

Southern NJ Chapter of the Appraisal Institute

May 2009 Edition

A Message from the President: Region VI Spring Meeting Report By Jack Sheehan, MAI



The Region VI meeting was held April 17th & 18th at the Heritage Hills Conference Center in York, PA. I attended the Chapter Education Meeting, Chapter Leadership Meeting, and Regional Meeting.

In the Chapter Education Meeting, the representatives discussed the various courses and seminars they have presented and also plan to present this year. I observed two principle types of results with some chapters having difficulty with their attendance and having to cancel courses and other chapters doing pretty well this year. Fortunately, our chapter falls into the latter category. Year to date, our courses and seminars have been well attended. This is attributable to our offerings, member support, the easily accessible venue at the Adelphia, and the fact this is a recertification year. I do want to express my appreciation to our members for supporting our courses and seminars which are our main revenue source. (Don't forget our Seminars at the Shore, June 1st & 2nd) Other discussion points at the education meeting included;

- ▶ More chapters are offering seminars, in addition to courses, as they are profitable to chapters. There was discussion about scheduling dates so that chapters aren't offering the same programs at the same time.

- ▶ All the chapters are feeling the effects of the online courses offered by the Appraisal Institute in terms of erosion in attendance. The Appraisal Institute has been studying this situation and is supposed to present a revenue sharing plan shortly.

The Chapter Leadership Meeting involved some housekeeping items in terms of insuring chapters meet the minimum requirements & filing deadlines of the AI. There was a roundtable discussion between the various chapters leadership. Some points of interest included:

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

- ▶ Many chapters report some difficulty in attracting members to dinner or lunch meetings. They also do not offer continuing education as part of these meetings.

- ▶ One of the smaller chapters in the region is having difficulty in getting members to participate in their chapter leadership positions and may have to merge with a neighboring chapter. (Note that our Chapter's Nominating Committee is currently seeking members for Officer and Board positions for 2010)

That evening's dinner speaker was Bill Garber; the Appraisal Institute's Director of Government Affairs located in Washington, DC. Bill addressed the relevant government and legislative issues that his office is involved in which affect our profession. The discussion included H.R. 1728, the Mortgage Reform and Anti-Predatory Lending Act of 2009 which includes many favorable provisions involving the appraisal profession. This was being prepared for a congressional vote on May 7th. Bill indicated that with the restructuring of the financial markets and the banking industry, they are extremely busy making sure our industry and our organization has a seat at the table during this process. Of note, our National President, Jim Amorin, MAI, SRA has testified twice this year to Congressional Committees in Washington, DC.

The Regional Meeting on Saturday covered many topics. Here is a quick synopsis:

- ▶ Nationally, overall membership is growing. As of 12/31/08, there were 25,800 members – an increase of 3,913 members. There were 732 new MAI's and 146 new SRA's in 2008.

- ▶ Nationally, education income was down in 2008. (Most chapter's indicated the same locally)

- ▶ There were no major issues pertaining to the 45 day notices which involved modifying the terms of National Board members to improve continuity and also changes to readmission requirements for former designated member who voluntarily left the organization. This does not apply to members suspended due to disciplinary action.

- ▶ Kyle Hernandez, our Chapter Services Rep, reviewed current programs and member benefits (See Featured

Member Benefit in this newsletter.) There have been some recent additions which can be reviewed on the AI website.

- ▶ Review of candidates for 2010 National Vice President (Ed Molinari is on the nominating committee)
- ▶ Online education and revenue sharing will be discussed at the National Board Meeting in May.

What I took from this meeting was that even though we are not one of the larger chapters in our region, we are more than holding our own. One of the main reasons is the active support of our Chapter by our members all striving toward the common goal to educate and to lead the appraisal profession. Based on my discussions with the Regional Representatives and members of other Chapters, I can report that our Chapter is well respected in the region. Other members of the Southern New Jersey Chapter participating in the Regional Meeting were our Regional Rep Tim Sheehan, along with Ed Molinari, Mary Fox, and Lana Chiappetta. Thanks to all involved.

