



**Appraisal
Institute™**

*Professionals Providing
Real Estate Solutions*

*The
Wisconsin
Chapter*

MESSENGER

<http://www.wisai.com>

NOVEMBER 2007

PRESIDENT'S COLUMN

Steven Stiloski, MAI

I recently finished a book called, *The Black Swan: the impact of the highly improbable*. Some of the interesting observations that were made in the book included:

1. You should always be suspicious of knowledge you derive from data.
2. All pieces of information are not equal in importance.
3. Linear progression is not the norm.
4. The more information you give someone, the more hypotheses they will formulate along the way, and the worse off they will be.
5. Those who have a big reputation are worse predictors than those who have none.
6. Statistically sophisticated or complex models do not necessarily provide more accurate forecasts than simpler ones.
7. Seize any opportunity, or anything that looks like an opportunity. They are rare, much rarer than you think.
8. Our highest currency is respect.
9. If you work in a randomness-laden profession, you are likely to suffer burnout effects from that constant second-guessing of your past actions in terms of what played out subsequently.
10. Work in a profession that is "scalable," that is, one in which you are not paid by the hour and thus subject to the limitations of the amount of your labor.

While reading the book I couldn't help but think of our profession (particularly #4 for review appraisers). I think we've all tried at one time or another to impress a client with reams of data and/or pages of analyses. In my opinion, it's best to restrict the information in the report to those items most pertinent to the appraisal problem and then tell the client which of those pieces of information is most important and why. It seems that at times we get caught up in our research and analyses and don't step back to take a look at the bigger picture. That's why it is so important to gain perspective by attending classes and seminars and network with other appraisers. I recommend the book although it can be a tough read at times.

Now that I've done my book report I can move on to chapter business. We are in the home stretch for 2007 and I want to finish by having some fun. The Year-in-Review seminar and networking party is scheduled for November 28th. Our keynote speaker is Ted Whitmer from Texas (www.tedwhitmer.com). Mr. Whitmer is an appraiser, lawyer, banker, real estate investor, and college instructor. He is also a dynamic speaker with a lot of interesting ideas. I look forward to hearing what he has to say about the national real estate market. As a bonus to the Wisconsin Chapter, Mr. Whitmer will stay overnight and present his seminar, *Attacking & Defending an Appraisal in Litigation* on November 29th. I look forward to seeing many of you at both events.

If you are close to being designated I encourage you to redouble your efforts. If you need assistance along the way please contact myself, the chapter offices or email the Appraisal Institute. The Appraisal Institute has two new service centers specifically designed to handle questions from both designated and associate & prospective members. The email address and telephone numbers for those service centers are:

Designated Members

Designated@appraisalinstitute.org
312-335-4401

Associate & Prospective Members

Associate@appraisalinstitute.org
312-335-4111

Please make use of these resources to find out where you stand with regard to continuing education, requirements for designation, or other Appraisal Institute issues.

While attending the AI's regional meetings October 13th I learned the Appraisal Institute will lose money in 2007. The exact dollar amount is uncertain but the best guess is it will be around one million dollars. The good news is the Appraisal Institute has adequate reserves to cover the loss and dues should not increase. On a local level the Wisconsin Chapter is solidly in the black and on good financial footing.

I'd like to wish you all a wonderful holiday season and encourage you to spend more time with family and less time in front of the computer.

Steve Stiloski, MAI

"Drive thy business, let not that drive thee." - Benjamin Franklin

IN THIS ISSUE . . .

President's Column	1
Treasurer's Report	2
WI Chapter BOD Minutes	2-3
2007 Upcoming Course & Seminar Schedule	3
"Commercial Real Estate Appraisal: Common Errors & Issues" Seminar	3
Report from Wisconsin Dept. of Regulation & Licensing	4-5
Real Estate Appraisers Board Regulatory Digest	5
Advertising Opportunities Available	6
Associate Member Application	7-8

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Office Hours:

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

TREASURER'S REPORT

The Chapter funds as of 9/30/07 are:

Primary Checking Account:	\$18,373.42
Money Market Account:	\$17,392.25
CD Account-1:	\$32,426.84
CD Account-2:	\$26,439.37
Total funds balance:	\$94,631.88

BOARD MEETING MINUTES

September 10, 2007

Vice President Tom Swan called the meeting to order at 4:26 at the office of Wisconsin Association Management, 11801 West Silver Spring. Milwaukee, WI.

