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New York State Society of Real Estate Appraisers
a division of the New York State Association of REALTORS®, Inc.

Becky Jones, Communications Chair

Summer 2005

Spring Conference provides key updates

The 11th Annual Arthur G. McCartney Spring Appraisal Conference was held in Fishkill, New York on April 28 to 29, 2005. The conference was named after Past President Art McCartney of Westchester, who passed away last year. The Board of Governors voted unanimously to name the conference after him during the February meetings.

On April 28, Conference Chair Domenic Zagaroli presented the three hour course "Applicability of the Cost Approach to Value."

On April 29, NYSSREA Governor Becky Jones presented the morning session, "New HUD Minimum Housing Standards" and Appraisal Standards Board Member Paula K. Konikoff, JD, MAI presented the 2005 USPAP Update.

William Stavola from the New York State Department of State updated attendees during lunch on the New York State Board of Real Estate Appraisal and the Department of State activities and changes.



Ginny Mackey, left, Rebecca Jones, Don Coon, Dom Zagaroli, Tim Doherty, and Bill Nuesslein enjoy a beautiful day during the conference.

Stavola reported, as of April 25, there are 7,611 licensed, certified or appraiser assistants in New York State. Approximately 1,531 are certified general appraisers, 2,088 are certified residential appraisers, 519 are licensed appraisers and 3,473 are appraiser assistants. The largest number of assistants are located in Suffolk County with 1,394. Nassau County is home to 1,100 assistants.

Stavola provided attendees with information on several important changes to appraiser qualifications, which will become

effective in 2008. The changes include requiring licensed appraisers and appraiser assistants to fulfill a requirement of 150 credit hours.

Supervisors will need to be in good standing and not subject to any disciplinary action. Supervisors will be limited to no more than three assistants. Appraiser assistants are limited to whatever the supervisor specializes in or is authorized to do. Beyond that, the appraiser assistant must obtain the proper education.

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President's Message

I hope you are having a wonderful summer so far!

I am pleased to report that the Spring Conference was a success. Special thanks to NYSSREA Governor Becky Jones for her participation in the conference.

Plans are under way for the Fall Conference, scheduled for October 13 to 14, at the Turning Stone Casino in Verona, New York. Preliminary plans include the seven-hour USPAP class on October 13 and a class on the new Fannie Mae forms on October 14! We are also planning some additional offerings on the new forms in several areas of the state. Please watch your mail and e-mail for details.

The Triple Play Conference, sponsored by the New York State, New Jersey and Pennsylvania Associations of REALTORS®, will be held December 6 to 8, 2005 in Atlantic City, New Jersey. This is another opportunity to take advantage of appraisal continuing education programs. To stay up-to-date on the conference, visit www.realtorstripleplay.com.

Our Annual Membership Meeting will be held September 18, at the Prime Hotel and Conference Center (soon to be the Saratoga Hotel and Conference Center) in Saratoga Springs, NY, in conjunction with the New York State Association of REALTORS® Fall Business Meetings. We hope you will take the time to attend the meeting.



Domenic Zagaroli

NYSAR will also be hosting a Centennial Celebration Gala in honor of the association's 100th anniversary. This once-in-a-lifetime event will be black-tie optional and feature a cocktail reception, fabulous three-course dinner, open bar, live entertainment and special presentations. The cocktail hour will begin at 6 p.m. on Sunday, September 18, at the Saratoga City Center. Ticket purchase forms can be found online in the Centennial Section of www.nysar.com.

Enclosed you will find an application for the John J. Noto Scholarship Program. Please note that applications are due by September 1, 2005! It will only take a minute to fill out and you may be the lucky recipient of funds to take classes.

Sincerely,

Domenic Zagaroli
President, NYSSREA

Conference

from page 1

Certified residential appraisers will be required to have an associate's degree or 21 semester credit hours covering specific subjects and must complete 200 education hours.

Certified general appraisers will be required to have a bachelor's degree or 30 semester credit hours on specific subjects and must fulfill a requirement of 300 qualifying hours.

Experience requirements will remain the same with licensed appraisers required to fulfill 2,000 hours, certified residential appraisers, 2,500 hours and certified general appraisers, 3,000 hours.

There will be high penalties for individuals practicing without the required education. If you cannot prove you have taken the 28 hours of continuing education, you are subject to a \$1,000 fine to get your license back and must complete the required courses (or) sur-

render license/certification (or) go through an administrative hearing, which could result in revocation or suspension.

