



SCCAI Newsletter

APRIL 2014

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President's Message Robert E. Dietrich, MAI

I am frequently asked "how is the Chapter doing?" Usually, I say it is doing quite well in a tough market. But I think it might be helpful to look at where we are now and where we have been.

The current chapter membership is 927 as of April 2014. This is down from a peak of 1,232 in 2007, but SCCAI remains by a wide margin the largest chapter in the country. Part of the drop is due to the impact of the economy. However, the Appraisal Institute changed its structure from a membership organization to a professional association of designated members. Most of the losses were due to Associate Members who did not commit to candidacy.

The number of designated members has actually increased since 2007. At that time we had 464 designees and now have 467. The low point was 452 in 2009. While we are losing older members as they leave the industry, we are gaining new members as candidates move through the designation process. In addition, the new AI Review designation will help to build designee membership in the chapter.

The Appraisal Institute has developed new courses like the Capstone course to assist Candidates move more efficiently through the designation process. In addition other programs like the Advisor program have helped more candidates become designated. For example, the Chapter designated 11 people in all of 2008 and only 9 in 2009.

Since then, we have continually improved in the number of new designees. Last year we designated 22, the largest number in recent history. However, we have issued 16 new designations so far in 2014. At this rate, we will designate more than 30 people this year.

Financially, the chapter has been running close to a balanced budget for several years and on average showing a small profit. Education remains the major source of chapter revenue. With declining membership, the number of attendees in chapter courses has been declining. We reached a peak of 1674 attendees for 41 classes in 2008. The attendance dropped to 1113 for 37 classes in 2012. However, last year saw a strong surge to 1329 attendees in 43 classes.

The chapter-developed programs are becoming more important as on-line education and competition from other providers eats into our market. Our chapter has continued to offer new chapter-developed programs to provide local education for CE. Also, we are using our education platform to highlight the capabilities of our members in the market.

Overall, the chapter appears to be in good shape. We are growing our designated membership, increasing education opportunities, and hopefully continuing to maintain the best chapter in the Institute.

SCCAI WEBSITE

WWW.SCCAI.ORG

Education Committee Report



Value of Taking Appraisal Course in Person Versus On-Line

Beth Finestone, MAI, Education Committee

The following article was published last year and I received a lot of positive feedback related to the content and was asked to have it reprinted again this year. Think quality of education and building of relationships!

In today's fast-paced business environment, where we all struggle to mesh our business and personal lives, why should we bother to attend appraisal courses in person, when we can take them online and seemingly save time? Why take courses through the Appraisal Institute (AI) when there are other options out there? These are common questions that I am asked by not only appraisers who are working toward achieving a state license and/or AI designation but also by experienced licensed and designated appraisers.

The second question is the easiest to answer! The quality of the courses (curriculum and instructors) is of the highest caliber found in the industry, bar none. If you are going to spend the time and money to attend a course, why not take the best and get the most out of it for the investment. In addition, if you are working toward a professional designation by the AI, you will need to take the courses offered by the AI in order to meet your educational requirements. Additionally, you will meet a group of high-caliber individuals, often with similar career goals, who will form the foundations of relationships you will rely on throughout your career.

Most importantly, attending courses in person versus online enables you to meet your peers and develop contacts, relationships, and friendships that you will have throughout your career. Back in the dark ages when I was aspiring toward my MAI designation, online courses were not available (for which I am now grateful or I might have gone that route). I took all of my courses in the classroom, and the contacts and friendships I made have proven to be invaluable. As a result of these relationships, I not only secured an excellent job in the appraisal profession but established relationships that are still in existence. These relationships are helpful in many ways:

- Having people you know and trust with whom you can discuss appraisal problems: None of us can appraise in a vacuum; and often when we are involved with very complex appraisal problems, we need to have people with whom we can discuss them. One of the best ways to grow and continue to learn is to find out how people you respect are handling the appraisal of similar appraisal problems.
- Referral Business: As your career develops, you will find that your peers (relationships) will often refer work to you. People like to refer to individuals they trust and respect.
- Job Opportunities: Many appraisers, myself included, have obtained appraisal positions as a direct result of relationships formed with individuals met while taking appraisal courses.
- Data Sharing: With CoStar out there, we do not rely on sharing comparable data with each other as much as we used to. However, if you work on a unique or special purpose property, you still need to have a group of peers upon whom you can call in your search for data. While they may not have what you need, they can refer you on.
- Friendships: None of us can have too many friends.

