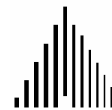


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# Tennessee Appraiser



Appraisal  
Institute®

Professionals Providing  
Real Estate Solutions

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A Publication of the Greater Tennessee Chapter of the Appraisal Institute

Volume 19

Number 4

November 2007

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## Mission Statement of the Appraisal Institute

To support and advance its members as the choice for real estate solutions and uphold professional credentials, standards of professional practice and ethics consistent with the public good.

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## President's Message

As we wrap up 2007, I would like to thank our members for the opportunity to serve as President of the Greater Tennessee Chapter. It has been an enjoyable year with many challenges and numerous successes. The challenges included hiring a new Lobbyist and working through the transition, presenting approximately 21 educational offerings and moving forward with the hiring of a new Executive Director. Each of these areas has required a substantial time commitment from relevant committees and board members.

The main focus for 2007 has been to make members aware of existing benefits and to add value to the membership. Of the three areas on which we focused, the greatest benefit is our education. The goal is to have an education schedule strong enough to prevent members from having to look outside the chapter. We have given each member a \$50 education voucher, offered free education, "cost only" education, qualifying courses at a minimal cost and the new Alternative to the Residential Demonstration Course to chapter members at half price. There has also been a drawing at each meeting for a \$50 education voucher and a \$200 door prize. Second, we had an extensive advertising campaign promoting the Appraisal Institute and the value of Appraisal Institute designations. Third, we continue to add information to the newsletter to make it as informative as possible. Since many chapter members do not make it to the meetings, the newsletter is often their only source of chapter information. Doby takes pride in the quality of our newsletter. This quality was recently recognized with the National Award for Best Hard Copy Newsletter for a Large Chapter.

The Greater Tennessee Chapter is very strong with much to offer. The one way to continue to improve and add value to our membership is for members to get more involved. Strong turnout at the meetings is the first step. Willingness to serve on a committee or on the board is a second important step. The final step is feedback. Let us know what you expect from the Appraisal Institute and our chapter. Your constructive comments aid in continuous improvement.

The final meeting of the year will be at the Cherokee Country Club in Knoxville on November 29, 2007. Wayne Pugh, Incoming National President, will be present to install the 2008 slate of officers. Please plan on attending this

### 2007 Annual Awards Banquet and Installation of 2008 Officers

Thursday, November 29, 2007

Cherokee Country Club

5138 Lyons View Pike

Knoxville, TN 37919

(865) 584-4637

Directions: <http://www.cherokeecountryclub.com/>

Hotel Information: Holiday Inn Central @ Papermill

1315 Kirby Road

Knoxville, Tennessee 37909

Hotel Front Desk - 865-584-3911

Special rates are available for those registering through the  
Knoxville Association of Realtors®

Board of Directors Meeting – 3:30 p.m.

Social Hour – 6 p.m.

Dinner Buffet – 7 p.m.

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\*\*\* 7 Hours Continuing Education Seminar \*\*\*

Knoxville Area Association of Realtors

609 N. Weisgarber Rd, Knoxville, TN 37919

8:30 a.m. to 4:30 p.m. Friday, November 30, 2007

**Office Building Valuation: A Contemporary  
Perspective**

Instructor – Vincent Dowling, MAI, SRA

meeting to show your appreciation for the outgoing board members and support for the incoming board members.

I would like to thank the Officers, Board of Directors and Committee Chairs for their service to the Greater Tennessee Chapter. The committees have been very active and they have donated a substantial amount of time and effort for the betterment of the chapter. I would also like to say a special "thank you" to Doby Noles. We can fill the vacancy but we cannot replace the dedication and devotion she has shown to our members and our chapter. On behalf of our membership we thank you for your service and your friendship and wish you the very best.

