Appraisal Institute®
Professionals Providing Real Estate Solutions

The Wisconsin Chapter MESSENGER

http://www.wisai.com JUNE 2009

PRESIDENT'S COLUMN

Steven Stiloski, MAI, CCIM

This photo from 2003 shows two regulators: James Gilleran of the Office of Thrift Supervision (holding the chainsaw) and John Reich (then Vice Chairman of the FDIC and later at the OTS, second from right), along with representatives of three banker trade associations. The foregoing brain trust is demonstrating their commitment to banking deregulation by taking garden shears (a **chainsaw** in the case of the OTS) to the rules that safeguard the soundness of our financial institutions.

OTS was responsible for regulating IndyMac, the most expensive bank failure of this economic crisis. The second most expensive is BankUnited, which was also regulated by the OTS. The largest bank ever to fail was Washington Mutual, another OTS concern. The list of OTS failures extends to giants like Countrywide and AIG.

How does an ineffective regulatory agency like OTS affect real estate appraisers? A significant component of the demand for real estate appraisals comes from lending institutions. Because lenders want to minimize risk they hire an appraiser to provide an independent opinion of value.

Suppose the lending industry decides that an appraiser's opinion of value is not effective in assessing the risk exposure in real estate loans. This is what OTS did by taking a chainsaw to the regulations. They told their "customers", the savings and loans, that appraisals didn't matter. As appraisers we depend on a strong regulatory framework to enforce the rules. If the government creates the demand for our services then our end of the deal is to provide those services in an unbiased, objective, and professional manner.

In the end we have to stop financial institutions from being allowed to choose their regulators. Also, we have to change how regulators want to get picked, because banks pay them for the service of regulation.

More evidence of the attacks on the rules and regulations that affect the appraisal industry include the recent changes made to the mark-to-market accounting rules. A June 3rd Wall Street Journal article detailed the lobbying that the banks and mortgage brokers did to push lawmakers to loosen the accounting rules. Remember that mark-to-market rules require banks to assign values using market prices to assets that don't trade on exchanges. Mark-to-market works fine when assets are appreciating. In a declining market however the "fast and loose" financial institutions would be insolvent if they had to write down their bad loans to their real values.

How did this happen? The Fair Value Coalition put pressure on lawmakers who in turn put pressure on the Financial Accounting Standards Board to change the rules. The Fair Value Coalition consists of such sterling advocates of financial soundness as the Mortgage Bankers Association and NAIOP among others. Here's a quote from a report analyzing changes made to accounting rules by the Fair Value Coalition:

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

TREASURER'S REPORT

The Chapter funds as of 5/31/09 are:

Primary Checking Account:	$359.57
Money Market Account:	$27,147.41
CD Account-1:	$34,324.77
CD Account-2:	$19,692.35
Total funds balance:	$81,524.10

PRESIDENT'S MESSAGE
(Continued from Page 1)

"Despite changes to fair value accounting standards, the Coalition report found that adherence to exit prices continues to keep in place the existing valuation mechanisms that exacerbate ***non-economic losses*** *in inactive markets. As a result, the ability to value assets in inactive markets remains problematic at best. Furthermore, the report also determined that FASB's changes to impairment rules retained a significant recognition of non-economic losses, impeding the ability for accurate reporting of credit and non-credit losses."*

Non-economic losses equal pain and suffering. That's what happens when a real estate investment goes bad. You suffer through the pain of working it out. I don't know about you but the next time I have to appraise a failed real estate development I wonder if I'll be asked to quantify the non-economic losses and add them back to my opinion of market (economic) value?

We are going to see some interesting things coming from government in the next few months. Toward that end it appears that the proposed changes in Wisconsin's eminent domain law that would have had a significant deleterious effect on appraisers has been dropped from the proposed budget. That doesn't mean it can't come back as an amendment. If it does you will have an opportunity to comment. Tom Swan is actively monitoring this issue and an email alert will be sent to contact your legislators. Please thank Tom for all his efforts the next time you see him.

Finally, the issue of Appraisal Management Companies (AMCs) will need to be addressed. These unregulated middlemen could be the next stage for bad actors to perpetuate loan fraud. I can report that the Wisconsin Chapter of the Appraisal Institute has a project team working on this issue and that Linda Verbecken has agreed to be its spokesperson. Linda will work toward a reasonable solution on a legislative level that preemptively solves this potential problem.