Ramage Attends LDAC Conference

For the second year, Jake Ramage attended the LDAC conference on behalf of the chapter. Last year, he won the prestigious Anglyn Outstanding Participant Award. This year, he was selected to be a 2010 Discussion Leader – 3rd year alternate. His report on this year's event follows.

I am very appreciative to have been chosen to participant in the Leadership Development Advisory Council ("LDAC"), which took place April 29th through May 1st in Washington, DC. The conference was held at the Washington Court Hotel in Washington, D.C. As a second-year participant, it was great to see all the other appraisers from last year, to have the opportunity to meet new appraisers around the country, and to lobby Capitol Hill regarding timely real estate appraisal issues. LDAC is an Appraisal Institute leadership conference that has served as a source of leadership and as an inspiration for new program ideas for the Appraisal Institute for over 30 years. Through a series of roundtable discussions, LDAC provides a forum where ideas and opinions of targeted topics of concern in the appraisal profession are exchanged. The ideas are then taken to the Board of Directors for review. A good portion of LDAC is complete brainstorming regarding specific topics. Each year, four topics are selected for discussion. The topics chosen represent important issues facing our members and recommended by the LDAC applicants, Appraisal Institute committees and project teams, and our national leadership. The four topics this year are summarized below:

- "Its just business... Diversification within the Appraisal Institute" with Juan C. De Jesus, SRA (Puerto Rico &

Caribbean Chapter) as Discussion Leader. My group discussed if the Appraisal Institute should offer courses in business valuation, and machinery and capital equipment valuation. This topic drew a lot of interest from everyone in the room. The recommendations for the Appraisal Institute were to proceed slowly with offering a couple of courses and to provide resources (books, websites, etc.) for its members so that they can learn more about these subjects through self educating. The group thought that the Appraisal Institute should proceed cautiously so it doesn't damage the MAI and SRA designations.

- "Appraisal Institute Benefits: What Do Members Really Want" with Mark Verrett, SRA (Houston Chapter) as Discussion Leader. My group discussed the AI member benefits that it currently provides and what they could offer in the future. The group made the recommendation that offering CoStar, REIS, Real Capital Analytics, etc. at a discounted pricing would be an added benefit to the membership. In addition, offering the USPAP course for free to members was seen as a benefit. The most interesting recommendation was the creation of webinar seminars to the membership and webinars that could be sent to clients. The group all agreed that the utilization of technology would be great benefit for multiple reasons.

- "Keeping Appraisal Institute Alive – Flexibility, Change, and Survival" with Nancy D. Gossett, MAI, SRA (Virginia Chapter) as Discussion Leader. This group addressed



Jake Ramage (back center) is pictured with Congressman's Paul Kanjorski's Legislative Director, Todd Harper (left). The Congressman and Todd have been working with the AI on HR 1728 for eight years. Todd wrote HR 1728, which the House passed on May 7th. The Appraisal Institute was a big supporter to this Bill along with providing Todd language to put into the Bill. Also pictured are Philadelphia Metro member Louise Jeffers, SRA, and AI Director of Government Relations Bill Garber.

MANY issues in a short amount of time. The discussion leader initially stated that 40% of the membership is 60 years or older, and that the AI lost \$1.7 million in 2008. The main topic in this discussion was to find out how the AI can help increase the number of qualified appraisers as members. The main recommendations were the following: a) provide those members that do not have college education the opportunity to be grandfathered from not having a college degree, but to make it a requirement for future candidates of the MAI designation; b) AI should work with an online education provider, like University of Phoenix, to administrate AI courses and to provide college level courses credit upon completion; and c) The group mentioned the MAI demonstration report was their last & hardest hurdle to obtaining designation. Thus, they suggested that AI should incorporate deadlines to candidates to push them to complete the MAI demo report.

- "Improving Our Profession from the Ground Up / Mentoring – Trainee Oversight" with Dennis W. Kay, SRA (Alabama Chapter) as Discussion Leader. This discussion group discussed how AI members can help the organization stay strong for years to come. The recommendation developed by the group was to have a mentoring problem setup with state appraisal boards that provided appraisers that have been reprimanded. AI members could provide guidance & coaching and to help them learn from their mistakes or misunderstanding.

