiser is discouraged.

The new rule is intended to ensure appraisers are free to use their independent judgment in valuing homes without influence or pressure from interested parties. Among other things, the rule allows real estate professionals to ask an appraiser to consider additional information about a property, including information about comparable properties. It also mandates the reporting of negligent appraisals and appraiser misconduct to appropriate state appraiser licensing authorities. The new rule requires appraisers be paid at a rate reasonable and customary to the geographic market where the property is located and is reflective of the difficulty of the assignment.

Overall, this appears to be a step in the right direction for both the appraisal industry and consumers. Along with tight credit and unstable home values, new rules governing residential appraisals have been blamed for making it hard to buy a home or refinance a mortgage over the past year. Now those rules are being replaced, hopefully leading to more accurate valuations and home loans. The rules don't take effect until April 1, 2011, and are currently in the 60-day public comment stage. ❖

TEAM & Sidwell Now Business Partners

The Sidwell Company and TEAM Consulting, LLC, have become business partners. Sidwell is an industry leader of GIS solutions for cadastral mapping and land-records management, and a provider of aerial photography, software development, and photogrammetric services.

Already well-established in the Midwest as a regional firm, Sidwell has become a name recognized on the national GIS level with the success of their Parcel Builder™ product. Parcel Builder is an extension to ESRI®'s flagship GIS software, ArcGIS® 9.3. Sidwell has been recognized as a Foundation Partner by ESRI multiple times (in 2003 and 2008), which serves as testimony to the company's commitment to providing premier GIS solutions and services using ESRI technology.

Our new partnership recognizes that the two companies are different in the services they provide the customers but are in totally related fields. The companies will offer marketing exposure and appropriate referrals to prospective and existing clients. ❖



Don't miss out on your AAS Designation

A new offering from **TEAM Consulting** is the *AAS Case Study Review* prepared by Fred Chmura, AAS and Rick Stuart, CAE. This is a 2 ½-day workshop designed to provide a review of materials and an understanding of the composition of a case study to help prepare for the AAS Case Study Exam.

Although it cannot be all-inclusive of what may actually be on the exam, this guide emphasizes the most prevalent items to study for. Topics discussed are: USPAP, rates and levies, effective tax rates, economic principles, property definitions, ownerships and rights, three approaches to value, attributes in an effective tax system, role of the as-

essor, ratio studies and tax policy.

Within the material will be multiple problems associated with the assessment and valuation processes, and the workshop will conclude with a four-hour case study exam followed by a review of the answers.

This is not an IAAO workshop but one developed by **TEAM Consulting, LLC**. It has become very popular with those seeking their AAS designation. To set-up the workshop, contact Rick Stuart at rstuart17@cox.net or call 785.267.6752. You can also order the complete workshop as a self-study guide on **TEAM's** website at www.teamconsulting.cc/ ❖

AAS Case Study Endorsement

"I would like to express my gratitude to Rick Stuart and TEAM Consulting LLC for the excellent AAS Case Study Review I attended in July of 2010. Without your review I do not believe I would have been able to pass the Case Study Exam or the AAS Master Exam, but I am happy to say that with your review I was able to pass both, and I am now awaiting final confirmation of my AAS designation with IAAO. I highly recommend TEAM Consulting LLC's AAS Case Study Review to anyone interested in sitting for the AAS Case Study Exam and the AAS Master Exam. Thank you again for your help."

Very Respectfully,
Keilah Heffington
Indianapolis, IN

Upcoming TEAM Workshops

As of the publication date, the following TEAM Workshops are scheduled. If you are interested in any of these, please contact the class sponsor shown below or contact Rick Stuart at rstuart17@cox.net or 785.259.1379 for contact information for the sponsoring organization.

Date	Class	Location	Contact
Nov. 17, 2010	How to Be a Better Manager	Texas	Doris Koch, dkoch@taad.org
Nov. 18, 2010	Public Relations & Customer Service	Texas	Doris Koch, dkoch@taad.org
Nov. 19, 2010	Appraising Unique Properties	Texas	Doris Koch, dkoch@taad.org
Dec. 13, 2010	Valuation of Big Box Properties	Texas	Doris Koch, dkoch@taad.org
Dec. 14, 2010	Valuation of Fast Food Properties	Texas	Doris Koch, dkoch@taad.org
Dec. 16, 2010	Valuation of Historic Properties	Texas	Doris Koch, dkoch@taad.org

All Texas classes sponsored by the Texas Association of Appraisal Districts (TAAD)

Feb. 7 – 9, 2011	AAS Case Study Review	N. Carolina	Carolyn Boggs, Boggs@sog.unc.edu
Feb. 23-25, 2011	AAS Case Study Review	Ohio	Robert Graham, rgraham2@neo.rr.com
April 19, 2011	Appraisal of Unique Properties	Florida	Russell Counts, CountsR@paslc.org



Making a Presentation Can Be Fun?