While the Department of State usually looks to the previous license term when conducting an audit, they can go further back if there is any question.

Stavola urged attendees to be sure they are taking classes that are approved by the NYS Department of State for continuing education credit.

The schools that sponsor the classes are responsible for retaining a record. However, individuals are encouraged to keep a file with their course completion certificates. The Department of State does not keep track of hours and credits.

Out of state courses can be approved for continuing education credit, but they must be submitted to the NYS Department of State within 60 days of the course date.

Each year prizes are awarded to lucky attendees at the conclusion of the conference.



Spring Basket winner Jim Molinaro, right, is happy to accept his prize from Conference Chair Domenic Zagaroli. Proceeds from the raffle benefit Camp Good Days.

This year there were many wonderful prizes including wine, chocolates, a cooler, suitcase and golf for four!

At each Spring Conference a raffle is held to raise money for Camp Good Days and Special Times, a camp for children with life-threatening illnesses. James Molinaro of Suffern was the lucky recipient of the Spring Basket, which included an assortment of Mexican items and a complimentary registration to next year's Spring Conference. Congratulations Jim!

Our most sincere thanks to the prize donors: Cappelli Development; R. Timothy Doherty, Rochester; Robert Eisenoff, Long Island; Rebecca L. Jones, Binghamton; James J. Molinaro Sr., Suffern; Joseph Pregoner, MAI, Manchester, NJ; Tri-State Appraisal Academy; Westchester County Society of Real Estate Appraisers and Domenic Zagaroli, GAA, Westchester.



Jane Lawrence accepts her prize, treats from Harry and David compliments of the Westchester County Society of Real Estate Appraisers, from Conference Chair Domenic Zagaroli.

NAR Appraisal Committee meets in Washington D.C.

The following report is from the Appraisal Committee Meeting during NAR's Midyear Legislative Meetings in Washington D.C. in mid-May 2005.

The committee received an update from Keith Pedigo, director of Loan Guaranty Service, Department of Veterans Affairs, and Gerry Kifer, supervisory appraiser, Department of Veterans Affairs, regarding the VA Fee Appraiser and Inspector Recruitment Initiative. The VA Recruitment Initiative includes a 40 percent targeted increase in VA Fee Appraisers in order to improve the quality and timeliness of VA appraisals. The VA is working to meet this target and has already measured a decrease in timeliness complaints. In addition, the Tidewater Initiative regarding customer satisfaction and the automation of submitting VA appraisals has also improved the quality of appraisals.

The committee reviewed and discussed H.R. 1295, the Responsible Lending Act, co-sponsored by Congressman Bob Ney (R-OH), chairman of the Subcommittee on Housing, and Paul Kanjorski (D-PA). The bill is intended to protect consumers against deceptive lending practices by, among other things, enhancing appraisal standards and oversight. The legislation contains several appraisal provisions including the follow-

ing: (a) Preventing those interested in real estate from improperly influencing the appraisal; (b) Allowing special consideration to be given to appraisers who have obtained special designations or training from professional appraisal organizations; (c) Requiring lenders to get a written appraisal for higher cost loans. Also you would have to get a second appraisal on a home whose value has risen within the last 6 months. This is intended to prevent property flipping; (d) Allowing appraisers to conduct business across state lines by streamlining the process for obtaining practice permits and providing reciprocity in state appraiser licensing; (e) Improving the federal oversight of the state appraisal programs by requiring the Appraisal Subcommittee to annually report its activities to Congress; (f) Improving the Appraisal Subcommittee's oversight of state activity by allowing them to issue binding rules and regulations over state appraisal regulators and

(g) Authorizing a state certifying or licensing agency to accept courses and seminars approved by the Appraiser Qualification Board's Course Approval Program for educational training requirements.

The committee formed an informal work group to further review H.R. 1295 and recommend policy for the committee to consider.

The committee discussed Fannie Mae's recently released appraisal report forms. The 11 new forms cover single-family homes, small residential income properties, manufactured homes, condominium and cooperative units and two field review reports. Each of the revised appraisal report forms include the purpose of the appraisal, scope of work, intended use, intended user, definition of market value, state of assumption and limiting conditions and appraiser's certification. The appraiser's certification on each of the revised appraisal report forms was expanded to more clearly announce what Fannie expects in the appraisal and appraisal reporting process.

