

The Approach



President's Message

Karen Goforth, MAI – 2010 Chapter President

Greetings and well wishes for the New Year! Personally and professionally I'm excited about the start of not only a new year, but a new decade. The ushering in of the new decade is the perfect time to reflect and plan for the continued success of the West Coast Florida Chapter, the Appraisal Institute (AI), and the appraisal profession. As your 2010 chapter president, I am fortunate and honored to be flanked with a strong core of officers and chapter leaders who are visionaries that can lead our chapter into the new era.



The Chapter has an exciting and busy year planned for 2010 from educational offerings to a variety of networking opportunities. I encourage each of you to take advantage of these activities. The chapter is only as strong as its membership and we need your support to remain viable and relevant in the industry. It is imperative that our members take AI educational offerings. The money generated through education offerings funds committees such as government relations, which provides a voice for appraisers on Capitol Hill and in the State Legislature. Please look over the 2010 educational schedule and enroll for classes today. The chapter offers an early registration discount for enrollment prior to 35 days of each class.

At the present time, House Bill (HB) 303 is making its way to Tallahassee. HB 303 addresses the need for state legislation of Appraisal Management Companies (AMCs). AMCs are not currently regulated in the state of Florida. Legislation similar to HR 303 has been enacted in six states to date. It is likely that 20 states will consider similar legislation during their 2010 sessions. The Appraisal Institute has been a frontrunner in the pursuit and passage of this type of legislation. If you are not a member of AI, I encourage you to join our organization. Collectively, we have the talent and resources to come up with pro-active and effective solutions for the appraisal industry.

Our first chapter meeting will be held on February 25, 2010 at the Rusty Pelican restaurant in Tampa. Wayne Pugh, a past president for the Appraisal Institute, and Lou Plasencia of The Plasencia Group, Inc. will be our guest speakers. Wayne will provide a brief update on our national AI efforts and also preside over the installation of the 2010 officers and leaders. Lou Plasencia, a well-known hotel specialist and broker, will provide an overview of hotel and tourism trends and their anticipated impact on the West Coast Florida economy.

Thank you for the opportunity to serve as the West Coast Florida Chapter's 2010 president. I feel fortunate to be part of the greatest AI Chapter in the country. Feel free to contact me with any questions, ideas, or concerns. I look forward to seeing you at the next meeting and other events throughout the year.

Visit our website for information on employment opportunities, chapter meetings, education offerings and other profession updates. <http://www.aiwestcoastfl.org/default.asp?id=1>

2010 Officers & Directors

President

Karen Goforth, MAI

Vice President

Cliff Bowen, SRA

Secretary

David Lemonde, SRA

Treasurer

Richard Tobias, MAI

Directors

Joseph Ayo, MAI, SRA

Michael Colias, SRA

Debra Dietz, SRA

Michael Jonas, MAI

Jennifer Marshall, SRA

Ned Palmer, Associate

Mary Patterson, SRA

Brad Saucier, Associate

Sandra Adomatis, SRA, Ex Officio

Region X Representatives

Cliff Bowen, SRA

Kenneth Foltz, MAI

Woodman Herr, MAI

Mary Patterson, SRA

Dan Richardson, MAI

Patricia Rottenberg

Curt Wheeler, MAI

Karen Goforth, MAI (President)

Committee Chairs

Admissions: Curt Wheeler

Bylaws: Don Trask

Finance: David Lemonde

Guidance: Diane Gilbert

Education: Michael Jonas

Govt. Relations: Richard Tobias

Membership: Bruce Cumming, Jr.

Newsletter: David Lemonde

Public Relations: Marilyn Hett

University Relations: Bruce Cumming, Jr.

Executive Director

Nancy Bachor

Region X Officers

Carol Velie, SRA, Chair

Joni Herndon, SRA, Vice Chair

Shawn Wilson, MAI, 3rd Director

Kenneth Foltz, MAI, Region X

Education Liaison

1st Quarter Chapter Luncheon Meeting - Tampa

When: Thursday, February 25, 2010

Where: Rusty Pelican Restaurant
2425 N. Rocky Point Drive
Tampa, FL 33607
Phone: (813) 281-1943

Cost: Seminar - \$95 (Members) | \$115 (Nonmembers)

Lunch Meeting - \$25 Members | \$30 Nonmembers

After 2/16/10: \$30 Members | \$35 Nonmembers

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Registration Deadline: February 22, 2010

Advance Reservation Required!

Questions: wcoastfl@tampabay.rr.com or (813) 935-4311

Schedule of Events

8:30 A.M. - 11:30 A.M.: 3-Hour Seminar - *Cool Tools: New Technologies for Real Estate Appraisers*

11:30 A.M. - 1:00 P.M.: Chapter lunch meeting & installation of the 2010 officers, directors and region X representatives

Seminar Instructor: R. Wayne Pugh, MAI, seminar developer

Meeting Guest Speakers: R. Wayne Pugh, MAI, national past president of the Appraisal Institute
and Lou Plasencia, chairman & CEO of The Plasencia Group, Inc.

