



Kachina Chapter 28, Newsletter

October, 2008

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2008





President's Message



I want to thank everyone for a successful seminar! The seminar committee did a great job and we appreciate all those who attended.

This month is the Region 1 Fall Forum. Kathie Sholly and I will be attending it in Honolulu. It will be a difficult trip to make. Next month I will give you my report.

As I have mentioned in the past, the IRWA is considering realigning the regions. We are currently in Region 1. I believe this newsletter will have information on the proposed realignment. Under the proposal we will be in the new Region C, which is currently Region 9. The consensus among chapter leaders is that the proposal is not in our best interest. We will be discussing our reasons for wanting to remain in Region 1 at the Fall Forum. We are also preparing a letter that will be sent to the International Executive Committee and the Region Chairs outlining our arguments for remaining in Region 1. We will include the letter in our next newsletter. Thanks again for all your support.

Great speakers!!



Not Always As Simple As It Looks

Displaced residents and businesses are entitled to be reimbursed for all their eligible move costs. However, when it comes to determining whether some items are eligible or not, is not always a simple task. In fact, sometimes it can become a little complicated.

A good example of what is sometimes encountered in residential cases has to do with built-in shelves. Many homeowners and tenants will install additional shelving during their residence in their dwelling. It is not uncommon that a person feels that the shelving could and should be moved because it will be of service to them at their new residence.

Your first consideration might be that shelving, by the manner of how it is installed, is now considered a part of the house and therefore meets the definition of real estate. How about if it is only the brackets that are affixed to the walls and the shelves can easily be removed? Would the moving of the shelves (and not the supporting brackets) be eligible for reimbursement of move costs? If you say yes, then how would you answer the request to remove the move brackets, since they are necessary to support the shelves? Also, what if the acquiring agency included the value of the shelves in the appraisal?

Generally, if an item is affixed to the property in such a manner as to consider it a part of the real estate, then the item will not be treated as being eligible for reimbursement of move costs. However, there are cases that deserve consideration such as for persons that are elderly or disabled. In those cases the agents involved should review the specifics with the acquiring agency to determine what additional considerations can be made.

When it comes to determining all the eligible move costs for commercial displacees, it generally is a matter of moving all the business property that is not considered real estate. One of the first things that a mover will evaluate will involve determining if the item can easily be moved and if not, what is necessary to move the item. Some equipment items or types of machinery are bolted into the walls, floors or anchored to the ceilings for stability or safety.

Another frequent situation encountered may involve a business that has a variety of unused, old or broken equipment items or product that may be stored onsite. The business may request to leave those kinds of materials behind as opposed to moving them. This may be permissible if the acquiring agency agrees to accept and dispose of the abandoned goods as opposed to paying move expenses.

There are some items that can require research in order to determine whether the item is moveable and should therefore be included in the inventory of items to be moved. One interesting situation is work tables or booths that are anchored to the walls or floor will require some discussion. The decision to treat the anchored tables as real estate may be simplified if the business indicates that they cannot use the tables at the replacement site. However, if the business indicates that they need and want to move the tables, then several considerations need to be made.

The first consideration is "Can the tables be detached or unfastened without causing damage to the table that would make it un-useable?" or "Will the business be able to re-fasten the table in such a manner that it is stable and serves its principal purpose again?"

If it appears that the table cannot be moved without rendering them useless, then a recommendation is made to the agency to consider acquiring the tables at their in-place depreciated value. If the business insists on moving the tables, then a recommendation is made to the acquiring agency to purchase the items at the depreciated value. This would include an option to allow the business to purchase back the tables. The purchase price would be the salvage value and the business would be required to move the tables.

A couple of other items that may require some discussion include carport awnings and metal storage sheds. The main considerations are similar to what has already been discussed which is: Have the items been included as part of the real estate and therefore are included in the appraisal? Are the items moveable? Can the items be detached without causing major damage?

In summary, the analytical approach presented in determining if and when items are moveable generally works. However, there can be other obstacles that may arise in planning the move of an item such as the need to remove a wall, widen a doorway or perhaps the need for security during the move process which will all be discussed in the next article.

Submitted by,
Roger L. Ottaway - Move Cost Specialists, LLC

IRWA President, Faith Rowland was there celebrating our 50 Years!

