

# COLORADO CHAPTER APPRAISAL NEWS

Appraisal  
Institute®  
Professionals Providing  
Real Estate Solutions

Volume 15, No. 1 — January, 2005



Editor: Martin W. Ward, MAI, SRA

www.colorado-ai.org

Publisher: Carol Brooks

FRIDAY, JANUARY 7, 2005

The Colorado Chapter of the Appraisal Institute

presents

## ECONOMIC UPDATE

**LOCATION:** Columbine Country Club  
17 Fairway Lane, Columbine Valley, CO  
**Directions to Columbine Country Club:** Santa Fe South to Bowles Avenue, turn west to third stoplight, turn left on Middlefield (Albertsons), south to Club. Columbine Country Club is at Club and Fairway Lane.

**SCHEDULE:** 2:30 p.m. – 3 p.m. Registration  
3 p.m. – 6 p.m. Economic Update  
6 p.m. – 7 p.m. Cocktails  
7 p.m. – 9 p.m. Installation Banquet

**FEE:** Seminar Only  
Members Appraisal Institute: \$35.00  
Non-members: \$50.00  
Seminar and Installation Banquet  
Members Appraisal Institute: \$55.00  
Non-Members: \$75.00  
Dinner Only  
Members, Non-Members, Guests: \$35.00

**CONTINUING EDUCATION:** Appraisal Institute - 3 hours  
State of Colorado - 3 hours

**SPEAKERS:** Todd Herreid, Economist, Legislative Council Staff  
William R. Hopping, MAI, W. R. Hopping & Co., Inc.  
Mike Rinner, MAI, The Genesis Group  
Jeff Romine, Research Economist, Leeds School of Business CU at Boulder  
Gordon E. Von Stroh, Ph.D. Professor of Management at Daniels College of Business, Denver University  
Gregg A. Near, MAI, SRA, Metropolitan Appraisers, Inc. - Moderator

**TOPICS:** Trends in Demographics  
Trends in Employment  
Highway Expansion Impact on Hotels  
Single-family Housing Forecast  
Multi-family Housing Forecast

Please note: This program was developed by the Colorado Chapter, which is solely responsible for the contents.

**REGISTRATION:** See Page 12 for Registration Form or go to our web site: [www.colorado-ai.org](http://www.colorado-ai.org)

**QUESTIONS:** Call 303-691-0487 (outside Denver – 1-800-571-0086) web site: [www.colorado-ai.org](http://www.colorado-ai.org)

### BOARD OF DIRECTORS MEETING

Friday, January 7, 2005 12:30 p.m. – 2:30 pm. • Columbine Country Club – All Members Welcome

### IN THIS ISSUE:

2005 Officers and Directors . . . . .	2	Region II Meeting Held in Salt Lake City . . . . .	5	CMLA Luncheon . . . . .	9
Advertising Policy . . . . .	2	In Memoriam . . . . .	5	Fancy Dresses . . . . .	10
Colo. Chapter's 2005 Region II Representatives . . . . .	2	Potpourri Seminars		Welcome . . . . .	10
PAID ADVERTISEMENT . . . . .	2	Attract 160 Appraisers . . . . .	6	Outgoing President's Corner . . . . .	11
Appraiser-Client Relations Committee . . . . .	2	Summer Event Was Wonderful . . . . .	7	Aerial Maps Online . . . . .	11
President's Corner . . . . .	3	Congratulations New MAI's . . . . .	8	PAID ADVERTISEMENT . . . . .	11
Editorial Ramblings . . . . .	4	2005 Course Schedule . . . . .	8	Right-Of-Way Meeting . . . . .	12
A Very Special Presentation . . . . .	4	Assessors/Fee Appraisers Meeting . . . . .	9	Life Is Good! . . . . .	12
Chapter Library . . . . .	5	Trolling the Membership . . . . .	9	Registration Form . . . . .	12

**2005 OFFICERS AND DIRECTORS  
Colorado Chapter of the Appraisal Institute**

**PRESIDENT:**

Richard G. Stahl, MAI, SRA  
Centennial ..... 303.858.8880x12

**VICE PRESIDENT:**

Harold S. McCloud, MAI  
Aurora ..... 720.747.4710

**SECRETARY/TREASURER:**

Claudia D. Klein, SRA  
Colorado Springs..... 719.282.3355

**DIRECTORS:**

Lori M. Elliott, MAI  
Steamboat Springs..... 970.879.1472  
Laura A. Hansen, SRA  
Englewood..... 303.761.5113  
M. Jay Kramer, MAI  
Aurora..... 303.757.9114  
Burton S. Lee, MAI  
Boulder..... 303.443.9600x105  
Larry S. Massey  
Denver..... 303.936.1280  
James R. Meurer, MAI, SRA  
Golden..... 303.278.3066  
Bret R. Poole, MAI  
Denver..... 303.297.0400  
Wm. Michael Rinner, MAI  
Englewood..... 303.662.0155  
Martin W. Ward, MAI, SRA  
Boulder..... 303.443.9600x121