Program: R. Wayne Pugh, MAI will install the 2010 leadership and give us an update on national information. Mr. Plasencia is the founder, chairman and CEO of the Plasencia Group. Now entering its 15th year, The Plasencia Group is a hospitality investment banking and advisory firm. The firm has provided personalized investment opportunities and services to owners of hotels, resorts, and golf courses throughout the United States, Canada, and the Caribbean. The Plasencia Group offers a full range of value-added solutions, including portfolio and large asset transactions, property valuation analyses, debt and equity placement, hotel development and management advisory services, financial and strategic planning, and proprietary industry research through its network of eleven officers. Mr. Plasencia is former vice chair of the Hospitality Development Council of the Urban Land Institute. He is a member of the Florida Council of 100 and serves on the boards of directors of Tampa Bay & Company and the NFL Super Bowl Host Committee, in addition to the board of trustees and Investment Council of Jesuit High School and member of the Real Estate Advisory Board of the Bergstrom Center for Real Estate Studies at the University of Florida.

Welcome to Our New Members

New Associate Members

Melissa Culin, Tampa

Paul J. Fennewald, Lake Mary

Lance Ponton, Tampa

Mike Stiksma, Tampa

Gayle A. Wertz, Lakeland

Wendy R. Young, New Port Richey

Transferred In

Deborah Rosa-Ocasio, Associate (from Puerto Rico)

Nathan Van Steenberg, Affiliate (from East Florida)

Resigned

Bernard W. Caton, Plant City

Mark J. Croteau, Seminole

Retired Member

William A. Dawson, MAI, St. Petersburg



Education

Michael Jonas, MAI, Chair

Several members of our chapter education committee and I participated in the Region X Education Committee Conference call on January 13th. The topic of the conference call was the proposed implementation of a Region X Education Policy.

The most important items within the proposed policy were proposed deadlines for submission of tentative chapter education schedules to be submitted to the region education liaison to help ensure that the core courses are offered throughout the state as well as considering the distance and time requirements for chapters to offer similar courses. After much debate, it was decided that an education policy for the region would help prevent any future scheduling conflicts among chapters and promote a continuation of the same cooperation between all Florida chapters within the region. This was the best solution to the situation. Creating a policy that everyone can agree on is difficult. However, the discussion did reinforce the need for each chapter to work within the region to satisfy the educational needs of our current and future members. One item I found interesting was the limited amount of times the core courses are being offered. The region needs to be sure every core course is offered somewhere in the state each and every year. At the present time, travel may be required outside the state for anyone looking to complete the core courses within a one-year time frame.

It is the education committee's goal to serve the needs of both current and future designated members. I encourage anyone to contact me or Nancy with any education requests you have for next year. Finally, please sign up early for any program you want to take. Remember, this is a recertification year, so get your USPAP and Florida law requirements done early. Enrollments are on a first-come, first-serve basis and early registration discounts are available if you sign up at least 35 days prior to each class.

The 2010 education schedule is included in this newsletter. We will have four offerings of the [13-Hour US-PAP/Law/Supervisor Rules](#) CE package in a variety of locations throughout our chapter jurisdiction, so you will have plenty of opportunities to attend. There are several new seminars on the schedule including [Cool Tools: Technologies for Real Estate Appraisers](#), [Appraising Distressed Commercial Real Estate](#), [Valuation by Comparison: Residential Analysis & Logic](#), [Hotel Appraising: New Techniques for Today's Uncertain Times](#), and [Residential Design: The Makings of a Good House](#). We will offer two of the three courses in the Litigation Certification Program - [Appraiser as an Expert Witness](#) and [Litigation Appraising](#). Two Level II courses needed for MAI designation, [Advanced Sales Comparison & Cost Approaches](#) and [Advanced Income Capitalization](#) will be offered. [Business Practices and Ethics](#), a required continuing education course for most Appraisal Institute members, will be held in September. [Real Estate Finance](#) will also be presented in September and is a course that meets both qualifying, post licensing and continuing education requirements. As you can see, there is a good selection of seminars and courses to meet all of your education requirements. Appraisal Institute courses and seminars are the best around and we encourage you to support your chapter by taking our classes and get the best education possible.

[Register Early & Save \\$\\$!!](#)

Register early through OLRs at www.appraisalinstitute.org/education/WestCoastFlorida for any of our upcoming classes. Remember that 2010 is a state recertification deadline year. You need 30 hours of CE by November 30, 2010.