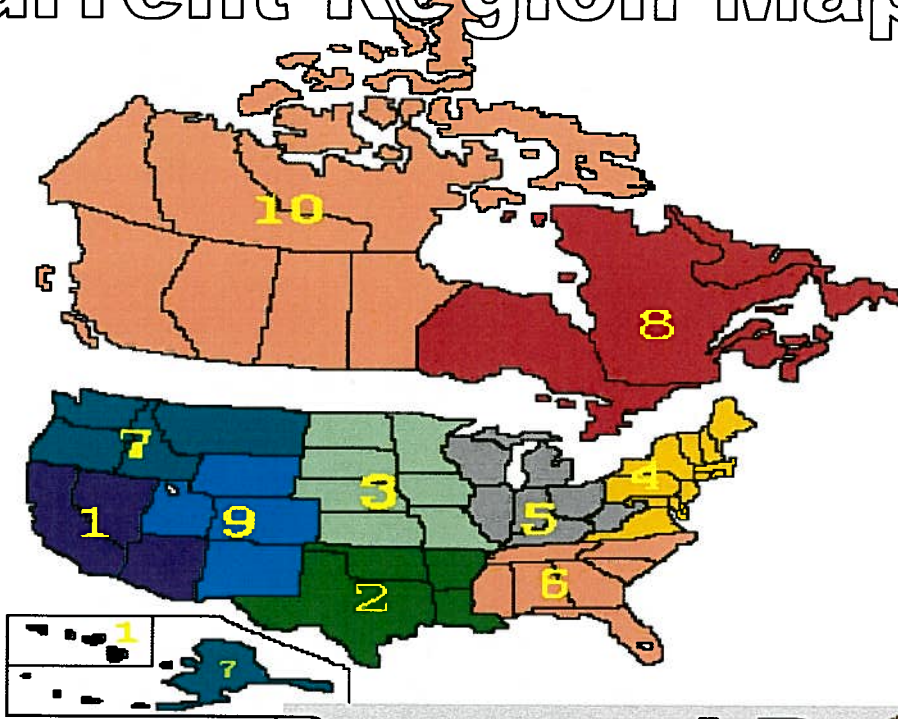


So were past IRWA Chapter 28 Presidents....

