



**Appraisal
Institute™**

*Professionals Providing
Real Estate Solutions*

*The
Wisconsin
Chapter*

MESSENGER

<http://www.wisai.com>

JANUARY 2007

PRESIDENT'S COLUMN

Steven Stiloski, MAI

Greetings and Happy New Year!

I hope that all of you had a pleasant holiday season, and that 2007 is prosperous and rewarding for each of you.

It is my honor to serve as Chapter president for 2007 and on behalf of the entire chapter I want to extend my appreciation and sincere thanks to all of the Chapter Officers, Board Members as well as Chris Ruditys and the staff of Wisconsin Association Management. Their combined dedication and devotion to the Wisconsin Chapter is an inspiration and the cornerstone of our success.

I'm pleased to report that the Wisconsin Chapter is well positioned to support and assist each of you in creating your own professional success this year. Plans are being made to offer four courses and 13 seminars in 2007. The Wisconsin Chapter has used material supplied by the National Office to ensure that the local offerings will meet the new Appraisal Qualifications Board's requirements that become effective January 1, 2008. Attendance at Chapter sponsored education is a great way to earn education credit as well as connect to local appraisers and perhaps even meet a new client. Education and networking are the keys to success in a slowing real estate market.

Expect improvements to the Chapter website. The website will be re-designed and incorporate the new Online Registration System developed by the National Office for educational offerings. The Online Registration System should improve efficiency as students register themselves on the system and the materials get sent directly to the students before the program begins. There has been a positive response from other Chapters who have been using the Online Registration System as well as from students who have registered using the system. I am hopeful that the increased efficiency will allow the executive staff more time to serve Chapter members in other areas and not spend time with data entry or the moving, storing and disbursing of education materials.

An important date to mark on your calendar is the Appraisal Institute's 75th Anniversary Conference. The 75th Anniversary Conference will be held from July 15 through July 22 in Las Vegas, Nevada. The Conference will include Regional and National meetings, educational offerings, exhibitors, and an opportunity to have some fun in a great city. I look forward to seeing many of you in attendance.

There are new IRS Appraisal guidelines in effect as of August 17, 2006. The Appraisal Institute lobbied aggressively for provisions that give recognition to professional appraisal designations as qualifications for those who perform appraisals for non-cash charitable contributions. The act defines a "qualified appraiser" as one who has earned a designation from a professional appraisal organization, among other requirements. The IRS appraisal reforms also require appraisals to be performed in conformance with generally accepted appraisal standards and impose accuracy-related penalties on taxpayers and appraisers who provide substantial or gross miscalculations. This legislative success combined with continued work by the Appraisal Institute to advocate for state and federal

legislation making it a crime to coerce an appraiser are your dues at work. If any of you are interested in these topics and others please consider attending the Appraisal Institute's Washington Summit on September 27, 2007.

It is not too late to become an active part of the Wisconsin Chapter of the Appraisal Institute. It's your Chapter and your Appraisal Institute. Take ownership of it! Get involved!

I wish you all a successful 2007.

"To avoid criticism do nothing, say nothing, be nothing."
~Elbert Hubbard

BOARD MEETING MINUTES

November 29, 2006

Detlef Weiler Called the meeting to order at 11:22 a.m. at the office of Wisconsin Association Management, 11801 West Silver Spring Drive, Milwaukee, WI

Members Present

Detlef Weiler, John Anderson, Larry Nicholson, Bruce Perchik, Steve Stiloski, Steve Vitale, Michael Brachmann, Chris Ruditys (WAM)

Secretary's Report

The minutes were approved as published in the newsletter. (Motion Stiloski, 2nd Perchik)

Treasurer's Report

Total assets as of October 31, 2006 were \$74,357.77. Net income through October

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Office Hours:
8:00 a.m. - 5:00 p.m. Monday - Friday

TREASURER'S REPORT

The Chapter funds as of 12/31/06 are:

Primary Checking Account:	\$5,238.79
Money Market Account:	\$10,935.67
CD Account-1:	\$30,804.16
CD Account-2:	\$25,000.00
Total funds balance:	\$71,978.62

BOARD MEETING MINUTES — NOVEMBER 29, 2007

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31, 2006 totaled \$2,815.75.