**PAST PRESIDENT:**

John (Jack) W. Nisley, MAI  
Grand Junction ..... 970.242.8076

**Advertising Policy**

1. Advertisements must be camera-ready.
2. Advertisements must represent closely-related businesses or services to the real estate appraisal field.
3. All advertisements submitted for publication are subject to the Editor and Publisher's approval.
4. Appeals for rejections will be submitted to the Board of Directors and their decisions are final.
5. Fees are as follows:

		<b>Member</b>	<b>Non-Member</b>
<b>Full Page</b>	7" x 10"	\$165	\$175
<b>Half Page</b>	7" x 5" or 3 3/4" x 10"	\$ 90	\$100
<b>Quarter Page</b>	3 1/2" x 4 1/2"	\$ 50	\$ 60
<b>1/8 Page</b>	(Bus. Card size) 3 1/2" x 2"	\$ 30	\$ 40

Colorado Chapter does not endorse any product or service advertised in this newsletter.

Send camera-ready copy and check to:

Appraisal Institute, 1540 S. Holly, #5, Denver, CO 80222

**If you have questions, please call 303-691-0487**

**Outside Denver metro area 1-800-571-0086**

**www.colorado-ai.org**

**COLORADO CHAPTER'S 2005 REGION II REPRESENTATIVES**

**ALTERNATE**

Bonnie D. Roerig, MAI - Denver

**ONE-YEAR TERM**

Sue Anne Foster, MAI, SRA - Greeley

Claudia D. Klein, SRA, Colorado Springs

Beverly S. Phillips, MAI, SRA, Parker

**TWO-YEAR TERM**

Kenneth E. Cavender, SRA, Ft. Collins

Matthew E. George, SRA, Denver

J. Virginia Messick, MAI, Denver

James R. Park, SRA, Aurora

# Change your Perspective

[www.jres.com](http://www.jres.com)

**Denver's comprehensive resource  
for information on Real Estate  
Market Conditions and the Economy**

**JAMES REAL ESTATE SERVICES, Inc.**

**303-388-1100**

PAID ADVERTISEMENT



## Appraiser-Client Relations Committee

**By Matthew George, SRA**

Appraiser-Client Relations Committee: A group of about 16 members has met occasionally over the last two years to discuss ways to enhance our relationships with clients. The "Appraiser-Client Relations Committee" has met to develop a program to educate lenders, brokers, builders, lawyers, etc. about the appraisal process and the standards of appraising. Also, we have tried to be a sounding board and a liaison for inadequate appraisals that need to be forwarded onto the proper authorities.

If you are interested in participating on this committee, please contact me at  
mgsra@com cast.net or 303-721-7007

# PRESIDENT'S CORNER

by Richard G. Stahl, MAI, SRA



After reading the editorial ramblings penned last June 28<sup>th</sup> in the Chapter newsletter, I have endured months of anxiety waiting to see if **President Nisley** would refuse to retire and not accept his well-deserved pension benefits. Unlike President and Mrs. Reagan never inviting Vice President George H.W. Bush to dine with them in the private dining room at the White House, **President Nisley** invited me to lunch at a Home Depot. There, as I was munching on a cheese brat, he disclosed that he had abandoned any potential power struggle and would indeed relinquish his rule and pass the reins of commander-in-chief to yours truly. Although the ramblings further speculated I might decline the position, my better judgment ruled the day. I can also attest that **Secretary-Treasurer McCloud** did not abscond with the Chapter's funds as rumored but served meritoriously as the guardian of your Chapter's money. So...all is well at Chapter headquarters.

As a reward for the articulate editorial ramblings and colorful description of the changes in Chapter leadership, I asked **Donald E. Boyson, MAI, SRA** to Chair Public Relations. Our chapter is fortunate that Mr. Boyson accepted my offer, as I believe public relations will play a major role in our future and I can think of no one better qualified to lead this effort. I urge you to read his column elsewhere in this newsletter about our public relations initiative with the assessors' offices.

On a national level, the Appraisal Institute (AI) budgeted \$1.4 million dollars for public relations in 2005. The AI engaged Ogilvy Public Relations Worldwide to help devise a marketing program. In general, its research showed that while the AI is doing a thorough job in preparing its members for the future, it has been less successful in communicating the value of its members to the marketplace. Briefly, the research indicated (1) the value of the designations was not sufficiently communicated or understood, (2) its current descriptors — Knowledge, Experience and Integrity — accurately described the value offered by its designated appraisers but left the user wanting to know more, (3) potential clients have a limited view of the kinds of expanded services that appraisers can offer the marketplace, and (4) users of appraisal services need to know what special expertise we can offer the marketplace. Together with Ogilvy, AI launched a pilot program in Tampa and Houston in 2004. The radio ads promoted the MAI/SRPA/SRA designations and targeted attorneys, bankers, builders/business developers, accountants and financial planners. While in Chicago for the Chapter Leadership Program in November, I discussed the radio ads with **Patricia Osenbaugh, MAI**. She was enthusiastic about the success of the ads in Houston after gaining numerous new clients. AI will spend the 2005 dollars in a limited number of markets, including Denver.

