



# NYRealEstateAppraisers.com

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

Becky Jones, Communications Chair

Summer 2004

## 10th Annual Spring Conference dedicated to Past President McCartney

The New York State Society of Real Estate Appraisers (NYSSREA) held its Tenth Annual Spring Appraisal Conference at the Holiday Inn in Fishkill, New York on May 7. Conference Chairman Domenic Zagaroli welcomed everyone to the conference and thanked the Westchester County Society of Real Estate Appraisers for sponsoring the event. The conference was dedicated to the memory of Past President Art McCartney of Westchester County, who passed away this winter.

McCartney was instrumental in starting the spring conference 10 years ago along with Fred Streb. The pair worked tirelessly to organize a conference in the Lower Hudson Valley area. McCartney's friends and colleagues remembered him fondly.

Zagaroli introduced William Quackenbush of Newburgh,

NY who presented the course "Business Valuation: An Introduction for Real Estate Appraisers." The three-hour program



**Conference Chair Domenic Zagaroli presents Brian Rodgers with the Spring Basket. All proceeds benefit Camp Good Days and Special Times.**

taught attendees what to look for in a sales contract to extract the real estate portion from business valuation, and provided insight into USPAP Standards 9 and 10.

During the luncheon session New York State Deputy Secretary of State Keith Stack and Department of State Chief Investigator Paul Matthews updated

members on issues brought before the department. As always, attendees found the program to be very informative.

We were very fortunate to have many great members assist with the conference. NYSSREA Board of Governors' members Carol DiSanto, Bill Nuesslein, William Quackenbush and Becky Jones served on the afternoon discussion panel along with Zagaroli. The panel discussed the roles of an appraiser, broker and lender in the mortgage process.

Tim Doherty was a big help selling tickets for the Spring Basket. All proceeds from the ticket sales go to Camp Good Days and Special Times. Brian Rodgers was the lucky recipient of the Spring Basket, which included a free registration to next year's conference!

The day concluded with the awarding of door prizes.

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## **P**resident's Message

I hope you are enjoying the summer.

As you can see from the cover story, we had a very successful Spring Conference in Fishkill, New York. Many thanks go out to President-elect Domenic Zagaroli for chairing the event.

The Fall Conference will be held October 21 and 22 at the Turning Stone Casino & Golf Resort in Verona, New York. The program will be held at the beautiful golf club both days. Please mark your calendars now and plan on attending.

In December 2004, the New York State, Pennsylvania and New Jersey Associations of REALTORS® will again host the Triple Play Conference & Trade Expo in Atlantic City, New Jersey. Several courses carrying appraisal continuing education credit will be available (see page 6). The conference also provides numerous networking opportunities and your participation is encouraged.

Enclosed, you will find our scholarship application form. We encourage you to take advantage of this program. It will only take a few minutes to fill out and recipients are awarded funds to assist with taking prerequisite courses for certification or licensing. The funds may also be used for appraisal continuing education courses and to register for our fall and spring conferences. Applications must



Robert Eisenoff

be received by September 1.

Our next committee meeting and board/annual membership meeting will be held on Friday, October 1, in conjunction with the New York State Association of REALTORS® Fall Business Meetings at the Prime Hotel and Conference Center in Saratoga Springs, New York. Following the board meeting, a three-hour continuing education course will be held (see enclosed insert). For a full schedule of the business meetings, visit [www.nysar.com](http://www.nysar.com).

As always, we look forward to hearing from you. If you have any news you would like published in our newsletter, please forward it to Sherry Marr at [smarr@nysar.com](mailto:smarr@nysar.com).

I look forward to seeing you in October!

A handwritten signature in black ink that reads "Robert Eisenoff".

Robert Eisenoff  
President

# Appraisal Committee report from the NAR Midyear Meetings

The following is a report from the NAR Appraisal Committee during the 2004 NAR Midyear Meetings in Washington D.C. on May 10-15.

1. Keith Pedigo, director loan guaranty services for the Department of Veterans Affairs (VA), updated the committee on the progress the VA has made in addressing three recommendations forwarded by NAR last November and noted that the VA is working on the following:

- Issuing additional guidance for completing appraisal assignments within the allotted 5-7 days, with guidelines being posted to their website.

- Conducting formal surveys with consumers to gauge customer satisfaction.

- Conducting appraisal reviews for 10 percent of the appraisal assignments completed.

- Considering a pilot program whereby a third party would be engaged in any appraisal appeals process.

