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SCCAI Newsletter

August 2015

President's Message

Given the constant pace of change around us, it's safe to say that *it's not our parents' world anymore*. I have been practicing in the appraisal profession now for 35 years, and our business is entirely different than it was when I started right out of UCLA in 1980. Recently, I have been reflecting on the pace of change, remembering my own past, and thinking about the future of real estate appraisal and consulting. Definitely, it's not like it used to be.

My Dad was born in 1920, attended USC, flew B-17s in World War II, and worked in the petroleum business in Los Angeles for 45 years. In the 1970s, Dad was the President of the Los Angeles Petroleum Club, which was located in the old downtown Hilton Hotel. It was a gentlemen's business club of sorts, and I recall many a weekend when Mom and Dad headed off to one social event or another at the Petroleum Club.



Mom and Dad (center) at yet another Petroleum Club soiree.

Today, the Petroleum Club has vanished. The old Hilton Ho-

tel was demolished several years ago to make way for the new centerpiece of downtown; the Korea Air / Wilshire Grand Tower. I recently spotted an article about a remarkable find at the demolition site. Construction workers had uncovered a 15-foot-long, mid-century mosaic mural showing the Port of Los Angeles, and scenes of oil refineries, oil derricks and ships; a vision of yesteryear. Strangely, when I spotted this photo, I remembered that exact mosaic! It was at the entryway when I visited the Petroleum Club with my Dad when I was in high school.



Long lost mosaic from the Petroleum Club.

By now surely you are asking what in the world my childhood memories have to do with the appraisal profession in 2015? Like the Petroleum Club and our memories of youth – the past has vanished. So has the appraisal business of 10, and 20, and even five years ago. Will SCCAI go the way of the Petroleum Club? We all together have a choice. We can sink into our



**Steven R. Norris, MAI
2015 SCCAI President**

chairs and lament the good old days, or we can get up, get moving, and embrace the change that the future offers.

Your Chapter leadership is making choices that move us together to embrace the future of the commercial real estate community in Southern California. Over the past 90 days we have begun work on a number of new initiatives:

- Meeting with the Executive Director of the Ziman Center for Real Estate at the UCLA Anderson School (MBA program), to begin discussions on how SCCAI and UCLA can work together in presentations, meetings, and events in the future.
- Connection with the Lusk Center for Real Estate, to explore similar opportunities for events, networking and other educational exposure for SCCAI. Our Chapter is an equal opportunity college fan!

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President's Message...Con't.

- Exploration of the potential for other significant seminars between SCCAI and the legal and eminent domain fields throughout the region, with the opportunity for members and candidates to meet together with prominent civic, governmental, and legal professionals.
- Formal sponsorship within both the Los Angeles and Orange County/Inland Empire Chapters of the Urban Land Institute (ULI) – an opportunity that will expose SCCAI to the best and brightest throughout the commercial real estate community in the region. Stay tuned for more on this effort.
- New educational initiatives that will be a benefit to members and candidates and begin shifting the focus of education events toward showcasing the depth of expertise of SCCAI to the wider real estate business world.

It's not our parents world anymore, and it's ours to discover together.

One final note to all our members, candidates and friends. As part of this effort, it is important that you also take new steps to embrace change. One of the most simple (and free) ways to do this is to take 15 minutes and create a LinkedIn (I do not own any of the stock!) profile for yourself, and start connecting with your friends and colleagues online. Once you do, you might be surprised how many others reach out to connect with you. I am shocked how many of you out there have very little, if any, web presence. Come on now, join the future!

We are moving forward together, and it is an exciting time to get involved. If you are reading this from the glow of your PC or laptop monitor, take a risk, come out into the sunshine. Call me (626)405-9922, or email me (steve@norrisadvisors.com) and find out how you can get involved. I would love to talk!