Aside from the development of relationships, a key benefit of taking courses in the classroom is that you will get more out of the course. The interactive nature of the classroom facilitates learning and a deeper understanding and mastery of the principles presented. You benefit not only from being able to directly and easily ask the instructor questions but you benefit from the questions others ask and the ideas they present. Hearing the questions others ask often offers new ideas, and you can develop an understanding of other ways of attacking the same problem.

Education Committee Report ...Cont.

I recognize that time is important to all of us; however, I urge everyone, and especially young professionals, to consider taking coursework in the classroom. The level of learning for the time invested will be well worth the effort. The relationships that you develop will be invaluable and will be with you throughout your career. It goes without saying: the courses offered by the AI will be of the highest caliber as will the professionals you will meet.

The Southern California Chapter of the Appraisal Institute (SCCAI) offers the coursework required to achieve your state license and/or professional designation. General education courses coming up include: General Appraiser Income Approach Part 2, Advanced Income Capitalization, General Appraiser Report Writing & Case Studies, Advanced Concepts & Case Studies, Business Practices and Ethics, and the 7-hour USPAP courses. For those of you looking for continuing education credits, we have the Valuation of Conservation Easements, Current Legal Issues Facing Real Estate Appraisers and the Inland Empire Market Trends courses/seminars coming up.

I urge you to choose the Appraisal Institute to meet your educational needs. Choose the best and support the professional organization that supports you.

SCCAI's 17th Annual Inland Empire Market Trends Seminar

***June 5, 2014
at the
Ontario Doubletree Hotel***



***Jennifer Hafner
Inland Empire Market Trends Chair***

We are anticipating another information filled day; key networking event and SCCAI General Meeting at the Inland Empire Market Trends Seminar, to be held this year on Thursday, June 5th at the Doubletree Hotel in Ontario. The SCCAI 2015 Officers will be nominated and voted on during the General Meeting, Designation Presentation(s) will be made, and we will receive a brief update on the Chapter from 2014 President, Bob Dietrich, MAI and Executive Director, Linda Zimmer.

Inland Empire real property market trend updates will be presented from our panel of market experts including: Brad Umansky and Paul Galmarini from Progressive Real Estate Partners on Retail Investment Sales and Leasing; Paul Runkle of CBRE on the Apartment Market; Brad Feighner of PKF Consulting USA on the Hotel/Motel Market; Steve Haston of Lee & Associates on the West End Industrial Market; Thomas Galvin from Colliers International on the East End Industrial Market; Julia Corona-Thompson and Dave Mudge from Lee & Associates on Office Market Sales and Leasing; Steve Johnson of Metrostudy on New Home Sales Trends; Dave McSwain of The Hoffman Company on Subdivision Land Sales; Bruce Norris of The Norris Group on Real Estate Financing Trends; Lance Martin of Coldwell Banker Pioneer on Residential Market Trends; Dick Baxley of Baxley Properties on the Coachella Valley/Low Desert and Joe Brady of The Bradco Companies on the Victor Valley/High Desert.

Each of the speakers will present their own unique interpretation of what's happening in their market. All are invited to attend and receive up to date information on the Inland Empire real estate market and economy. The speaker presentations will be available in pdf format and posted on the Chapter's website after the event. As usual a delicious continental breakfast, buffet lunch and tasty dessert break, as well as plenty of free parking await attendees. So please join us!

California State Government Relations Subcommittee Update

The California State Government Relations Subcommittee met on Saturday, March 8, 2014 in Sacramento for its Spring bi-annual meeting. Jim Martin, Chief of BREAA attended as a guest, and reported on news from BREAA.