We lobbied Capitol Hill with issues on predatory lending, mortgage reform & the real estate foreclosure situation. We helped educate our legislators about the important elements of these topics. I really enjoyed lobbying Capitol Hill with my teammates Richard Wolf, MAI, Louise Jeffers, SRA, and Robert Lagreca, SRA, all from the Phila. Chapter.

I would like to say thank you to the Southern NJ Chapter for sponsoring me again to go to LDAC. It was an amazing experience to meet other appraisers around the country, to participant in lobbying Capitol Hill and to share ideas on how to make the Appraisal Institute a better organization.

U.S. House Passes Favorable Appraiser Legislation

As Jake Ramage mentioned in his LDAC report, on May 7th the U.S. House of Representatives passed the Mortgage Reform and Anti-Predatory Lending Act of 2009. Included in this bill are many favorable provisions for the appraisal profession, amongst other things:

- Requirements for complete interior inspection appraisals for all subprime loans;
- Establishment of a federal appraisal independence standard with significant monetary penalties for violations;

- Modernizing provisions of Title XI of FIRREA to provide additional resources for state enforcement and greater accountability of federal and state appraisal regulators;
- Required separation and clear disclosure of fees paid to appraisers and fees paid for appraisal administration;
- Limitations on the use of broker price opinions in loan origination; and
- Registration requirements, and a regulatory framework, for Appraisal Management Companies, with mechanisms to prohibit infiltration by appraisers sanctioned by state regulatory agencies.

The bill will now be referred to the U.S. Senate Banking Committee where the timetable for its consideration has not yet been determined.

Dinner Meeting Notes ...



On 4/21, the chapter held the annual meeting with the AMANJ; over 80 attended this well-received event. Topics were: "Appraisers & Assessors Working

Together" (presented by Tom Colavecchio, Tom Davis, SRA, Ed Molinari, SRA, & Mike Sapio, MAI), and "Economic Effects on Financing & Underwriting Commercial Loans" (presented by Bruce Coin, pictured). Dinner speaker was The Honorable Patrick D'Almeida. (Also pictured: Eileen Lynn, MAI, & Tom Reynolds, SRPA, attending dinner.)



Looking for the professional education and connections that will help you with your international valuation assignments? Join us for the International Valuation Congress in scenic Cancún, Mexico, from November 11-13. Visit www.ai-snj.org for more on this great event!

New Jersey Enacts Appraiser Independence Law

On May 4, New Jersey Gov. Jon Corzine signed the NJ Residential Mortgage Lending Act into law. Enactment of the bill, A.B. 3816, will bring New Jersey into compliance with the federal Secure and Fair Enforcement for Mortgage

Lending Act of 2008. The primary objective of A.B. 3816 is to enact a licensing program for mortgage loan originators which includes education, examination, experience and financial requirements. Included in the bill is a provision that will make it illegal for a mortgage loan originator to, in connection with a mortgage loan, inappropriately influence, or attempt to influence, an appraiser's judgment with respect to the value of property. New Jersey becomes the 26th state to enacting appraiser independence provisions, either as standalone provisions, or as part of their SAFE Act statutes. View a copy of the new law:

www.njleg.state.nj.us/2008/Bills/A4000/3816_I1.PDF

2010 SNJAI Officers/Directors Nominations Being Sought

The Nominating Committee is seeking names of members who are interested in serving on the Chapter's 2010 Board of Directors or as a Chapter Officer. If you are interested in serving or would like to recommend an individual, contact one of the members of the nominating committee listed below.

Lana Chiappetta, MAI 609-714 7402

lane@aspengroup.com

David Curley, SRA ♦ 856-866-5509 ♦ dcurley01@comcast.net

Michael D. Jones, MAI ♦ 609-463-4622 ♦ mdimai@aol.com

William Kennedy, MAI 856-787-7763

william.kennedy@nj.usda.gov

Michael S. Sapio, MAI 856-933-1272

northstarappraisal@msn.com

If you prefer, fax your recommendation to Committee Chair Lana Chiappetta at 609-784-7899. The committee must receive all recommendations by 5/21/09. A slate of officers and directors will be prepared by the nominating committee, and the chapter members will be notified of the slate on 6/1. Elections will be held through June 26th. If there are any questions on the election process, contact Lana.