**Gary L. Harmon, SRA**  
President, Greater Tennessee Chapter

**CHAPTER OFFICERS**

Gary L. Harmon, SRA – President  
 Connie W. Bradshaw, SRA – Vice President  
 S. Todd Rogers, MAI – Secretary  
 David A. Ortegon – Treasurer

**CHAPTER DIRECTORS**

David W. Ballenger, SRA  
 David A. Braun, MAI, SRA  
 Sandra C. Tuck, SRA  
 James W. Bakke, SRA  
 Fred H. Metz, SRA  
 Nicholas W. Nolte, MAI  
 Nelson C. Pratt  
 Leslie P. Sellers, MAI, SRA – Ex-Officio  
 (National Board of Directors)

**REGIONAL REPRESENTATIVES**

James W. Bakke, SRA  
 Connie W. Bradshaw, SRA  
 Nelson C. Pratt

**EXECUTIVE DIRECTOR**

Doby Noles  
 P.O. Box 24583  
 Knoxville, TN 37933-2583  
 Phone: 865-671-2451  
 Fax: 865-966-5593  
 E-mail: [gtncchap@tds.net](mailto:gtncchap@tds.net)

Chapter Web site – [www.tnappraiser.org](http://www.tnappraiser.org)

Appraisal Institute Web site: [www.appraisalinstitute.org](http://www.appraisalinstitute.org)

Education Online Registration

[www.appraisalinstitute.org/education/GreaterTennessee/](http://www.appraisalinstitute.org/education/GreaterTennessee/)

Tennessee Real Estate Appraiser Commission

<http://www.state.tn.us/commerce/boards/treac/index.html>

**Member News . . .****New MAI Associates**

Michael R. Ashworth ..... Brentwood, TN  
 David J. Stanley ..... Knoxville, TN

**New SRA Associates**

James E. Abernathy..... Gallatin, TN  
 Jonathan W. Anderson..... Portland, TN  
 Marcus D. Edwards..... Johnson City, TN  
 Clyde E. Hall ..... Knoxville, TN  
 Steven P. Harris ..... Johnson City, TN  
 Chad D. Hayes..... Old Hickory, TN  
 William M. Humphrey ..... Nashville, TN  
 Stephen E. Meade ..... Kingsport, TN  
 Tony G. Molina ..... Murfreesboro, TN  
 Sandra K. Parker..... Erin, TN  
 Mark E. Whicker ..... Knoxville, TN

**New Affiliates**

Stephanie N. Bever ..... Franklin, TN  
 Mike Cloud ..... Ringgold, GA  
 Richard L. Francis ..... Knoxville, TN  
 Jennifer L. Houston ..... Knoxville, TN  
 M. Brandon Malone ..... Franklin, TN  
 Troy N. Massey ..... Brentwood, TN  
 Angela R. Russell..... Knoxville, TN  
 Oma Van Breda ..... Kennesaw, GA

**Designated Members Should Complete Online Profiles**

Currently only 42 percent of designated members have completed a Member Profile, which is displayed with their listing in our online Member Directory (Find an Appraiser) on the Appraisal Institute's Web site. The profile set-up page is accessible by logging into the [Members Only](#) area (only designated members have access to this link). In addition to serving as a marketing tool for members, a Member Profile can help broaden member-to-member networking. Because of this, even members who are not available for fee assignments are encouraged to set up a profile because their experiences and backgrounds in particular facets of the profession can help guide other members. Only designated members who have completed the Member Profile questionnaire will be pulled up when directory users search by business services and/or property types. Attention designated members: There are now two new areas to select under the Special Purpose category in the Member Profile: Conservation Easement and Sustainable Development (Green Building). You are encouraged to complete the Member Profile set-up form to take advantage of this valuable and free service.



Danny Wiley, SRA, front row, third from left, taught the Business Practice & Ethics class in China in October. Danny reports that teachers are held in quite high esteem in that country.

## Newsletter Award Presented to Chapter



The Greater Tennessee Chapter received the hard copy Newsletter Award for chapters over 150 members at the National Leadership Conference in Chicago. Pictured left to right Doby Noles, Wayne Pugh, MAI; Connie Bradshaw, SRA; Terry Dunkin, MAI, SRA



Pictured left to right, Jim Amorin, MAI, SRA; Doby Noles, Connie Bradshaw, SRA; Dick Powers, MAI, SRA

## November 29, 2007 – Annual Awards Banquet and Installation of Officers



Plan now to attend the November 29 gala event at Cherokee Country Club, 5138 Lyons View Pike, in Knoxville. Social hour with cash bar and networking begins at 6:00 p.m. in the Grand Ball Room. Dinner buffet will begin at 7:00.

This year we are honored to have Wayne Pugh, MAI, Appraisal Institute President Elect, to install the 2008 chapter officers.

