

Sacramento Sierra Chapter



APPRAISAL NEWS

& Review

Sacramento Sierra Chapter
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December 2007

PRESIDENT'S MESSAGE by Marshall Meager, MAI

It has been a distinct pleasure to serve this organization during the last four years. I have appreciated the opportunity to represent the Appraisal Institute and in particular, the Sacramento-Sierra Chapter. As President, I have had the opportunity to travel and attend meetings in Portland, Seattle, San Francisco, Lake Tahoe, Chicago and Las Vegas and to talk to members from all over the country.

I would like to say with some pride and no reservations that we have one of the finest Chapter organizations in the country. Our leadership, our membership and without a doubt our Executive Director, Emily--- make the difference.

I have enjoyed the friendships, the camaraderie and the opportunity to face challenges together. When I accepted this challenge I promised myself that I would enjoy this journey. I have struggled; I have associated with individuals far more capable than myself...But I have

learned more than I taught and I have received far more than I gave.

I express my gratefulness for this opportunity to serve - and invite any of you reading this newsletter to consider serving in our professional organization. My thanks go to Cydney Bender, for extending that opportunity to me some years ago. I know I looked like a "deer in the headlights" when I first began

this journey (the consensus now is that I look like "road kill"!)). I have enjoyed this experience ---- I have grown and I express my thanks to our membership for this opportunity.

I would like to recap a few highlights from this past year. Under the capable leadership of Dave Wraa, and the superior marketing abilities of Emily we offered 21 classes this year to 765 students. We balanced the needs of our membership with the realities of our budget offering Report Writing, and classes in Corning for our northern members.

Cont'd on page 2

INSIDE THIS ISSUE:

President's Message	1-2
Installation Dinner Photos	3
Fact or Fiction	4-5
2008 Education Schedule	6
Associate Member Dues	7
Comprehensive Exam Dates	7
Just an Opinion	8-9
Ag Pro Outlook 2008	10
2008 Barbeque Pictures	11
News from National	12-13
Welcome New Members	14
Job Announcements	15

2008 USPAP

Reminder – the updated USPAP (2008 edition) will be effective in January. Members of the Appraisal Institute can request a free copy on or after January 1, 2008 by going onto the AI website. (Note: If you request a "current copy" of the USPAP prior to January, you will receive the 2006 version unless you specify the edition you are interested in.) If you have questions regarding the 2008 USPAP or the Code of Ethics, e-mail at:

uspap@appraisalinstitute.org.

President's Message From Page 1

Frank Molinari, SRA developed a "Cram Exam" course to help prepare students for the state test. We sponsored an ABA Teleconference Event. We held a successful "Summer Conference" (the start of more good things to come!). We had another stellar Lake Tahoe event. As well as serving our members, the success of our educational offerings also helped our organization to operate within a balanced budget!

We sent three outstanding individuals to LDAC: Judd Cline, Brent Christerson and Chuck LaFlamme, MAI. Judd has completed 3 years in this role and served as a Discussion Leader this year, with Brent being selected as a Discussion Leader for next year. It is an honor to serve in this capacity and reflects the exceptional leadership in our Chapter.

2007 in Review

We started the year with a Leadership Retreat in January and laid out goals for the year. We enjoyed an associate event at the Fox & Hound led by Judd, Michelle and Lance Jordan. We sent only our young and attractive leaders (banned old MAI's).

In July we attended the 75th Anniversary Celebrations in Las Vegas. This was the largest gathering of appraisers in the history of our profession. To commemorate we all received AI "pocket protectors" (a must have item for all appraisers!!!) We had an excellent group, including: Lance Jordan, Chuck LaFlamme, MAI, Judd Cline and David Wraa, MAI. Emily networked at the event - as only she can! We enjoyed the special anniversary dinners, classes, events, exhibitors, and of course lots of meetings, including multi-regional and regional. We all got to know our new CEO, Fred Grubbe, as well as other national leaders.

We enjoyed our 2nd wine tasting event and meeting hosted at Lance Jordin's office in Rockin, which was orchestrated by Michelle and her husband. Janet Holland, MAI received an award for 10 years of service to our chapter.

We enjoyed our 2nd annual BBQ at Royer Park in September. The event was well attended and it was great to see many of you with your families. Judd brought his extended family.