Topics discussed included:

- New AQB requirements starting in 2015. If you are currently working on a certified level license, please check the website, <http://www.orea.ca.gov/> to make sure you will comply with the changes that will occur starting January 2015.
- All States are now required to give reciprocity to an out-of-state licensed appraiser. Fees and other background requirements of the individual State apply. CA gives a 2-year license that is good for ONE assignment, no matter how long it takes, or how many properties are involved.
- BREAA has started publishing a newsletter. If you have not received an email from BREAA within the past 2 months, contact them with your email address if you would like to start receiving the newsletter and other important announcements.

February 22 was the deadline for submitting bills to the legislature. *AB1888 Documentary transfer tax: document for recordation: amount of tax due shown on separate paper;* is a bill our Committee proposed and it is being sponsored by Assemblyman Ting. The link if you'd like to read the bill is:

http://www.leginfo.ca.gov/pub/13-14/bill/asm/ab_1851-1900/ab_1888_bill_20140219_introduced.pdf

Our lobbyist, Mike Belote, researched the roughly 1,500 bills that have been introduced this session, and found 56 for the Committee to review and report on. Of those 56 bills the Committee has put 10 bills 'on watch'. We will monitor their progress and report on any concerns that might arise as they continue through the legislative process.

Bill Garber, Director of Government and External Relations, and Scott DiBiasio, Manager of State and Industry Affairs joined us via conference call to update us on the progress of the new proposed AI Standards.

We encourage you to support the AIPAC with a donation, as the work they do to promote legislation that supports the appraisal industry, benefits each of us.

If you have questions or concerns for our Committee, please contact one of your Chapter representatives.

Respectfully,

Susan A Merrick, SRA
Chair

Committee Members:

Susan Merrick, SRA- Chair	San Diego	Carole Laval, SRA- Secretary	NoCal
Trevor Hubbard, MAI, SRA	San Diego	Kurt Reitman, MAI- VChair	NoCal
Alonso Solis	San Diego	Ron Garland, MAI, SRA	NoCal
Tim Hanks	San Diego	Melissa Bach, MAI	NoCal
Gregg Whittlesey	SoCal	Neil Lefmann, MAI, SRA	NoCal
Jon Cox - Tres.	SoCal	Chuck LaFlamme, MAI	Sac Sierra
Steven Norris, MAI,CRE	SoCal	Mary Yankauer, SRA	Sac Sierra
Steve Henry, MAI	SoCal	Lance Jordan, MAI	Sac Sierra
Skip Ogle, SRA	Central Cal	Lynn Rickard, ARA, MRICS	ASFMR Rep

SCCAI AND ASA JOINT DINNER AND PROGRAM

May 13, 2014

Recent Appraisal Struggles with the IRS

SPEAKER: Mr. Zarefsky, Esq.

Rio Hondo Country Club

Downey, CA

Register [HERE](#)

Southern Branch

Michelle B. Rogers, SRA - 2014 SCCAI Southern Branch Chair

On February 20, 2014, our guest speaker, Mark Chapin IFA, gave a invigorating speech on “Achieving Growth in today's Volatile Marketplace”. Mark is a veteran real property valuator and marketing specialist enthusiastically serving the mortgage industry since 1982. Currently Mark makes his home at Velocette Resource Group, a professional lender support organization primarily focused on valuation, due diligence, and investigatory review. Velocette Resource Group is a part of the Sterling Capital Partners family of companies. Mark serves as President of the group. He provided great insight for our residential appraisers on keeping the business relationships during the current market trends.

On April 8, 2014, our guest speaker was Mike Mason, MAI, SRA is actively involved in the Appraisal Profession for 30+ years. He has performed appraisals on all major property types throughout the Southern California area. Projects have included regional malls, high-rise office, business parks, proposed apartments, master planned communities, residential subdivisions and specialty properties. He has taught appraisal courses since 1985 for the Appraisal Institute and at UCLA and USC in the undergraduate programs. Mike gave us some great insights on “What the Latest USPAP Changes mean to you” and provided a lot of food for thought.



Michelle B. Rogers, SRA
Chair



Kory Felix, MAI
Vice Chair



Jennifer Grootegoed
1st Advisor



John Penner, MAI
2nd Advisor

4 hour Federal and California Statutory and Regulatory Law Course

Effective January 1, 2013, Applicants shall also fulfill continuing education requirements established pursuant to section 11360 of the California Business and Professions Code, Division 4, Part 3, and shall be required to take a minimum of four hours of Federal and California appraisal related statutory and regulatory law every four years.