Classroom v. Online Education

You have a choice between classroom and online education. When making your decision, remember that we use qualified instructors who are experienced practitioners. Classroom instructors bring insight and practical experiences to the students that you cannot receive online. Consider that there are many advantages to the classroom experience, not just from the instructor or the course material, but also from fellow classmates who might ask a question that you will gain knowledge from. The networking experience of classroom education is also a great source of contacts and information.

2010 Education Schedule - West Coast Florida Chapter

Date	Offering	Instructor
February 4 - 5	15-Hour National USPAP MainSail Hotel & Suites, Tampa (15 Hour QE 14 Hour CE)	Janice Ramsay, SRA
February 18	Appraising Distressed Commercial Real Estate: Here We Go Again Residence Inn Westshore, Tampa (7 Hour CE Seminar)	Ted Anglyn, MAI
February 25	Chapter Meeting & Installation of Officers & Seminar Cool Tools: Technologies for Real Estate Appraisers Rusty Pelican, Tampa (3-Hour CE Seminar)	Wayne Pugh, MAI
March 10	13-Hour USPAP CE Package @ Girl Scouts Conference Center, Tampa 7-Hour National USPAP	Kenneth Foltz, MAI
March 11 (A.M.)	3-Hour Florida Law for Real Estate Appraisers	Kenneth Foltz, MAI
March 11 (P.M.)	3-Hour Supervisor Trainee Roles & Rules	Kenneth Foltz, MAI
March 25	Valuation by Comparison: Residential Analysis and Logic Manatee Association of Realtors, Lakewood Ranch (7 Hour CE Seminar)	Gary Scott, SRPA, SRA
April 12 - 17	Advanced Sales Comparison & Cost Approaches Hilton Garden Inn, Tampa (40 Hour QE/Post Licensing 20 Hour CE) (MAI Designation Course)	William Otto Spence, MAI Robert Sutte, MAI
April 22 - 23	Litigation Appraising: Specialized Topics & Applications (Part of the Litigation Certificate Program) - Hilton Garden Inn, Tampa (15 Hour CE)	Harry Holzhauer, MAI
May 6	13-Hour USPAP CE Package & Chapter Meeting @ Pelican Preserve, Ft. Myers 7-Hour National USPAP	Tim Andersen, MAI
May 7 (A.M.)	3-Hour Florida Law for Real Estate Appraisers	Tim Andersen, MAI
May 7 (P.M.)	3-Hour Supervisor Trainee Roles & Rules	Tim Andersen, MAI
May 19 - 20	The Appraiser as an Expert Witness: Preparation & Testimony (Part of the Litigation Certificate Program) - Hilton Garden Inn, Tampa (15 Hour CE)	John Underwood, MAI
June 8 - 9	Uniform Appraisal Standards for Federal Land Acquisition: <i>Yellow Book</i> Hilton Garden Inn, Tampa (16 Hour CE)	John Underwood, MAI
June 17	General Demonstration Report Writing Seminar Hilton Garden Inn, Tampa (7 Hour CE Seminar)	Charles Lentz, MAI
July 29	Residential Design: The Makings of a Good House Manatee Association of Realtors, Lakewood Ranch (7 Hour CE Seminar)	Diane Gilbert, MAI, SRA
August 5	Hotel Appraising: New Techniques for Today's Uncertain Times Hilton Garden Inn, Tampa (7 Hour CE Seminar)	Steve Rushmore, MAI
August 9 - 14	Advanced Income Capitalization Hilton Garden Inn, Tampa (40 Hour QE/Post Licensing 17 Hour CE) (MAI Designation Course)	John Gillott, MAI Harry Holzhauer, MAI
August 19	13-Hour USPAP CE Package & Chapter Meeting @ Manatee Association of Realtors, Lakewood Ranch 7-Hour National USPAP	Diane Gilbert, MAI, SRA
August 20 (A.M.)	3-Hour Florida Law for Real Estate Appraisers	Kenneth Foltz, MAI
August 20 (P.M.)	3 Hour Supervisor Trainee Roles & Rules	Kenneth Foltz, MAI
September 15 - 16	Real Estate Finance Statistics and Valuation Modeling Hilton Garden Inn, Tampa (15 Hour QE/Post Licensing 14 Hour CE)	Kenneth Foltz, MAI
September 30	Business Practice & Ethics Hilton Garden Inn, Tampa (5 Hours CE)	Janice Ramsay, SRA
October 12	13-Hour USPAP CE Package @ Greater Tampa Association of Realtors, Tampa 7-Hour National USPAP	Diane Gilbert, MAI, SRA
October 13 (A.M.)	3-Hour Florida Law for Real Estate Appraisers	Diane Gilbert, MAI, SRA
October 13 (P.M.)	3-Hour Supervisor Trainee Roles & Rules	Diane Gilbert, MAI, SRA