Members Present

John Anderson, Ann Davis, Mike Brachmann, Larry Nicholson, Tom Swan, Detlef Weiler, Dave Wagner, Tim Warner, Angela Kwasny, and Pat Wilborn. Past President Bill Sirny was also present to deliver a report for an ailing Ryan Gieryn.

Secretary's Report

The minutes were approved as published in the most recent newsletter. (Motion -Nicholson, 2nd - Brachmann)

Treasurer's Report (Mike Brachmann & Doug Stangoehr)

January 1 through August 30, 2007 financial statements were distributed, reviewed, and discussed. Board discussion focused on financial results of the education offerings so far this year. The financials indicated net income to be ahead of budget for the period. A summary of the current financials is included in this newsletter.

These financial statements were approved. (Motion - Kwasny, 2nd - Wilborn)

Education Report

Tom Swan discussed the current status of 2008 course offerings. The new AI Conversation Easement educational offering was mentioned as a possibility for the future. A tentative schedule is under construction by the Education Committee. Survey input by chapter members will be one of the key ingredients in this schedule.

Since 2007 is a cycle year, readers are reminded that the educational calendar and offerings can be accessed at the new on-line registration site at www.appraisalinstitute.org/education/Wisconsin.

Mentoring Program

Larry Nicholson authored and distributed to the board a draft report on an appraisal mentoring program in response to a request from the State of Wisconsin Regulation and Licensing for such an aid to the appraisal community. Larry asked for a review and input from all members in order to finalize this program. Please contact Larry or the chapter to request a copy of this draft report.

(Continued on Page 3)

BOARD MEETING MINUTES

(Continued from Page 3)

National Update

Tom Swan provided an overview of the regional and national meetings in Las Vegas in July. The unification proposal with ASA and the Rural Appraisers (ASFMRA) was discussed.

As mentioned in the July newsletter, the Appraisal Institute is losing members from natural attrition faster than new members are added. At this current rate, after 2012, the Appraisal Institute cannot survive as viable organization. While the market for valuation services is growing, membership in professional organizations is on the decline. The board briefly discussed ideas relative to promotion of Appraisal Institute membership.

Legislative Update

Tom Swan reported no new legislation in process. He reminded members, that due to his demonstration report writing involvement, he is asking for any member interested in taking over the government relations position to contact him.

Other Business

Bill Sirny reported on the national convention for Ryan Gierny who was down with the flu. Members can read a version of Bill's report in the July chapter newsletter, starting on page 4.

Adjournment

The board of directors meeting was adjourned at 5:52 PM (Motion - Warner, 2nd - Weiler)

Respectfully Submitted,
Tim Warner, MAI, SRA

Secretary, Wisconsin Chapter of the Appraisal Institute

2007 UPCOMING COURSES & SEMINARS

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

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

Date	Course/Seminar
November 12, 2007	<i>USPAP Update (7 Hours)</i>
November 28, 2007	<i>Year-In-Review Symposium (3 Hours)</i>
November 29, 2007	<i>Attacking and Defending an Appraisal in Litigation (7 Hours)</i>

*Course counts for State Certification and/or towards the prestigious MAI or SRA designation

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.

“COMMERCIAL REAL ESTATE APPRAISAL: COMMON ERRORS & ISSUES” SEMINAR

On October 11th, Bill Sirny, MAI and Steve Stiloski, MAI presented a seminar they co-authored entitled Commercial Real Estate Appraisal: Common Errors & Issues to the Auditor's from the Madison and Milwaukee Field Offices of the Federal Deposit Insurance Corporation (FDIC). The seminar was created at the request of the FDIC and was presented as a volunteer outreach program.

Issues covered included common deficiencies such as: incorrectly using hypothetical assumptions and extraordinary assumptions, surplus land vs. excess land, missing various technical requirements such as addressing competence, not addressing personal property, etc. The presentation also covered the complaint process with the Wisconsin DRL and the Appraisal Institute, appraiser selection, appraisal review, appraisal fees, and disclosure of the purchase contract to the appraiser.