Therefore, if you are to renew for your continuing education renewal cycle after January 1, 2013, you must take this 4 hr. class.

Registration is now open for both classes.
Don't wait as seating is limited.

June 16, 2014
National University by LAX
Los Angeles, CA
1:00 - 5:00 PM
Register [HERE](#)

October 24, 2014
Holiday Inn Media Center
Burbank, CA
9:00 - 1:00 PM
Register [HERE](#)

Approved for 4 hrs AI & BREA CE
Limited Seating Register Early

Eastern Branch

Barry Alperin, MAI - 2014 SCCAI Eastern Branch Chair

The vital position of Third Advisor will be available in 2015. The Eastern Branch of SCCAI currently has four MAIs and a Candidate Member serving. A Residential Member of the Institute would compliment those to remain in 2015. Alexander Liu, Candidate recently joined as Third Advisor in 2014. We need to nominate someone for the vacancy created by his advancement in 2015. Service at the Branch level is a challenging and rewarding way to give back to the Southern California Chapter. Please contact Barry J. Alperin, MAI at (909) 595-014 regarding the position.

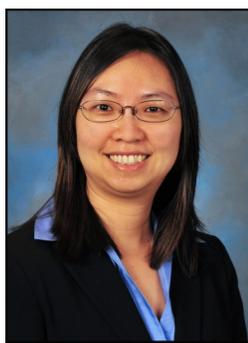
Position:	To be Disclosed	Turn Around:	Must Apply Now <> by Election
Experience:	Residential Appraiser	Commitment:	5 Years of Service through 2020
Membership:	Appraisal Institute:	Advancement to Chair:	Possible in 4 Years
Compensation:	None	Rewards:	Abundant Personal Fulfillment
Location:	Eastern Los Angeles / Inland Empire	Job Title:	Third Advisor Eastern Branch SCCAI



Barry Alperin, MAI
Chair



Jay Munoz, MAI, SRA
Vice Chair



Jennifer Hsu, MAI
1st Advisor



Ernesto Lopez
2nd Advisor



Alexander Liu
3rd Advisor

ASA Tangible Asset Valuation Conference on Fair Value Issues For Financial Reporting

We wanted to invite you to the ASA Tangible Asset Valuation Conference on Fair Value Issues for Financial Reporting taking place on

5/22/2014

8:00 AM - 5:00 PM

Location:

Manhattan Beach Marriott
1400 Parkview Ave
Manhattan Beach, CA 90266.

This all-day conference will focus on the most current, up-to-date, and important valuation fair value issues to business advisors, auditors, and valuations professionals.

Early bird registration through
April 20, 2014.

To RSVP or view the agenda [click here](#):

Meet Our Newly Designated Members



January 2014
 Gilbert A. Valdez, MAI, SRA, AI-GRS
 Eric B. Altman, MAI

February 2014
 James J. Gerard, III, MAI
 Neha Trivedi, MAI
 Michael P. Kearns, MAI
 Anthony V. Haan, SRA
 Thomas Kjaergaard, SRA
 Rutunj C. Patel, MAI, AI-GRS
 Warren K. Hoppke, SRPA, SRA
 Matthew E. Cook, SRA



March 2014
 Giselle Nguyen, MAI
 Rick A. Orwig, MAI
 Michael D. Johnson, MAI
 Elizabeth M. Kiley, MAI, SRA, AI-GRS
 Pauline Hale, MAI



April 2014
 Ryan Neal Young, SRA



The MAI designation is held by individuals who are experienced in the valuation and evaluation of commercial, industrial, residential and other types of properties, and who advise clients on real estate investment decisions. To pursue MAI Designated membership, one must be a general Candidate for Designation.

The SRA designation is held by individuals who are experienced in the analysis and valuation of residential real property. To pursue SRA Designated membership, one must be a residential Candidate for Designation.

The AI-GRS designation is a new designation program aimed at providing professional general reviewers with the knowledge and skills needed to satisfy issues related to due diligence and risk management often requested by their employers and clients.

