

# Valuation

The Ozark Mountain Chapter Newsletter

JUNE 2011

## 2011 Remaining Education

| Date         | Seminar / Course                   | Location                        | CE Hours | Tuition                               |
|--------------|------------------------------------|---------------------------------|----------|---------------------------------------|
| June 13      | Uniform Appraisal Dataset          | Greenstay Hotel<br>Springfield  | 7        | Sold Out                              |
| June 14      | Uniform Appraisal Dataset          | Hyatt Place<br>Rogers           | 7        | Sold Out                              |
| Sept 20      | Business Practices & Ethics        | Roaring River<br>State Park, MO | 4        | <b>\$159</b><br><b>Same as Online</b> |
| Dec 6        | 2012 – 7-hr USPAP<br>Update Course | Greenstay Hotel<br>Springfield  | 7        | \$175                                 |
| Feb 21, 2012 | 2012 – 7-hr USPAP<br>Update Course | Hyatt Place<br>Rogers           | 7        | \$175                                 |

## Chapter Meeting Schedule

Mark Your Calendar and Plan to Attend A Chapter Meeting In 2011

| Date                        | Meeting Location  | Speaker                       | Topic   |
|-----------------------------|---|-------------------------------|---|
| June 16, 2011<br>5:30 – 8pm | Primas Mexican Grill<br>Springfield                           | Mr. Tim Swan, MAI             | Presentation covering interagency policies as they pertain to and/or impact appraisals. |
| July 23, 2011               | Chapter Picnic<br>Roaring River State<br>Park – Cassville, MO | Family Time and<br>Activities | Election of 2012 Officers   |
| Sept 22, 2011               | Dinks BBQ<br>Bentonville, AR                                  |                               |   |
| Nov 8, 2011                 | Primas Mexican Grill<br>Springfield, MO                       |                               |   |
| January 2012                | TBD   |                               | Installation of 2012<br>Officers & Directors  |

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OZARK MOUNTAIN CHAPTER

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## A Word from the President

It's hard to believe the year's half over! I was told we had a Spring, but I guess I was mowing my yard and missed it! It sure seems like I went from a fleece to shorts in a few days' time.

The tornado in Joplin has certainly been on my mind, and it's wonderful to see the response from local individuals, groups, companies and agencies to assist the community. It's very close to home for us. Thanks to all who have volunteered to help out. Please keep them in your prayers.

At this point, the joint seminar with the Kansas City and St. Louis Chapters is in the works, but moving rather slowly. Several venues and seminar topics are being discussed, as our focus has been on offering CE hours at the lowest cost to our members. I hope to have more news soon.

Our May meeting in Bentonville was well attended by the speakers, but less than stellar from the membership. I hope to have the speakers back at a later date, as it was an interesting update on the current and future impacts expected from Crystal Bridges. Our next membership meeting is coming up soon – Thursday, June 16<sup>th</sup> at Primas in Springfield. Tim Swan, MAI will be speaking at our meeting on an important topic summarized in the newsletter. I hope you can attend.

A big THANK YOU to all that signed up for the upcoming Uniform Appraisal Dataset from Fannie Mae/Freddie Mac seminars being taught by Jim Jacobs, SRA June 13<sup>th</sup> & 14<sup>th</sup>. They're both SOLD OUT!! I think we can establish a trend...please don't forget to sign up for the upcoming Business Practices & Ethics seminar with Betty Jo Cagle, SRA. It's being offered on September 20<sup>th</sup> at Roaring River State Park. ADDED BONUS – The **\$159.00** price is the same as online, but you support the Chapter and benefit from the classroom experience taking it locally. As it is required for recertification, let's sell this one out as well!

Please extend a warm welcome to our newest member, Daniel Jimenez. Daniel is an Associate member and is with Arvest in Rogers. I also want to welcome all of our other new members this year – Christopher Paul Mueller, Benjamin T. Godbey, Michael J. Barry, Eric Aherin – and our newest designated member – Josh Smith, MAI. We've averaged one new member a month – fantastic! For the Associate members, we are here to help you along the path to a designation, so please contact me or other member if we can assist.

Just a reminder that AI's Annual Meeting is coming up August 15<sup>th</sup> – 17<sup>th</sup> in Las Vegas. It's a great time to attend some educational offerings, network, attend panel sessions....and go "all in" as they say.

I hope you have a great summer and look forward to seeing you at Primas next week!