NYSSREA's Fall Conference

October 13 - 14, 2005

**Turning Stone Casino and Resort
Verona, New York**

USPAP questions & answers

These communications by the Appraisal Standards Board (ASB) do not establish new standards or interpret existing standards. The ASB USPAP Q&A is issued to state and territory appraisal regulators to inform all states and territories of the ASB responses to questions raised by regulators and individuals; to illustrate the applicability of the Uniform Standards of Professional Appraisal Practice (USPAP) in specific situations; and, to offer advice from the ASB for the resolution of appraisal issues and problems. The ASB USPAP Q&A do not constitute a legal opinion of the ASB.

Q: As a condition of engagement, I have been asked to disclose the name of the client for any prior appraisals I have completed on the subject property. Is making this disclosure a violation of USPAP?

A: A definitive answer cannot be provided without examining the circumstances.

The confidentiality section of the ethics rule states, in part:

An appraiser must protect the confidential nature of the appraiser-client relationship.

There are some situations in which the appraiser cannot disclose the name of a prior client and still protect the confidential nature of the appraiser-client relationship. For ex-

ample, a client may tell the appraiser to not disclose the fact that he or she appraised a particular property for that client. In that case, the name of the client becomes confidential information (as defined in USPAP) and it is clear that the appraiser cannot comply with the request for disclosure of the client's name.

There are other cases that simply require judgment on the part of the appraiser to determine whether disclosing the prior client's name would or would not protect the confidential nature of the appraiser-client relationship.

An appraiser who is asked to identify the client in a prior assignment may be able to protect the confidential nature of the appraiser-client relationship by identifying the client by type rather than by name. Identifying the client by type describes the client with a generalization. However, there may be circumstances in which disclosing the identity of the client by type would actually disclose the name of the client (for example: property owner, trustee). In such a case, naming the client "by type" would not be a solution.

If disclosure of the client's identity is a condition of a potential new assignment, and the appraiser cannot disclose the client's identity and still protect the confidential nature of the appraiser-client relationship, then the appraiser must turn down the new assignment.

An appraiser must consider

the circumstances when forming a response to a request to disclose the name of the client from a prior assignment.

Q: As a condition of engagement, a financial institution requires that I disclose any prior appraisals I have completed on the subject property. If I disclose that I have previously appraised the subject property, am I violating USPAP?

A: No. Except as noted below, USPAP does not specifically prohibit the disclosure of the fact that a prior appraisal has been performed.

Disclosing the fact that you have previously appraised the property is permitted except in the case when an appraiser has agreed to keep the mere occurrence of a prior assignment confidential.

There are some cases in which the appraiser is asked by the client not to reveal that he or she has appraised that particular property. In such cases, the fact that the appraiser previously appraised the property is confidential information.

If the occurrence of a prior appraisal is confidential, and disclosure of prior appraisals is a condition of a potential new assignment, the appraiser must turn down the new assignment because the appraiser could not make the requested disclosure.

Education Courses

The following courses are sponsored by the Elmira-Corning Board of REALTORS®. For more information, call 607/562-7035.

Doing the Right Thing

15 hours appraiser CE
Thursday and Friday
July 28 and 29
8:30 a.m. - 5 p.m.
\$125 member/\$150 non-member

The following courses are sponsored by the Greater Rochester Association of REALTORS® to be held at 930 East Ave., Rochester, NY 14607. For more information, call 585/341-2150.

Residential Construction

4 hours appraiser/real estate CE
Wednesday, September 14
8 a.m. - 12 p.m.
\$50 member/\$90 non-member

7-hour USPAP

7 hours appraisal CE
Friday, November 4
8 a.m. - 3 p.m.
\$140 member/\$180 non-member

Case Studies in Appraising Unique Residential Properties

4 hours appraiser CE
Tuesday, November 15
8 a.m. - 12 p.m.
\$50 member/\$90 non-member

The following courses are sponsored by the Westchester Community College, 65 Grasslands Rd, Valhalla, NY 10595. For more information, call 914/606-6830.

R-1: Introduction to Real Estate Appraisal

Tuesdays and Thursdays
September 6 - October 11
6:30 - 9:30 p.m.
Wednesdays
September 7 - October 12
9 a.m. - 4 p.m.

Residential Appraisal Review and USPAP

3 hours appraisal/sales CE
Monday, August 1,
6:15 - 9:15 p.m.
\$50

Understanding the Appraisal Principles in the Estimation of Value

4 hours appraisal/sales CE
Thursday, August 18
12:30 - 3:30 p.m.
\$60

The following course is sponsored by the Westchester County Society of Real Estate Appraisers. Elk Lodge, 115 North Broadway, White Plains, NY 10603. For more information, call 914/309-3001.