Thank you for your time and I wish you all well,

Steve Stiloski, MAI, CCIM
President - Wisconsin Chapter of the Appraisal Institute

"The future has several names. For the weak, it is impossible; for the fainthearted, it is unknown; but for the thoughtful and valiant, it is ideal" - Victor Hugo

BOARD MEETING MINUTES

May 14, 2009

President Steven G. Stiloski called the meeting to order at 5:33 pm at the office of Wisconsin Association Management, 11801 W. Silver Spring, Milwaukee, WI.

Members Present
Tom Swan, Cheryl Dodson, Steve Lauenstein, Mike Brachmann, Steve Stiloski, Jason Teynor, Bruce Perchik, Katie Thompson and by phone conference Bill Sirny, Tim Warner and Government Relations Committee liaison Ed Potter. Also present were past director Larry Nicholson, LDAC representative Ryan Gieryn, and guest speaker on Appraisal Management Company regulation, Linda Verbecken.

Secretary's Report
The minutes were approved as published in the most recent WCAI newsletter (motion, Brachmann, 2nd Perchik).

Treasurer's Report
January through April 2009 financial statements were presented and discussed. A -$3,741 reduction in assets was as a result of declining dues but an increase towards year end is expected. Operating statements indicated net education receipts of -$3,450 for the year, but it was noted that today's condemnation seminar was well attended and net revenue of about $4,500 was expected.

The weeklong courses we offer lose money but are offered as a service to our members. Our high point in assets was near $100,000 and at about $87,000 we are still substantially above a low point of about $57,000 several years ago. There was discussion on instructor fee negotiation, with Katie Thompson explaining travel costs vary based on where the instructors are located and there are economies of scale if we can present more than one offering back to back with the same instructor.

The January through April 2009 Treasurer's Report was approved (motion Teynor, 2nd Brachmann).

Education Report
Education committee member Katie Thompson presented and update on upcoming offerings. The Highest and Best Use course next week has 19 students, with Steve Fanning and George Mann instructing. The recent offering on the new residential condition form was poorly attended. Madison had 8 students, Milwaukee 10 and Appleton 3. With the may 1st deadline, timing impacted attendance. There was discussion on the several upcoming educational offerings by WCAI. It was noted that we are adding a seminar on distressed property to be taught by Ted Anglyn on August 21st. Potential topics and presenters for the Year-In-Review were discussed, with a December 3rd date agreed upon.

National Update
The regional meeting was well represented by WCAI with Tim Warner, Mike Brachmann, Steve Lauenstein, Jason Teynor and Katie Thompson all attending. The region is meeting in Cancun November 11th - 13th and the leadership asked for attendee interest from chapter regional representatives at the meeting. President Steve Stiloski will attend and Steve Lauenstein expressed interest.

There was discussion on the regional meeting agenda. Region discussed removing the travel reimbursement. National is losing money at present due to a change in accounting methods, lower education attendance and book sales and the reduction in the dues rate for associate members. It was noted that despite the most recent $1.2 to $1.6 million dollar annual loss, national has a $20 million reserve.

National Government Affairs has a campaign to raise $150,000 for lobbying efforts. National cut the Government Affairs budget in half this year. North Star Chapter pledged $10,000 at region. The board discussed a donation but decided to wait on the matter, do more research and make a decision in September.

There was discussion on bylaw amendments including reinstating designated members outside the 5 year cycle, but no demo alternative was considered. There was discussion on the promotion of new services including re-sale of AI books at the chapter level and return of unsold book. There was discussion on improving the chapter website and communication alternatives including broadcast e-mails, website branded pages, Facebook and LinkedIn, as an administrative means of avoiding spam.

The chapter had votes on nominating committee changes under Reg. 8 "accepting annual rents as they stood" (motion Brachmann, 2nd Warner; motion passed) and housekeeping issues related to "moving elections to 1st of year, 10 alternate regional reps and audited financials if gross receipts over $200k" (motion Brachmann, 2nd Warner; motion passed).

LDAC attendees Ryan Gieryn and Jason Teynor gave a presentation on the agenda, which included showcasing member benefits, increasing membership and allowing college professors to achieve the designation among other issues. Lobbying efforts centered on HR 1728. The chapter was asked to consider sending three members next year, but with a cap on travel reimbursement.