2010 Education Schedule - West Coast Florida Chapter

Date	Offering	Instructor
TBA	Forecasting Revenue TBA, Ft. Myers (7 Hour CE Seminar)	Kenneth Foltz, MAI
November 3	Office Building Valuation: A Contemporary Perspective Greater Tampa Associate of Realtors, Tampa (7 Hour CE)	Gary Scott, SRPA, SRA

Florida Recertification Deadline: November 30, 2010

Don't Wait Until the Last Minute to Get your CE Hours -

Register Early & Save

Questions? Call the chapter office at (813) 935-4311 or email wcoastfl@tampabay.rr.com



To register for any of the above classes, go to: www.appraisalinstitute.org/education/WestCoastFlorida

Government Relations

Brad Saucier, Chairman

You Are Not Alone!

Happy New Year everyone! We all know that 2009 has been one of the most turbulent years in recent memory. Many of our peers and colleagues are hurting and optimism is at an all-time low heading into 2010. Even so, I truly believe we are on the right track to make positive changes in our industry going into 2010. We are very fortunate to have a great support system in place with knowledgeable and respected advocates in our corner like Frank Gregoire, Joni Herndon, Joel Greenberg, Bob Hartnett, Jesse Vance, Bill Garber, and Scott Dibiasio, to name a few.

There will be many changes in our industry in 2010. As many of you know, the implementation of the Home Valuation Code of Conduct (HVCC) on May 1, 2009 still remains controversial. To help combat some of these issues, there is proposed legislation (House Bill 303) which would regulate Appraisal Management Companies (AMC's) and establish more appraiser independence standards. AMC's need oversight and regulation, as they control millions of appraisal assignments. Florida is not alone in this effort, as legislation similar to HB 303 has been enacted in six other states to date, with up to 20 states considering similar legislation in their 2010 sessions. I have attached a bullet-point statement prepared by Frank Gregoire. This statement summarizes the current situation and how HB 303 will help to address some of our issues and concerns.

Remember, you are not alone in this battle. Times are tough, but I am confident we will persevere. We must remain on track and continue to make sure our voices are heard by the "decision-makers" in Washington D.C. and Tallahassee. I leave you with the old adage, "when the going gets tough, the tough get going". Tough times never last, but tough people do!

See attached report from Francois K. Gregoire regarding the Appraisal Management Company Regulation.

(Continued Next Page)

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Appraisal Management Company Regulation

The Current Situation

- Appraisal Management Companies are not regulated in Florida
- Appraisal Management Companies are not required to comply with the Uniform Standards of Professional Appraisal Practice
- Since May 1, 2009 and the implementation of the Home Valuation Code of Conduct (HVCC), a majority of Appraisal Assignments are placed through Appraisal Management Companies
- Evidence of Appraisal Management Company interference with Appraiser Independence
- Evidence of Appraisal Management Company alteration of Appraisal Reports and Appraisal Review Reports
- Evidence of Appraisal Management Company ownership and management by individuals with Division of Real Estate disciplinary history or criminal records
- Evidence of AMC use of unlicensed individuals for appraisal review
- There is a lack of transparency to the consumer with respect to appraisal fees and appraisal procedures and a need to protect the public from wrongdoing and disregard for appraiser independence
- Appraisal Management Companies often represent themselves to the public as being providers of appraisal and other valuation services

The Proposed Legislation (HB 303 by Hudson)

- Defines Appraisal Management Companies and Appraisal Management Services
- Defines Appraisal Management Client
- Defines Signature and provides rulemaking authority to the Florida Real Estate Appraisal Board for signature authentication and security
- Requires Registration of Appraisal Management Companies (with some exceptions)
- Requires Registration of Officers, Directors, Partners, Owners and Managers of Appraisal Management Companies, requires their compliance with character standards, requires criminal background check and disclosure of licensing and agency disciplinary history, and requires their compliance with the Uniform Standards of Professional Appraisal Practice and Florida Statutes
- Establishes Appraiser Independence Standards
- Prohibits alteration of Appraisal Reports by Appraisal Management Companies
- Establishes record keeping requirements for Appraisal Management Companies
- Establishes a maximum fine of \$25,000 for violations of laws or rules by Appraisal Management Companies

Nominating Committee

Sandra K. Adomatis, SRA

The selection of a five-member nominating committee will be completed at the February 25th chapter meeting. This committee is charged with preparing a slate of nominees for positions of 2011 officers, directors and regional representatives of the West Coast Florida Chapter.

The current chapter president, Karen Goforth, MAI, will appoint one committee member and the Board of Directors will appoint one committee member to the nominating committee. The Chapter membership will nominate the remaining two members at the February 25th meeting. Due to recent changes to the national bylaws, chapter elections must now be completed each year by June 30th. Due to this change, the chapter elections will be held at the May 7th chapter meeting in Ft. Myers.