Seminars at the Shore Return for 5th Year

The Southern NJ Chapter of the Appraisal Institute will hold its' fifth annual **Seminars at the Shore** on June 1 and 2 at the Trump Taj Mahal on the historic Atlantic City Boardwalk. Don't miss it; it is going to be a good one!

The two day conference includes 4 half-day seminars, presented by leaders in their respective fields. Monday morning's seminar, *Green Technology & Real Estate*, is presented by U.S. Green Building Council representatives Phil Dordai, AIA, LEEDap, and William Lashbrook III. The U.S. Green Building Council is a non-profit community of leaders working to make green buildings available to everyone within a generation. The seminar summary is as follows: What

exactly are the criteria for defining a building as "green"? What are the economics and benefits of green construction or retrofit? And how can one determine whether a particular building or site is suitable for sustainable green design? This program will address these questions & provide a fundamental understanding of the sustainable green building, the role of LEED (Leadership in Energy and Environmental Design), and how to approach a potential green building project. This includes construction techniques, designs, materials, systems, etc., relating to residential & commercial real estate. Examples will be presented, as well as case studies & projects. There will be a detailed description of construction cost & energy cost savings for Green Buildings vs. buildings with typical energy sources. Ample time will be spent addressing issues appraisers need to consider when appraising Green buildings (Residential and Commercial.)

The rest of the seminars are presented by Ted Whitmer, MAI, CCIM. Returning for his third appearance at this event, Ted always fills the room with insight & energy. Whitmer is an appraiser, attorney, instructor, author, investor, asset manager, & consultant. Mr. Whitmer holds the MAI designation from the Appraisal Institute, is a member of the State Bar of Texas, a broker & the author of [The Comprehensive Appraisal Workshop, Maximizing the Value of an Appraisal Practice](#), among others. He previously served on the Texas Appraiser & Licensing Board, and currently serves on the Texas Comptroller's Advisory Board. He has taught many courses & seminars at Texas A&M University, Stephen F. Austin State University and the Univ. of Houston. He received his BA from Stephen F. Austin St. University, a MBA from Texas A&M University, and a JD from the University of Houston. Whitmer's seminars are as follows: Monday afternoon: *Appraising in 2009*. Tuesday morning: *Appraisal Tools Tune-Up*. Tuesday afternoon: *Appraising the Appraisal Business*.

"Seminars at the Shore has offered quality, top-notch Continuing Education seminars to over 430 people from 13 states," said Chapter President Jack Sheehan, MAI. "Every year brings wonderful people together for great education and fabulous conversation." Discounted rooms are available at Trump Taj Mahal. Each day includes breakfast, lunch and afternoon snacks. "You get a lot of bang for your buck," added Sheehan. "Plus, two days on the Atlantic City boardwalk in the Spring always sounds good." This year, the chapter celebrates the fifth year of the beachside seminars by offering their lowest prices ever. Keeping today's economic climate in mind, the Chapter is happy to offer top notch seminars at rock bottom prices.

For more on these seminars and how to register, please visit www.ai-snj.org, or call Lisa at 856-415-0281.

Take Me Out to the Ballgame!

Members & guests of the Philadelphia Metro, Southern NJ and Delaware Chapters of the Appraisal Institute are invited to celebrate summer the best way possible: at Citizens Bank Park!

The Delaware Valley Appraisal Institute Meeting will be held Thursday, 6/18. The 2-hour



seminar is approved for CE credits with AI, NJ, PA & DE Boards of Real Estate Appraisal. Registration begins at 9:30 am; seminar starts at 10. After lunch, we'll head to our seats for the 1:05 game, when the World Champion Philadelphia Phillies take on the Toronto Blue Jays.

Bill Garber will deliver a presentation updating attendees on the legislative/regulatory & judicial activities. Garber is the Director of Government & External Relations for the Appraisal Institute. Bill has expertise in a range of real estate issues, including residential & commercial valuation, economic development and land use, and conservation and historic preservation issues. **This is a perfect seminar for today's changing appraisal climate – it's not to be missed!** Tickets are extremely limited and only a handful remains. Contact Lisa [NOW](#) to get your hands on a seat to this GREAT education opportunity!!!