To kick the event into high gear, Smokey Stover, MAI and his lovely wife brought his antique engine and made home made ice cream. (I was "OK" - until someone suggested I try a 3^d serving with Root Beer!) I have it on good advice that Smokey will return with his famous ice cream machine next year - and we will be bringing on the ribs next time (YUM, YUM!!!)

Our chapter contacted National and arranged to have them help us with our Strategic Planning. This has involved a committee chaired by Chuck LaFlamme, MAI and Bill Duetsch, MAI tasked with laying out a plan for our Chapter for the next 3 years.

At our Installation Dinner we honored two individuals with a President's Award: Michelle Van de Pol, MAI for her contributions as head of Programs and her outstanding contributions to enhance our events; and, Vicki Briggs, MAI, who was recognized for over 10 years of service to our Chapter in a Special President's award (for service on the Board of Directors as well as Associate Guidance and Newsletter committees). Many thanks for these contributions!

None of these things would have happened without our leaders:

- Officers Lance Jordan, Steve Harrington and Richard Van Steenkiste
- Board members Judd Cline, Bill Deutsch, MAI, Christopher Ferguson, Chuck LaFlamme, MAI, Michelle Van De Pol, MAI and Robin Weck, MAI and
- Committee chairs Vicki Briggs and Kelly Underwood

Leadership of the Chapter has now been handed over to the very capable hands of Steve Harrington, MAI, Lance Jordan and Chuck LaFlamme, MAI. It is has been my pleasure to serve and I have confidence in the future of our organization on both a Chapter and National level.



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November 29, 2007 Installation Dinner Photos



A little Fiction and Fact from Chuck's Almanac

By Chuck LaFlamme, MAI



Well this is the last newsletter of the year, so I thought I would wrap up what transpired in the area of legislation and other matters. Your California State Government Relations Committee (CSGRC) had a good year in that we sponsored legislation and it was passed by both houses of the legislature and signed into law by the Governor. This may not be a first for the Committee - but it's a first for the time that I've been on it! I believe that it is rare for us to actually sponsor legislation, as we are a very small group in terms of numbers and therefore influence.

SB 223

The 800-pound gorillas in the real estate field are the California Association of Realtors (CAR) and the Mortgage Bankers Association (MBA). These two groups outnumber us by many more than ten to one and usually can easily override anything we would like to do. Our luck this year came in that mortgage fraud was a big issue in the mainstream media last year --therefore the call to action resonated with many legislators. When we talked this time, they listened, and the voices of CAR and the MBA were muted to a large degree. SB 223 was sponsored by Senator Machado. This law, which went into effect immediately after the signing by the Governor, states that:

"No person with an interest in a real estate transaction involving an appraisal shall improperly influence or attempt to improperly influence, through coercion, extortion, or bribery, the development, reporting, result, or review of a real estate appraisal sought in connection with a mortgage loan."

It further states that:

"If a person who violates this section is licensed under any state licensing law and the violation occurs within the course and scope of the person's duties as a licensee, the violation shall be deemed a violation of that state licensing law."

So, it is not a crime to improperly influence--but it IS a violation of their license. So if a Realtor tries to influence you as an appraiser you can lodge a complaint with the Department of Real Estate (DRE); if a mortgage Broker does the

same then a complaint can be lodged with the DRE, the Department of Finance (DFI) or the Department of Corporations (DOC). In the near term the OREA will have links on their website agencies that can receive complaints.

All appraisers must also realize however, that current law:

"prohibits a licensed appraiser from engaging in any appraisal activity in connection with the purchase, sale, or transfer of real property if his or her compensation is affected by the sales commission generated by the transaction for which the appraisal was made."

This new law changes the wording slightly ... *"No licensee shall engage in any appraisal activity in connection with the purchase, sale, transfer, financing, or development of real property if his or her compensation is dependent on or affected by the value conclusion generated by the appraisal."*

For us as appraisers it is a misdemeanor offense to engage in such activity. This was so before SB 223 --and remains so now. There was an argument to make it a criminal offense (there was trial lawyer support for that, as would be expected) for a Broker or lender to do the same, but that brought considerable opposition from CAR and the MBA.

The bottom line: *Although we did not get "improper influence" into the sphere of a criminal offense, we did get it recognized as an offense and one that is against the interest of public policy.* If it continues to be a problem in the future we now have a solid base upon which to which to raise the bar. For us, progress is measured in small steps but at least they are steps forward. There is legislation pending at the National level as well and we may see a few more steps forward in the future.