If you are interested in serving on this year's nominating committee, please contact the chapter office at (813) 935-4311 or send a email to wcoastfl@tampabay.rr.com.

Announcements.....Employment Opportunities

CONGRATULATIONS....Marilyn Hett, CRE, Associate Member, Tampa, received the FGCAR 2009 Committee Chair of the Year Award, from the Florida Gulf Coast Commercial Association of Realtors. She is a manager with the Hillsborough County Economic Development Department and Chair of the West Coast Florida Chapter's Public Relations Committee.

CONDOLENCES...to our Executive Director, Nancy Bachor, whose mother passed away on January 20, 2010.

JOB OPPORTUNITY.....Lee County. Well-established appraisal firm is expanding into Lee County seeks experienced, state certified residential appraiser. Coverage area may include Charlotte County. If you have not lived in or worked in the Lee County area for at least two years, please do not apply. Must be on the FHA roster. Must pay to join our E&O insurance policy. Must be self-motivated, have high standards and ethics. Full or part-time fee-split positions available. Must be familiar with Alamo/Wintotal software. Prefer someone who can work from his or her home office, but office space can be accommodated. In addition, must be able to meet very quick deadlines for AMC's. Please email resume and references to debiedietz@allianceappraisalflorida.com or fax to (941) 330-1949. Check out our website at: www.allianceappraisalflorida.com

Approved Program List for 1.25 Hours of Appraisal Institute Continuing Education Credit Practicing designated members with cycles beginning 01/01/2006 will receive 1.25 hours of AI credit for any Appraisal Institute course or seminar that is included on the [Approved Program List](#). Several courses and seminars being held by the **West Coast Florida Chapter** in 2010 are approved for the additional 1.25 hours. They are as follows:

- Advanced Sales Comparison & Cost Approaches (April)
- Advanced Income Capitalization (August)
- Litigation Appraising (April)
- Appraiser as an Expert Witness (May)
- Appraising Distressed Commercial Real Estate: Here We Go Again (February)
- Residential Design: The Makings of a Good House (July)
- Real Estate Finance (September)
- Uniform Appraisal Standards for Federal Land Acquisitions (June)
- Forecasting Revenue (September)
- Office Building Valuation (November)

[Sign up Today!](#)

Membership Development & Retention

J. Bruce Cumming, Jr., Chairman

I would like to welcome all new associate members to the West Coast Florida Chapter of the Appraisal Institute (as well as the “old timers”). In addition I would like to encourage all members to attend the February 25, 2010 chapter meeting at the Rusty Pelican Restaurant in Tampa. Major (and all too unused) benefits of Appraisal Institute membership are the networking opportunities available from attending chapter meetings, courses, and seminars as well as taking on leadership roles within the chapter, region (we are in Region X which includes five Florida chapters plus Puerto Rico), and nation. Key areas of involvement that foster professional growth are government relations, public relations, and membership development.

The real estate valuation field is subject to regulation from both the federal and state levels. These regulations often grow out of either the challenges or perceived opportunities of the financial markets. During boom times, the need for quality, objective real estate analysis is often overlooked or manipulated. During the inevitable bust, real estate valuation (our reports) and real estate analysts are often under much greater scrutiny at many levels. Active **government relations** and involvement in the political process are among our best defenses for advocating quality professional service based upon solid market research and analysis as well as professional communication with the client. I would encourage you to become involved with the chapter’s government relations committee!

Another area of chapter leadership that is relevant to your career environment, professional development, and income is **public relations**. Marketing and public relations are important in many fields and remain an often overlooked area by too many real estate analysts. On the residential side consumers need to be educated that a quality real estate valuation based upon sound market research and the professional application of analytical methodology and techniques protects the consumer from overpaying for properties. This is particularly so during boom times when valuations tend to rise above long-term trend lines and “sophisticated” financial “products” often enable buyers to buy more than they can reasonably afford. I have read many economic and financial articles of late that echo that valuations of assets have a strong tendency to revert to the mean (value trend line) over time, often overcorrecting as they were once over expansionary. Most of the above commentary has to do with what I call “external” (to the profession) public relations. The other area of chapter public relations is what I call “internal” (within the profession) and involves expanding the membership base (and active involvement) of real estate analysts within the Appraisal Institute. Public relations is closely related to marketing and most real estate valuation & consulting practices could always use a good marketer. I would encourage you to become involved with the chapter’s public relations committee.

The third key area of chapter leadership involvement is **membership development and retention**. It is an outgrowth of what I call “internal” public relations with the real estate valuation community, encouraging non-AI appraisers to join the organization and existing AI members to become more actively involved in the Appraisal Institute. I have been doing substantial research of late in the mid-chapter (Sarasota, Manatee, and Charlotte) area of the West Coast Florida Chapter. I have identified and talked with representatives from some of the firms in that market to see if we can’t generate more involvement from that geographical area. Unfortunately no “silver bullet” has materialized. If you have an interest in membership development and retention in any area of the chapter, or at any level (associate/designated), please feel free to contact Bruce Cumming at re-analyst121071@gmail.com.

