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Institute®**

*Professionals Providing
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*The
Wisconsin
Chapter*

MESSENGER

<http://www.wisai.com>

JUNE 2011

PRESIDENT'S COLUMN

Tim Warner, MAI, SRA

Ah, summer in Wisconsin. The lemonade commercial says we get only get 102 days of summer. Here in Wisconsin temperature readings might not always qualify as summer quality but it is still better than January. In this newsletter, I will be talking about what is in-store for appraisers as a result the 2012-13 USPAP revisions effective on January 1, 2012.

After fifteen months and five exposure drafts, the Appraisal Standards Board has approved and adopted modifications to USPAP for the next two years, 2012-13.

I will focus on the coming changes in definitions of some of the primary terms in USPAP from the Appraisal Standards Board *Summary of Actions Related to Proposed USPAP Changes*. This document contains 39 pages that detail the six areas of USPAP that are being revised. This document is available on the Appraisal Foundation website.

The definition of "Client" will change. This definition will now read: "Client: the party or parties who engage, by employment or contract, and appraiser in a specific assignment." USPAP comments that "The client may be an individual, group, or entity, and may engage and communicate with the appraiser directly or through an agent."

The definition of "Exposure Time" will also change. This definition will now read: "Exposure Time: estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." The Standards Board commented that "Exposure Time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. You will recall that reasonable exposure time is one of a series of conditions in the Market Value definition. Exposure Time is always presumed to precede the effective date of the appraisal.

Also on this topic, revisions to Statement 6 in USPAP 2012-13 describe the rationale and method for developing an opinion of reasonable exposure time:

"The opinion of the time period for reasonable exposure is not intended to be a prediction of a date of sale or a one line statement. Instead, it is an integral part of the analyses conducted during the appraisal assignment. The opinion may be expressed as a range and can be based on one or more of the following: statistical information about days on market; information gathered through sales verification; and interviews of market participants."

The revised Statement 6 also notes: "The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone."

USPAP 2012-13 changes the definition of an Extraordinary Assumption to:

"An assumption, directly related to a specific assignment, as of

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Office Hours:

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

TREASURER'S REPORT

The Chapter funds as of 5/31/11 are:

Primary Checking Account:	\$30,548.11
Money Market Account:	\$28,384.08
CD Account:	\$7,620.52
Advocacy Fund:	\$3,939.74
Total funds balance:	\$70,492.45

PRESIDENT'S MESSAGE, CONT.

(Continued from Page 1)

the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions."

"Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or abut conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis."

Note that the revision to this definition also adds "effective date."

USPAP 2012-13 also changes the definition of a Hypothetical Condition:

"A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Again, the revision will also add "effective date" to the definition.

In deciding whether it is more appropriate to use an Extraordinary Assumption or Hypothetical Condition, recall that a Hypothetical Condition establishes as a premise something that is contrary to what currently exists but an Extraordinary Assumption assumes as certain what is not certain. Using examples, an Extraordinary Assumption is an assumption that presumes as fact from otherwise uncertain information, such as the completion of construction of proposed improvements with the certainty of completion by a specified date. This is contrasted with a Hypothetical Condition which isn't an assumption, but a condition of the assignment that is the appraiser's basis for the value opinion.

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PRESIDENT’S MESSAGE, CONT.

(Continued from Page 2)

Using the Hypothetical Condition of a completed building is contrary to the current fact of a vacant site. As just described, a value opinion based upon a hypothetical condition would have a current date while the value opinion for proposed improvements is a prospective value opinion, as of a future date, and based upon an extraordinary assumption.

As I mentioned earlier, there are several other areas of change in the revisions of USPAP 2012-13, but I will conclude my comments by mentioning that the revision to Standards Rule 2-3 will require that the appraiser's certification should now include the following descriptive language for previously performed services relating to the subject property:

"I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment."

I hope my comments will help to highlight some of these new revisions for USPAP 2012-13 and do enjoy your summer.

BOARD MEETING MINUTES

June 3, 2011

President Tim Warner called the meeting to order at 5:09 at the office of Wisconsin Association Management, 11801 West Silver Spring Drive, Milwaukee, WI

Members Present

Tim Warner, Elizabeth Goodman, Todd Delahunt, Ryan Gieryn, Steve Lauenstein, Cheryl Dodson, and Chris Rudity were in attendance. No one was on teleconference.

Secretary's Report

The minutes from the February 16th meeting were approved with minor changes (Motion, Todd - 2nd Elizabeth) with unanimous approval.

Treasurer's Report

Financials through April 11th were reviewed.

There was some discussion about revenue being down and which classes produce the most profit.

A motion was made by Elizabeth to accept the minutes. It was seconded by Cheryl and the motion passed.

Education Report

Five classes along with the Year in Review are being offered in 2011.