The seminar was well received with comments and questions from the FDIC Auditor's centered around:

- How to tell if a lease is arm's length, and should a leased fee valuation be done if the lease is not arm's length.
- When, or, is it appropriate to not use the income approach in the appraisal of an income producing property with arm's length leases.
- Several questions relating to under what conditions a sale price is market value.
- How we handled the repercussions from not "hitting a number" for an institution, and what types of repercussions were appraisers likely to face.
- How to spot bias in the engagement process.
- How to identify if a parcel truly has excess land. Commented that it was a concern that excess land values could be used to inflate overall appraised values.
- Where and how should an appraiser state competency in the report.
- How to spot "list shopping"
- Several comments agreeing with our discussion of when omitting the cost approach is appropriate.
- Several questions about how to determine if a cap rate is appropriate.

A note to all members, the bank regulators from all agencies are paying close attention to appraisals, have received appraisal training, and will be forwarding deficient appraisals to the proper authorities for investigation.

Bill Sirny, MAI

REPORT FROM WISCONSIN DEPT. OF REGULATION AND LICENSING

By Karen Scott, MAI, SRA,
Wisconsin Certified General Appraiser #31,
Member Real Estate Appraiser Board and
Chair, Real Estate Application Advisory Committee

I've been asked to report on the types of appraisal reports that have been submitted to the Wisconsin Department of Regulation and Licensing (DRL) as complaints. Approximately 85% of the complaints involve residential form reports; the rest involve commercial appraisals. Following are some of the problems, and while some of these examples might seem obvious or extreme, each of the examples cited is based on actual appraisals I have reviewed. Sloppy cloning is a common problem. Use of the newer Fannie Mae forms for appraisals with intended use and intended users other than mortgage financing and lenders without appropriately clarifying the intended use and user(s) is also a problem; the Appraisal Institute has forms which are appropriate for these other intended uses.

Ethics Rule

- Indicating that adjustments are based on market extraction but not being able to provide the extraction when asked for the work file. (Record Keeping)
- Indicating that a report has been "corrected," when a copy of the original (uncorrected) report is not available. (Record Keeping)
- Using a pending sale and disclosing the sales price, without having obtained permission from one of the participants. (Confidentiality)
- Signing a certification that states that the signer has inspected the property when this is not true. Also, signing a certification that no one provided significant professional assistance, when in fact someone else inspected the subject property, and the appraiser acknowledges that he/she relied on the information from the other person's inspection. (Conduct)
- Factual misstatements in the report (e.g., sales prices for the comparable sales) vs. what is contained on the MLS sheets or what is available at the Register of Deeds office. (Conduct)

Scope of Work

- No Scope of Work statement contained in the report.
- Incomplete or inaccurate scope statement.
- "Canned" or cloned statement which isn't particularly relevant to the report.

Jurisdictional Exception

Indicating that jurisdictional exception is being used, without making it clear what portion of USPAP is being voided. Many times, there is no conflict with USPAP in the report, but the appraiser still says that he/she has invoked jurisdictional exception.

Departure

- Referencing departure for reports completed under 2006 USPAP.
- For pre-2006 USPAP, indicating that he/she has departed, e.g., from the income approach, when the income approach is not applicable. If a standards rule is not applicable, there is no departure.

Type of Report

- Continuing to use the terms "complete" or "limited" beginning with 2006 USPAP, without explaining what these terms mean (they are no

longer defined within USPAP).

- Using terms such as "full" or "narrative" to identify the reporting option. The only valid reporting options within USPAP are "self contained," "summary," and "restricted."

S.R. 1-2c Purpose and Reasonable Exposure Time

- Providing multiple, conflicting definitions of the value sought within the same report.
- Not providing a definition and/or a source for the definition of value. Confusing exposure time and marketing time; these are two different concepts as defined in USPAP. Exposure time is required by USPAP.

S.R. 1-2e Property Characteristics

- Failing to note significant external concerns such as heavy traffic, being adjacent to a noxious use, etc.
- Claiming that an older property (e.g., 80 years old) has an effective age of e.g., 3 years, without indicating any updating for the subject and at the same time saying "the subject is in average condition for its age."
- Misrepresenting factual information about the subject such as its age, size, number of bedrooms, number of baths, etc.

S.R. 1-3a Land Use Regulations

Mis-stating whether or not the site conforms to zoning or not providing the actual zoning classification (simply saying it is "residential" zoning).