Want to Become a Member? [JOIN TODAY](#)

Top Benefits of Membership in the Appraisal Institute

Join the Appraisal Institute

As rapidly as the profession is changing, appraisers today need to prepare for the future. But it's tough to keep up on your own. With the Appraisal Institute, your membership opens the door for you to share in the collective wisdom and experience of 25,000 members who are working together to build a stronger future for the profession.

Already an Appraisal Institute Member?

Pay your dues online and continue enjoying our vast array of member benefits, including significant discounts on classes and publications. **Renew your membership by March 31st to avoid late fees.**

Top Benefits

- Annual dues (includes both national and chapter) of only \$310.00.
- Join by 2/12/10 and receive a copy of the 2010-2011 USPAP (\$75 value), the new *Dictionary of Real Estate Appraisal, 5th Ed* (\$85 value) and a leather Appraisal Institute jump drive (\$25 value).
- Discounts up to 28 percent on the highest quality education available, with instruction by highly skilled faculty.
- Savings of 20 percent on all new books from the world's largest publisher of appraisal literature - The Appraisal Institute.
- Free subscriptions to the Appraisal Journal and Valuation.
- Premier research services at no charge through the Lum Library (value up to \$25 per search).
- Free guidance on professional practice issues through the Appraisal Institute's Ethics & Counseling Hotline.
- Group plans available for professional liability (E & O) insurance, term life, disability, dental, professional over head expense coverage.

Visit the national website for more information - www.appraisalinstitute.org/membership/NewMemberBundle.aspx or call 888-7JOINAI (888-756-4624).

FREAB General Meetings 2010

March 29 - 30 (Monday & Tuesday)

June 7 - 8 (Monday & Tuesday)

August 2 - 3 (Monday & Tuesday)

October 11 - 12 (Monday & Tuesday)

December 6 - 7 (Monday & Tuesday)

All meetings are held at the Real Estate Appraisal Board in Orlando unless stated otherwise. Contact JoEllen Peacock to register at joellen.peacock@dbpr.state.fl.us.

61J1-4.003 - Continuing Education: A licensee or certificate holder may earn five (5) classroom hours by attending an entire meeting where the Board considers disciplinary cases, for a maximum of seven of the required thirty (30) hours.

1st Quarter Chapter Meeting

Mark Your Calendar for the Next Chapter Membership Meeting & 3-Hour Seminar: Cool Tools

February 25, 2010

Rusty Pelican Restaurant, Tampa

Lunch Meeting and Installation of 2010 Officers, Directors and Regional Representatives

International Valuation Committee - The Appraisal Foundation

By J. Bruce Cumming, Jr., Vice Chairman, Global Education Research Initiative

In early 2009, I was recruited by Steve Williams, MAI, FRICS, chairman, Global Education Research Initiative (GERI) of the International Valuation Committee (IVC), <http://www.appraisalfoundation.org/>, to serve on his subcommittee based upon my work on university relations since late 2003. Steve is the global advisor for global information provider, Real Capital Analytics, <http://www.rcanalytics.com/>, and is a past president of the Royal Institution of Chartered Surveyors (RICS), <http://www.ricsamericas.org/> (Some of you may remember Steve when he was a managing director in the Tampa office of Pardue, Heid, Church, Smith & Waller from 1991 to 1994. Steve recently relocated from Raleigh, North Carolina back to Jacksonville, Florida last fall).

At the recent meeting of The Appraisal Foundation at Omni Orlando Resort at ChampionsGate from January 7th to 10th, 2010, directors and staff of The Appraisal Foundation, Appraisal Subcommittee, <https://www.asc.gov/>, as well as representatives from Puerto Rico, Canada, Columbia, Russia, Saudi Arabia, and Venezuela were present. The presidents and Chief Executive Officers of many of the world's valuation organizations were also present, including AI, AIC (Canada), the RICS, and UPAV (Latin America), the International Valuation Standards Committee (IVSC), <http://www.ivsc.org/>, WAVO (World Association of Valuation Organizations).

The chairman of the Appraisal Standards Board (ASB), Sandra Guilfoil, reported that the ASB was very receptive to becoming part of a global valuation community that wanted to harmonize global standards. She expressed disappointment that so many appraisers in the US were lacking college educations (nearly half were reported to have no university degree) and most were not affiliated with a professional association. USPAP, Guilfoil pointed out, has become more rules-based as opposed to principles-based in part to address this educational and professional association membership deficiency within the industry. Guilfoil added that too many residential appraisers were perceived to be "manufacturers" of reports and not analysts. The conflict of what is good for business versus the public trust was also debated. A new exposure draft (which, if approved, will be included in USPAP 2012) is online. It was also noted that many appraisers don't review the exposure drafts, but complain only after implementation. Development of a communications rule and enhanced client communication is a major focus. Guilfoil's report concluded that the ASB will continue to work on a broader acceptance, use, and understanding of USPAP.