Beth Finestone, MAI, AI-GRS; Christopher Karlen, MAI; Anthony J. D'Angelo, III, MAI and Steven Gragg, MAI, SRA, AI-GRS receiving their designations at the SCCAI Summer Conference

Southern Branch

The Southern Branch represents and serves appraisers from Orange County and Long Beach
Kory Felix, MAI - 2015 SCCAI Southern Branch Chair



Kory Felix, MAI
Chair



John Penner, MAI
Vice Chair



Ryan Neal Young, SRA
1st Advisor



Michelle B. Rogers, SRA
2nd Advisor



Michael J. Tidwell, III, SRA
3rd Advisor

What are you doing September 2, 2015 at 5:30pm? Hopefully coming to the FREE mixer at Bosscat Kitchen and Libations in Newport Beach. Get out of the office and enjoy the summer night on the patio with drinks, food and friends! Please register for the relaxed get-together on AI's website. See you there!



South Pasadena's Kim Kearney Honored as Appraisal Institute's 'Volunteer of Distinction'

CHICAGO (July 8, 2015) – Kim Kearney, MAI, of South Pasadena, California, was recognized today as the Appraisal Institute's July "Volunteer of Distinction" for Region VII.

The Appraisal Institute is the nation's largest professional association of real estate appraisers; Region VII consists of Arizona, Hawaii, southern California and southern Nevada. Kearney is a member of the Southern California Chapter.

"Kim Kearney is an outstanding representative of the Appraisal Institute," said Appraisal Institute President M. Lance Coyle, MAI, SRA. "We are fortunate to work with dedicated volunteers like Kim, who devote their time and energy to advancing the real estate valuation profession in their communities." Kearney served on the Southern California Chapter's Nominating Committee in 2014, and was co-chair of the chapter's Conference and Trade Show Committee from 2013-14.

In 2004, she was a member of the national Valuation for Financial Reporting Committee. Kearney received her MAI designation in 1995.

Kearney is the owner of K3 Investments in South Pasadena. She received her bachelor's degree in finance from California State University, Long Beach, and her master's degree in finance from California Polytechnic University, Pomona.

Kearney volunteers at the Westside German Shepherd Rescue, CREW-LA and is a certified firearms instructor.

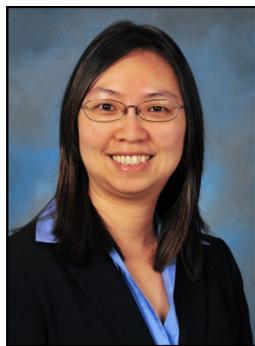
Eastern Branch

The Eastern Branch represents and serves appraisers from East Los Angeles County (excluding Long Beach) and Riverside and San Bernardino Counties

Jay Munoz, MAI, SRA, AI-GRS, AI-RRS - 2015 SCCAI Eastern Branch Chair



Jay Munoz, MAI, SRA,
AI-GRS, AI-RRS
Chair



Jennifer Hsu, MAI
Vice Chair



Ernesto Lopez, MAI
1st Advisor



Alexander Liu
2nd Advisor

The Eastern Branch is finally moving along. It took us some time, but we finally put together two more programs. Moreover, thanks to our expansive geographic area, the first meeting will be held in the city of Ontario, while the second will be held in the city of Pasadena. The first of the two upcoming meetings will be on August 25, with an early lunch start time of 11:15 am. The presenter, Stephen Casey, is a Senior Account Executive with CoStar Group, Inc. Stephen is a real estate professional with a broad experience in commercial real estate including lending, investment banking, and investment sales. Mr. Casey will begin with the basics and focus on teaching participants how to use CoStar with more efficiency. For those of you unfamiliar with CoStar, it is the number one provider of information, marketing, and analytic services to commercial real estate professionals in the United States. Furthermore, CoStar customers have convenient online access to the most comprehensive database of commercial real estate information, which includes space available for lease, comparable sales and tenant information, properties for sale, property advertising, and industry news. In this meeting, attendees will learn how they can benefit from being a CoStar subscriber, how to develop market research & reports that are specifically designed for appraisers, how to leverage the brokerage community, and answers to any puzzling CoStar related questions. Register early, as this event is limited to the first 22 registrants!