Ruditys noted that education income was up along with education expenses. Net chapter profit from educational offerings for 2006 totaled \$4,481. Of eleven offerings, seven were profitable.

The Treasurer's Report for the period January 1, 2006 through October 31, 2006 was approved. (Motion Stiloski, 2nd Vitale)

The 2007 budget projects income of \$151,850, with roughly \$124,000 coming from education offerings during a license renewal year. The forecast also takes into account that licensee's must obtain state certification by Jan 1, 2008. The projected profit for 2007 is \$14,200.

One expense noted was the \$3,500 cost to update the Chapter web site. It was generally agreed that this a necessary expenditure as it will make the site more user friendly, give it a "fresh" look, and incorporate the new AI on-line registration requirement.

The 2007 budget was approved as submitted. (Motion Brachmann, 2nd Anderson).

Education Report

Based on meetings and an e-mail survey, the chapter looks to schedule up to fourteen educational offerings in 2007, to include both courses and seminars.

The chapter along with Karen Scott seek to develop a program or seminar to assist licensee's on common errors which are recurring on submissions for experience requirements.

Stiloski reported that Institute Members will be required to take upper level courses for continuing education credit.

A letter was sent to National requesting that AI developed courses and seminars not be licensed to outside education providers. There was general agreement from the board that Wisconsin Chapter dues assist in funding the development of these offerings, and that the Wisconsin Chapter has shown the ability and desire to provide this education.

Move to approve the Education Report (Motion Nicholson, 2nd Vitale)

National Update

It is the AQB year. As of January 1, 2008, licensee's will be required to be State Certified as a Residential or General appraiser.

Items from the November 18, 2006 regional meeting include; the Institute is maintaining its membership although designations are down. The national marketing campaign has had a positive affect on membership.

The 75th Anniversary of the Appraisal Institute will be held in July in Las Vegas.

Legislative Update

No legislative issues were discussed.

Other Business

There was discussion on data providers including Xceligent, Co-Star and SDS and the possibility of gathering the three companies for a presentation to membership.

Adjournment

The meeting was adjourned at 12:26 p.m. (Motion Vitale, 2nd Brachmann)

Respectfully Submitted
Michael Brachmann
Secretary, Wisconsin Chapter of the Appraisal Institute

COMPUTER PROPERTY DATA IS PUBLIC, APPEALS COURT SAYS

By DAVID DOEGE, ddoege@journalssentinel.com
Posted: Jan. 3, 2007

In a ruling defining municipalities' requirements to comply with the state open records law as technology advances, the state Court of Appeals on Wednesday ordered three communities to give a real estate listing service access to property assessment records in a computer database.

Because they failed to "uphold the letter and spirit of the open records law" by not allowing the database access in a timely manner, the appellate court said, Sussex, Port Washington and Thiensville must pay court costs and the legal fees for the listing service, a sum that likely will be considerable.

The ruling comes in a 2001 case that was drawn out by technological issues and by the municipalities' use of an independent contractor to compile the assessment data via a copyrighted software program.

In its ruling, the appellate court noted that the municipalities were required to comply with the data request regardless of their contractual arrangements with the independent contractors and the copyright protection claims.

"Simply because Sussex, Thiensville and Port Washington have contracted out the collection and maintenance of the assessment information does not mean that they have relieved themselves of their responsibilities under the open records laws," Judge Daniel P. Anderson wrote at one point in the ruling.

Bill Lueders, president of the Freedom of Information Council of Wisconsin, said the ruling is important to more than the municipalities and the other parties in the case.

"This was a case that involved municipalities not complying with the open records law by claiming that they were not the keepers of the records and the independent contractors were," he said.

"It was kind of a shell game. It's an important ruling because it affirms that municipalities and public officials cannot evade the requirement to comply with the law."