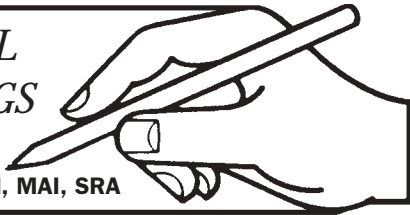
When **John (Jack) W. Nisley, MAI** first wrote his President's Corner article a year ago, he spoke of the

Chapter Leadership Program he attended in Chicago and how the Colorado Chapter was doing things that were ahead of most other chapters. This was not the first time I had heard this as another past President of our Chapter had related a similar story from when he attended the Leadership Program several years ago. So when I attended the program I was not surprised to find my predecessors were correct. There were roundtable discussions on six topics ranging from education to budgeting. Those attending from other Chapters were so surprised at the returns we have had on our investments that they wanted the name and telephone number of our investment advisor. Our second annual Caribbean Education Cruise in February and Summer Event in the mountains in August drew the attention of many participants. Others were astonished to learn that if our designated members attend all of the Chapter lunches, potpourri, Summer Event and free seminars, they can achieve their 100 continuing education hours for their five year cycle by spending only \$50 a year. We continue to have a very progressive Chapter.

The first ever Appraisal Institute Education Trust Benefit Auction was held during the national meetings. What was uncertainty for its success quickly disappeared as the auction earned \$22,000 in a short hour. Your Chapter offered a Caribbean Education Cruise with a value of \$630. The winning bid was \$700. Other high-end auction items included a week in Barbados, a weekend at a beach house in Oregon and a week in a 3-bedroom home at the Sawgrass Country Club in Florida. Much of the success of the auction may be attributed to Hugh Miller who, as a professional auctioneer, worked the crowd into frenzy with his skills.

Many of you are aware that the Appraiser Qualifications Board (AQB) has adopted new criteria for real property appraisers seeking trainee, licensure and certification status. The new criteria will become effective in January 2008. To meet the new education requirements, the Appraisal Institute is redeveloping its curriculum. Some of the courses will premier in 2005 with others to follow between 2006 and 2008. Most of the concepts in the new AQB requirements are already covered in the AI curriculum but topics are arranged differently. The AI will continue to be the leader in appraisal education, as it will provide the full range of AQB requirements. Other vendors will have great difficulty producing the many courses required by the new criteria.

Membership in the AI continues to grow and ended 2003 with 17,562. There were 2,200 new members in 2002 and 2003. National had a surplus of \$1.6 million in 2003 and total reserves grew to \$6 million.



## Stumbling Blocks Or Stepping Stones?

When I was first starting out in the real estate business, a real estate broker I knew had a sign on his desk that read, “The only difference between stumbling blocks and stepping stones is in how you use them.” The beginning of each year is a time we typically use to reflect on the past year and plan for the year we are entering. One of the principals of real estate we appraisers understand is the principal of change, which can be simply stated that the only thing constant *is* change. As we look back and forward in the appraisal profession, we see the same types of challenges to our profession in 2005 as we have in 2004, just sometimes with new veneers.

The last 10 years have not been particularly kind to our residential brethren, with competition from licensed appraisers that do not have the same quality or quantity of experience as a designated member of the Appraisal Institute and the viewpoint of many in the market that an appraisal is a commodity, a “necessary evil” that they wish would go away. Those members of the real estate market that hold that view do not see a value-added benefit from an appraisal. The use of Automated Valuation Models (AVMs) is on the rise as a segment of our client base wants an alternative to hiring an appraiser. In this issue Matt George has an article on AVMs that you should read (see pg. 10 “Fancy Dresses”).

Over the last eight years the residential market has been strong as a result of the strength of the economy in the 1990s and continued even in the last four weak economic years as a result of record low interest rates in the 2000s. As a result of this, most residential appraisers have been running around like a one-armed paper hanger, just struggling to keep up with the work load. The impact of AVMs on their business was pretty immaterial, or just a distant irritant, and the fact that some customers were unhappy with their need of an appraisal was also just a background drone, since it had been droning for many years. Ever since I entered the profession, actually.

But with the potential slowdown of the residential market, as a result of the likely increase in interest rates in an economy that, for many, is still not fully recovered, makes these issues come to the foreground and loom larger on the horizon.