AB 709

AB 709 was sponsored by the American Society of Appraisers (ASA). It basically wanted to eliminate language in a bill that passed several years ago (AB 1701), a summary of which follows:

Fact and Fiction Cont'd page 5

Fact and Fiction from page 4

“Existing law authorizes various agencies to acquire land for purposes related to conservation. This bill would require an acquisition agency, as defined, prior to approving the acquisition of conservation land, as defined, where an agency proposes to spend more than \$25,000,000 of state funds, to contract for at least one independent appraisal of the fair market value of the land. The bill would require the independent appraisal to be conducted by a qualified member of the Appraisal Institute and reviewed by a qualified independent appraiser retained by the acquisition agency for this purpose.”

The Appraisal Institute did not sponsor this bill and, as far as I know, we were unaware of it. AB 709 would have required that rather than only a member of the Appraisal Institute be considered qualified ... *“any designated member of any appraisal organization that is a member of the Appraisal Foundation shall be allowed to submit a proposal if specified criteria are met.”*

The committee decided not to take a stand on the bill. Personally, I was opposed to it as it allowed any designated appraiser, whether one had a residential designation or a general designation, to bid on any proposed job. Fortunately, although the bill passed both the Assembly and the Senate the Governor vetoed it. Who influenced the Governor on this bill is unknown at the current time but they may be the same people inside State government who influenced AB1701 back in 2003.

2008

Next year will be year 2 of the legislative year. Those bills not passed in 2007 may continue on through the system and some new legislation may be introduced. We will know more on new legislation by February.

OREA UPDATE

Statistics: At our October 27 meeting, acting OREA Director, Anthony Majewski provided the following current statistics:

License	10-20-200	4-6-2007	10-19-2007
AT	6,627	6,289	5,634
AL	5,553	5,637	5,470
AR	4,535	4,797	5,232
AG	3,328	3,343	3,400
Total	20,043	20,066	19,736

We have lost appraisers this year but it seems to have come in the category of trainees, which is not surprising since the market has been down. Certified residential and Certified general appraiser categories have grown slightly. New license applications are down, while upgrade applications are up. In fact, because of the new requirement taking effect in 2008 (*more on that in the next newsletter*) the OREA office has been deluged with upgrade applications. ***What an applicant should know is that if he/she does not have a test date by the end of the year he/she will be taking the new tests - which are longer and have material from the new courses in them.***

Investigations: There currently 265 cases under investigation, none of which is older than 2005. OREA has eight full time investigators. Many of the cases are not involved with Federally Related Transactions (FRTs). OREA has jurisdiction over all licensed appraisers no matter what the appraisal assignment. It was reported that the number of complaints have increased marginally this year - where they used to receive seven to ten complaints per week they are currently seeing 10 to 12 complaints.

Lapsed License: The Director spoke to what happens when a license has been allowed to lapse - and how one can get it back. Say, you have left the industry and have gone to another profession or say you retired and then decided that you wanted to supplement your income by doing appraisals again. There is now a 2-year grace period for getting one's license back. If no more than two years have gone by, you can get your license back by completing the continuing education requirement and paying the required dues. (The OREA keeps records in archives for only 5-6 years, after which time they are shredded.) *If more than five years has elapsed, then one basically has to start from scratch.* It is up to the appraiser to provide an experience log to document the required hours of experience (it might be hard to put a log together if you did not keep the records yourself, plus you need samples of your work). As far as education goes, after two years you must meet the education requirement which now (2008) means all of the new courses. Old appraisal courses will not be counted, and you will have to take the new exam for the license that you desire to regain. ***The message here is ... do not let your license lapse if you are not absolutely sure that you are never going to do appraisal work again.***

Fact and Fiction Cont'd on Page 10

EVENTS & EDUCATIONAL OFFERINGS FOR 1st Quarter 2008

Offered by the Sacramento Sierra chapter of the Appraisal Institute

Dates, locations, prices and instructors are subject to change. Interested attendees are encouraged to register early as we reserve the right to cancel any program due to low enrollment.