The second meeting will be a noon time lunch program at the beautiful Brookside Golf Club in the even more beautiful city of Pasadena. On September 16, 2015. The discussion will focus on the latest and greatest on fractional interest valuation. The presenter, Dennis A. Webb, ASA, MAI, FRICS, is a business and real estate appraiser, author and innovator, with a wide-ranging expertise in related fields. Mr. Webb's experience with partnership syndication and real estate appraisal has led to his specialization in the valuation of real estate-related holding companies and businesses. Mr. Webb has authored and coauthored numerous articles on holding company and fractional interest valuation, which have been published in The Appraisal Journal, Estate Planning, the Journal of Business Valuation, and Economic Loss Analysis as well as others. He teaches integrated business valuation/real estate appraisal topics and also speaks out on the role of valuation in public life, challenging conventional and increasingly unworkable beliefs about value.

As you can clearly read, the Eastern Branch has some very interesting topics that are on the horizon, which will potentially provide greater insight to the largest commercial real estate database and/or provide some critical information to a growing specialty within the real estate industry. In either case, come join us at one or both of these events, as this is a great way to have some lunch, get some information, network, and receive CE. See you there.



Education Committee Report

*By Robert King, SRA
2015 SCCAI Education Committee*

Thanks to the team of Bryan Vick, Bob Dietrich and Allen Greer our 2015 Summer Conference at the Sheraton Cerritos was an outstanding event. Not only did they line up all the speakers and panels but obtained enough sponsorship money to allow us to reduce the registration price. If you missed this conference you missed something special. We are all looking forward to 2016 and another special Summer Conference!!

The Education Committee completed the proposed 2016 budget in July and submitted it to the Board of Directors for approval. As a Chapter this task becomes more challenging each year with the increase in education offerings and methods provided by AI – National (synchronous, on demand/online and live classroom). In addition, many of those who signed up when the Candidate Program was implemented have taken most of the required advanced courses. This has decreased the demand resulting in cancellation of certain classes. This is the challenge facing the Chapter over the next few years.

A few REMINDERS to everyone:

- SCCAI has the Mason – Thornton Scholarship program for any of our members that are pursuing a designation. Don't miss out on this benefit for only SCCAI Members!
- Three advanced courses are being held in the chapter between now and the end of 2015
- Save November 13th for the Annual Litigation Seminar being held at USC
- The 2016 Education Calendar is almost complete. Look for it coming out in November.
- More classes in 2016 will be offered in the Valley and Santa Barbara
- If you are supervising a trainee there is a new class requirement. Call the chapter office for more details.

The Southern California Chapter's Mason - Thornton Scholarship Program

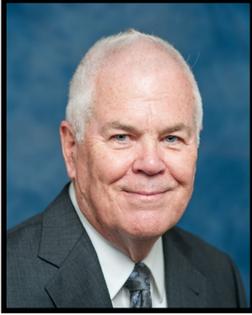
The Mason - Thornton Scholarship Fund is a Trust Fund sponsored and managed by the Southern California Chapter of the Appraisal Institute. The sole purpose of the Fund is the awarding of financial scholarships to Designated Members and Candidates in good standing for courses presented by the Appraisal Institute leading to a professional designation in the Appraisal Institute.

[Application and Information](#)

Classes eligible for scholarships are listed on the application.

Please call us at the Chapter Office if you have questions. (818) 957-5111

SCCAI 2016 Education Calendar Coming Soon



Rolland Stephens, MAI, AI-GRS to be honored at Heritage Night 2015

Rolland was born and grew up in Muncie, Indiana, where he lived until graduating from college. He developed his interest in real estate from observing his father, who developed some small and medium sized commercial developments in Muncie, while also running his own neighborhood grocery store.

After graduating from Indiana University with his newly-minted Bachelor of Science degree in Real Estate, Rolland left Muncie less than a week after graduation to seek work in California, which was reportedly more booming than Muncie, Indiana. He found work quickly and began his professional career in June 1960 at Atlantic Savings and Loan in East Los Angeles. His initial responsibility was as a construction progress inspector, authorizing disbursement of funds for construction loans. He was promised a move into real estate appraisal activities if he did a good job. Apparently he did a good job; as he moved to the appraisal department six months later. Within a few years of that beginning, he moved to the newly-formed Manufacturer's Bank, where he was the bank's 37th employee to be hired.