However, before we are appraisers we are businessmen and businesswomen, and we should take this time

to decide whether these issues are stumbling blocks or stepping stones. And the way to do that is to ask two questions. First, is there something we can do about either of these issues, and second, if not, what can we do with our business to make sure these items do not result in a problem for our continued financial well being?

The answer to both questions involves your continued participation in the Appraisal Institute. The Institute can be, and should be, a leader in both educating the public about the usefulness or lack of usefulness of AVMs, and the benefit that having an appraisal by a qualified professional can have on the financial well-being of a family or investor. In addition, maintaining or getting a designation can increase your stature when the market bubble, if one exists, bursts; and all of a sudden those marginal loans become problem loans that must be worked out. Weak markets are also an opportunity to expand your client list and enhance your qualifications to include Employee Relocation work, where they really do want to pay for your help in solving a problem, and not just satisfy a lending checklist item, or litigation work, where your ability to defend your work is critical. This can lead to customers that actually want to do business with you, rather than look at you like you are a devil carrying a tale measure.

Stumbling blocks or stepping stones. Your choice.

---

---

### A VERY SPECIAL PRESENTATION



In a surprise move, Larry W. Stark, MAI presented Matthew D. Ansay with his MAI certificate. Both work at National Valuation Consultants, and they expressed appreciation to each other noting what a good working relationship they have.

# CHAPTER LIBRARY

by Bill James, MAI

Remember the Chapter Library is a great FREE resource for commercial appraisal work! If you haven't used it, you will find that it includes a number of useful appraisal data sources that would otherwise cost you a lot. We have been looking for resources that are useful to residential appraisers as well but have found only websites that make sense to include. If you have any ideas, please contact me. The library includes the most recent editions of:

- Dollars and Cents of Shopping Centers – Urban Land Institute
- Denver Area Apartment Rent and Vacancy Survey
- NEW Genesis Denver Metro Housing Overview
- IREM Income and Expense Analysis – Apartments
- IREM Income and Expense Analysis Federally Assisted Apartments
- BOMA Experience Exchange Report – Office
- NAIOP Industrial Income and Expense Report
- Frederick Ross Company Market Reports – Retail, Office and Industrial – Denver/Boulder
- Home Builders Association Report – Building permits
- Real Estate Research Corp – Real Estate Report
- Dollars and Cents of Multifamily Housing – Denver and Colorado Springs
- RealtyRates.com – Investor, Developer and Market Surveys

Come to the Chapter office to look these over at your first opportunity. You will find them very useful for commercial appraisal work. Carol Brooks says she can even offer use of the Chapter copier at no charge as well. Of course, if you would like any other resources added to the library, particularly for residential appraisal work, please let Carol or me know.

We have found one resource (actually three) that residential appraisers will find useful. The following websites include access to databases of contacts for Home Owners Associations so you can find out monthly dues, reserves, etc. They were compiled by two title companies and a brokerage.

<http://www.realestatecolorado.net/denver-hoas/index.html>

[http://www.firstamheritage.com/Hoas/heritage\\_hoasearch.asp](http://www.firstamheritage.com/Hoas/heritage_hoasearch.asp)

<http://www.stgco.com/hoa/hoaview/hoasearch.asp>

By the way, all Members of the Appraisal Institute can call 312.335.4469 for a complimentary copy of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, which includes a complete copy of the current version of USPAP.

## Region II Meeting Held in Salt Lake City

Photo courtesy of John (Jack) W. Nisley, MAI

Colorado Chapter was well represented at the Region II meeting held October 16 & 17, 2004 hosted by the Utah Chapter.



In attendance were: (back row) **John (Jack) W. Nisley, MAI; Bonnie D. Roerig, MAI; John A. Schwartz, MAI; Claudia D. Klein, SRA; Robert O. Stevens, MAI, SRA; Matthew E. George, SRA** (front row) **Richard G. Stahl, MAI, SRA; Martin W. Ward, MAI, SRA; Beverley S. Phillips, MAI, SRA; Richard C. Mosier, MAI; Sue Anne Foster, MAI, SRA.**

## In Memoriam

**William G. Scales, SRA**

Colorado Chapter extends sincere condolences to the friends and family of William G. Scales, SRA, Pueblo, Colorado who passed away July 20, 2004.

## POTPOURRI SEMINARS ATTRACT 160 APPRAISERS

Again this year, Colorado Chapter presented four timely, informative two-hour seminars FREE to Chapter members. The presenters were knowledgeable, fielded questions and shared experiences making the day very valuable. If you missed this event, be sure to mark your calendar for the next Potpourri - Friday, August 5, 2005 - 8 hours FREE continuing education for Colorado Chapter members.

