

Southern NJ Chapter of the Appraisal Institute

January 2009 Edition

Reflections on the Year

By Lana Chiappetta, MAI, 2008 SNJAI President

As my term as the 2008 President of the Southern New Jersey Chapter comes to a close, I would like to thank you all for the honor of serving and for all of your support.



Many of you have given me suggestions and nuggets of wisdom which have been much appreciated. This year has given me the opportunity to forge new friendships within

our Chapter as well as on the Regional and National level. It has been wonderful to represent our Chapter at meetings where our reputation and accomplishments are recognized and our members are well respected throughout the Appraisal Institute.

Despite some strong challenges to our economy and in turn to our profession, the Chapter is thriving and has had a year full of accomplishments.

- In 2008, we welcomed 29 members. Currently, we have a total of 166 members, up from 100 members in 2004.
- Chapter member Gary Lombardi earned his SRA designation this year.
- Seminars at the Shore brought 2 days of CE to Trump Taj Mahal in Atlantic City. In its fourth year, the event brought new & familiar faces to the AC Boardwalk. Jim MacCrate and (chapter favorite!) Vince Dowling headlined this year's event. Over 80 people attended some or all of the two-day conference. Many people came from out of state, including Delaware, Maryland, Virginia, Pennsylvania, New York & Connecticut. It was another profitable year for the program, and has been so successful that we are already planning this year's event to be held in June.
- Dinner meetings have continued to be successful with an average attendance of about 60 (member and non-member.) We offered a total of 22 educational

Bonnie L. Longo, MAI, Editor; Lisa Weiss, Writer

opportunities which was attended by 614 students. This year, we tried a lunch meeting on the Battleship NJ, and found it to be very successful.

- Members found new opportunities to promote the chapter and the profession through career fairs! Jack Sheehan, Andrea Senatore, Mary Fox and I all attended various events in the tri-state area with presentations about the profession.
- Regional and National activity by our chapter members continues. In 2008, Ed Molinari, Bonnie Longo and Mary Fox served. In 2009 Ed, Bonnie and I look forward to National committee participation and Mary will continue her role as Region VI PR coordinator.
- Bonnie served as a Discussion Leader at the Leadership Development Advisory Council (LDAC). Jake Ramage was honored with the Ted Anglyn Outstanding First Year Participant Award, presented to the participant exhibiting outstanding participation in all 4 breakout sessions.

It takes a lot of individuals to help move our Chapter forward. I would like to thank the Officers and the Board of Directors for their time and interest in setting a strategy which will help our Chapter continue to prosper. I would like to thank Errett, my partner this year in leading the Chapter. As Education Chair, he has put together an outstanding array of dinner speakers and educational opportunities for our members. And of course, behind every good Chapter is an even better Executive Director. We are very fortunate to have an outstanding one in Lisa Weiss! Her energy, warmth and abilities have been just an invaluable asset to both me personally and to the Chapter as a whole. Thank you Lisa!

I am happy to pass the torch to Jack Sheehan who I know will do a great job this year as he shares his vision for the Chapter. I will continue my involvement with the Chapter and will also participate on the National Leadership Development and Training Committee which will have its inaugural meeting in Chicago in early February. And so in closing, I would like to just give you all my heartfelt "thank you" for a wonderful year!
(Photo: Lana and 2008 AI President Wayne Pugh, MAI.)

Presidential Message

By Jack Sheehan, MAI, 2009 SNJAI President

I am privileged to serve as this year's chapter president. Having been a board member in various capacities for the past five years, I have had the opportunity to work with five presidents and each one has placed their own individual stamp on this position. They have, however, had a common denominator which has been to provide the leadership to best serve our members. I intend to continue that legacy. Special thanks to last year's president, Lana Chiappetta, for all of her efforts in advancing our Chapter.



My fellow officers for 2009 are as follows:

Vice President: John Corbett

Secretary: Kristin Mansfield

Treasurer: Craig Black, SRA

Board Members include Pat Conover, MAI, Jerry McHale, MAI, Ed Molinari, SRA, Errett Vielehr, Andrea Senatore, and John T. Stone, MAI.