He noted that the Tidewater Experiment, which originated in Roanoke, VA, was so successful that it has been initiated nationwide. This program addresses client-appraiser relationships and includes making fee appraisers more accessible to the public and allowing the lenders to name a point of contact to coordinate with appraisers to provide more up-to-date

comparable information than would normally be available to appraisers.

2. The committee voiced concern over the VA's utilization of offshore resources in helping to dispose of the VA's repossessed inventory. The disposition program has only been in effect for a few months, and members agreed to monitor the program and report any problems to NAR staff so they could be forwarded to the VA.

3. The committee was updated on the Uniform Relocation Act, which governs the relocation and land acquisition programs of nearly all federal departments and agencies. The act helps set the requirements for appraisal and appraisal review in support of federal and federally assisted acquisition of real property used for government projects. It was noted in comments on regulatory changes to the act issued by the Federal Highway Administration, NAR indicated support for federal efforts to simplify and streamline transactions that

involve real property transfers so that the financial and economic impact on businesses and homeowners is minimized.

4. The committee received an update on Appraisal Foundation activities. It was confirmed that the Appraiser Qualifications Board had adopted the sixth exposure draft. New appraiser criteria and qualifications will go into effect January 1, 2008. The Appraisal Standards Board has issued a new exposure draft on changes to the 2004 issue of the Uniform Standards of Professional Appraisal Practice. Members are encouraged to submit comments so NAR can respond to the draft.

5. The committee was updated on the research project approved in November by the NAR Research Committee. Efforts to collect data on delinquency and foreclosure rates for FHA and VA loans and the impact of the Lender Select program are underway with results expected prior to the November meeting.

Mark your calendar now for NYSSREA's

## Fall Appraisal Conference

Thursday and Friday, October 21-22, 2004  
Turning Stone Casino & Resort Golf Club  
Verona, NY

## Conference

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Special thanks to this year's prize donors:

- Cappelli Enterprises, Inc.
- Carol DiSanto, Ithaca
- Robert Eisenoff, Long Island
- James MacCrate, Glen Head
- James J. Molinaro Sr., Suffern

- William Nuesslein, Bronx
- Joseph Pregoner, MAI, Manchester, New Jersey

- Westchester Society of Real Estate Appraisers

- Domenic Zagaroli Appraisal & Realty Seminars

Past President Joseph Pregoner Jr., MAI donated a gift in memory of the NYSSREA members who passed away this winter: Art McCartney, Paul Weinbach and Helen Battistoni.

Cappelli Enterprises, Inc. donated golf for four at the Concord Hotel. Robert Petrone was the lucky recipient of this gift!

We look forward to seeing you at the Fall Appraisal Conference on October 21-22, 2004 at the Turning Stone Casino & Resort Golf Club in Verona, NY.



Conference Chair Domenic Zagaroli moderates the afternoon panel discussion. Seated from left are Carol DiSanto, Bill Nuesslein, William Quackenbush and Becky Jones.



From left, New York State Deputy Secretary of State Keith Stack, Conference Chair Domenic Zagaroli, William Quackenbush, Department of State Chief Investigator Paul Matthews, NYSSREA President Robert Eisenoff and Bill Nuesslein gather for a photo after the conference.

### Real Estate Appraiser License or Certification Application and Renewal Policies

**First-time applicants:** All Ethics and Standards courses completed after January 1, 2003 for any category of real estate appraiser (including appraiser assistant), must be the 15-hour National Ethics and Standards Uniform Standards of Professional Appraisal Practice (USPAP) course.

**All those renewing:** All real estate appraisers with a license or certification expiring on or after January 1, 2004, must have completed the seven-hour National USPAP course in order to renew their real estate appraiser license or certification. This course may be applied to the 28-hour continuing education requirement.

# 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:** Recently I have considered maintaining only electronic workfiles (i.e. saving only electronic versions of my reports and supporting data, and scanning any paper documents used so that copies may be stored on electronic media). Is this prohibited by USPAP?

**A:** No. There is nothing in USPAP that would prohibit an appraiser from maintaining only electronic versions of workfiles.

The record keeping section of the ethics rule states, in part:

The workfile must include: The name of the client and the identity, by name or type, of any other intended users; true copies of any written reports,

documented on any type of media; summaries of any oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with this rule and all other applicable standards, or references to the location(s) of such other documentation.

As long as an electronic workfile contained these items, it would be sufficient.

An appraiser must also be mindful of the requirement to have access to the workfile for the applicable required time period. The appraiser must ensure that the proper software is maintained to allow access to the electronic files.