Spouses and guests are invited. Reservations are required no later than Friday, November 23. There is no charge for chapter members, charge for guests - \$25: email reservations preferred [gtnchap@tds.net](mailto:gtnchap@tds.net). Please give your name and the name of your guest in order that nametags may be prepared.

The board meeting will begin at 3:30 p.m. Following the installation of officers, there will be a drawing for \$200 cash as well as a \$50 education voucher. Sandra Tuck, SRA won the cash drawing at the Asheville, NC chapter meeting and Tony Sliger, SRA was the winner of the education voucher.

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## 2007 Fall Region IX Meeting Report

*Nelson Pratt, Education Chair & Regional Representative*

The fall regional meeting, led by Region IX Chair, Leslie Sellers, MAI, SRA, was held in Atlanta on September 29, 2007. The Greater Tennessee Chapter was represented by Leslie Sellers, MAI, SRA; Gary Harmon, SRA; Connie Bradshaw, SRA; Nelson Pratt, and Doby Noles.

There was discussion of the 45-day notice with a majority of the attention on the GMAT option that would replace the college degree requirement for the MAI designation. At its November 5-6 meeting in New Orleans, the Board of Directors will consider amendments to the bylaws that will include revisions to college degree requirement. This has been considered to allow those who did not finish their four-year degree, but are capable of scoring high enough on the GMAT that would be acceptable into a typical graduate school. Members are encouraged to read the 45-day notice and submit your thoughts to your regional representatives and/or national board members on this and other topics.

Dick Powers, MAI, SRA reported on the state and current issues with the National Appraisal Institute. Growth and membership retention is a strong focus of national. In 2007, membership has grown by approximately 1,700 new members, of which 85% are associate members. Nationally, the organization currently has approximately 23,000 members. Efforts are in place to strengthen these numbers. The Appraisal Institute currently has 36 courses and 76 seminars in circulation. In addition, there are 37 on-line educational offerings. The new national website is nearing completion and is designed to be more user-friendly and accessible. The next joint regional meeting is scheduled for June 20-24, 2008 in Austin, TX. This will be a joint meeting with the International Right of Way Association (IRWA).

Ralph Griffin, MAI, Chair of the Strategic Planning Committee, addressed some of the current issues for that committee. The committee is looking at several options for various fee structures for entry level associates along with researching ways to slow the attrition rate of older designated members. Additional membership services such as providing educational vouchers to members have been discussed. There is also a project team studying alternatives to writing the demonstration report necessary for the MAI designation since there are a high number of members for which this is the final hurdle for their designation. Success rates for the residential alternative demonstration report have been strong with increases in new SRA designations.

Chuck Crider, MAI, Regional Education Liaison, addressed ways to increase membership through education. Chuck has successfully involved a local community college to assist in providing Appraisal Institute education to their students with limited expense or risk to our organization. This education model has been extremely successful and is being encouraged for other markets. Downloadable formats for course and seminar materials are being discussed to enhance efficiency and provide a researchable tool that students can use in their practice. The Region made a motion to explore this technology for all courses/seminars. A Certificate Program for Conservation Easements is also a hot topic now as the IRS is requiring those involved in appraising conservation easements take the seminar. Additional certificate programs are being developed.

The Leadership Development & Nominating Committee (LDNC) reported there was a petition for the Board of Directors to consider all the original candidates as 2008 vice president at its November meeting in New Orleans. One person withdrew his name from consideration. The Board now will evaluate and elect one of the four remaining candidates. A motion was passed by the Region to support Leslie Sellers, MAI, SRA.

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## Volunteer Continuing Education Credit Policy

As outlined in Regulation 10, a designated member can earn continuing education credit during a continuing education cycle for performing creditable service on behalf of the Appraisal Institute. This includes serving on an Appraisal Institute board or committee at the organization-wide or chapter level; participating on a panel or project team; and serving as an appointed reviewer or author for Appraisal Institute publications, courses, seminars, and articles. Designated members can earn continuing education credit for each hour of creditable service performed up to the determined maximum. The number of creditable hours must bear a reasonable relationship to the service provided as determined by the chair of the Admissions and Designation Qualifications Committee or his or her designee. If you have questions regarding volunteer continuing education credit, contact the Designated Member Service Center at 312-335-4401 or [designated@appraisalinstitute.org](mailto:designated@appraisalinstitute.org).