*Ya' shoulda been there!*



## SUMMER EVENT WAS WONDERFUL

The Fourth Annual Summer Event was successful because dedicated committee members arranged for social events, terrific speakers and interesting topics. Kudos to Chair, **MaryKay Kelley, SRA** and her committee: (1 to r) **Michael J. Fronczak, MAI**, **MaryKay Kelley, SRA**, **John A. Schwartz, MAI**, **Stephen W. Cole, MAI**, and **Laura A. Hansen, SRA**.



# Congratulations New MAI's

by Julianne M. Anderson, SRA

## Jay S. Hedberg, MAI

Armed with an impressive education background, Jay opted to embark in the real estate appraisal field rather than become a CPA. He has a BS in accounting from Regis College, an MBA in finance from Regis University and a Master of Real Estate and Construction Management from Denver University. With eleven years of experience appraising commercial real estate, Jay has worked with PERA, Paramount Appraisal Service, Inc., Integra Realty Resources, LLC and now has his own firm, Hedberg & Associates. He works from Golden, Colorado and indicates he specializes in "good clients". With a family of his wife, Terri, and his two older children, Jay has a passion for body building. He wishes to thank Jeff Enderle, MAI, John Bohling, MAI (posthumously) and Bonnie Roerig, MAI for all their help in obtaining the designation. Jay believes "the sky is the limit" for his career. He desires to concentrate in the area of large shopping centers, office buildings, and large retail and industrial complexes. Welcome to the world of the MAI appraiser and we know you will be an asset to the field. Congratulations, Jay!

## Ronald E. Dunham, MAI

Splitting his time between Dallas, Texas and Ouray, Colorado, Ron says he loves commercial real estate appraising. He has worked with over 15 MAIs in his career and believes the broad exposure to so many different styles of appraising has allowed him to be a better appraiser. Admitting he is just "a country boy," Ron loves the west and desires to cover both geographic areas in his business. He is a bachelor with a favorite four-legged companion called Kobe. His dog is a golden retriever and is often seen in his professional pictures. Starting his own appraisal company in 1998, Dunham Company, Ron does travel between Texas and Colorado for his work. He has six people working with him. Ron prides himself as being a good listener, problem solver and desires to share the wealth of appraising with many others. Ron does a great variety of commercial types of appraisals and does not concentrate on any one specialty. He desires to thank Carol Brooks and Richard Chase for their help in obtaining his MAI designation. We are full of smiles to see that you desire to obtain your designation through the Colorado Chapter, Ron. May your career continue to flourish! Welcome, Welcome!

## 2005 COURSE SCHEDULE Colorado Chapter of the Appraisal Institute

Course #	Course Name	Date	Hours with Exam	Member Fee	Non-Member Fee
210	<b>Residential Case Study</b> Instructor: Clifford L. Cryer, MAI, SRA, & Margaret A. Hambleton, SRA	Feb. 7-12	39	\$450.00	\$540.00
520	<b>Highest &amp; Best Use and Market Analysis</b> Instructors: E. Nelson Bowes, MAI & Stephen F. Fanning, MAI	March 14-19	40	\$550.00	\$650.00
101	<b>Basic Appraisal Principles</b> Instructors: E. Nelson Bowes, MAI & James R. Meurer, MAI, SRA	April 5-8	30	\$299.00	\$359.00
102	<b>Basic Appraisal Procedures</b> Instructors: E. Nelson Bowes, MAI, SRA & Louis J. Garone, MAI, SRA	April 11-14	30	\$299.00	\$359.00
410	<b>Standards of Professional Practice Part A</b> Instructors: William D. Park, MAI, SRA & Robert O. Stevens,, MAI, SRA	April 15 & 16	16	\$195.00	\$249.00
620	<b>Sales Comparison Valuation of Small, Mixed Use Properties</b> Instructor: Clifford L. Cryer, MAI, SRA	April 18 & 19	16	\$295.00	\$345.00
400	<b>*7-Hour National USPAP Update - <i>Denver</i></b> Instructor: Peter D. Bowes, MAI & Bonnie D. Roerig, MAI	May 6	8 NO EXAM	\$50.00	\$200.00
540	<b>Report Writing &amp; Valuation Analysis</b> Instructors: E. Nelson Bowes, MAI & Alan Blankenship Ph.D.	May 16-21	40	\$565.00	\$675.00
550	<b>Advanced Applications</b> Instructors: E. Nelson Bowes, MAI & Joseph C. Magdziarz, MAI, SRA	June 13-18	40	\$550.00	\$640.00
600	<b>Income Valuation of Small, Mixed Use Properties</b> Instructor: Clifford L. Cryer, MAI, SRA	June 23 & 24	16	\$295.00	\$345.00

\*Includes ONE HOUR update - State of Colorado Statutes and Rules and Regulations

For further information and enrollment form go to [www.colorado-ai.org](http://www.colorado-ai.org), Phone: 303.691.0487, Outside Denver Metro Area: 800.571.0086

## Assessors/Fee Appraisers Meeting

October 18, 2004

By Donald E. Boyson, MAI, SRA

This first “Round Table” discussion was hosted by the Denver Assessor with Ben White, Chief Appraiser, the discussion leader. Topics covered the spectrum of property types, capitalization rates, 1031 exchanges and market trends – typical of conversations among appraisers – and that sums up the meeting because assessors and fee appraisers are all seeking the answer to the question, “What’s this property worth?”