1/10	Effective Appraisal Writing	Alan Blakenship, PhD	University of Phoenix Rancho Cordova	\$155/175
1/24 - 25 1/31 - 2/1	Basic Procdures	Frank Molinari, SRA	University of Phoenix Rancho Cordova	\$525/625
2/8	Office Building Valuation A Contemporary Prespective	Steve Roach, MAI, SRA	University of Phoenix Rancho Cordova	\$155/175
2/19,20, 2/21,22	General Appraiser Site Valuation and Cost Approach	Harry Holzhauer, MAI, SRA	University of Phoenix Rancho Cordova	\$575/675
2/26	7 Hour National USPAP	Dawn Molitor, SRA	Rolling Hills Casino Corning, CA	\$155/175
3/7	2008 Economic Update	Keynote Speaker Christopher Thornberg Principal and Founder Beacon Economics	Doubletree Hotel Sacramento	TBA
3/31	7 Hour National USPAP	Stephanie Coleman, MAI, SRA	University of Phoenix Rancho Cordova	\$155/175

A NOTE FROM OUR EDUCATION CHAIR --- by David Wraa, MAI

Thanks to everyone for another great year and all the support of our quality education!

Our Chapter offered 21 courses and seminars in 2007 - attended by 765 participants. The upcoming year will be a challenge with significant increases in qualifying education hours, and new education modules. We have extensively planned for 2008 and are ready to handle your education needs.

Watch for several new chapter developed seminars in 2008, including:

- an economic update in March
- the annual Summer Conference; and
- a joint AI/IRWA seminar planned for later in the year

The **Economic Update** will include the following speakers/subjects:

Christopher Thornberg, Principal, Beacon Economics: Economic trends relating to the nation, state and region, with forecasts for 2008 and beyond.

Rick Baldonado, Regional Director of No. California, Hanley Wood Market Intelligence: Trends in the new home market in northern California (focused on the Sacramento region).

John Frisch, SVP/Manager, Cornish & Carey Commercial: Regional commercial real estate market including the major property types and current trends.

Andrew LaPage, Analyst, DataQuick -- will discuss the effects of subprime lending and foreclosures on the overall housing market and what lies ahead in the housing industry.

The seminars presented by Dawn Molitor, SRA in Corning were a great success with good feedback, and we plan to offer more courses/seminars in that area beginning with the 7 Hr USPAP Update on February, 26th.

I appreciate all the input we received this year from our membership and class participants. This feedback helps the education committee provide interesting topics that keep us current with market trends and appraisal tools. We are here to serve the membership and class participants, and are always open to suggestions.

Associate Member Dues Will be Lower in 2008...and New Membership Options Will Be Offered!

--Article submitted by Board Member Judson Cline

The Appraisal Institute's Board of Directors has adopted changes to its Bylaws and Regulations that create an "Honorary" membership category (unrelated to MAI and SRA designations) and several new membership statuses. A goal of the changes is to provide a membership category and status for all appraisers, whether an individual is beginning a career in appraising, at different points moving up the professional ladder, or contemplating retirement. The changes take effect January 1, 2008.

Key among the changes is the creation of a "practicing status" and a "non-practicing status" for both designated and associate members. This will allow designated members who no longer perform USPAP-related work to maintain their designation, but at a reduced dues level. It also opens retired and semi-retired status to associate members for the first time.

In conjunction with these changes, the Board also approved a reduction in associate member dues in 2008, while slightly increasing the general designated dues. The changes also feature an affiliate membership for individuals who hold a trainee license status (or equivalent) from their state. **The new associate membership dues rate will be \$295 (including chapter dues) — down from \$485! (Note: The General Designated (MAI) dues increase by \$100 to \$940 (plus \$200 local dues) --- the first increase in 7 years. There will not be an increase in the Residential Designated (SRA) dues.)**

Long-time members will have the option of applying for life membership, either as a practicing life member or a non-practicing life member. To qualify as a life member, the designated or associate member must have held continuous membership in the Appraisal Institute and its predecessor organizations for at least 40 years.

The Honorary membership category has been created to recognize individuals who, in the opinion of the Board of Directors, have made a significant contribution to the appraisal profession. An Honorary member does not engage in business activity identified by the Standards of Professional Appraisal Practice.