Legislative Update
Linda Verbeken was our guest speaker on the Appraisal Management Committee issue. A certified residential appraiser in Wisconsin and an AI associate member, she has operated her own AMC since 2006. She gave a presentation on the need for mandatory appraisal licensing and the regulation of AMC's in Wisconsin. New appraisers are prey to AMC's at present and many financial institutions don't know new AQB appraiser qualification criteria or how to communicate it to appraisers. It was noted that appraisers can do work w/o being AQB compliant in Wisconsin, but AQB can still come down on them for violations. A Government Relations subcommittee was created and Linda Verbeken installed as chair to work on AMC legislation alternatives and obtain sponsorship in the legislature. The AI model AMC legislation was considered too complex for easy enactment. A model similar to the Connecticut legislation was presented as an alternative.

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BOARD MEETING MINUTES
(Continued from Page 3)

It is too late to introduce legislation this year. It must be done by January or February. We will work to implement it in 2010.

There was discussion on proposed statutory changes in Chapter 32, Wis. Statutes that were included in the State Budget. These changes were an attempt by WISDOT to limit attorney fees in condemnation actions. The objective of the changes was seen as a means to keep attorneys from becoming involved in representing property owners. It would particularly impact small dollar takings and limit appeals by those property owners. The proposed changes were removed from the budget in conference. Joint finance committee meetings around the state were well attended by property owners, attorneys and appraisers in opposition to the proposed changes. We discussed monitoring pending legislation to see if it will re-emerge this summer in sponsorship.

Other Business
The election of 2010 board is in process but not complete. So far, 80 members have voted.

Adjournment
(Motion, Brachmann, 2nd Teynor) 7:26 pm.

Respectfully Submitted,
Tom Swan
Secretary, Wisconsin Chapter of the Appraisal Institute

GENERAL MEMBERSHIP MEETING

May 14, 2009

The general membership meeting was called to order by President Stiloski at 7:27 pm.

Members Present
The board of directors as listed in the board minutes were substantially present. WCAI member Tony Lockly was also in attendance.

There was continued discussion on AMC regulation, such as establishing talking points for proposed legislation. Committee subcommittee volunteers were requested.

There was discussion on the economic impact of a new wage lien law, passed three months ago in Wisconsin. A prior liability of $3,000 was removed. Now, companies with more than 40 employees that go dark are liable for unpaid wages to employees. Lenders with outstanding liens to bankrupt companies are liable for those unpaid wages. The Milwaukee sick leave requirements were discussed as well.

The general membership meeting was adjourned at 7:45 pm.

Respectfully Submitted,
Tom Swan
Secretary, Wisconsin Chapter of the Appraisal Institute

2009 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 14, 2009	*An Introduction to Valuing Green Buildings* (7 Hours)
September 21, 2009	*Spotlight on USPAP: Hypothetical Conditions & Extraordinary* (3 Hours)
September 22, 2009	*Business Practices & Ethics* (7 Hours)
October 1, 2009	*7-Hour National USPAP Update Course* (7 Hours)
October 2, 2009	*Appraising From Blueprints and Specifications* (7 Hours)
Nov./Dec. 2009	*Year-in-Review Symposium* (3 Hours)

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

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.

ECONOMIC VIEW

It May Be Time for the Fed to Go Negative

By N. GREGORY MANKIW
Published NYTimes: April 18, 2009

WITH unemployment rising and the financial system in shambles, it's hard not to feel negative about the economy right now. The answer to our problems, however, could well be more negativity. But I'm not talking about attitude. I'm talking about numbers.

Let's start with the basics: What is the best way for an economy to escape a recession?

Until recently, most economists relied on monetary policy. Recessions result from an insufficient demand for goods and services - and so, the thinking goes, our central bank can remedy this deficiency by cutting interest rates. Lower interest rates encourage households and businesses to borrow and spend. More spending means more demand for goods and services, which leads to greater employment for workers to meet that demand.

The problem today, it seems, is that the Federal Reserve has done just about as much interest rate cutting as it can. Its target for the federal funds rate is about zero, so it has turned to other tools, such as buying longer-term debt securities, to get the economy going again. But the efficacy of those tools is uncertain, and there are risks associated with them.

In many ways today, the Fed is in uncharted waters.

So why shouldn't the Fed just keep cutting interest rates? Why not lower the target interest rate to, say, negative 3 percent?

At that interest rate, you could borrow and spend $100 and repay $97 next year. This opportunity would surely generate more borrowing and aggregate demand.