However, there is a significant variance with the methodology because, by statute, the assessor must use all sales of like property transacted within the “base period” and effectively use every effort to qualify rather than throw out any transaction in order to meet the required “fair and equalized” valuation.

A major topic of discussion – capitalization rates. Real estate has become an investment of choice due to the uncertainties of Wall Street and the impact of 9-11, the .com collapse, declining values of 401 k’s, and the low yields on safe investment vehicles. Are current low overall capitalization rates truly reflective of market value, and is this a temporary condition or a more permanent trend? Will we see 10% and upward rates again? Are the published surveys reflective of market reality?

The overall consensus of the group suggested that in spite of volatility in the markets, the majority of real estate types have manifested relatively stable value trends over the past two years. Exceptions are land, where values are increasing, and health care/assisted living, where arms length transactions are few, if any, and no trend is measurable.

This discussion was well received by the 35-40 appraisers present including representation from Arapahoe, Boulder, Denver, Douglas, Jefferson and Summit Counties.

A “Pearl of Wisdom” was offered:

“Fee appraisers and/or assessors should not try to be smarter than the market.”

## Trolling the Membership

By Gregg A. Near, MAI, SRA  
Chair, Education Committee

In September, those Appraisal Institute members with an e-mail address received a survey request about education.

Understanding that all the stuff that is said about liars and figures holds true, here are the results.

91 members responded. Of these, two thirds were MAI’s or General Associate members. The survey is heavily weighted toward the commercial side.

Of the 91 members who responded, 80% did not currently hold a position as a board member, chairperson or officer in the local chapter. This suggests the survey should represent more than simply the opinions of the current hierarchy.

The members were asked about courses and specific course titles. Winning entries were Scope of Work and Development from the Developer’s Perspective. The first course is scheduled for 2005. A “Developer” is needed for the other. . . Your least favorite courses were flood insurance and mineral rights

When it comes to the delivery of education the survey suggests appraisers are a fickle bunch. While agreeing most strongly with the statements that the meeting topic and the opportunity to get cheap hours was the reason for attended meetings—your preferred alternatives for meetings were (1) Lunch meeting *with no education*. and (2), Dinner meeting *with no education*.

Only 46% of the respondents attended 2 or more meetings last year. 92.5%, a very large number, agreed, or strongly agreed, with the statement indicating the Institute usually provides the classes required in a timely manner.

What’s it mean? Bret Poole, the in-coming education chair, Carol and I will utilize this information as we set the education calendars for 2005 and 2006. Your comments suggest we try new methods in the delivery of courses in the future. Most likely we will try giving the education and sending you home without lunch or dinner.

Your input is always valued. Please contact Carol, Bret or me with any suggestions, questions or desires regarding the next educational offerings.

---

---

## CMLA Luncheon

By Matthew E. George, SRA, Chair, Appraiser/Lender Committee

The Chapter has been a member of the Colorado Mortgage Lenders Association (CMLA) for many years.

As members representing the Chapter, Rich Laraia and I attended the CMLA luncheon where Senator Wayne Allard was the speaker. As you know Senator Allard was instrumental in halting HUD’s RESPA reform bill. It is great to know we have someone truly looking out for the consumer’s best interest. Still, one of the greatest sources of information pertaining to Appraiser / Governmental issues is “Appraiser News Online.” If you haven’t seen it lately, you are missing out.

# Fancy Dresses

By Matthew George, SRA

The few who have financially benefited from AVM's have tried to tell you they are the wave of the future. We are so used to having instant everything, that our society has bought into the idea that an appraisal (i.e. estimate of value) can be obtained without looking inside a property. Can a doctor tell if someone has a disease simply by looking on the outside? I don't think so. The question the professional appraiser has to ask is, "what is best for the consumer?" Sure AVM's are beneficial properties with strong L-T-V's, but they are not as reliable or as credible as a 2055 interior appraisal (let alone a URAR.) The computer specialists would like the lending industry to believe they are, but they are not. Mike Kelly, a long time appraisal

instructor has said numerous times, "the computer doesn't know ugly." I'd even like to add the computer doesn't know external, functional, or interior physical depreciation. Nor can it distinguish between types of trim, types of cabinetry, or types of finished flooring. Nor will it account for days on the market, financing concessions, or other special conditions. Like a doctor, we need to personally take a look at the problem.