S.R. 1-4a Sales Comparison Approach

- Selecting inappropriate comparables - stick built for a manufactured house; sales which are significantly larger, newer, in a different community; using mini-warehouses for apartments; etc.
- Omitting significant value adding features for the sales which are shown on the MLS (the reported data source). Omissions I have seen include \$50,000 kitchen remodeling (calling the comp "average" in condition), failing to note that the comp has water frontage or fronts on a golf course when the comp does and the subject does not, omitting large pole barns, basement finish, etc.
- Providing wrong factual information concerning the sale such as inflating its sales price.
- Making small and/or unsupported adjustments; making inconsistent adjustments from one comparable to the next.
- Not providing any explanation for adjustments (simply restating the obvious such as "Sale 1 is adjusted up \$5,000 for age).
- Adjusting in the wrong direction.
- Within the past two months, I am aware of four instances where the subject contract included seller points, and the appraiser adjusted each of the comparable sales down for the subject's seller points.

S.R. 1-4b Cost Approach

- Providing no support for the concluded land value.
- Basing the land value solely on assessment.
- Indicating that cost is based on Marshall Valuation (or other cost service) but uses numbers which are not supported by the named cost service.
- Adding for depreciation (subject had water frontage, so the appraiser added for external obsolescence).

S.R. 1-4c Income Approach

- Giving no explanation for omission of this approach to value.
- Stating that this approach isn't used based on "lack of data." More appropriate reasons might be that zoning prohibits rental, similar homes are purchased for owner occupancy (not investment), etc.
- Using rent comparables which are several years old or which are from a different community when there are other rented buildings in the subject neighborhood.
- Using vacant buildings as rent comparables and estimating the rent for

(Continued on Page 5)

REPORT FROM WISCONSIN DEPT. OF REGULATION AND LICENSING (Continued from Page 4)

the rent comparables.

- Using a GRM which is more than twice what is shown by the sale comparables.
- Providing no support for the rent, GRM, cap rate, expenses, or other data used in this approach.

S.R. 1-4d Interest Valued

Not recognizing that when a property is leased, the ownership interest is typically "leased fee" or "fee simple, subject to lease," not "fee simple."

S.R. 1-4g Personal Property

Not making it clear whether or not personal property is included in valuation, especially for special use properties such as hotels, CBRF's, bowling alleys, etc., where there is typically substantial personal property.

S.R. 1-4h Proposed Improvements

Appraising a property "as is," implying a building exists, when the building hasn't yet been built.

S.R. 1-5 Subject Listing and Sale Information

- Appraising a property which has been listed for sale for a period of time for substantially more than its list and sales price. If a property is worth more than its list price and more than the offer to purchase, there should be a valid reason (e.g., list price too low, distress situation, immediate sale with competing offers, etc.).
- Failing to analyze the listing and any offer(s) to purchase. Simply stating that it is selling for \$X does not constitute analysis - analysis involves indicating how long it has been on the market; if it is listed on the MLS, on a FSBO web site, or for sale by owner with only owner advertising and sign; discussing the terms of the offer (subject to sale; points included, etc.), etc.
- Not indicating whether or not the Subject is listed for sale when it is selling.
- Not providing the list price.
- Not providing the sales history of the subject for the proper length of time and/or not analyzing a prior sale within the time frames specified in USPAP.
- For new construction, not indicating what the contract amount is. A building contract is a sale which should be analyzed.

S.R. 1-6 Reconciliation

- Stating that "the final opinion of value is based on all three approaches to value..." when one or more approaches have not been completed.
- Stating that all approaches are considered equally when the value is placed at the concluded value for one of the approaches without any discussion.

Level of License

R.L. 86.03(1) and St. 458.16 require that an appraiser identified his/her certification as being Residential or General. Stating that one's certification number is xxx-010, is not sufficient to identify on this point.

The statutes define scope of license, and there are several instances of residential appraisers appraising outside their authority within the state statutes. Also, an appraisal of a subdivision of residential lots is a commercial appraisal, not a residential appraisal, even though the individual lots may be used for single family residences.

Recent Discipline

Summaries of selected recent discipline include:

- Certified Residential Appraiser appraised several commercial proper-

ties well in excess of his/her scope of license. Appraiser paid more than \$21,000 in forfeitures and costs (forfeiture amount calculated as the fees earned for appraisals outside his scope of license). This was the Appraiser's suggestion, in lieu of a suspension. Education was also required.