The problem with negative interest rates, however, is quickly apparent: nobody would lend on those terms. Rather than giving your money to a borrower who promises a negative return, it would be better to stick the cash in your mattress. Because holding money promises a return of exactly zero, lenders cannot offer less.

Unless, that is, we figure out a way to make holding money less attractive.

At one of my recent Harvard seminars, a graduate student proposed a clever scheme to do exactly that. (I will let the student remain anonymous. In case he ever wants to pursue a career as a central banker, having his name associated with this idea probably won't help.)

Imagine that the Fed were to announce that, a year from today, it would pick a digit from zero to 9 out of a hat. All currency with a serial number ending in that digit would no longer be legal tender. Suddenly, the expected return to holding currency would become negative 10 percent.

That move would free the Fed to cut interest rates below zero. People would be delighted to lend money at negative 3 percent, since losing 3 percent is better than losing 10.

Of course, some people might decide that at those rates, they would rather spend the money - for example, by buying a new car. But because expanding aggregate demand is precisely the goal of the interest rate cut, such an incentive isn't a flaw - it's a benefit.

The idea of making money earn a negative return is not entirely new. In the late 19th century, the German economist Silvio Gesell argued for a tax on holding money. He was concerned that during times of financial stress, people hoard money rather than lend it. John Maynard Keynes approvingly cited the idea of a carrying tax on money. With banks now holding substantial excess reserves, Gesell's concern about cash hoarding suddenly seems very modern.

If all of this seems too outlandish, there is a more prosaic way of obtaining negative interest rates: through inflation. Suppose that, looking ahead, the Fed commits itself to producing significant inflation. In this case, while nominal interest rates could remain at zero, real interest rates - interest rates measured in purchasing power - could become negative. If people were confident that they could repay their zero-interest loans in devalued dollars, they would have significant incentive to borrow and spend.

Having the central bank embrace inflation would shock economists and Fed watchers who view price stability as the foremost goal of monetary policy. But there are worse things than inflation. And guess what? We have them today. A little more inflation might be preferable to rising unemployment or a series of fiscal measures that pile on debt bequeathed to future generations.

Ben S. Bernanke, the Fed chairman, is the perfect person to make this commitment to higher inflation. Mr. Bernanke has long been an advocate of inflation targeting. In the past, advocates of inflation targeting have stressed the need to keep inflation from getting out of hand. But in the current environment, the goal could be to produce enough inflation to ensure that the real interest rate is sufficiently negative.

The idea of negative interest rates may strike some people as absurd, the concoction of some impractical theorist. Perhaps it is. But remember this: Early mathematicians thought that the idea of negative numbers was absurd. Today, these numbers are commonplace. Even children can be taught that some problems (such as $2x + 6 = 0$) have no solution unless you are ready to invoke negative numbers.

Maybe some economic problems require the same trick.

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N. Gregory Mankiw is a professor of economics at Harvard. He was an adviser to President George W. Bush.

L-R: WCAI representative to LDAC, Jason Teynor; Appraisal Institute President, Jim Amorin; and WCAI representative to LDAC, Ryan Gieryn.

GET READY FOR INFLATION AND HIGHER INTEREST RATES

The unprecedented expansion of the money supply could make the '70s look benign.

By ARTHUR B. LAFFER
WSJ - OPINION - JUNE 11, 2009

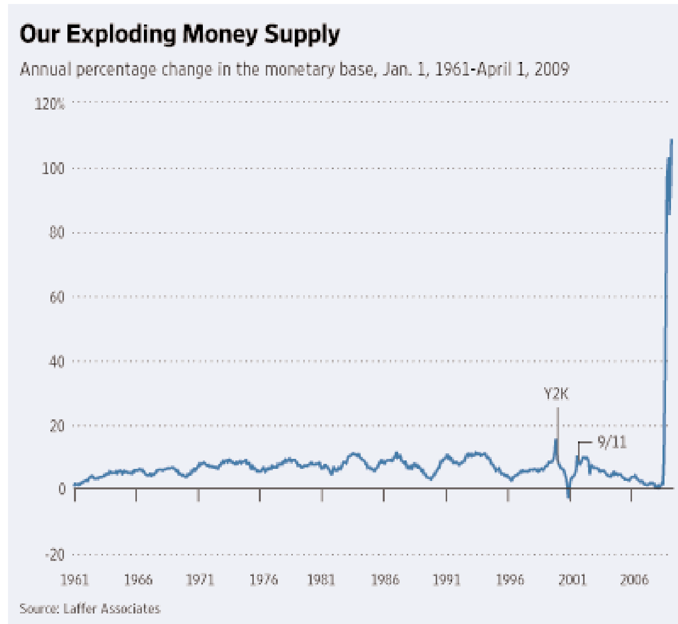
Rahm Emanuel was only giving voice to widespread political wisdom when he said that a crisis should never be "wasted." Crises enable vastly accelerated political agendas and initiatives scarcely conceivable under calmer circumstances. So it goes now.