Information on these changes will be conveyed to the membership in their 2008 dues statement, which members should be receiving shortly. Members are urged to review the information to determine if they qualify for a change in membership category or status. A very helpful "frequently asked questions and answers" sheet pertaining to this subject is available at:

http://www.appraisalinstitute.org/membersonly/committee/bod/downloads/Membership_categories_QnA.pdf . For further specific information, you may call the Appraisal Institute's Designated Member Service Center at 312-335-4401 or Associate/Affiliate Member Service Center at 312-335-4111; you may also email your inquiries about change in status to membershipcategories@appraisalinstitute.org .

Dates Set for 2008 Comprehensive Examination

Pearson VUE Professional Testing Centers will administer the General Comprehensive Examination in 2008. Registration for the exam is now available on National's [Web site](#). The 2008 exam dates, including application deadlines, are as follows:

- February 25–26 (Application Deadline: January 15, 2008)
- July 21–22 (Application Deadline: June 9, 2008)
- September 15–16 (Application Deadline: August 4, 2008)

Participants are required to complete an application on National's [Web site](#) and submit to headquarters for eligibility verification. After the member's application is verified by headquarters, a confirmation number and instructions on how to schedule the exam will be provided to the member. All exam results will be e-mailed to members within two weeks after the date of the exam. To obtain more information, download the [2008 General Comprehensive Examination](#) guide. If you have additional questions, please contact the Associate and Prospective Member Services at 312-335-4111 or associate@appraisalinstitute.org.

“Just an Opinion” article by *Lee Bartholomew*

- **What is our mission?**
- **Who is our customer?**
- **What does the customer value?**
- **What are our results?**
- **What is our plan?**

— *Peter Drucker, from “A Self Assessment Tool for Non-Profit Organizations”*

These questions are crucial for the success of any organization, particularly in the existing appraisal environment. Recently, selected designated and associate members of the Sacramento Sierra Chapter spent a day updating the “Strategic Plan” for our local chapter. I was in attendance. While the questions raised above were not directly reflected at the meeting, they are inherent in any planning process. I went away from that meeting energized, and patently aware that we need to spend more time thinking about the key questions.

Resultantly, a second meeting took place, attended by two distinct groups; about half “long-time” designated members, and half “younger” associates. Simple questions about chapter heritage, values, goals, relationships, and chapter competencies were raised. This article summarizes the results of the second meeting, and posits a challenge.

Eight anonymous survey responses were collected during that meeting. There was some consistency, but no clear unanimity from the survey respondents. The following questions were asked:

- **The Appraisal Institute has value to me because...**
- **Associate membership is beneficial because...**
- **It would be good to grow the Sacramento-Sierra chapter because...**
- **It is (or is not) important to pass on the tradition of the (Sacramento-Sierra) Chapter because...**
- **The “business” of the Sacramento-Sierra chapter is...**
- **How do you define “results”?**
- **What are our core competencies?**

Of the 56 descriptors used in answer to the survey, there were three predominant themes in the responses.

- Educational opportunities are of high importance, but no distinction was made between those provided by AI national and those that are chapter developed.
- Collegiality & networking opportunities are of importance.
- Finally, appraisal resources were mentioned several times as significant for local members. These included market data from colleagues, the Lum Library, and an educated talent pool from which to draw.

Interestingly, only one respondent mentioned the issue of chapter advocacy (as part of the “business” of the chapter), and another wondered at the wisdom of growing the chapter, since it seems to meet the local need at this time. Several survey participants did not have conclusive responses to the questions about results or core competencies. Four participants mentioned the elite nature of the designations, and of the Appraisal Institute. Respondents also referred to the membership concept “critical mass”, in regard to education and networking opportunities, but no one specifically mentioned chapter outreach. Are we only steps away from the critical mass that moves us toward broader public recognition as an “elite” chapter?

Every Boy and Girl Scout, and anyone who’s ever been one, knows the mission of scouting. Every Rotarian knows the guiding principles of Rotary International, and they know the four tests. These organizations flourish, even during times which have challenged their belief systems and prompted changes to their practices. Right now is a particularly fruitful time in the history of the Appraisal Institute, and for our chapter. We are almost a generation removed from a complicated merger that was divisive and sometimes bitter. Our chapter, thanks to excellent leadership during the past, is financially solvent and poised to go forward successfully. There seems to be renewed respect for the designations, and particularly there is demand for quality education. Except for a temporary

Opinion cont’d page 9

Opinion cont'd page 8

soft residential market, there appears to be significant demand for appraisal services. Right now, there are about 35 or so associates in our chapter (of which nearly 30 are general associate members) that are poised to be designated in the very near future. When they "get their letters", the chapter will add about 30% to the designated membership.