Costs could be high

Bob Dreps, an attorney who filed a friend of the court brief in the case on behalf of the council, said the municipalities involved face "substantial liability" as a result of the ruling.

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2007 UPCOMING COURSES & SEMINARS

Date	Course/Seminar
February/March	<i>Advanced Income</i> (40 hrs.)
March 12-13	<i>Sales Comparison Valuation of Small, Mixed-Use Properties</i> (16 Hours)
March 19	<i>USPAP Update</i> (7 Hours)
April 19-20	<i>Apartment Appraisal</i> (15 Hours)
April 27	<i>Condemnation Seminar</i> (3-4 Hours) <i>Forecasting Revenue</i> (7 Hours)
May 10	<i>Fourth Annual Condemnation Seminar</i>
May 11	<i>Partial Interest Valuation-Undivided</i> (7 Hours)
May 17-18	<i>Residential Report Writing & Case Studies</i> (15 Hours)
June 7-8	<i>Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications for Fee Appraisers (Yellowbook)</i> (16 Hours)
June 14	<i>USPAP Update</i> (7 Hours)
July 11	<i>Analyzing Distressed Properties</i> (4 Hours) <i>Understanding and Testing DCF Valuation Models</i> (4 Hours)
August	<i>General Appraiser Report Writing & Case Studies</i> (30 Hours) <i>Quality Assurance in Residential Appraisals</i> (7 Hours)
September 10	<i>Partial Interest-Divided</i> (7 Hours)
September 11	<i>Subdivision Analysis</i> (7 Hours)
October	<i>Appraising High-Value & Historic Homes</i> (7 Hours) <i>The Valuation of Wetland</i> (4 Hours)
November 12	<i>USPAP Update</i> (7 Hours)
November 29 or 30	<i>Year-In-Review Symposium</i> (3 Hours)

—More Courses/Seminars to be added at a later date. Stay tuned!—

*To register for these educational offerings, please visit the Appraisal Institute's website at www.appraisalinstitute.org

All seminars/courses will be offered at WCAI's facility located at 11801 W. Silver Spring Drive, Suite 200, Milwaukee, WI 53225.

QUESTIONS? Please call the WCAI office at (414) 271-6858 or visit www.wisai.com.

Specific dates and locations will be published as they become available and registration forms will be sent out prior to all offerings.

COMPUTER PROPERTY DATA IS PUBLIC, APPEALS COURT SAYS

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"The litigation fees in this case are going to be huge," Dreps said.

Evan Teich, Sussex village administrator, said he was not able to comment on the ruling because he had not received a copy of it.

"I can tell you that we're concerned about the case," Teich said. "It (the ruling) has a lot broader implications beyond this case."

The attorney who represented Thiensville in the lawsuit said Wednesday that the village has not decided if it will ask the state Supreme Court to review the decision.

"This case may have a lot of precedential value if we don't decide to appeal it," Steve Cain said.

Mark Grams, the Port Washington city administrator, declined Wednesday to discuss the decision because he had not read the ruling.

The case got its start in April 2001 when WIREdata Corp., a subsidiary of Multiple Listing Service Inc., sought data regarding properties in Sussex, Thiensville and Port Washington. The service planned to offer the data it received to real estate brokers.

Sussex and Thiensville contracted with Grota Appraisals LLC, owned by Michael Grota of Menomonee Falls, to conduct its property assessments, while Port Washington relied on Matthies Assessments for the work. The assessment infor-

mation for all three communities was compiled into databases using copyrighted software developed by Assessment Technologies of WI LLC, which also is owned by Grota.

WIREdata sued the municipalities as municipal officials, attorneys and representatives of the firms involved debated who was legally responsible for complying with the request, copyright issues and other matters.

After Waukesha County Circuit Judge Mark Gempeler ruled against Sussex and Ozaukee County Circuit Judge Thomas Wolfgram ruled for Thiensville and Port Washington, the cases were consolidated and advanced to the appellate court.

Lawrence Sussman of the Journal Sentinel staff contributed to this report.

CLASSIFIEDS

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