Since National is not going to take a stand against the raging wave of AVMism, we residential appraisers have to point out to our clients that AVM's are nothing more than mass appraisals with fancy dresses.

AVM's have a small place in the industry, but they are no substitute for the real thing.

*Welcome!*

## GENERAL ASSOCIATES

### Brian A. Cassidy

NVC  
900 S Cherry St #800  
Denver, CO 80246  
Phone: 303.753.6900  
Fax: 303.753.9339  
e-mail: [bcassidy@nvcinc.com](mailto:bcassidy@nvcinc.com)

### Mark D. Chapin

Chapin Valuation Consultants  
P.O. Box 4023  
Eagle, CO 81631  
Phone: 970.328.4457  
Fax: 970.328.8640  
e-mail: [chapinval@centurytel.net](mailto:chapinval@centurytel.net)

### Maureen A. Holton

James Real Estate Services, Inc  
90 Madison  
Denver, CO 80206  
Phone: 303.316.6761  
Fax: 303.388.8756  
e-mail: [mholton@jres.com](mailto:mholton@jres.com)

### Margaret L. Moore

2049 Angelo Dr  
Fort Collins, CO 80528  
Phone: 970.214.0722  
Fax: 970.226.0255  
e-mail: [margemoore@emaxi.com](mailto:margemoore@emaxi.com)

### Donald E. Thompson

Appraisal Specialists  
1900 Kohler Dr. Ste. 101  
Boulder, CO 80305  
Phone: 303 554 1000  
Fax: 303.554.0800  
e-mail: [appraisals@appraisal-specialists.com](mailto:appraisals@appraisal-specialists.com)

### James P. Westman

Centennial Appraising Group, Inc  
13700 U.S. Hwy. 285, Ste. D  
Pine, CO 80470  
Phone: 303. 816.1721  
Fax: 303. 816.1729

## RESIDENTIAL ASSOCIATES

### Russell W. Jacobs

Appraisal Partners, LLC  
P.O. Box 270527  
Littleton, CO 80127  
Phone: 303.979.5257  
Fax: 303.979.5219  
e-mail: [rwjx@aol.com](mailto:rwjx@aol.com)

### Charlotte E. Jorgensen

Charlotte Jorgensen Appraisal Service  
1288 High Plains Ct.  
Windsor, CO 80550  
Phone: 970.686.1467  
Fax: 970.686.1468  
e-mail: [cj2golf@comcast.net](mailto:cj2golf@comcast.net)

### David F. Pownall

Appraiser America  
11005 Ralston Rd.  
Arvada, CO 80004  
Phone: 303.424.2250  
Fax: 303 421.6812  
e-mail: [dpow40@hotmail.com](mailto:dpow40@hotmail.com)

### Lori Slota

Ebert Appraisal  
1900 C. Airport Rd.  
Breckenridge, CO 80424  
Phone: 970.453.2199 x 21  
Fax: 970.453.0841  
e-mail: [loann48@aol.com](mailto:loann48@aol.com)

## AFFILIATE

### Millie K. Wilson

11749 Broken Arrow Dr.  
1750 25<sup>th</sup> Avenue, #204  
Conifer, CO 80433  
Phone: 303.838.0647  
e-mail: [milliewilson@qwest.net](mailto:milliewilson@qwest.net)

# (OUTGOING) PRESIDENT'S CORNER

by Jack Nisley, MAI

"What a privilege it is to be part of the Colorado Chapter of the Appraisal Institute." That was the way I started last January's column. It still holds true. Our Chapter has spent some of its reserve this year, mostly on education. Although it was a down year for earnings, there were 1578 students who attended Chapter educational offerings in 2004. The total number of education hours offered by the Chapter was 466 hours. Think about the number of courses and seminars this represents. We had 156 students who attended FREE Chapter educational offerings, with the Chapter offering 30 hours of free education. No other Chapters that I am aware of offer this kind of payback for membership. It has taken some of the reserves our chapter has carried to cover the costs for courses that were more expensive to put on than the return from students. We can't do this forever, but hopefully online courses won't totally take the place of traditional courses. I still like the association with other appraisers and the instructors that we have in the standard course or seminar.

I've had fun this year working with the Board of Directors and committee chairs. I've grown, over the year, to appreciate Carol Brooks even more than I did before coming into this position. She does more for the Chapter than most of us realize. We have a great Chapter, Board, and Executive Staff. When I was installed as Chapter President last January, Peter Bowes told me to have fun. This is not a position that should drag anyone down, but it helps us appreciate what we have as a chapter. Everyone on the Board works hard, and I want to thank the Board for the time they devoted to the Chapter. The same holds true for the Committee Chairs and Regional Representatives. Personal time and money is spent to attend meetings and take care of business. Thanks go to all who make the commitment.