June 3rd	Freddie and Fannie Uniform Appraisal Dataset Seminar
August 1-2	Appraisal Curriculum Overview
September 19-23	Advanced Highest and Best Use Course
October 4th	Business Practices and Ethics
October 21	USPAP

Legislative Update

The chapter will be sending 3 attendees to LDAC this year. This year Katie Thompson, Cheryl Dodson, and Dominic Landretti will be attending. There was some discussion regarding sending more representatives as Hank Schneider voiced some interest in going. The decision was made to keep this year's attendees to three due to cost concerns.

Old/New Business

A slate of officers was established which will be voted on by the members. The slate is as follows:

Steve Lauenstein	President
Jason Teynor	Vice President
Ryan Gieryn	Treasurer
Cheryl Dodson	Secretary

The Year in Review presenter list was discussed. Generally it was agreed that two years in a row should be the maximum that a presenter should be used, so as to keep the presentations fresh.

Adjournment

At 6:25 Elizabeth made a motion to adjourn; it was seconded by Todd.

Respectfully Submitted,
Stephen C. Lauenstein, MAI
Secretary, Wisconsin Chapter of the Appraisal Institute



2011 UPCOMING COURSES & SEMINARS

For more information on each offering and TO REGISTER, please go to:

<http://www.appraisalinstitute.org/education/Wisconsin>

Date	Course/Seminar
August 1, 2011	Appraisal Curriculum Overview (1-day Residential) (8 Hr.)
August 1-2, 2011	Appraisal Curriculum Overview (2-day General) (15 Hr.)
Sept. 19-23, 2011	Advanced Market Analysis and Highest & Best Use (35 Hr.)
October 4, 2011	Business Practices and Ethics (7 Hr.)
October 21, 2011	USPAP Update (7 Hr.)

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

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.

JOB OPPORTUNITY

POSITION TITLE: Commercial Appraiser

COMPANY NAME: Midwest Realty Advisors, Inc.

JOB DESCRIPTION: Midwest Realty Advisors, Inc. has an opening for a full-time commercial appraiser in La Crosse, Wisconsin. Applicants with prior commercial real estate appraisal experience are preferred, but we are willing to train well-qualified, self-motivated individuals. Minimum applicant requirements are as follows:

- Four year college degree
- Proficiency with Microsoft Word & Excel
- Strong writing and verbal communication skills
- Above all, a willingness to learn and work as a team player

To learn more about this opportunity or to inquire about our compensation package please email Jason@MidwestRealtyAdvisors.com.





Online Education:
Learn at your own pace anytime, anywhere.
Visit appraisalinstitute.org/online for a list of classes!



Online Education: Learn at your own pace anytime, anywhere, http://www.appraisalinstitute.org/education/online_education.aspx.

Top-notch Appraisal Institute courses and seminars come straight to your desktop with online education! Learn from any computer anywhere, whenever you have time. It's easy, convenient and a great way to get the education you want. Check out the current course listing now!

“CATCH A DRINK”

Don't miss a chance to get to know your fellow Appraisal Institute members at one or ALL of these great "casual" networking opportunities!



**Appraisal
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*Professionals Providing
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Members are responsible for purchasing their own meals, drinks, etc.

Thursday, June 16, 2011

5:00 - ?

Capital Brewery
7734 Terrace Avenue
Middleton, WI
www.capital-brewery.com

Monday, August 1, 2011

5:00 - ?

The Butler Inn
12400 West Hampton Avenue
Butler, WI
www.thebutlerinn.com

Tuesday, September 20, 2011

5:00 - ?

Mo's Irish Pub
10842 West Bluemound Road
Wauwatosa, WI
www.mosirishpub.com

Tuesday, October 4, 2011

5:00 - ?

The Butler Inn
12400 West Hampton Avenue
Butler, WI
www.thebutlerinn.com

REGISTRATION PREFERRED

Please e-mail Angie Kwasny at

akwasny@wi.rr.com.

Walk-ins welcome!

LOOKING FOR ARTICLES

Do you have an article that you'd like to see in the WCAI *Messenger*? If so, please forward to Heather at heather@wamllc.net.



ADVERTISING OPPORTUNITIES AVAILABLE

The Wisconsin Chapter of the Appraisal Institute (WCAI) is proud to offer advertising opportunities in its newsletter and website. To sign up to advertise, please fill out the form below.

If you have any questions regarding advertising, please call the WCAI office at 414-271-6858.