There are challenges ahead. Declining national membership will challenge the fiscal management of the Appraisal Institute. We will continue to be small players when it comes to national representation, particularly on Capitol Hill. And as always, other items - yet unknown - will present themselves.

Now is the time for us to be proactive and supportive of the existing strong leadership in our chapter, and our organizational leaders must be responsive and collaborative. It is time for us to distinctly identify our mission. This will clear a path toward a healthy and efficient organization that not only truly represents its membership but is also fully supported by its members.

We have common ground from which to move forward as a group and a stellar history that guides our future. It is time for all of us to instigate dialogue—we must learn to re-tell our story. This needs to be a grass roots effort as well as an intentional discus

sion, at all levels and with all who call themselves "member". Somewhere, we should know our own chapter's talking points, in addition to those prescribed by the national organization.

...If this reflects membership growth, we must intentionally begin to foster it.

...If it means better education at the Chapter level, we should work toward this.

...If we desire to increase collegiality, our discussion should include respect and continued effective networking.

But there are challenges ahead. With the New Year, we turn the calendar page once again.

This year, let each of us make a plan toward our own designation; or, if we have one, to an additional expertise, or to writing, or teaching. Let's decide to attend one more chapter function than last year, and to work on a committee when called for leadership. When we can, we should encourage and support. Think about it, and be sure to share your thoughts with your colleagues and fellow members. Let's work collaboratively to make our chapter better than ever. Vince Lombardi said it well: ***"Individual commitment to a group effort -- that is what makes a team work, a company work, a society work, a civilization work."***

2008 Offerings Slated for Conservation Easements Certificate Program

"The *Valuation of Conservation Easements* certificate program is designed to help appraisers demonstrate that they have the necessary education required to perform this type of valuation service."

Due to the sell-out success of the new *Valuation of Conservation Easements* certificate program that debuted this year, several offerings are already slated for 2008:

- January 14–18, 2008—Tallahassee, Fla.
- February 18–22, 2008—Cleveland, Ohio
- March 3–7, 2008—Tulsa, Okla.
- April 21–25, 2008—Richmond, Va.
- May 19–23, 2008—Phoenix, Ariz.
- June 2–6, 2008—Cary/Raleigh, N.C.
- October 6–10, 2008—San Antonio, Texas

This advanced program is a joint effort of the Appraisal Institute, the American Society of Farm Managers and Rural Appraisers, and the American Society of Appraisers, in partnership with the Land Trust Alliance. Participants completing the 4½ day program and passing a final examination will receive a Certificate of Completion. The early bird registration fee for this program is \$795 for members of any of the sponsoring organizations and \$955 for nonmembers. Two weeks prior to an offering, the fees will change to \$895 and \$1,055, respectively. For more information, visit the Appraisal Institute's [Seminars Web page](#).

Fact or Fiction cont'd from Page 5

License Renewals The 2-year fee/USPAP renewals are taking 7-10 days to process and on-line renewal is available for this category of renewal. On-line renewals are subject to audit since the OREA office does not receive the USPAP attendance certificate. Those being audited receive a letter asking for a copy of the USPAP attendance certificate. Full CE renewals (4-year cycle) are taking approx. 60 days to process. On-line renewal is not available for this category as of yet, although it is planned. Licenses are issued on Wednesdays and Fridays, and every attempt is made to complete a renewal before a license expires.

Legislative Analysts Office (LAO)

Many of you may have already heard of this. There have been several newspaper articles written on the report (*The BEE*, and the *San Jose Mercury-Register*). The LAO report, *Improving the Appraisal Function in Resources Land Acquisitions* was released in late September. It has been in the works for several years. The report is very critical of appraisals received by the State; appraiser review functions; undue political influence; and the structure of appraisal ordering and review by state agencies. The report can be downloaded at: http://www.lao.ca.gov/2007/res_appraisals/res_appraisals_101807.pdf

We discussed the report in some detail and instructed Mike Belotte (our lobbyist) to contact a staffer at the LAO to offer any services that might be needed. Several legislators have stated they would be offering legislation toward this soon, so I suspect we will hear more about this report in the next year.