How to Prepare the New FNMA Forms that are Effective 11/1/05

7 hours appraisal CE (pending)
Monday, September 26
9 a.m. - 5 p.m.

The following course is sponsored by the Rockland County Board of REALTORS®. For more information, call 845/735-0075.

R-1 Introduction to Real Estate Appraisal

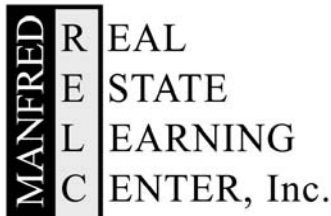
Thursdays and Fridays
September 15 - 29, 9 a.m. - 5 p.m.



Submit your applications for the John J. Noto Scholarship by September 1!

Classes will be offered throughout the state on the new Fannie Mae forms.

Watch your mail and e-mail for more information as it becomes available.



Appraisal Licensing Courses

New York and Vermont Approved

R-1	October 6, 7, 14, 15 (Albany)	
R-2	August 4, 5, 11, 12 (Kingston)	November 3, 4, 10, 11 (Albany)
R-3	July 21, 22, 28, 29 (Kingston)	October 20, 21, 27, 28 (Albany)
R-4	August 18, 19 (Kingston)	November 17, 18 (Albany)
USPAP 15 hr	August 25, 26 (Kingston)	December 8, 9 (Albany)
AQ-1	September 8, 9 (Kingston)	December 19, 20 (Albany)
G-1	September 19, 20, 26, 27 (Albany)	Please visit us on the web at www.ManfredRELC.com or call us at 518-489-1682 // 800-559-7352
G-2	October 31, November 1, 7, 8 (Albany)	
G-3	November 21, 22, 29, 30 (Albany)	

Appraisal Continuing Education Courses

JULY 16	Sat.	National USPAP Update Course	Albany	7.0	Jim Murrett, MAI, SRA
JULY 20 - 21		Appraising for FHA (2 Day Course)	Albany	15	Alan Simmons, SRPA
JULY 25	Mon.	Deeds: Reading, Plotting and Understanding	Kingston	7.5	John DiIanni
AUG. 3	Wed.	FNMA Case Studies and Forms 2005	Newburgh	7.5	Walter Kresge, MAI
AUG. 16	Tue.	Residential Construction	Kingston	7.5	Hal Zucker, ITI
AUG. 17	Wed.	Basics of HP12C in Appraising Income Property	Kingston	4.0	Walter Kresge, MAI
AUG. 23	Tue.	Investment Property Analysis	Lake George	7.5	Hal Zucker, ITI
AUG. 24	Wed.	Appraiser Liability	Albany	7.5	Alan Simmons, SRA
AUG. 29	NEW	Meet the FNMA 2005 Forms	Albany	7.5	Walter Kresge, MAI
SEPT. 13	Tue.	Adirondack Properties: Establishing Market Value	Lake George	7.5	Rich Fazioli
SEPT. 15	Thur.	Deeds: Reading, Plotting and Understanding	Albany	7.5	John DiIanni
SEPT. 16	Fri.	Architectural Styles	Kingston	7.5	Len Fiore
SEPT. 16	Fri.	Commercial Real Estate 101	Saratoga	7.5	John DiIanni
SEPT. 22	Thur.	Luxury Homes: Establishing Market Value	Albany	7.5	Len Fiore
SEPT. 30	Fri.	Home Inspection: Defects & Remediation	Albany	7.5	Hal Zucker, ITI
OCT. 4	NEW	Meet the FNMA 2005 Forms	Kingston	7.5	Walter Kresge, MAI
OCT. 15	Sat.	National USPAP Update Course	Kingston	7.0	Jim Murrett, MAI, SRA

TO REGISTER or for more information PLEASE CALL 518-489-1682

Mark your calendar now for

Triple Play

REALTOR® Convention & Trade Expo

December 6 - 8, 2005

Atlantic City Convention Center
Atlantic City, New Jersey

Great appraisal courses are being planned including courses on new forms!

Sponsored by the NJ, PA and NY state associations of REALTORS®

Visit www.realtorstripleplay.com for regular updates

New York State

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This issue is dedicated to the memory of Past President Lee Clifford (1986) of Rome, NY who passed away on March 10.