Gary Larson, MAI

OZARK MOUNTAIN CHAPTER  
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## 2011 Chapter Leadership

President - Gary T. Larson, MAI  
Vice President - Joshua A. Smith, MAI  
Treasurer - Curtis R. Smith  
Secretary - Michael (Andy) George  
Executive Director - Susie Fletcher  
Immediate Past President - Robert J. Perkins, MAI

### Board of Directors

Board Member - Jerry Jeschke - through 2011  
Board Member - Jordan Karnes, MAI - through 2012  
Board Member - Mary Brasel - through 2013  
Board Member - Robert J. Perkins, MAI - Immediate Past President - through 2011

### Education Committee

Joshua A. Smith - Chair  
Shirley Smith  
Ron Phillips

### Finance Committee

Curtis R. Smith - Chair

### Nominating Committee

Robert J. Perkins, MAI - Chair  
Ted Dahl, MAI  
Steve Shanholtzer, SRPA, SRA  
Joshua Smith, MAI  
Aaron Dunn

### Associate Member Committee

Michael (Andy) George - Chair

### **Appraisal Institute Warns Appraisers About Liabilities When Working with Some AMCs**

*Nation's Largest Organization of Real Estate Appraisers Says  
Consumers Could Suffer*

The Appraisal Institute cautioned real estate appraisers about signing agreements imposed by some appraisal management companies that seek to hold residential appraisers responsible for AMCs' actions. Its president warned that consumers could be the ultimate losers.

"Appraisers should be very careful about signing any agreement, especially one that makes them responsible for another party's actions," said Appraisal Institute President Joseph C. Magdziarz, MAI, SRA. "While there are some fine AMCs doing business today, many AMCs shift liability onto appraisers. For many professional appraisers, it's simply not worth the risk."

Magdziarz, as president of the nation's largest professional organization of real estate appraisers, noted that the most qualified, most competent appraisers often refuse to sign such indemnification agreements. "That means that consumers ultimately suffer, because the valuation of their property isn't likely to be conducted by an appraiser with the most training, education and experience," he said. "And without a reliable, credible opinion of value, everyone involved in a home sale suffers."

While lenders can manage appraisal operations with internal staff, some choose to outsource these functions to third-party management companies called AMCs. These firms act as "middlemen" between lenders and appraisers.

"To get an idea of how potentially dangerous this situation is for appraisers, one need only look to the FDIC's recent action," Magdziarz said in reference to the Federal Deposit Insurance Corp. complaint filed May 9 against Lender Processing Services and CoreLogic that seeks to recover roughly \$283 million in losses allegedly tied to appraisals. "Regardless of the merit of the FDIC's charges, it's clear that appraisers who sign indemnification agreements expose themselves to unnecessary liability that can ruin their careers and destroy their businesses."

Magdziarz also noted the potential effect on consumers, who often have to rely on valuation services from some of the least qualified and least competent appraisers hired by some AMCs. He warned that such agreements drive professional appraisers further from consumer mortgage lending valuation services.

"The Appraisal Institute's best advice for consumers is to ensure their lender hires a qualified, competent appraiser, such as a Designated member of the Appraisal Institute," Magdziarz said. "For appraisers, the Appraisal Institute advises that they know and understand any agreement they sign and that they not sign any agreement they feel is unreasonable or not in their best interests. For most AMCs, providing a certificate of insurance may be a good alternative to signing an indemnification agreement."

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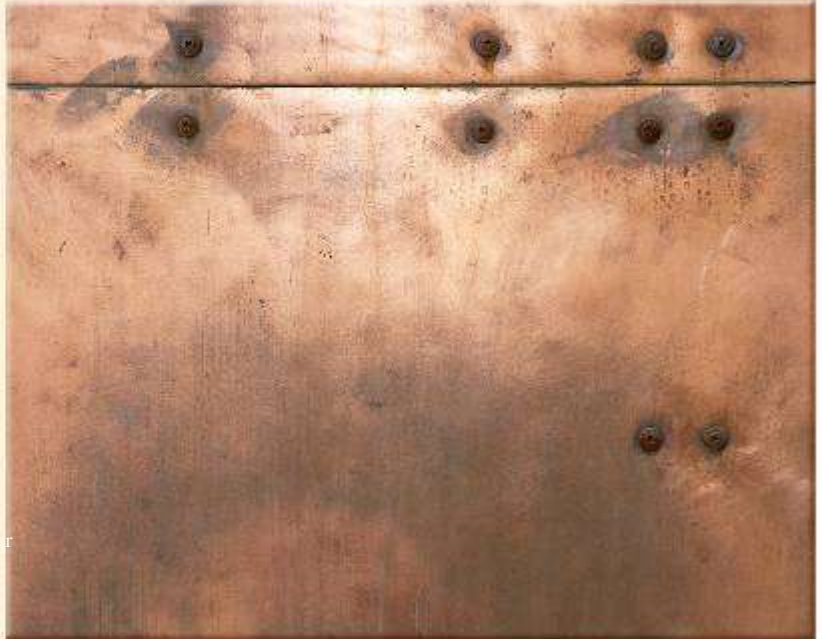


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