Legislative Efforts with ASFMRA and ASA

We (CSGRC) were approached by members of the American Farm Managers and Rural Appraisers (ASFMRA) and the American Society of Appraisers (ASA). They were interested in joining our committee. Carol Level (our committee Chairman this year) along with two additional members, met with representatives of both groups over the summer to discuss the same. After much discussion amongst our committee and their respective chapter leadership, it was decided that we would not go forward with the endeavor at the current time.

CSGRC Officers for 2008

We elected a new slate of officers for 2008. The new chairman will be our own Richard Murphy, MAI (Sac-Sierra Chapter). The Vice Chair will be Kurt Reitman, MAI (Norcal chapter), Secretary will be Carol Level (Norcal chapter), and the Treasurer will remain with Jon Cox (Socal chapter).

The American Society of Farm Managers and Rural Appraisers (ASFMRA) biggest annual event - "AG PRO OUTLOOK 2008" - will be held February 17-20, 2008 at the Sheraton San Diego Hotel & Marina, San Diego California. Visit the ASFMRA website for details and registration @ <http://www.asfmra.org/pdf/Registration.pdf>

May your holidays be
filled with peace and
happiness for the
New Year



Chapter Barbeque

Our 2nd Annual AI Barbeque was held on September 13th at Royer Park in Roseville. The event was well attended and a great success!!! And thanks to Smokey and Sam Stover for the great homemade ice cream!



NEWS FROM NATIONAL

November National Board Meeting Highlights

The National Board of Directors recently concluded its final meeting of the year in New Orleans, during which many important issues that affect the Appraisal Institute's long-term future were discussed. The following is a summary of the Board's decisions and actions.

- *2008 Vice President*

The Board elected Leslie P. Sellers, MAI, SRA, to serve as 2008 Vice President. Leslie is a 30-year member of the Appraisal Institute and currently serves on the Board of Directors representing Region IX. This year he also serves as chair of the Chapter-National-Regions Project Team, co-chair of the 75th Anniversary Project Team, and is a member of the Education Committee. In addition to serving as president of his chapter and as regional chair, Leslie was elected twice as chair of the national Audit Committee and twice as a member of the national Strategic Planning Committee. He served on the Governance Restructure Project Team and the Governance Implementation Project Team that wrote the new governance for the Appraisal Institute. He is an Appraisal Institute certified instructor and seminar author.

- *Membership Categories and Statuses Revised*

With the exception of matters pertaining to voting rights, the Board adopted the 45-day notice proposal that creates an "Honorary" membership category (unrelated to the MAI and SRA designations) and several new membership statuses that will better accommodate our existing membership as well as create opportunities to attract new members. Key among the changes is the creation of a "practicing status" and a "non-practicing status" for both designated and associate members. Among other things, this will permit associate members for the first time to hold retired or semi-retired status in the organization. Members will receive additional information that details all the changes and their potential implications with their 2008 dues invoice. These changes become effective January 1, 2008.

- *2008 Budget/Strategic Plan*

The Board approved a balanced budget for 2008 based on the recently approved strategic plan, which calls for an aggressive membership growth

campaign over the next several years. In addition, the budget provides for new member services including various online Communities of Practice groups, which will be rolled out early next year, creating an effective new approach to member networking and learning. The budget also calls for a \$100 increase in national dues for all general designated members in 2008, which is based on the adoption of the new membership categories and statuses as mentioned above (other dues amounts may differ depending on membership status).

- *Unification*

Earlier this year, the Board endorsed moving forward in developing a plan for unification with the American Society of Appraisers (ASA) and the American Society of Farm Managers and Rural Appraisers (ASFMRA). The 15-member Unification Team was asked to present such a plan. The Board received a draft of the plan in New Orleans when it met with the governing groups of both the ASA and ASFMRA to review the Unification Team's report. The Board concluded that the Appraisal Institute's Unification Project Team, guided by the Executive Committee on behalf of the Board, will continue to work on unification with the teams from the ASA and ASFMRA.

- *Relationship with National Association of Realtors*

Earlier this year, the National Association of Realtors (NAR) approached the Appraisal Institute regarding possible affiliation. Following an initial meeting with Executive Committee members, a project team was appointed and a second meeting with the NAR was held. The project team briefed the Board on this meeting and the Board directed that the project team continue to meet with NAR representatives in 2008 to further explore possible affiliation. Please note that our discussions with the NAR are independent of unification efforts with the ASA and ASFMRA.