Here we stand more than a year into a grave economic crisis with a projected budget deficit of 13% of GDP. That's more than twice the size of the next largest deficit since World War II. And this projected deficit is the culmination of a year when the federal government, at taxpayers' expense, acquired enormous stakes in the banking, auto, mortgage, health-care and insurance industries.

With the crisis, the ill-conceived government reactions, and the ensuing economic downturn, the unfunded liabilities of federal programs -- such as Social Security, civil-service and military pensions, the Pension Benefit Guarantee Corporation, Medicare and Medicaid -- are over the $100 trillion mark. With U.S. GDP and federal tax receipts at about $14 trillion and $2.4 trillion respectively, such a debt all but guarantees higher interest rates, massive tax increases, and partial default on government promises.

But as bad as the fiscal picture is, panic-driven monetary policies portend to have even more dire consequences. We can expect rapidly rising prices and much, much higher interest rates over the next four or five years, and a concomitant deleterious impact on output and employment not unlike the late 1970s.

About eight months ago, starting in early September 2008, the Bernanke Fed did an abrupt about-face and radically increased the monetary base -- which is comprised of currency in circulation, member bank reserves held at the Fed, and vault cash -- by a little less than $1 trillion. The Fed controls the monetary base 100% and does so by purchasing and selling assets in the open market. By such a radical move, the Fed signaled a 180-degree shift in its focus from an anti-inflation position to an anti-deflation position.



The percentage increase in the monetary base is the largest increase in the past 50 years by a factor of 10 (see chart nearby). It is so far outside the realm of our prior experiential base that historical comparisons are rendered difficult if not meaningless. The currency-in-circulation component of the monetary base -- which prior to the expansion had comprised 95% of the monetary base -- has risen by a little less than 10%, while bank reserves have increased almost 20-fold. Now the currency-in-circulation component of the monetary base is a smidgen less than 50% of the monetary base. Yikes!

Bank reserves are crucially important because they are the foundation upon which banks are able to expand their liabilities and thereby increase the quantity of money.

Banks are required to hold a certain fraction of their liabilities -- demand deposits and other checkable deposits -- in reserves held at the Fed or in vault cash. Prior to the huge increase in bank reserves, banks had been constrained from expanding loans by their reserve positions. They weren't able to inject liquidity into the economy, which had been so desperately needed in response to the liquidity crisis that began in 2007 and continued into 2008. But since last September, all of that has changed. Banks now have huge amounts of excess reserves, enabling them to make lots of net new loans.

The way a bank or the banking system makes new loans is conceptually pretty simple. Banks find an entity that they believe to be cred-

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GET READY FOR INFLATION AND HIGHER INTEREST RATES

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it-worthy that also wants a loan, and in exchange for the new company's IOU (i.e., loan) the bank opens up a checking account for the customer. For the bank's sake, the hope is that the interest paid by the borrower more than makes up for the cost and risk of the loan. The recently ballyhooed "stress tests" on banks are nothing more than checking how well a bank can weather differing levels of default risk.

What's important for the overall economy, however, is how fast these loans are made and how rapidly the quantity of money increases. For our purposes, money is the sum total of all currency in circulation, bank demand deposits, other checkable deposits, and travelers checks (economists call this M1). When reserve constraints on banks are removed, it does take the banks time to make new loans. But given sufficient time, they will make enough new loans until they are once again reserve constrained. The expansion of money, given an increase in the monetary base, is inevitable, and will ultimately result in higher inflation and interest rates. In shorter time frames, the expansion of money can also result in higher stock prices, a weaker currency, and increases in commodity prices such as oil and gold.

At present, banks are doing just what we would expect them to do. They are making new loans and increasing overall bank liabilities (i.e., money). The 12-month growth rate of M1 is now in the 15% range, and close to its highest level in the past half century.