AD SIZES	1 Issue	2 Issues	3 Issues	4 Issues
A. Business Card	\$50 / \$75	\$45 / \$70	\$40 / \$65	\$35 / \$60
B. 1/4 Page	\$85 / \$125	\$80 / \$120	\$75 / \$115	\$70 / \$110
C. 1/2 Page	\$125 / \$175	\$120 / \$170	\$115 / \$165	\$110 / \$160
D. Full Page	\$225 / \$300	\$215 / \$290	\$205 / \$280	\$190 / \$265
E. Inside Front Cover	\$325 / \$425	\$310 / \$410	\$295 / \$395	\$280 / \$380
F. Inside Back Cover	\$325 / \$425	\$310 / \$410	\$295 / \$395	\$280 / \$380
F. Back Cover (1/2 pg)	\$375 / \$475	\$360 / \$460	\$345 / \$445	\$330 / \$430
G. Website*	\$175 / \$225	\$250 / \$350	\$300 / \$400	\$325 / \$425

*Price per issue decreases for each additional issue you advertise in First number indicates member rate, second number indicates non-member rate.
Per Quarter (For Website)

Confirm your selection by e-mailing a .jpeg/.tif/.pdf/or .eps file to Heather Westgor at heather@wamllc.net and mail your advertising fee and order form to WCAI, 11801 W. Silver Spring Dr., Ste 200, Milwaukee, WI 53225.

ORDER FORM

Circle Issue(s): January April July October Website

Ad Size: _____

Calculate your total: \$ _____
(Multiply price per issue x number of issues)

Contact Information

Company: _____

Name: _____

Address: _____

City, State, ZIP: _____

Phone:(____) _____ Fax:(____) _____

E-mail: _____



Associate Membership Application

Return to:

Return completed application to Appraisal Institute, 550 W. Van Buren St., Suite 1000, Chicago, Illinois 60607; fax to 312-335-4146. Questions? Contact the AI Service Center at 888-7JOINAI or email aiservice@appraisalinstitute.org.

Category

Associate Membership is open to individuals who are performing work identified by the Standards of Professional Appraisal Practice.

I am applying for (choose one):

- General Associate Membership – not pursuing designation
- Residential Associate Membership – not pursuing designation
- General Associate Membership – pursuing MAI designation
- Residential Associate Membership – pursuing SRA designation
- Dual Associate Membership – pursuing both MAI and SRA designations

Please indicate your appraisal licensure status (choose one):

- General Certified Appraiser
- Residential Certified Appraiser
- Licensed Appraiser
- no appraisal license

State of licensure: _____ License number: _____ License expiration date: _____

For individuals who hold a trainee or equivalent license or are seeking such a license, please see the application for Trainee Associate Membership.

Please indicate your previous membership status:

- I am a new applicant to the Appraisal Institute
- I was previously a Designated member, Associate member, or Candidate with the Appraisal Institute or one of its predecessor organizations.

Per the membership Regulations, prior Associate members (including Trainee Associate members) seeking readmission must meet the Standards and Ethics requirements within the four (4) years prior to applying for readmission. Please indicate the date you have met BOTH portions of the requirement:

- Provide proof of passing the [15-Hour National Uniform Standards of Professional Practice \(USPAP\)](#) course/exam - Date Completed: _____
- Complete the Appraisal Institute course [Business Practices and Ethics](#) course - Date Completed: _____
- I am currently an Appraisal Institute Designated or Associate member applying for dual membership. Member number: _____

Were you recruited by an Appraisal Institute member:

- No
- Yes – Recruiter’s name: _____
Recruiter’s phone number: _____

2011 Membership Dues

Membership will be come effective upon receipt of dues payment and acceptance into membership. Membership dues for Associate Members are \$310. Members joining between February and November have prorated dues. Members joining after November will be charged the full dues amount for the upcoming year. *Once remitted, membership dues are non-refundable.*

Chapter: Wisconsin

National Dues \$310.00

Total Amount \$310.00

Dues Payment Method

- Check
- VISA
- MasterCard
- American Express

Card Number _____ Expiration Date _____

Signature _____

- YES, I would like to go paperless and receive future dues invoices via email**

Identification

Mr./Ms.

Last _____ First _____ Middle Initial _____

Maiden Name _____ Date of Birth _____

Home Address _____ City/State/Zip _____

Company Name _____ Title _____

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Business Address		City/State/Zip	
Home Phone		Business Phone	
Fax		E-mail	
Preferred Mailing Address	<input type="checkbox"/> Home	<input type="checkbox"/> Business	
How did you hear about us?	<input type="checkbox"/> Education Program	<input type="checkbox"/> Mailing/email	<input type="checkbox"/> Appraisal Institute Publication
	<input type="checkbox"/> www.appraisalinstitute.org	<input type="checkbox"/> Local Chapter	<input type="checkbox"/> Other: _____

Good Moral Character

All Members of the Appraisal Institute must have good moral character, which is honesty, truthfulness, and respect for the law. Please answer the following questions:

Are you currently the subject of a pending criminal proceeding, or have you ever been convicted of any criminal offense, either misdemeanor or felony? Yes No

Are you currently the subject of any regulatory proceedings, or have you ever been disciplined, or had a license, certification, or registration suspended, revoked, or denied by a regulatory agency? Yes No

Are you currently the subject of a civil proceeding in which you are alleged to have acted or failed to act in a manner reflecting negatively on your honesty, truthfulness, or respect for the law, or have you ever been the subject of a civil proceeding in which a finding has been made that reflects negatively on your honesty, truthfulness, or respect for the law? Yes No

If the answer to any of the above questions is "Yes," please attach a full description and copies of the official documents setting forth the allegations (e.g., indictment, complaint) and the results of the proceedings (e.g., judgment, decision).