National Cont'd from page 12

- *Additional 45-Day Notice Items*

- ◇ The Board adopted proposed changes to the bylaws and regulations presented in the 45-day notice, as follows:
- ◇ Eliminate the Structured Format alternative to the Residential Demonstration Report requirement
- ◇ Adjust the USPAP course requirement for new associate members, allowing those associate members who have previously taken the 15-hour USPAP national course to take the 7-hour USPAP course during the first 12 months of membership to meet this requirement
- ◇ Prohibit members of the Leadership Development and Nominating Committee, except its chair, from serving simultaneously on other national Appraisal Institute boards or committees

- *New Actions*

- ◇ The Board approved funding for a project team

to study the creation of an alternative to the demonstration report requirement for the MAI designation, similar to the 45-hour education package alternative to the residential demonstration report now in place for the SRA designation.

- ◇ The Board also authorized the development of a Residential Mortgage Certificate Program that includes best practice issues, with the hope that the program will roll out in 2008. Moreover, the Board elected leaders and members for the Strategic Planning Committee, Audit Committee, Appraisers Liability Insurance Program, and Education Trust and Relief Foundation.
- ◇ Consideration of the proposal to offer the GMAT as an alternative to the college degree requirement for the MAI designation was postponed for further study.

NEW PUBLICATIONS AVAILABLE

The Valuation of Apartment Properties, Second Edition, by Arlen Mills, MAI, SRA, Richard Parli, MAI, Anthony Reynolds, MAI. This new text presents in-depth analysis of the concepts and issues applicable to the apartment market today and will appeal to appraisers working in public or private practice as well as property owners, potential buyers and sellers, lenders, property managers, legal advisors, reviewers, instructors and students.

The expanded second edition provides

- An examination of the scope of apartment valuation assignments
- Information on USPAP requirements and compliance
- Detailed instructions for applying the three approaches to the value
- Practical techniques for performing market, neighborhood, and property analyses
- A case study of a large, 150-unit apartment complex
- A second case study of a small, 12-unit apartment property.

Members can order a copy of the book for \$40; nonmembers pay \$50. All prices don't include shipping and handling. To order, visit www.appraisalinstitute.org/ecom/publications/Item.asp?ID=255 or call 800-504-7440.

Also, check out the new articles featured in the August ***Spotlight on the Appraisal Institute***, dealing with:

- how green building fixtures may influence residential property values; and
- specific ways in which fraudulent appraisals violate the Uniform Standards of Professional Appraisal Practice.

(Note: the *Spotlight*, a compendium of national press clippings that comprise quotes, views and activities of Appraisal Institute members and staff, is a member-only benefit, intended to keep members up-to-date on the Appraisal Institute's visibility in the media.)

Welcome New Members

The Sacramento Sierra Chapter of the Appraisal Institute is pleased to introduce the following new Associate Members:

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What Every Appraiser Wants for Christmas

Receive 30 percent off on select titles through December 31, 2007. The book sale is only applicable for online publication orders and cannot be combined with a bulk or chapter discount. Quantities are limited for our specialty books, so act now! Start shopping today at the Appraisal Institute's [End-of-Year Book Sale Web page](#).

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NEWSLETTER NOTES

Articles may be submitted to the Chapter office via FAX or EMail

Statements of fact and opinion are made on the responsibility of the authors alone and do not imply an opinion on the part of the Officers, Directors, or Committee Chairs of the Sacramento Sierra Chapter of the Appraisal Institute.

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**Next Newsletter Deadline
February 15**

APPRAISAL POSITIONS AVAILABLE

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Well established, full service appraisal firm seeks an experienced commercial appraiser for work along Oregon's coastline. Candidate should be state certified, computer literate, and possess strong narrative report writing skills. Appraisal assignments will include resource based property types (forestland, agriculture, tideland, etc), unique properties (sand dunes, oceanfront, etc), easements, right of ways, industrial, commercial and office type development. Compensation, to be commensurate with experience, also includes medical insurance, 401K plan and paid vacation. Quality of life and recreational opportunities are superb. 20 minutes to Bandon Dunes for golf.

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