I look forward to working with this year's Officers and Board of Directors. I appreciate them setting aside time and energy for this endeavor. I also want to point out that in addition to Lana Chiappetta who will be Ex officio this year, four of our current board members (Craig Black, Ed Molinari, Jerry McHale, and Pat Conover) are past presidents of our chapter. I very much appreciate their continued service and the experience they bring to the board. As a small chapter we do not have the depth of membership of some of our larger neighboring chapters so continued leadership will, in many cases, have to be recycled. With this in mind I am extending an open invitation to our members to get involved in some capacity by joining a committee, writing an article for the newsletter, or attending a board meeting. You will find it to be personally rewarding.

I would also like to acknowledge the work of our Executive Director, Lisa Weiss, who brings continuity and experience to the day to day Chapter operations along with great enthusiasm for the job she does. Lisa began her career with us during my first year on the board so I have witnessed the positive impact she makes for our Chapter not just locally but on a national level.

The upcoming year will include some of the same and some new offerings. The popular and always well attended joint meeting with the tax assessors will be held in the spring. The Seminars at the Shore meeting, scheduled for June 1st and 2nd at the Taj Mahal in Atlantic City is in the

planning stages. Given the successful lunch meeting that was held aboard the USS New Jersey last year, another luncheon event at an interesting location is being planned. As this is a license recertification year, numerous courses will be offered throughout the year. We have also been approached by our neighboring chapters who would like to schedule a joint meeting which would include continuing education and networking, possibly including a baseball game to see the world champion Philadelphia Phillies.

Our regularly scheduled dinner meetings will include seminars providing continuing education. Relevant topics will be offered. Locating speakers for the dinners has proven to be one of the biggest challenges facing our Dinner Meeting and Education Committee. If any member can provide a speaker to present a topic, please let Lisa know so that she can direct it to the committee.

Finally, the upheaval in the global financial markets, which has rippled through all levels of our economy, will provide challenges and opportunities for the real estate appraisal profession this year. The Appraisal Institute has been diligently working in a leadership role for our profession. They are also introducing courses and seminars that address current conditions so that our members are well equipped to address these issues. The Appraisal Institute Government Relations Committee in Washington, DC has been assisting policy makers pertaining to matters of real estate and to our profession. We will attempt to have a member of that committee at one of our meetings to provide an update on what is occurring governmentally. Our chapter leadership will work diligently to insure that our members get maximum benefit from their Appraisal Institute membership.

Best wishes for a happy and healthy new year.

January Dinner Meeting Filled with Activity – DON'T MISS IT!!!

On Thursday, January 29th, the Chapter will host its first dinner meeting of the year at Auletto Caterers in Deptford. Beginning at 5pm, a cocktail hour – in the facility's amazing wine cellar with a fabulous assortment of hors d'oeuvres – will start the evening. A seated dinner begins at 6 pm. The program begins at 7, with the 2009 Installation of Officers.

The 2008 George Olasin award will be presented at this event to Robert M. Sapio, MAI, SRA. (See more on the award in the following article.)

The keynote speaker for the evening is the 2009 Appraisal Institute President Jim Amarin, MAI, SRA. His insight on Appraisal Institute's direction in 2009 should be an interesting and informative topic. Please plan to attend and bring a guest for a wonderful evening filled with fun,

entertainment and information that will lead us into a wonderful and successful 2009.

In the spirit of the season, the chapter will be collecting non-perishable food items to donate to local food banks. Bring your donations to the dinner, which will be put to immediate use in our communities.

Contact Lisa at 856-415-0281 for more information.

Robert Sapio to be Honored with Olasin Award

Robert M. Sapio, MAI, SRA, will be presented with the 2008 George Olasin award at the January holiday dinner. This special recognition is given to a chapter member who has given years of dedicated service to the chapter and exhibited a high standard of ethics and professionalism in their appraisal practice. Named after a longtime member, Sapio is the tenth recipient of the prestigious award.