Agreements of the Applicant

I hereby apply for admission to Associate Membership in the Appraisal Institute. In making this application and in consideration of review of my application:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. I agree to abide by the Appraisal Institute's Bylaws, Regulations, Standards of Professional Appraisal Practice, and Code of Professional Ethics, now and as they may be amended in the future, as well as such policies and procedures as the Appraisal Institute may promulgate from time to time. I understand that the Appraisal Institute's Regulation No. 1 and the MAI Procedure Manual set forth requirements and procedures relating to admission to General Associate Membership and MAI Membership, and that the Appraisal Institute's Regulation No. 2 and SRA Procedure Manual set forth requirements and procedures relating to admission to Residential Associate Membership and SRA Membership. 2. I agree to immediately disclose to the Associate and Affiliate Member Services Department any circumstances and events occurring after the date of submission of this application that may have a bearing on my moral character. 3. I understand and agree that if I am convicted on or after the date of this application of a crime committed prior to this application, I will be subject to discipline pursuant to the Appraisal Institute's Regulations. 4. I understand and agree that the Appraisal Institute may investigate my moral character and I consent to such investigation. 5. I understand that if I was subject to any pending peer review proceedings when any previous candidacy, affiliation, or membership with the Appraisal Institute or its predecessor organizations ended, these proceedings may be reopened if I am readmitted or admitted to associate membership. 6. I understand and agree that if my application for admission to Associate Membership in the Appraisal Institute is approved: | <ol style="list-style-type: none"> a. I will become an Associate Member of the Appraisal Institute. b. I will only refer to myself, both orally and in writing, as an "Associate Member" of the Appraisal Institute, which term is not a professional designation and may not be abbreviated. c. I will use the title "Associate Member" only in conjunction with my name and not in connection with the name, logo, or signature or any firm, partnership, or corporation. d. If I refer improperly to my membership, I may be subject to disciplinary proceedings conducted pursuant to the Appraisal Institute's Regulation No. 6. <ol style="list-style-type: none"> 7. I IRREVOCABLY WAIVE ANY CLAIM OR CAUSE OF ACTION AT LAW OR EQUITY THAT I MIGHT HAVE AT ANY TIME AGAINST THE APPRAISAL INSTITUTE, ITS BOARD OF DIRECTORS, OFFICERS, COMMITTEE MEMBERS, CHAPTER MEMBERS, EMPLOYEES, MEMBERS OR OTHER PERSONS COOPERATING WITH THE APPRAISAL INSTITUTE, EITHER AS A GROUP OR AS INDIVIDUALS, FOR ANY ACT OR FAILURE TO ACT IN CONNECTION WITH THE BUSINESS OF THE APPRAISAL INSTITUTE AND PARTICULARLY AS TO ACTS IN CONNECTION WITH: (1) DENYING THIS APPLICATION FOR ASSOCIATE MEMBERSHIP; (2) DENYING ME CREDIT FOR ONE OR MORE DESIGNATION REQUIREMENTS; AND (3) CONDUCTING PEER REVIEW PROCEEDINGS, INCLUDING BUT NOT LIMITED TO THE TAKING OF DISCIPLINARY ACTION AGAINST ME. 8. I represent and certify that, to the best of my knowledge and belief, all the information contained on this application is true and accurate. I understand and agree that if I have made any false statements, submitted false information, or failed to fully disclose information requested in this application I will be subject to discipline pursuant to the Appraisal Institute's Regulations. |
|--|--|

Signature	Date	Promotion Code
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Upon acceptance to Associate membership, confirmation will be sent via email. Please allow 5-10 business days for processing of completed application.

Note: Upon acceptance to Associate membership, an appropriate portion of your national Associate Member dues will be allotted to your yearly subscriptions to Appraisal Institute publications. Dues are not considered charitable contributions for federal income tax purposes; however, they may be deductible by Associate members as an ordinary and necessary business expense.

Nondiscrimination Policy

The Appraisal Institute advocates equal opportunity and nondiscrimination in the appraisal profession and conducts its activities in accordance with applicable federal, state and local laws.