The chairman of the Appraiser Qualifications Board (AOB), Brooksville resident Gary Taylor, MAI, SRA, reported on the new national examination and indicated that the first-time pass rate was in the mid-50% range. The exam is based upon the new 300-hour education requirement. Many of those examinees only have 180 hours and have been having difficulty passing the new exam. A key point of discussion was the four-year university degree requirement and the calibration of degrees from foreign universities. Background checks are also being discussed as an AOB requirement.

Valuation for Financial Report (VFR) was discussed at length and both the AIO and the RICS continue to hold seminars on the latest VFR developments. Many MAIs (those with ten years or more of experience who are eligible) have applied for the MRICS professional designation to become part of the RICS global network that already does VFR work in other countries.

The International Valuation Standards Committee (IVSC) representative, Lee Hackett, CEO of American Appraisal Associates confirmed that the IVSC was keen to "harmonized" (another of the buzz word theme of the meeting) with national standards. The IVSC hoped to become recognized as the go-to international rule-setting body by the International Accounting Standards Board (IASB). It remained uncertain as to when the Financial Accounting Standards Board (FASB) would converge its US accounting standards with IASB, although Canada had set a date of 2011.

(Continued on Next Page)

(International Valuation Committee, continued)

It should be noted that while the US tends to use the term “appraiser,” globally the more common term is “valuer.” In terms of the global economy, some attendees thought that global market conditions would solidify in 2010 (with the US lagging behind). Emerging markets such as Latin American countries were generally perceived as being in a recovery phase with only Argentina lagging in Latin America.

So many residential areas of the US have been plagued by foreclosures, OREO, and short sales that in certain areas those transactions are setting the “market.” Builders were reported to have continuing concerns, with new construction remaining at a standstill in hard hit ‘bust’ areas. A further 18 to 24 months of distress remained the predominant consensus. A minority were of the opinion that the worst is yet to come based upon a second wave of residential mortgage rate resets (mostly Alt-As and Option ARMs) as well as the weakening commercial real estate market, particularly relative to LTVs and maturing loans extended during the boom. Extreme caution was the watchword for this group. The influx of many new real estate analysts, particularly residential appraisers, during the 2002 and 2007 boom with no experience in declining markets was also cited as a risk.

Automated Valuation Models (AVM) and Broker’s Price Opinions (BPOs) were also discussed with quality and reliability being major concerns, but no direction on the issue reaching consensus.

Leslie Sellers, MAI, SRA, president of the Appraisal Institute, made a point that over one million BPOs annually were used by lenders as collateral valuations, thus diluting the market for appraisals.

The question of a market value premium for green buildings arose. Does the added cost of “going green” translate into a green value premium? If so, how is this measured in market transactions? Builders and the US Department of Housing & Urban Development (HUD) also had concerns about this issue.

GERI reported that RICS is making a substantial investment over the next two years in researching the global real estate education environment. Real estate education providers, offering a mix of classroom and online education, ranged from proprietary schools to professional associations to community colleges and to universities.

The Appraisal Foundation Sponsoring Organizations Meeting North American Council of Appraisal Officers Meeting

J. Bruce Cumming, Jr., Vice Chairman, International Valuation Committee

The real estate valuation profession has a rather fractured professional base. Many appraisers do not belong to any professional association, and those who do, have many from which to choose. It was noted that real estate appraisers are not generally viewed as a true profession. The buzz words of “industry” versus “profession” and “shop (industry)” versus “practice, or office (profession),” or even “appraisers (US),” versus “valuer (global),” or “analyst (professional)” were thematically discussed. It was the general consensus that to be considered a “true” profession at least a four-year university degree should be required as an educational threshold. The Appraisal Foundation is also developing another board, Appraisal Practices Board (APB) and has a charter task force working in this area to try and increase professionalism among real estate analysts.

The ASB and AQB representatives also provided updates, as noted in the International Valuation Committee report. It was the general consensus that many of the state regulatory boards did not have adequate funding for proper enforcement. In these economically distressed times, appraisers were being taxed through licensing and not enough of their licensing taxes were being applied to the profession. In some cases, it was being siphoned-off to the general fund.

The implementation of International Financial Reporting Standards (IFRS) as it relates to Valuation for

(Continued on Next Page)

(Appraisal Foundation Sponsoring Organizations, continued)

Financial Reporting (VFR) standards was discussed in the wake of the current economic and financial challenges that most industrialized countries face. Will implementation be delayed until the next cycle? Real property valuation versus business valuation was also discussed. Accountants (CPAs) tend to view business valuation under their scope and generally do not recognize USPAP for business valuation. The business valuation issue is a professional conflict between two disciplines.