**Q:** I was asked to appraise a single-family residence for refinancing. I am aware that the property had been previously listed but did not sell. During my data investigation and analysis, I noted that the owner's "estimate of value" was \$375,000. When I looked up the listing history, I found it had been withdrawn from the market at the asking price of \$325,000. What are my obligations under USPAP regarding a withdrawn or expired listing of the subject property?

**A:** Standards Rule 1-5(a) states that in developing a real property appraisal, an appraiser must, if such information is available to the appraiser in the normal course of business:

*Analyze all agreements of sale, options, or listings of the subject property current as of the effective date of the appraisal.*

Therefore, there is not a specific requirement in Standards Rule 1-5(a) to consider and analyze a withdrawn or expired listing of the subject property, prior to the date of the appraisal.

However, any prior listing of the subject property (as of the effective date of the appraisal) might be significant in that it indicates the property's availability in the market and the market reaction to that availability. Likewise, agreements of sale and options are generally significant to the appraisal problem in that they involve a "meeting of the minds," relating to the property's value, of the potential buyer and seller.

In the development of an appraisal, an appraiser is required under Standards Rule 1-1(b), to *not commit a substantial error or omission or commission that significantly affects an appraisal*. If information about a withdrawn or expired listing is known by the appraiser and that information is relevant to the appraisal problem, it must be considered.

## ***TRIPLE PLAY 2004 Appraisal Sessions***

**Atlantic City Convention Center, Atlantic City, New Jersey  
December 7-9, 2004**

***Economics and Appraising, Melanie McLane, ABR, CRB, CRS, GRI, ITI, SRES -  
Tuesday, December 7, 8:30 a.m. – 12 p.m.***

This course covers the relationship between the micro and macro economic forces on appraisal values and the appraisal business, including economic forces that affect the real estate industry, such as interest rates, supply, demand, unemployment, housing starts, government controls, and demographics. You'll examine the long-term effects on the housing market of Federal Reserve policy, the performance of the stock market and other macro economic events, then examine the micro effects of their particular market on real estate values and learn how to correlate the two. Micro effects include local employment rates, housing starts, supply and demand and absorption rate, among others. Learn how to track economic information in order to stay on top of the market.

***Market Analysis – or So Your Comps Aren't Perfect – Adjust! Melanie McLane,  
ABR, CRB, CRS, GRI, ITI, SRES - Tuesday, December 7, 1:30 – 5 p.m.***

This course discusses how appraisers can identify appropriate comparables, specifically in situations where no paired sales exist, and make market-based adjustments to the comps in order to produce a credible report. You'll use case studies with a pool of comps to decide which comps are most appropriate for the subject. Given market data, some of which is paired sales, you'll make inferences about the markets. Case studies will be used to make an analysis about a particular market sector and determine what the most important features are for that kind of property (such as acreage, square footage, style, age, etc.).

***USPAP Update, Jim Murrett - Wednesday, December 8, 8 a.m. – 5:30 p.m.***

This interactive presentation focuses on the recent changes to Uniform Standards of Professional Appraisal Practice (USPAP) requirements for ethical behavior and competent performance by appraisers. The material also includes information intended to clarify some commonly misunderstood aspects of USPAP. The course will aid appraisers in all areas of appraisal practice who are seeking updated competency in USPAP, including those subject to state licensing or certification and continuing education requirements imposed by professional organizations, client groups or employers. *\$50 materials fee and pre-registration required.*

***You Want WHAT on WHICH Line? Melanie McLane, ABR, CRB, CRS, GRI, ITI, SRES  
Thursday, December 9, 8:30 a.m. – 12 p.m.***

The large players in mortgage underwriting – FannieMae and Freddie Mac – keep providing new forms to appraisers. Often confusion results about what an appraiser should put and where. Additionally, sometimes the forms are confusing or require additional comments by the appraiser to make sense of the report. This is a hands-on, step-by-step, fill in the blanks course that will show the novice or the old pro how to fill out forms in accordance with FNMA guidelines.