By Rick Stuart, CAE

I recently taught a new workshop that I coauthored for **TEAM Consulting, LLC** titled "The Art of Making a Powerful Presentation," and it was the most fun and exciting workshop I have ever taught or participated in. Please spend a couple of minutes and look at the following brief promo of the workshop and the student evaluations.

The Art of Making a Powerful Presentation

Nothing can be more powerful than face-to-face communication, particularly if the message is well researched and the delivery is crisp and completed with confidence. Making a presentation is an art, not a science. Different people can deliver the same presentation with differing results. Effective delivery will be shown as a combination of both verbal and non-verbal communication. In this workshop we aim to accomplish mastering the process of preparation, through gathering knowledge and developing confidence, so that you too can present a powerful presentation.

Other sections are:

- Taking Inventory
- Overcoming Anxiety
- Preparing the Presentation
- Making the Presentation
- You are in Charge!
- What an Audience Knows

Allow us to help you, your staff and/or your students develop and polish your presentation skills. Contact me today with questions or to set up this workshop. Check out all of **TEAM's** workshops, visit our website at www.teamconsulting.cc/

What do previous students say about this workshop? See for yourself!

Here's a recap of what students liked about the class:

- Great tips on how to get over being nervous
- Hands-on
- Listening to the instructor – really enjoyed the class
- Combination of humor and practical application of subject
- Student involvement kept my attention, very good class, very informative
- Good skills—many areas of knowledge presented
- Overall knowledge of instructor
- Mr. Stuart had me believing I could actually live through public speaking
- Although difficult to do—made us do presentations in class—by end of day, felt better about myself
- Instructor—class interaction
- Very good visuals—Rick was very prepared and enthusiastic
- Great instructor—many useful tips
- Great instructor—enjoyed his style and humor
- It has given me some practical pointers as I go out to give training programs
- This was a fun class as well as a great learning experience
- Enthusiasm of speaker on material
- The topic assigned to our group ❖

Education Galore!

Think **TEAM Consulting** whenever you need qualified instructors, educational courses or some educational material developed. Here are **TEAM's** "education stats" for 2009:

Weeks of educational instruction.....	60
Weeks of IAAO courses/workshops	44
Weeks of TEAM workshops.....	16
Number of states	17
Number of new educational offerings developed.....	4 in 2009 & 3 in 2010



Stuart Speaks to Idaho Assessors

Rick Stuart, CAE, (pictured) was the speaker for the Idaho

Assessor's Association luncheon on July 27, 2010, in Boise. Rick and fellow **TEAM** member Marion Johnson, CAE, were there as instructors for the Idaho State Tax Commission's weeklong educational offerings.

Rick's topic centered on the current real property market and some of the strange events that are occurring. The main points were:

- Creativeness
- 5 Lessons from the housing-bubble bust
- General news, not all good
- What percentage do you think the housing prices will change by the end of 2014?
- A weird market we are in
- Pressures on the valuation and tax system
- Some good news

The presentation concluded with an update about IAAO activities, education, membership and a promotion of IAAO Conferences in 2010, 2011 and 2012. ❖



Donatello Speaks to the Columbia River Chapter of IAAO

George Donatello, principle consultant and CMS (pictured), was the guest speaker at the Columbia River Chapter of IAAO on Oct. 20, 2010. George talked about the IAAO Mass Appraisal Standard and the upcoming IAAO Conference in Phoenix. Before his presentation, George gave a short quiz about the IAAO and cadastral mapping and presented an IAAO Glossary and Phoenix 2011 t-shirts to the winners.

Guests and members met at the Woodburn, Oregon, Fire Hall for a barbecue dinner prepared by Oregon IAAO Rep. Carol Judd. More than 40 people from Washington and Oregon attended the meeting, including Chapter President Rick Schack, IAAO Membership Services Member Carol Judd, and the President of URISA, Cy Smith. A good time was had by all.