**Upcoming Educational Offerings**

- ' **Office Building Valuation: A Contemporary Perspective** (7 Hours CE) ..... November 30, 2007  
 Instructor: Vincent Dowling, MAI, SRA      Location: KAAR Knoxville
  - ' **Spotlight on USPAP: Confidentiality** (Two Hours, Free to chapter members) ..... February 7, 2008  
 Instructor: Danny K. Wiley, SRA      Location: Marriott at the Convention Center, Chattanooga
  - ' **Maintaining Control: Dealing With Client Pressure** (7 hours CE) ..... February 8, 2008  
 Instructor: Richard Heyn, SRA      Location: Chattanooga Convention Center
- You may go to [www.appraisalinstitute.org/education/GreaterTennessee/](http://www.appraisalinstitute.org/education/GreaterTennessee/) to register for the above offerings

**Office Building Valuation: A Contemporary Perspective**

**November 30, 2007 – Knoxville, TN – 7 Hrs CE**

In this one-day seminar you will learn about the unique terminology, concepts, principles, and analytical techniques related to the proper valuation of office buildings. Special emphasis is given to the income approach and the complexities of valuing multi-tenant properties.

The seminar begins with a review of the attributes of different types of office buildings, important inspection issues, and industry measurement criteria. This is followed by an in-depth examination of the income approach by investigating alternative lease types, proper methods for forecasting office rents, vacancies, and operating expenses, as well as proper techniques for selecting capitalization rates and discount rates. Examining an actual case study reinforces these concepts. The seminar concludes by examining important issues in the sales comparison and cost approaches to office valuation.

**REQUIRED EQUIPMENT:** An HP-19BII, HP-17BII, HP-12C, or equivalent calculator

**LOCATION:** Knoxville Area Association of Realtors, 609 Weisgarber Road, Knoxville, TN. 37919

**AREA HOTEL:** Holiday Inn, Knoxville Central @ Papermill, 1315 Kirby Road, Knoxville, TN 37909, Hotel Front Desk: 865-584-3911; Special rates are available for those registering through the Knoxville Association of Realtors®

**SCHEDULE:** Friday, November 30 - Registration 8 a.m.; Instruction: 8:30 a.m. to 4:30 p.m.

**TUITION:** \$145.00 Member; \$170.00 Regular After Nov 15, 2007 - \$35.00 Late Fee

**TO REGISTER: YOU ARE STRONGLY URGED TO REGISTER ONLINE**

Please go to [www.appraisalinstitute.org/education/GreaterTennessee/](http://www.appraisalinstitute.org/education/GreaterTennessee/), click on the offering name, and register online, or

Mail to: Greater Tennessee Chapter  
 P.O. Box 24583  
 Knoxville, TN 37933-2583

Fax: 865-966-5593  
 Phone: 865-671-2451

Name \_\_\_\_\_ Designation [Please circle correct] MAI SRPA SREA SRA RM

Business Name \_\_\_\_\_ License \_\_\_\_\_  
(List all states)

Address (Do Not use P.O. Box)      City,      State      Zip

Phone \_\_\_\_\_ Fax \_\_\_\_\_

Credit Card Info \_\_\_\_\_  
Name on Card      Billing Address on Card

Type of Card (Visa, Mastercard, American Express)      Card Number      Expiration Date

E-mail address (for confirmation) \_\_\_\_\_

You are not registered until payment is received.

Seminar for which you are registering: \_\_\_\_\_

**If you are a member of the Greater Tennessee Chapter and have paid your dues for 2007, you are eligible for a one time education credit of \$50. Please call the chapter office for the promotion code to use or email Doby at [gtncchap@tds.net](mailto:gtncchap@tds.net)**

**EDUCATION SEMINAR  
INFORMATION INSIDE**

**Greater Tennessee Chapter  
P.O. Box 24583  
Knoxville, TN 37933-2583**

**Return Service Requested**



**Basic courses, Appraisal Principles, Appraisal Procedures, & 15 Hour USPAP to be held in Knoxville beginning February 15, 2008. The 2008 schedule is listed at [www.tnapraiser.org](http://www.tnapraiser.org).**