



# Columbia Society News and Views

SEPTEMBER, 2008

VOLUME 2, NUMBER 2



## Calendar of Events

### Monday, September 15, 2008

3-Hour C.E. Seminar  
*NY Fair Housing*  
Koenig's Restaurant, Floral Park, NY  
3:30-6:30 PM

### Tuesday, September 16, 2008

Appraiser Qualifying Courses Begin  
Hofstra University, Hempstead, NY

### Wed, September 24, 2008

7-Hour C.E. Seminar  
*The FHA/VA Appraiser*  
SIBOR, Staten Island, NY

### Friday, October 3, 2008

7-Hour C.E. Seminar  
*The FHA/VA Appraiser*  
Koenig's Restaurant, Floral Park, NY

### Sat & Sun, October 4-5, 2008

15-Hour National USPAP Course  
Hofstra University, Hempstead, NY

### Monday, October 6, 2008

Board of Governors Meeting  
Davenport Restaurant, Mineola, NY

### Friday, October 17, 2008

7-Hour USPAP Update Course  
Koenig's Restaurant, Floral Park, NY

### Monday, November 17, 2008

3-Hour C.E. Seminar  
Koenig's Restaurant, Floral Park, NY  
3:30-6:30 PM

### Thursday, December 4, 2008

7-Hour C.E. Seminar  
*Supervising Beginning Appraisers*  
SIBOR, Staten Island, NY

### Monday, December 8, 2008

Board of Governors Meeting  
Davenport Restaurant, Mineola, NY

Check Calendar of Events at  
[www.columbiasociety.org](http://www.columbiasociety.org)  
For Full Schedule

## FANNIE, FREDDIE PULL OUT OF NEW YORK SUBPRIME MARKET

Fannie Mae And Freddie Mac Announce Pull-Out Effective 9/1/2008  
Housing Advocates Criticize Move

By: Michael Schlesinger, CSA-R

As if the Home Valuation Code of Conduct was not enough bad news for appraisers in New York, there is even more. Fannie Mae and Freddie Mac are pulling out of the subprime mortgage market in New York State. As of September 1, 2008, they will no longer purchase mortgages defined as subprime or Alt A.

The reasoning behind this is a law enacted in New York State that would hold Fannie and Freddie liable for what could be considered "high risk" or "high cost" loans. The law was written to protect homeowners from predatory lending. The law also includes requirements for lenders in foreclosure proceedings and makes it a crime to write mortgages knowing that the borrowers cannot repay them.

The rationale offered by Morgan Hook, a Governor Paterson spokesperson, was that the law would have no teeth without legal liability. Hook said, "We think that the law is beneficial not only to the borrower, the one who holds the mortgage, but also the lender, so in this case it would be Fannie or Freddie." Fannie and Freddie claim that they cannot take on this type of liability.

Fannie and Freddie's decision could hurt the industries involved even more than some other recent events. Jonathan Pinard, President of the Hauppauge-based Empire State Mortgage Bankers Association, said of Fannie and Freddie's announcement, "We don't blame them, based on the way the law was written. It's going to have a negative impact. I don't think it'll be a huge one until the market improves."

## Debate over HVCC Continues

By: Linda J. Fusco, CSA-R

Even though the deadline for commentary on the proposed Home Valuation Code of Conduct regulations was April 30, 2008, there was such an overwhelming response from those in the industry that the debate continues.

On July 15 Senator Elizabeth Dole from NC offered an amendment to the Federal Housing Finance Regulatory Reform Act of 2008. The amendment would establish federal appraisal standards governing mortgage lenders, thereby superseding the requirements of HVCC. The amendment was subsequently pulled in exchange for a public dialogue on the Senate floor.

On July 16, in a hearing with Ben Bernanke, Chairman of the Federal Reserve, Dole said that "the code leans heavily towards inconsistent and potentially counter-productive regulation of the lending industry, and if implemented poorly, could actually increase costs of obtaining appraisals and slow down the process." Bernanke's response was, "...we want to make sure that it doesn't impose excessive costs."

So the debate goes on. Be sure to let your voice be heard. Write to your State Senators and your State Representatives. For information on whom to contact, visit <http://directory.usayfoundation.org/NY.html>.

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## From the Desk of Arleen E. Goscinski, President

Apparently, the housing crisis just won't go away; but changes are afoot.

On the positive side, the "Housing Rescue Bill" will allow Fannie and Freddie to permanently increase lending limits. In addition, credit incentives will be available to initial buyers. With luck, this will encourage borrowing and spike demand.

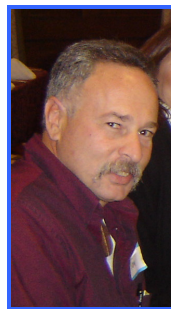
On the other hand, the "Home Valuation Code of Conduct" (HVCC) is still an unresolved conundrum. The HVCC pretends to address appraiser coercion but endorses AMC middlemen, which erodes appraiser independence. Typical fees will be lowered as we lose the right to negotiate. Be sure to weigh in while there's still time for input.

As always, the Columbia Society is here to assist you. We look forward to your comments and suggestions and hope to see you again at an upcoming seminar/meeting.



## Columbia Society Introduces New Logos for Designated Members

Finally, our new logos for Senior Residential and Senior General Members are available. If you are interested in receiving copies for your advertising needs, contact us.  
Email: [Linda@columbiasociety.org](mailto:Linda@columbiasociety.org)



## ASK Tom...Computer Tips and Tricks

By Tom Donato, CSA-G

Question: I would like to distribute a document produced in MS Word, but I don't want anyone to edit it. How can I do this?

Answer: This one is easy! The steps listed below will allow you to protect your document against unauthorized changes. This technique can be used for Microsoft Word 2003, Excel 2003 and Power Point 2003.

- ✚ From the pull-down menu 'Tools', click on 'Protect Document'.
- ✚ A pane will appear to the right with two check boxes labeled 'Formatting restrictions' and 'Editing restrictions'. Select both and select the changes that are allowed to be made.
- ✚ Click the button at the bottom of the pane labeled 'Yes, Start Enforcing Protection'.
- ✚ Enter a password and click OK.
- ✚ To remove protection, do the same thing, except choose 'Unprotect Document'.

*Tom Donato is a Senior General member of the Columbia Society. He serves on the Board of Governors, and he is the Chairman of the Technology Committee.*

**If you have questions or comments on this topic, please write to:**  
[Tom@columbiasociety.org](mailto:Tom@columbiasociety.org)

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