Nat'l Nominating Committee Report

The following was submitted by Ed Molinari, SRA, who serves as a member of the Nat'l Nominating Committee

The Nominating Committee met via conference call in February. The 3 candidates being considered for the 2010 Vice President of the Appraisal Institute are: Sara Stevens, MAI, Ralph Griffin, MAI, and David Lennhoff, MAI, SRA. The committee received & considered nearly 100 letters of recommendations for the 3 candidates. Their bios and answers to our questionnaire are available for members to review on the AI web site. The committee will meet 5/12-13, interview the candidates, and offer a recommendation to the Board of Directors. The BOD will make a decision & announce the 2010 Vice President at the Fall meetings.

April was an amazing month for SNJAI! We offered 4 seminars (16 hrs) of education to 258 attendees! Is there a seminar you'd like the Chapter to offer? A meeting topic you'd like addressed? Offer your insight! Email Lisa!

ABA, AI Postpone, Update HVCC Telebriefing

A telebriefing on the Home Valuation Code of Conduct originally slated for Wednesday, May 6, was postponed to later in the spring in light of a number of still-evolving

developments surrounding implementation of the HVCC, according to co-presenter the American Bankers Association. The ABA is in the process of updating the program content in order to present attendees with the most comprehensive telephone briefing possible. For more, visit www.aba.com/teleweb/tb_calendar.

News Around SNJAI ...

♣ **FEATURED MEMBER BENEFIT!** The Appraisal Institute has developed self-promotion templates to help you promote your specialized knowledge and expertise to prospective clients and employers. This includes materials for designated & associate members! The cover letter/e-mail templates are in Word format so you can easily customize content and send. For more, visit https://www.appraisalinstitute.org/myappraisalinstitute/selfpromo_templates.aspx

♣ Are you looking for help for your business? Do you want to help your profession by training an apprentice? We have smart, hard-working people looking to make their way into the world of real estate appraisal employment. Could you help them as they start their career? For info, call Lisa at 856-415-0281 or email Lisamayweiss@hotmail.com.

♣ Welcome **Tom Reynolds, III, SRPA**, who became a SNJ secondary member. He's a past president with the Delaware chapter & now serves as a Region VI Director.

♣ **A MESSAGE FROM LISA WEISS, CHAPTER EXECUTIVE DIRECTOR** At the 4/21 dinner meeting, chapter president Jack Sheehan honored (and surprised!) me with recognition of my 5th anniversary with the chapter. I greatly appreciate all the wonderful things Jack said about me, and the overwhelming support I felt from those in attendance. I also would like to thank the chapter for the sweet card and generous gift certificate. I LOVE MY JOB, and it is an honor to serve such a wonderful group of people. Thanks for the pat on the back!!!

SNJAI Event Calendar

2009 is a recertification year. Plan on how you are going to get your CE credits. Still being scheduled for the late summer is the licensing package for beginner appraisers. (This includes Basic Appraisal Principles & Procedures and the 15-hour USPAP course.) See you soon!

Chapter Meetings: 6/18 (at the Phillies game), 9/9, 11/19
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: Fri., June 19 at Adelphia, Deptford

Business Practices & Ethics: Dec. 4 at Adelphia, Deptford

7-hour USPAP: Friday, Dec. 11 at Adelphia, Deptford

Welcome New Members

Since March, five people have become members in our chapter. Our chapter currently has a membership of 170.

We proudly welcome them!

Kimberly Keller
Joseph Whalen
Tatiana F. Myronowsky
Tom Reynolds, SRPA (secondary chapter)
Ned Sawyers



Also, **Helen Montagnaro** upgraded her membership from Affiliate to Associate. Congratulations, Helen!

*Think about serving your chapter on the Board of Directors.
See more on the nominations process in this newsletter.*

Seminars at the Shore 2009
June 1st & 2nd
Trump Taj Mahal, Atlantic City
2 days of CE credits with some of the best
instructors in the country. This annual
event always highlights the SNJAI year!
What a great way to work on your CE
credits (don't forget - it's a recert year!)

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