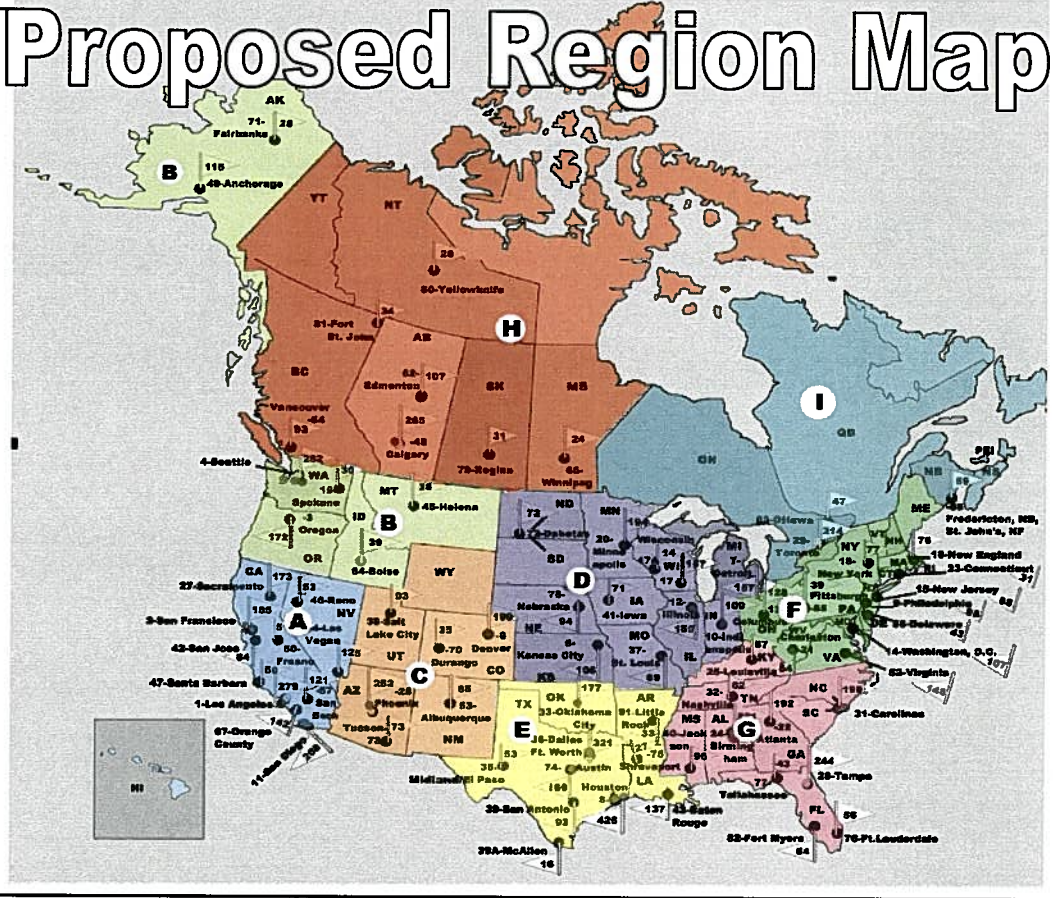


Proposed Region Realignment

Current Region Map



Proposed Region Map





2008

506 Advanced Business Relocation Assistance 10.02.08 Riverside, CA

403 Easement Valuation 10.03.08 Honolulu, HI

400 Principles of Real Estate Appraisal 10.06.08 Alhambra, CA

303 Managing the Consulting Process 10.06.08 Tucson, AZ

802 Legal Aspects of Easements 10.08.08 Tucson, AZ

410 Reviewing Appraisals in Eminent Domain 10.09.08 Fresno, CA

400 Principles of Real Estate Appraisal 10.09.08 Tucson, AZ

100 Principles of Land Acquisition 10.13.08 Reno, NV

SR/WA Comprehensive Review and Exam 10.14.08 Santa Ana, CA

902 Property Descriptions 10.17.08 San Diego, CA

400 Principles of Real Estate Appraisal 10.22.08 Sacramento, CA

803 Eminent Domain 10.23.08 Los Angeles, CA

502 Business Relocation 10.23.08 Henderson, NV

701 Property Management Leasing 11.05.08 San Pedro, CA

703 Real Property Asset Management 11.07.08 San Pedro, CA

209 Negotiating Effectively with a Diverse Clientele 11.13.08 San Diego, CA

801 U.S. Land Titles 11.17.08 Peoria, AZ

SR/WA Comprehensive Review and Exam 12.03.08 Encinitas, CA

EDUCATION

October 2008

Sun	Mon	Tue	Wed	Thu	Fri	Sat	Schedule of Events
			1	2	3	4	
5	6	7	8	9	10	11	• Honolulu Fall Forum
12	13	14	15	16	17	18	• October Board Meeting
19	20	21	22	23	24	25	• Newsletter Articles Due
26	27	28	29	30	31		

FALL FORUM—October 3-5, 2008

***Come for the Education and IRWA Networking --
stay for the Sun and Fun!***



***To Be Held in Conjunction with the Region 1
Fall Forum in Honolulu, HI***

Course 403: Easement Valuation

Participants will learn specific methods and procedures to measure and value property before and after an encumbrance, as well as damages, if any result.

[403 Easement Valuation 10.03.08 Honolulu, HI](#)

Employer of the Year 2008!

Tierra Right of Way Services!

Dear Members of Chapter 28:

“Speech, speech”



I would like to formally thank all of you for your recognition of Tierra Right of Way Services as your Employer of the Year for 2008.

With that being said, I also want to ensure that this award is equally shared with my staff in our Phoenix office. Each of them has individually stepped up to the plate to assist and participate in Chapter 28 activities without prompting from me. Mary Smith has donated much of her own time to the resolution of some of the recent challenges she faced as the incoming treasurer. Paula Day has enthusiastically agreed to take over production of the Newsletter and Christine Gibson has been a great help to the chapter setting up the website and advising on technical issues. Art, Corey, Nancy, Gwen & John have attended many Chapter 28 classes and meetings and always feel that they come away with useful information.

We the employers are only as good as our employees. I am fortunate that I have employees that make Tierra shine.

I also want to recognize the members of Chapter 28 who have contributed greatly to Tierra's success over the past 19 years. I am truly honored by your generosity and appreciate very much your continued friendship and your support of Tierra.

Sincerely,

Randy Ferrick, President



IRWA Treasurer 2009

Jason Foster!

“Speech, speech”

First, I would like to thank everyone who participated in the 2009 Chapter 28 election and a special thanks to everyone who voted me for Chapter 28 Treasurer 2009.

This is a great opportunity to join a team of dedicated professionals who support and motivate the Right of Way industry. As your treasurer, I will manage and balance the finances and maintain good records of the income and expenses of the Chapter.

I look forward to working with everyone and learning and growing with some of the best people in this exciting and ever changing right of way profession.