Finally, best wishes to Richard Stahl and the next Board of Directors. With the restructuring at National, there will be new challenges, which I know Richard and the Board can take on with confidence. Next year's officers are hard working and very capable of handling anything they will be faced with.

Thanks for allowing me to take the reins for this last year. This enjoyable task now goes to Richard and his Board. As Peter said, "Have fun!"



## Aerial Maps Online

Lori M. Elliott, MAI

Based on requests from several appraisers (and Carol Brooks) I have written a tidbit on an aerial photograph website. I am sure that there are more current aerial photographs available, as well as sites which may be easier to maneuver. However, I like to use the following "free site."

<http://terraserver.homeadvisor.msn.com/place.aspx>

First, type in your city or location under the "New Place Search" heading. Hit "Go." The search should result in several headings of "Place Name" and "Available Search." Choose a map name and date under the "Available Search" heading. Maneuver around the map by zooming in and out, and moving north, south, east, west, etc. The site also offers printing options. The images are courtesy of the U.S. Geological Survey. Enjoy!

## Certified General Appraiser Career Opportunity

**Colorado Realty Report is seeking a  
Certified General Appraiser,  
MAI preferred,  
to service existing client base in  
S.E. Colorado**

**Commercial Experience Required  
LLC Partnership Possible**

**Contact – Phone (719) 544-1771**

**Email Qualifications to:  
[info@crreports.com](mailto:info@crreports.com)**

# Right-Of-Way Meeting

By Bonnie D. Roerig, MAI

Chapter 6 of the International Right of Way Association (IRWA) invited the Chapter to their monthly meeting November 9, 2004. Eighty attendees heard Leslie Fields, Faegre & Benson LLP, give an update on Eminent Domain Law including the current status of several cases that may create precedents in the area of eminent domain law:

Leslie presented cases in six broad areas:

- Taking of private property for economic development (AURA case, Wal-Mart project)
- Substantial impairment of access (McDonald case, CDOT project)
- Legal authority to condemn (Stapleton case, Buttermilk Ski area)
- Specific benefits and use of benefits to offset damages (E-470/Ravenic case)
- Loss of visibility/exposure (Marilyn Hickey case, T-Rex)
- Title and ownership issues in condemnation (CDOT Hwy 119 expansion in Blackhawk)

Leslie offered to make opinions available for the recent cases in these areas.

Colorado Chapter was very well represented, and everyone agreed that it would be worthwhile to continue having joint meetings on a regular basis.

# LIFE IS GOOD!



Jerry Carpenter, MAI, SRA, Lyle Hansen, MAI, SRA and former Colorado Chapter member Bruce Wiley, MAI watched the Red Sox beat the Toronto Blue Jays at Fenway Park. The Boston Chapter of the Appraisal Institute was recognized over the PA system and on the scoreboard as they held a “summer social” amid Sam Adams beer and Fenway Park Brots. When asked why he went all the way to Boston to watch a ballgame, Lyle Hansen, who is semi-retired, replied that he “just wanted to create good will among chapters”.

Thanks to Bruce Wiley for sharing this photo with us.

*Photo courtesy of New England Real Estate Journal, September 10-16, 2004*

## ENROLLMENT Form — No Phone Reservations! Please

### Economic Update

Mail or Fax (303-757-0158) no later than January 4, 2005 to:

Appraisal Institute, 1540 South Holly Street, #5, Denver, CO 80222  
OR FAX (303.757.0158) this with your VISA or MasterCard number and expiration date

Name: \_\_\_\_\_ Designation: \_\_\_\_\_

Company \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Work Phone: (\_\_\_\_\_) \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_

VISA  MasterCard  **Note: The Chapter does not accept American Express**

Credit Card Number: \_\_\_\_\_

Name on Card: \_\_\_\_\_ Expiration Date: \_\_\_\_\_  
Please type or print

Signature: \_\_\_\_\_

**Schedule:** Registration: .....2:30pm – 3:00pm  
Seminar: .....3:00pm – 6:00pm  
Cocktails: .....6:00pm – 7:00pm  
Dinner: .....7:00pm – 9:00pm

**Continuing Education:**  
Appraisal Institute and  
State of Colorado.....3 Hours

**Fee: Seminar Only**  
Members: **\$35.00** \_\_\_\_\_  
Non-Members: **\$50.00** \_\_\_\_\_

**Seminar and Dinner:**  
Members: **\$55.00** \_\_\_\_\_  
Non-Members: **\$75.00** \_\_\_\_\_

**Dinner Only**  
members, **\$35.00** \_\_\_\_\_  
non-members,  
and guests **\$35.00** \_\_\_\_\_

**Total \$** \_\_\_\_\_



Questions: 303.691.0487, Outside Denver Area: 1.800.571.0086, e-mail: carol@colo-ai.org