Join us on January 29th to honor Mr. Sapio, and to congratulate him on a lifetime of accomplishments in the appraisal field.

Late Fall Dinner Meeting: 11/19

On Wednesday, November 19th, the Southern NJ Chapter of the Appraisal Institute held its final dinner meeting of the year at the Adelphia in Deptford. Over 40 appraisers attended the event, which included a seminar as well as a chapter membership meeting. The two-hour seminar, "State of the Commercial Real Estate Industry," was presented by real estate



advisor Jim Sheehan (pictured right) and NAI Mertz Vice-President Roy Kardon (pictured left.) Chapter dinner meetings (with seminars) are scheduled this year for April 14, June 16, September 9, and November 19. They are wonderful opportunities to learn current news and network with other appraisers.



Jake Ramage Featured in Valuation

For the second issue in a row, chapter member Jake Ramage is featured in *Valuation* magazine. The article, "Inspiring Value", focuses on "the next generation of appraisal leaders." The article begins on page 19; Jake's picture and segment can be found on page 20. The piece on Jake follows below. Congratulations, Jake, on your national recognition!

As baby boomers begin to retire and a leadership shortage looms on the horizon, the appraisal industry is working on ways to attract younger talent into the profession—and keep them there. In the following pages, *Valuation* profiles six young members—all 30 or younger—who exemplify the qualities of future leaders in the appraisal profession and demonstrate why the industry will be in good hands.

Jacob M. Ramage, Southern New Jersey Chapter

Jacob M. Ramage, 30, initially started his career in real estate as a licensed real estate broker specializing in residential property in Manhattan. This sparked an interest in him about how real estate was valued, which led him to research books and organizations to develop a better understanding of valuation. After gaining more knowledge about the appraisal industry, Ramage left the broker side of real estate in 2003 to pursue a career in appraising. He joined the Appraisal Institute in 2004 because he viewed the organization as the most respected property valuation organization and committed himself to obtaining the MAI designation.

After six dedicated years—including a one-year sabbatical from the industry to complete his MBA from Drexel University—Ramage is well on his way to earning the MAI designation. He has completed the education requirements, passed the comp exam, satisfied his experience hours, and is about 70% finished with his demo report. In addition to working on the MAI designation, Ramage has obtained Certified General Real Estate Appraiser licenses in Delaware, the District of Columbia, Mississippi, New Jersey, Pennsylvania and Virginia.

Understanding the fundamental principles behind valuing real estate is what intrigues him the most about the profession. "Understanding valuation [is] the backbone of most real estate decisions. This makes for better decision making," he says.

As a senior analyst at Ernst & Young in Philadelphia, Ramage provides valuation, buy-side and sell-side due diligence, market trend analysis & audit support work. Most of his assignments are in the United States, but he has done extensive work internationally, including valuations on every continent except Africa & Antarctica. Besides his professional responsibilities and his involvement with the Southern NJ Chapter, he also is an executive committee member and a vice chair of the Urban Land Institute of Philadelphia's Communications Committee.

Ramage was honored that his chapter selected him to participate in the 2008 LDAC this past April in Washington, D.C., where he received the 2008 Anglyn Outstanding Participant Award for his outstanding participation in all

four breakout sessions. “As a first-year participant, I was very excited to have the opportunity to meet other appraisers around the country and to lobby Capitol Hill regarding timely real estate appraisal issues,” he explains. (For more information on LDAC, visit www.appraisalinstitute.org/profession/events/LDAC.aspx.)

As real estate values continue to trend downward and credit markets tighten, Ramage sees this time as an opportunity for appraisers to focus on tax appeals. In addition, over the next five to 10 years, he firmly believes that designated appraisers will thrive and be more in demand. With increased requirements placed on appraisers—and more designated members entering into retirement—more designated appraisers will be needed in the coming years. Moreover, Ramage sees that the Appraisal Institute’s specialty courses provide appraisers with great opportunities to sharpen skills in specific area of valuation, making them more competitive and marketable.

Interested in serving your chapter on a committee in 2009? There are many ways to become active! Contact Lisa to volunteer your services. Thanks!