***Advance convention registration fee is just \$60. Continuing education (CE) credit is available for these sessions at a nominal fee. Plus, take advantage of many other valuable non-credit sessions and the expanded trade expo. Watch your mail in early September for the complete convention brochure or visit [www.realtorstripleplay.com](http://www.realtorstripleplay.com) for regular updates.***

# Education Courses

*The following courses are sponsored by the Westchester County Board of REALTORS®. Please call 914/681-0833 to register or for more information.*

*Appraiser Licensing - all of these classes require an exam and 90% attendance.*

**R-1: Introduction to Real Estate Appraisal**

30 hours/22.5 hours CE credit  
 July 7 - August 9  
 September 8 - October 18  
 Mondays & Wednesdays  
 6 - 9:30 p.m.  
 September 20 - 24  
 9 a.m. - 5 p.m.  
 \$375

**AQ-1: Fair Housing, Fair Lending & Environmental Issues**

15 hours  
 November 29, December 1, 6, 9, 13  
 6 - 9:30 p.m.  
 \$200

**Ethics and Standards of Practice (USPAP)**

Thursday, October 7 (7 hours)  
 Thursday & Friday, December 2-3  
 (15 hours), 9 a.m. - 5:30 p.m.  
 \$300

*The following courses are sponsored by the Greater Rochester Association of REALTORS®. For more information, call 585/341-2150.*

**USPAP Update**

Wednesday, October 20  
 9 a.m. - 4 p.m.

Member: \$100/Non-Member: \$140

**Residential Property Highest and Best Use (Appraisal)**

Wednesday, September 8  
 1 - 9 p.m.  
 Member: \$95, Non-Member: \$125

*The following courses are sponsored by the Westchester Community College at 75 Grasslands Rd, Valhalla, NY 10595. For more information, call 914/785-6830.*

**G-1: Introduction to Income Property Valuation**

October 19 - November 23  
 Tuesdays & Thursdays, 7 - 10 p.m.

**R-1: Introduction to Real Estate Appraisal**

September 8 - October 13  
 Mondays & Wednesdays  
 6:30 - 9:30 p.m.  
 September 8 - October 6  
 Wednesdays, 9 a.m. - 5 p.m.

**R-2: Valuation Principles & Procedures**

October 18 - November 22  
 Monday & Wednesday  
 6:30 - 9:30 p.m.  
 October 13 - November 10  
 Wednesdays, 9 a.m. - 5 p.m.

**AQ-1: Fair Housing, Fair Lending and Environmental Issues**

November 29 - December 13  
 Mondays, 9 a.m. - 3:30 p.m.

**National USPAP Qualifying Course**

15 hours

Call for dates and times in November and December

**National USPAP Course**

7 hours  
 Thursday, September 9  
 9 a.m. - 5 p.m.

**Analysis of Market Sales: When are they Comparables**

3 hours appraisal CE  
 Monday, September 27  
 1:30 - 4:30 p.m.

**The Appraiser Underwriter Relationship**

3 hours appraisal CE  
 Wednesday, October 6  
 2 - 5 p.m.

**Valuation of Individual Condominium Units**

3 hours appraisal CE  
 Wednesday, November 17  
 1:30 - 4:30 p.m.

*The following courses are sponsored by the Rockland County Board of REALTORS®, 300 North Middletown Rd, Pearl River, NY 10965. For more information, call 845/735-0075.*

**R-4: Introduction to 1-4 Family Income Capitalization**

Fridays, September 10, 17, 24  
 9 a.m. - 3:30 p.m.

**R-1: Introduction to Real Estate Appraisal**

October 18 - November 15  
 Mondays  
 9 a.m. - 4 p.m.



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**AQ-1: Fair Housing, Fair Lending and Environmental Issues**

December 1, 3, 8, 9 a.m. - 5 p.m.

**Valuation of Individual Condominium Units**

3 hours appraisal CE  
Monday, October 4, 9 a.m. - Noon

**Residential Appraisal Review and USPAP**

3 hours appraisal CE  
Monday, October 4, 1 - 4 p.m.

**The Appraiser Underwriter Relationship**

3 hours appraisal CE  
Monday, November 22  
1:30 - 4:30 p.m.

*The following courses are sponsored by Pace University at 861 Bedford Rd, Pleasantville, NY, 10570. For more information, call 914/773-3714.*

**R-1: Introduction to Real Estate Appraisal**

October 7 - November 11  
Thursdays  
9 a.m. - 4 p.m.

**Analysis of Market Sales: When are they Comparables?**

3 hours appraisal CE  
Thursday, October 14  
6:30 - 9:30 p.m.  
Wednesday, November 17  
9 a.m. - Noon

*Best Wishes  
Jackie!*

*Many of you may have spoken to Jackie Mills at the NYSSREA office in Albany.*

*Jackie got married in May and has recently moved to Tennessee.*

*We wish her much success and thank her for her excellent assistance over the past four years!*

New York State \_\_\_\_\_  
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