The high cost of delivering quality qualifying (QE) and continuing (CE) education was cited as well as classroom-based education versus online education and the financial impacts on local chapters and their viability. It was noted that classroom education provides revenue to local chapters while online education typically only provides revenue to the national association. It was noted that younger members tend to be higher users of online education and are less motivated in attaining professional designations than older members.

The graying of the profession and the large number of non-aligned appraisers were cited by all organizations as on-going problems for which solutions have not yet been found. Certainly a strong university relations program and associate member/designation candidacy programs would be good first steps.

Finding and encouraging professional association members to become active volunteers within their respective associations was also cited as a problem among all organizations at the NACAO meeting. No strategy or tactics emerged on this issue from the discussion, however.

The importance of real estate valuation profession government lobbying efforts was emphasized by many associations in attendance with the fractured nature of the profession noted since many appraisers are not members of any professional association and those real estate analysts who are members of professional associations have many to choose from, there is no "single voice" for the industry. The discussion of an "umbrella" organization, at least for some common goals (e.g., lobbying), appeared again.

Appraisal Management Companies (AMC) regulation was also discussed with no clear consensus.

It was the general consensus that there were too many appraisers, primarily on the residential side (from the boom period), which caused continued downward pressure on fees, and increased the difficulty of maintaining a truly professional stable of real estate analysts. How this impacts ultimate consumer protection and the soundness of the banking system and financial markets was not addressed.

World Association of Valuation Organizations (WAVO) stressed the importance of developing portable valuation credentials so that professionals could move more freely around the world.

The Appraisal Institute of Canada (AI Canada) reported that there was a decline in new appraisers and a transition in Canada from classroom to distance (online) education. AI Canada reported that they have worked closely with the University of British Columbia since 1998 on their educational delivery. In Canada, you must belong to a major professional association to work for a major bank.

For your information...

Appraisal Institute's Updated Dictionary Includes New Online Version..... A state-of-the-art reference work, "The Dictionary of Real Estate Appraisal," fifth edition, includes an online version for the first time, providing electronic access to all the book's terms and definitions in a convenient, user-friendly format. Using the online version, readers can search all the sections of the dictionary for a specific term, browse the lists of terms, and copy a definition from the online dictionary and paste directly into one's own document. For more information, go to www.appraisalinstitute.org/REdictionary or call 800-504-7408 between 8 A.M. - 5 P.M.

1st Quarter Meeting of the West Coast Florida Chapter Thursday, February 25, 2010 - Tampa, FL

Please join us for the next chapter luncheon meeting & installation!

Where: Rusty Pelican Restaurant

2425 N. Rocky Point Drive
Tampa, FL 33607
Phone: (813) 281-1943

Schedule: Seminar - 8:30 A.M. - 11:30 A.M. | Cool Tools (3 hours CE)
Meeting/Lunch - 11:30 A.M. - 1:00 P.M. | Installation of 2010 Officers

Guest Speakers:

- **R. Wayne Pugh, MAI** - State of the Appraisal Institute and installation of new officers, directors & region representatives
- **Lou Plasencia**, chairman & CEO of The Plasencia Group, Inc.

2010 Installation:

President	Karen Goforth, MAI
Vice President	Cliff Bowen, SRA
Secretary	David Lemonde, SRA
Treasurer	Richard Tobias, MAI

Directors	Joseph Ayo, MAI	Michael Colias, SRA
	Debra Dietz, SRA	Michael Jonas, MAI
	Jennifer Marshall, SRA	Ned Palmer, Associate
	Mary Patterson, SRA	Brad Saucier, Associate

Region X Representatives: Cliff Bowen, SRA; Kenneth Foltz, MAI; Woodman Herr, MAI; Mary Patterson, SRA; Dan Richardson, MAI; Patty Rottenberg; Curt Wheeler, MAI.

Reservations are required to attend - please join us and welcome our new Board Members!

To register online for seminar and/or lunch meeting:
www.appraisalinstitute.org/education/WestCoastFlorida.aspx

Registration Information

Name _____
Firm _____
Address _____
City _____ State _____ Zip _____
Email _____ License # _____
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Payment: Visa MasterCard Amex Check
Card # _____ Exp Date _____
I plan to attend: Seminar Meeting Both

Mtg Cost: \$25 Member | \$30 Nonmember
Seminar: \$95 Member | \$115 Nonmember

Mail or Fax Registration to:

West Coast Florida Chapter - AI
2803 W. Busch Boulevard, Suite 106
Tampa, FL 33618
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Questions? wcoastfl@tampabay.rr.com



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