Past Presidents Ed Molinari, SRA (2002) and Mike Sapio, MAI (2004) at the November dinner meeting.

News Around AI ...

- ♣ Congratulations to a Friend of the Chapter; Anthony M. Graziano (of the Metro NJ Chapter) obtained his MAI designation, and was presented with his certificate on December 11th at their Holiday Installation Dinner.
- ♣ On Tuesday, December 23rd, the Federal Housing Finance Agency, Fannie Mae, Freddie Mac, and the Office of the New York Attorney General released a revised version of the Home Valuation Code of Conduct (now known as the "Appraisal Code"). The revised Code has an

implementation date of May 1, 2009, and can be found through the following link:

http://www.freddiemac.com/singlefamily/pdf/122308_valuationcodeofconduct.pdf.

While there are many sound & positive elements to the revised Code, AI continues to have concerns about the long-term impact on appraisal quality, and the appraisal profession as a whole – in particular, about the proscribed business arrangements with lenders and appraisal management companies. This model funds appraisal management functions on the backs of real estate appraisers, instead of those individuals for whom the services actually are being performed – lenders. There are several other issues that will require clarification & strengthening by Congress as it considers comprehensive appraisal reform legislation, legislation that AI is actively helping to develop. More on this as it develops.

♣ In a mortgagee letter issued in December 2008, the U.S. Department of Housing & Urban Development revised the eligibility requirements for appraisers to qualify for placement & retention on the Federal Housing Administration Appraiser Roster. Commencing 10/1/09, all FHA-approved lenders will be required to use state certified appraisers for FHA-insured mortgages. This follows action taken in October to accept new applications for placement on the FHA Appraiser Roster only from certified appraisers. The Mortgagee Letter (08-39) implements provisions enacted by Congress last year in the Housing and Economic Recovery Act (H.R. 3221). In the Mortgage Letter, the October 1, 2009, allowance for licensed appraisers to upgrade their credentials uses suggestions made by the Appraisal Institute in October. The AI, along with the ASA, ASFMRA, and NAIFA, strongly urged the FHA to grant a reasonable period of time for appraisers to obtain certification. The FHA has temporarily sidestepped the issue of verifiable education for FHA appraisers by classifying the Appraisal Foundation as a “nationally recognized professional appraisal organization” within the meaning of the law, despite it not being classified as such under IRS tax rules. It further determined that appraisers meeting AQB requirements, as required by the FHA Appraiser Roster regulations, as having “demonstrated verifiable education in the appraisal requirements established by FHA” under the new law. The problem here is that AQB requirements do not specifically address FHA appraisal requirements found in 4150.2 or in Appendix D. Finally, FHA announced that it would publish a notice in the Federal Register inviting public comment on additional nationally recognized professional appraisal organizations that it should consider as meeting the new statutory requirements. The Appraisal Institute Government

Relations Committee is reviewing the Mortgagee Letter and intends to issue a response to the appropriate parties. All FHA Mortgagee Letters, including Mortgagee Letter 08-39, can be found on the FHA Web site at

www.hud.gov/offices/adm/hudclips/letters/mortgagee/.

♣ Included in the Appraisal Standards Board's second Exposure Draft on Revisions to the 2010-2011 edition of the *Uniform Standards of Professional Appraisal Practice*: definition of a signature, definition of Jurisdictional Exception and the Jurisdictional Exception Rule, the Ethics Rule, the Competency Rule, Standard 3, Appraisal Review, Development and Reporting. Comments will also be accepted at the ASB's next public meeting on January 23 in Fort Lauderdale, Fla. Any questions on the Exposure Draft or the work of the ASB can be directed to Carrie Composto at carrie@appraisalfoundation.org.

♣ The Appraisal Institute's diversity committee will review its first round of applications for our Minority and Women Regional Scholarship SOON! Apply now because funding for scholarships will be exhausted early! The Minority and Women's Regional Scholarship is for minority or women associate members who are taking AI courses toward a designation. For more, visit the scholarships page under the Education tab on the AI Web site. Send any questions to Hillary Richmond at hrichmond@appraisalinstitute.org.