Thank you,
Jason Foster



METRO Light Rail



Line Section 1

Beginning at 19th Avenue and Montebello, and ending at Camelback Road and Central Avenue

Line Section 2

Central Avenue, from Camelback to McDowell

Line Section 3

Beginning at Central Avenue and McDowell, ending at Washington/Jefferson and 26th streets

Line Section 5

Beginning at First Street, and Ash Avenue in Tempe, ending at Main and Sycamore streets in Mesa.

Line Section 4

Washington and Jefferson streets, from 26th Street to Tempe Town Lake Bridge



~ Estimated Travel Times ~

Entire 20 miles, 57 minutes

Spectrum Christown Mall to downtown Phoenix, 20 minutes

Spectrum Christown Mall to the airport, 32 minutes

Spectrum Christown Mall to ASU, 42 minutes

Downtown Phoenix to Sky Harbor Airport 44th Street shuttle, 14 minutes

Downtown Phoenix to downtown Tempe, 23 minutes

Downtown Phoenix to downtown Mesa, 37 minutes

Downtown Tempe to downtown Mesa, 15 minutes

POSSIBLE RISKS WHEN DEALING WITH SHORT SALE FLIP TRANSACTIONS INVOLVING TRUSTS:

Several risk factors have been identified when dealing with distressed homeowners conveying the property into Trusts on Short Sale Transactions. One of the scenarios that you may encounter is:

- *An agent lists the property for short sale at \$300,000.00 that has a payoff of \$350,000.00
- *Agent finds Buyer 1 (investor) and submits a \$200,000.00 offer to the Lender's Loss Mitigation Department along with all the other forms requested by the Lender, i.e. Contract, Pre-Audit, Hardship Letter, Listing Agreement, etc.
- *Buyer 1's offer states that a Seller must create a Trust, naming the Seller as the initial Beneficiary of the Trust. Buyer 1 must approve the Trust and any changes to the Trust after its formation. Seller transfers title into the Trust prior to close of escrow by a General Warranty Deed.
- *Agent markets the property for the Seller's Trust and finds another Buyer (Buyer 2) The offer from Buyer 2 is \$ 300,000.00.
- *Lender approves the Short Sale to Buyer 1 for \$200,000.00
- *Escrow closes upon the assignment of the beneficial interest of the Seller's Trust to Buyer 1 and Seller waives and relinquishes all rights to the property and Trust.
- *Buyer 2 closes escrow simultaneously at \$ 300,000.00 and the \$100,000.00 proceeds transfer to the Seller's Trust or subsequent assignee. Submitted by, Patricia Snyder.

Nominations and Awards

Chris Banks, Nominations and Elections Committee Chair

If you attended the Annual Education Seminar on September 12, 2008, you participated in the election of your Chapter Officers for 2008 and witnessed the presentation of the Annual Recognition Awards. For the 1st time in Chapter The results of the elections and the presentation of the awards are as follows: Kachina Chapter 28 Officers 2009

1-Year International Director Doug Estes, SR/WA, M.A.I.
 President and 2-Year International Director Kathie Sholly, SR/WA
 President Elect Karen Williams, SR/WA
 Secretary Mary A. M. Smith
 Treasurer Jason Foster

Professional Development Committee:
 3-Year Rebekah Louis

Your Chapter Officers for 2009 will be installed at the December Luncheon Meeting. Please plan to attend to see them sworn in and to welcome them into office.

The winners of the Annual Recognition Awards are:

Employer of the Year, Tierra Right of Way Services
 Professional of the Year, Doug Estes, SR/WA, M.A.I., Chapter President 2008
 Special Services Award, Kathie Sholly, SR/WA, President Elect 2008
 Special Services Award, Kaye Bockmann, SR/WA Candidate, Education Chair 2008

Congratulations to the recipients of these awards and to the newly elected Chapter Officers and Board of Directors for 2009.

Is this the future for Arizona..... Solar Energy?



Lets hope so....!

A public hearing was held before the Arizona Power Plant and Transmission Line Siting Committee to hear the application before them regarding constructing the world's largest solar power plant in Gila Bend, Arizona. The hearing concluded on Wednesday September 24, 2008 with a tour of the proposed site. The Committee will deliberate and a decision will be made in October or December, 2008. Stay tuned for an update on this project!



IS YOUR IRWA INFORMATION UP TO DATE?
PLEASE TAKE A MOMENT TO REVIEW YOUR DETAILS AND UPDATE IF
NECESSARY AT WWW.IRWACHAPTER28.ORG



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