With an increased trust in the overall banking system, the panic demand for money has begun to and should continue to recede. The dramatic drop in output and employment in the U.S. economy will also reduce the demand for money. Reduced demand for money combined with rapid growth in money is a surefire recipe for inflation and higher interest rates. The higher interest rates themselves will also further reduce the demand for money, thereby exacerbating inflationary pressures. It's a catch-22.

It's difficult to estimate the magnitude of the inflationary and interest-rate consequences of the Fed's actions because, frankly, we haven't ever seen anything like this in the U.S. To date what's happened is potentially far more inflationary than were the monetary policies of the 1970s, when the prime interest rate peaked at 21.5% and inflation peaked in the low double digits. Gold prices went from $35 per ounce to $850 per ounce, and the dollar collapsed on the foreign exchanges. It wasn't a pretty picture.

Now the Fed can, and I believe should, do what it must to mitigate the inevitable consequences of its unwarranted increase in the monetary base. It should contract the monetary base back to where it otherwise would have been, plus a slight increase geared toward economic expansion. Absent this major contraction in the monetary base, the Fed should increase reserve requirements on member banks to absorb the excess reserves. Given that banks are now paid interest on their reserves and short-term rates are very low, raising reserve requirements should not exact too much of a penalty on the banking system, and the long-term gains of the lessened inflation would many times over warrant whatever short-term costs there might be.

Alas, I doubt very much that the Fed will do what is necessary to guard against future inflation and higher interest rates. If the Fed were to reduce the monetary base by $1 trillion, it would need to sell a net $1 trillion in bonds. This would put the Fed in direct competition with Treasury's planned issuance of about $2 trillion worth of bonds over the coming 12 months. Failed auctions would become the norm and bond prices would tumble, reflecting a massive oversupply of government bonds.

In addition, a rapid contraction of the monetary base as I propose would cause a contraction in bank lending, or at best limited expansion. This is exactly what happened in 2000 and 2001 when the Fed contracted the monetary base the last time. The economy quickly dipped into recession. While the short-term pain of a deepened recession is quite sharp, the long-term consequences of double-digit inflation are devastating. For Fed Chairman Ben Bernanke it's a Hobson's choice. For me the issue is how to protect assets for my grandchildren.

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Mr. Laffer is the chairman of Laffer Associates and co-author of "The End of Prosperity: How Higher Taxes Will Doom the Economy -- If We Let It Happen" (Threshold, 2008).

CLASSIFIEDS

MAI with graduate degree in real estate appraisal with over 20 years of experience appraising and reviewing all types of commercial properties is seeking employment. I would like to work in the greater Milwaukee area; however, I will consider working in other areas of Wisconsin. Please call (715) 356-0130 or (715) 892-1655 and ask for Larry.

***

Associated Bank is looking for appraisers interested in assisting with appraisal reviews. The first position would be a full-time appraisal review position with full benefits (additional information and an application are found at www.Associatedbank.com under Career Opportunities). The second position would be for an outside contractor to assist on an "as is" needed basis. This opportunity would be ideal for a retired appraiser looking for some work, and interested persons should contact Curt Kolell directly at 262-820-6722.

Appraisal Institute®
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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. ¼ Page	$85 / $125	$80 / $120	$75 / $115	$70 / $110
C. ½ 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: ______________________________

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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 to ensure prompt application processing.

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 Associate and Prospective Member Services Center at 312-335-4111 or email associate@appraisalinstitute.org.

Category

Associate Membership is open to individuals who are performing work identified by the Standards of Professional Appraisal Practice. Please complete all sections of the application to help facilitate prompt application processing. For individuals who hold a trainee or equivalent license or are seeking such a license, please see the application for Trainee Associate Membership.

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 check all boxes that apply:

- ☐ I am currently an Appraisal Institute designated or associate member. Member number: ____________
- ☐ I was previously a Designated Member, Associate Member, or Candidate with the Appraisal Institute or one of its predecessor organizations.

2009 Membership Dues

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

Membership dues for Associate Members are $295. 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	$221.25	(Pro-Rated)
Total Amount	$221.25	

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 ____________

Maiden Name ____________ Date of Birth ____________

Preferred Mailing Address ☐ Home ☐ Business

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How did you hear about us? ☐ Education Program ☐ Mailing/email ☐ Appraisal Institute Publication
☐ *www.appraisalinstitute.org* ☐ Local Chapter ☐ Other: ______
☐ Member Referral - name of recruiter: ______

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 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:
   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.
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

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.

Accounting Use Only

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

03/03/2009