♣ AI's Board of Directors is encouraging members to take part in a variety of important research studies being conducted by the Strategic Planning & Research Department in 2009. Many will be online survey questionnaires, others will be focus groups, and some will be panel discussions. The Board explained that they need input from a broad spectrum of members on many important issues and topics. Please be on the lookout for future survey and research announcements from the Appraisal Institute, and take part in them. E-mail announcements will include a unique subject line, which will read "AI Research Study #0000," wherein the four-digit number will indicate the research topic number. If you have not participated in previous research efforts, you are encourage you to take part in future studies and help AI to become a more effective learning organization.

♣ If you are a AI member and not using the Lum Library, WHY NOT!?. You'll be amazed at the information available; it's a great member benefit! To access the catalog, visit:

www.appraisalinstitute.org/profession/lumlibrary.aspx.

Regional Meeting News

The next Regional Meeting is scheduled for Friday, April 17th and Saturday, April 18th at the Heritage Hills Golf Club

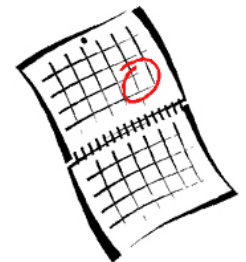
and Resort Center in York. A block of rooms will be available at a cost of \$149+ taxes.

Region VI is excited to work with Debra Miller, Region VI's new Executive Director in arranging the conference. Contact Debra at Rgn6execdirector@verizon.net. Debra is also Executive Director for Metro New Jersey Chapter and serves as the 2009 national chair of the Chapter Executive Services Committee.

The York, Pennsylvania meeting is sponsored by the Central Pennsylvania Chapter. York is a central location that will benefit many members of our regional committee. Region VI looks forward to hosting the York meeting with Central PA Chapter President Gary E. Heiland, II, MAI, Past President and current Regional Education Liaison, Eric Lehmayr, MAI and Executive Director, Tracy Matroni. Region VI Directors eagerly anticipate working with you at the regional level and representing you at the national level during 2009.

SNJAI Event Calendar

2009 is a recertification year. Plan on how you are going to get your CE credits. On-line registration will be up for all published seminars by 2/1. More seminars are being scheduled as this newsletter goes to print. Also being scheduled is the licensing package for beginner appraisers. (This includes Basic Appraisal Principles & Procedures and the 15-hour USPAP course.) Look for those dates in the next issue. We hope to see you soon!



Chapter Holiday Dinner, Installation of Officers, George Olasin Award Presentation: Thursday, January 29, at Auletto's Catering, Deptford

Chapter Dinner Meetings: April 14, June 16, September 9, November 19

Appraisal Challenges: Declining Market & Sales Concessions: Wed., March 25 at Adelphia, Deptford

New Residential Market Conditions Form: Wednesday, April 1, at Adelphia, Deptford (3-hour seminar)

Seminars at the Shore: June 1 & 2 at Trump Taj Mahal on the Atlantic City Boardwalk

7-hour USPAP: Friday, June 5 at Adelphia, Deptford

PA Regs seminar: Friday, June 19 at Adelphia, Deptford

Business Practices and Ethics: Friday, December 4 at Adelphia, Deptford

7-hour USPAP: Friday, December 11 at Adelphia, Deptford

Seminars at the Shore 2009
Mark your calendars; Tell a friend!
June 1st & 2nd
Trump Taj Mahal, Atlantic City
Seminars/Presenters Announced Soon!!!

Welcome New Members!



Since October, four people have become members in our chapter. Our chapter currently

has a membership of 166. We proudly welcome them!

Paul Cortland
David Medve
Robert Parmley, SRA (secondary chapter)
Craig Bickel (transferred into chapter)

We also take this time to note that Pat McIlhinney, MAI, SRA, membership within our chapter has changed from secondary to primary. Welcome home!

Happy New Year!!!

2009 OFFICERS AND DIRECTORS

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