Before catching his plane back to Atlanta on Thursday, George was able to drive up the Columbia River Gorge and see beautiful Multnomah Falls (below). Not bad for a 24-hour trip! ❖



TEAM Shines at IAAO Conference

By Rick Stuart, CAE

What a conference for TEAM! We have been very successful at past IAAO conferences, but this one was special. It really became the Marion Johnson, CAE, show. Here are the winners and those recognized for their achievements.



Marion Johnson, CAE (TEAM Consulting) wins 3 awards:

★ **Clifford B. Allen – Most Valuable Member Award.** This award is named after the 35th president of the IAAO and is presented to the IAAO member who has, over a period of years, made a significant contribution to the IAAO through participation in its activities, and who made an outstanding contribution to the realization of the mission of the IAAO.

★ **Instructor of the Year Award.** This award recognizes instructors who have gone beyond the basic textbook instruction and who have motivated students to learn professional skills that will positively influence their own careers. It is awarded to an instructor who has made significant contributions toward the educational program and who has demonstrated involvement with the association at the state, regional and national levels. This award is conferred on a nonprofit organization, education agency, private sector firm, public agency, or individual(s) for original research in property assessment, taxation, or mass appraisal techniques.

★ Presidential Citation for Service



★ **IAAO Certificate of Excellence. Ed Crapo, CFA, ASA, AAS** guided his jurisdiction, Alachua County Florida, to become the first jurisdiction to receive the IAAO Certificate of Excellence for a second time. The county was also the first award winner in 2004.



★ **McCarren Award. Rick Stuart, CAE (TEAM Consulting).** This award was named in honor of the second president of the IAAO, Kenneth J. McCarren, and is presented to the IAAO member who recruits the most new members during the previous year. ❖

TEAM Members Cited as References in Chinese Manual

George Donatello, CMS, and Keith Cunningham, PhD, were used as references in an assessment manual that Michael Lomax developed for the People's Republic of China. Michael serves as a consultant to help China develop and implement a property valuation and taxation system. In the manual, George provided information concerning street-view photos, oblique imagery and desktop review applications. Keith assisted in change analysis and LiDAR (Light Detection and Ranging). ❖

Mark your calendars

Email conferences to include in the next newsletter to rstuart17@cox.net.

June 13–15, 2011	North Central Regional Association of Assessing Officers (NCRAAO), Topeka, KS www.ncraao.org/
Sept. 18–21, 2011	International Association of Assessing Officers (IAAO) Phoenix, AZ www.iaao.org/events/AnnualConference.cfm



What is TEAM Consulting All About?

TEAM Consulting is a network of experienced “problem solvers” who can offer cost-effective and practical solutions to both large and small assessment jurisdictions. The core of **TEAM Consulting** is our vision, mission and values. These items are the key elements that guide **TEAM** in creating innovative solutions and partnerships that have the potential to change assessment administration and property valuation today and in the future.

Our Vision

TEAM’s vision is two-fold. First, our vision for the future of assessment administration and property valuation is to help build systems that are technologically efficient, cost-effective and valuable to the publics who depend on them for information. Secondly, our vision for **TEAM** is to become a recognized leader who can make a difference in assessment administration and property valuation by creating a link to all parties involved in this process. Third, **TEAM** is a strong advocate of education and will create or assist in the creation of specialty designed educational workshops and courses.

Our Mission

“To enable the emergence of a new technology and innovative concepts and ideas to improve the performance of assessment administration and property valuation processes for the benefit of our customers and taxpayers who we all work for.”

Our Values

TEAM’s values are central to who we are as individuals and as a team. Following are our primary values:

Respect – appreciating and valuing diverse perspectives; building relationships based on trust; and relating to others as individuals, without regard to role, authority, skill, experience or compensation.

Creativity – comes from thinking progressively and being open to the new concepts and ideas that have the potential to work better in the future and bring us closer to our mission.

Performance – takes many forms, but at its essence, this value reflects our desire for achievement, quality, professionalism and success.

Growth – comes out of education, learning from the examples of others and reflecting on our experiences in order to gain insights into how we can improve.

Purpose – knowing why we are doing something, which results in being more effective in our work. When we have purpose for our individual efforts that connects to the purpose of our group and corporate efforts, we have consistency of purpose as an organization.

Service – focusing on others rather than purely on us. Service drives our mission to create something that is of value to others.

Ethics – we subscribe to a code of ethics and the highest standards of our profession.

Learn more about TEAM Consulting at www.teamconsulting.cc