In the years that followed, Rolland honed his skills working with some of the best minds in our Chapter; beginning with Tom O'Neil, with whom he worked with at three different companies, at American Savings, San Gabriel Savings and Equitable Savings. In 1968, he moved on to the Shattuck Company, where he worked under Kurt Shelger and Bob Steele.

In 1975, Rolland left the Shattuck Company and founded Rolland R. Stephens & Associates, which successfully operated for the next twenty-five years, merging into Stephens-Mason Associates as a partner with Mike Mason in the 1990's. As a testament to that relationship, Rolland would later work with Mike again at First American Real Estate Services and again at Grubb & Ellis Landauer. Rolland also added his skills and talents in more recent years to the offices of Charles R. Wilson & Associates & Integra Ellis Group (later Integra – Los Angeles).

Since 2012, Rolland has returned to the ranks of being a sole proprietor appraiser, where his practice is exclusively devoted to performing real estate review services for financial institutions, governmental agencies and litigation support.

Rolland began his service to the profession as a teacher within a few years of starting his appraisal career. In 1963, he began teaching Principles of Appraisal at Downey Adult High School. He would later teach Appraisal Principals at UCLA Extension in downtown Los Angeles. Between 1963 and 1970, Rolland also taught Appraisal Principals and Income Capitalization courses for the Society of Real Estate Appraisers and GRI Graduate Realtors Institute. Rolland would also teach locally for Chapter 5 of the AIREA.

Rolland earned his first national teaching assignment with the AIREA in January 1971, just a few short weeks after receiving his MAI designation in November 1970.

In that first national teaching assignment for the AIREA, he teamed up to teach a two-week Principles of Appraisal course with Dr. George Bloom, MAI, who had been Rolland's instructor in the Principals of Appraisal course he took in his senior year at Indiana University ten years earlier. It was Dr. Bloom who first identified the MAI designation to his students as identifying the leading appraisers in the country, and a designation worth striving for. Both Rolland and his college roommate would eventually act on that encouragement and earn their MAI designations.

Rolland's volunteer service to Chapter 5/ Southern California Chapter began in earnest in the early 1970s. He served as Education Committee Chair for three years in the early 1970s, and took over as Editor of the Chapter's News 5 newsletter in 1975 and 1976 following Dave Mason's five-year tenure after founding the publication. He was elected to the Chapter Board as a Director in 1976, Secretary-Treasurer in 1977, Vice President in 1978 and Chapter President in 1979. Rolland's service in those days all the more impressive because after 1975, he served while being a sole proprietor in his own firm. In those days the Chapter didn't have the staff to assist in the committee work. All that committee work completed for the Chapter was completed solely by the members.

Rolland continues today to represent the best of our Appraisal Institute membership; as a leader, a mentor, a professional example and – in his role as a reviewer – he is, no doubt, still teaching on occasion.

You are personally invited to join in this very special evening. Please mark your calendar as we honor Rolland Stephens, MAI, AI-GRS on Thursday evening, October 15th, 2015 at the Rio Hondo Country Club in Downey. Please join your colleagues, past Chapter Presidents and retired members for this very special evening.

This is an opportunity for the membership to express our appreciation to Rolland for the significant contributions that he has made to our Chapter, the Institute and the appraisal profession. We look forward to seeing you there.

Sincerely,

J. Richard Donahue, MAI

2015 Heritage Night Chair

1995 SCCAI Chapter President

SCCAI Summer Conference



Robert Dietrich, MAI
SCCAI Summer Conference Co-Chair

For many years dating back several decades, the Southern California Chapter hosted a summer conference that was a major regional attraction for appraisers and many of our clients. I'm pleased to report that the summer conference is back, and is alive and well. The Summer Conference was held on July 14 and attracted attendance of more than 150 people plus more than 30 speakers and panel moderators. The large turnout included a number of non-appraisers who attended for the unique knowledge that was presented.