- Certified Residential Appraiser appraised two commercial properties well in excess of his/her scope of license, and there were USPAP errors. He/she was suspended for six months, required to take remedial education, license was limited to prohibit any commercial appraisals until remedial education was completed, and costs were assessed at \$1,000.
- Respondent refused to provide requested documentation to the department. After multiple requests, subpoena, appearance before the board (at which time the documents were still not produced), license was suspended, then revoked.
- A Minnesota appraiser who also had a Wisconsin license completed Wisconsin appraisals which included several USPAP violations and altered the reports which were submitted to the Department from those originally presented to the client. Voluntary surrender of Wisconsin license and agreed never to practice in Wisconsin again and paid costs of \$900.
- Two cases with appraiser appraising rural properties with apparently having the competence to recognize what was needed to appraise working farms. Remedial education and costs in both instances with prohibition on appraising this type of property until remedial education was successfully completed.
- Multiple cases of appraisers signing work of trainees without acknowledging trainee in the reports. Reprimand and costs.
- Appraiser appraised a property from plans and specs. Subsequently re-appraised the property but failed to inspect it for the second appraisal so the appraiser failed to note that the plans had changed and the property was less than half its original proposed size. The report contained other USPAP errors. More than 60 hours of remedial education ordered, prohibition on training or supervising others and from relying on the work of others, and costs of \$1,2000

For copies of the stipulations and full text of the cases, please go to the department's web site: <http://drl.wi.gov>.

Don't forget to register for the Year in Review Symposium on **Wednesday, November 28th!**

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

REAL ESTATE APPRAISERS BOARD REGULATORY DIGEST

The Real Estate Appraisers Board requested that we make you aware of the latest Board Regulatory Digest which has recently been posted on the department's website.

The link to the Board's digests can be found here:
<http://drl.wi.gov/boards/app/digest/index.htm>



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*

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

Associate Membership is open to appraisers who are performing work identified by the Uniform Standards of Professional Appraisal Practice (USPAP). Please complete all sections of the application and enclose required documents to ensure prompt application processing.

Return to:

Mail completed application to Appraisal Institute, 550 W. Van Buren St., Suite 1000, Chicago, Illinois 60607; fax to 312-335-4480. Questions? Contact the Membership Staff at 312-335-4174.

Category

I am applying for: General Associate Membership Residential Associate Membership

Please check all boxes that apply:

- I am currently an Appraisal Institute designated member. Member number: _____
- I will be pursuing an Appraisal Institute designation.
- I was previously a Designated Member, Associate Member, or Candidate with the Appraisal Institute or one of its predecessor organizations.
- I have a college degree. Official transcript must be sent directly from college or university to the Membership Services Department of the Appraisal Institute.
- I am a state licensed or certified appraiser. A copy of license or certificate must be enclosed.
- An Appraisal Institute Member recruited me. Name of recruiter: _____

2007 Membership Dues

Membership will be come effective upon receipt of dues payment and acceptance into membership.

National membership dues for Associate Members are \$310 (plus applicable chapter dues). Members joining between January 1 and October 31 have prorated dues. Members joining after November 1 will be charged the full dues amount for the upcoming year.

Chapter: Wisconsin

National Dues \$206.67 (Pro-Rated)

Chapter Dues \$73.33 (Pro-Rated)

Total Amount \$280.00

- Please send me information on the Appraisal Institute's Company Wide Membership Program. My company would like to learn how to save 5-20% on our national membership dues.
- Please send me information on the new Site To Do Business membership benefit.

Dues Payment Method

Check VISA MasterCard American Express

Card Number _____ Expiration Date _____

Signature _____

Identification

Mr./Ms. _____

Last _____ First _____ Middle Initial _____

Home Address _____ City/State/Zip _____

Company Name _____ Title _____

Business Address _____ City/State/Zip _____

Home Phone _____ Business Phone _____

Fax _____ E-mail _____

Social Security Number _____ Date of Birth _____

(Continued on Page 9)

(Continued from Page 8)

Preferred Mailing Address Home Business
 I have a college degree Yes No

If you answered "Yes", please submit evidence (official transcript sent directly from the college or university) to the Membership Services Department of the Appraisal Institute.

How did you hear about us? Member Referral Education Program Mailing Appraisal Institute Publication
 www.appraisalinstitute.org Local Chapter 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 under indictment for, 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:

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 Membership 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 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 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.
7. 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 _____

Note: Upon acceptance to associate membership, an appropriate portion of your national associate member dues is 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.

Accounting Use Only

Amt. of Dep.	Dep. Number
Date of Dep.	Acct. Number

04/02/2007