The AI-RRS designation is a new designation program aimed at providing professional residential reviewers with the knowledge and skills needed to satisfy issues related to due diligence and risk management often requested by their employers and clients.

Online Education: Learn at your own pace anytime, anywhere.

Top-notch Appraisal Institute courses and seminars come straight to your desktop with online education!

Learn from any computer anywhere, whenever you have time. It's easy, convenient and a great way to get the education you want. [Check out the current course listing now!](#)

SCCAI 2014 EDUCATION CALENDAR

For More Information or to Register for these events

[CLICK HERE](#)

DATE(S)	COURSE / SEMINAR	LOCATION
April 23, 2014	Analyzing Tenant Credit Risk and Commercial Lease Analysis	Burbank, CA
April 28 - May 1, 2014	General Appraiser Income Approach/Part 2	Ontario, CA
May 5-9, 2014	Valuation of Conservation Easements	Burbank, CA
May 5-9, 2014	Advanced Income Capitalization	Ontario, CA
May 13, 2014	ASA and SCCAI Joint Dinner and Program Recent Appraisal Struggles with the IRS	Downey, CA
May 15, 2014	Advisor and Candidate Mixer - FREE	Irvine, CA
May 22, 2014	“Current Legal Issues Facing Real Estate Appraisers”	Ontario, CA
June 5, 2014	17th Annual Inland Empire Market Trends Seminar	Ontario, CA
June 16, 2014	Federal and California Statutory and Regulatory Law Course	Los Angeles, CA
June 16-20, 2014	Review Theory - General	Costa Mesa, CA
July 9, 2014	7-Hour National USPAP Update Course	Ontario, CA
July 15, 2014	Unique Residential & Commercial Property Valuation Issues in Southern California	Downey, CA
July 24-30, 2014	Advanced Concepts and Case Studies	Ontario, CA

**You can find a complete listing of Classes
on the chapter website www.sccai.org
under Education.**

Have a question about courses? Scholarships?
Contact Linda or Lianna at the Chapter Office (818) 957-5111

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Making History

AI bestows first review designations in its history

On January 28, the Appraisal Institute issued the first appraisal review designations in its more than 80 year history.

Gilbert A. Valdez, MAI, SRA, AI-GRS, of Huntington Beach, Calif., and Jennifer Marshall, SRA, AI-RRS, of Venice, Fla., received the first individual appraisal review designations. Justin Slack, MAI, SRA, AI-GRS, AI-RRS of Kent, Wash., is the first individual to receive both appraisal review designations.



The AI-GRS designation (which stands for Appraisal Institute—General Review Specialist) and the AI-RRS designation (which stands for Appraisal—Residential Review Specialist) are the Appraisal Institute’s first new designations in more than 20 years.



Valdez is owner/president of A. Valdez Appraisals, Inc., in Huntington Beach. Marshall is owner of JHM Appraisals, Inc., in Venice. Slack is vice-president, commercial appraisal manager with Home Street Bank in Seattle.

“We recognize the need for quality appraisal reviewers in today’s real estate marketplace and congratulate these three dedicated professionals on this significant achievement,” said Appraisal Institute President Ken P. Wilson, MAI, SRA.

AI implemented its appraisal review designation program January 1, 2014 after years of research, responding in part to the growing and important role that appraisal review plays in risk management and mitigation for many clients and users of appraisal services.

“Though always an important valuation function, review appraisals have become even more prominent within the profession and play a vital role in risk management and mitigation,” Wilson said.

Learn more about appraisal review designations at www.appraisalinstitute.org/designatedcandidatesaffiliate/options-for-valuation-

CALLING ALL CANDIDATES AND ADVISORS

The first 2014 Candidate and Advisor Mixer is set for May 15th from 6:00pm—8:00pm in Irvine.
This is another **FREE** benefit for members of the Southern California Chapter.

Come and Meet other Candidates and Advisors along with SCCAI’s 2014
Advisor Chair Steve Henry, MAI and Candidate Advisor Chair Joy Munoz, MAI, SRA.

REGISTER TODAY AT http://www.myappraisalinstitute.org/education/more_info.aspx?id=31708&view=B&state=C7&sort=D