Some of the highlights of the conference included:

- Water valuation panel – this panel was headlined by Eric Turner, the national managing partner for Best Best & Krieger, and also known in the West is one of the top water lawyers. With him was of Matt Payne from WestWater in Phoenix, one of the largest water brokerage firms in the country. The panel was rounded out by Callie Yeary MAI from Cedar Rapids Iowa, a review appraiser for one of the largest lenders in the world dealing with loans on water. The presentations covered water law, valuation methods, and the current impact of the drought and new regulatory regime dealing with water.
- Ground leases, marinas and possessory interests – This panel started with a presentation by Kathryn McDermott, former Deputy Executive Director for Business Development at the Port of Los Angeles. She covered some of the issues relating to leases and valuation of local port facilities. Other presenters included Mary Lam from the Los Angeles County Office of the Assessor, David Zoraster, MAI, and John Ellis, MAI.

There were four other panels including hotel and motel valuation, movie studio valuation, going concern property valuation, mobile home park valuation, and cell tower valuation.

Moderators and panelists included a number of SCCAI chapter members, including our illustrious president, Steve Norris, MAI. Other chapter member presenters included Allen Greer (also the co-chair of the event), Stephen Bethel, MAI, John Neet, MAI, Martin O'Donnell, MAI, Doug Nason, ASA, Bob Draves, MAI, and Anthony D'Angelo III, MAI.

Due to the quality of the program, the chapter was able to secure a number of sponsorships which allowed us to reduce the cost by approximately half for our members. I hope you take the time to thank or work with one of our sponsors, who included Colliers international, Liability Administrators & Insurance Services; Xceligent, Inc.-AIR.

Plans are underway for an even bigger and better summer conference next year. Hope to see you there.



Attendees enjoying lunch at the Summer Conference



David Graeler, Esq.; Scott Dibiasio; and
Eric Garfield, MAI

Meet Our Newly Designated Members

January 2015

Sangwoo Suk, MAI
Justin C. Giordani, MAI
Myung Cha, MAI
Joanne L. Bell, MAI, SRA
Barry J. Alperin, MAI, AI-GRS

February 2015

Peter S. Crane, MAI, AI-GRS
Michael Jay Ader, MAI, SRA
Jason S. Fischman, SRA

March 2015

Diane P. McKee, SRPA, SRA, AI-GRS
Gary J. Alexander, MAI, AI-GRS
Michele L. Kauffman, MAI
Robert Howlett, SRA
Scott E. Gardner, SRA

April 2015

Jay C. Fisher, MAI, AI-GRS
William E. Jones, MAI, AI-GRS
Keith A. Miller, MAI

Paul H. Ghaffari, SRA
Brian A. Bregman, MAI
Aaron Soave, MAI

May 2015

Ryan B. O'Neill, MAI, AI-GRS
Anthony J. D'Angelo, III, MAI

June 2015

Russell F. Zellner, MAI
Stephen D. Stirrett, MAI, AI-GRS
Christopher M. Karlen, MAI
William L. Reinhart, MAI, AI-GRS
Steven R. Gragg, MAI, SRA, AI-GRS
Beth B. Finestone, MAI, AI-GRS
Steven M. Botts, MAI

July 2015

Jamison N. Johnson, MAI
Delfred H. Rodgers, SRA, AI-RRS
Jeremy Bagott, MAI
Adam M. Dembowitz, MAI
Myung H. Cha, MAI, AI-GRS
Sydney H. Hawran, MAI, AI-GRS



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.

SCCAI 2015 EDUCATION CALENDAR

DATE(S)	COURSE / SEMINAR	LOCATION
August 25, 2015	EASTERN BRANCH LUNCH MEETING CoStar for Appraisers	Ontario, CA
Aug. 31 – Sep. 2, 2015	Condemnation Appraising: Principles & Applications	Ontario, CA
September 14-18, 2015	Advanced Market Analysis and Highest & Best Use	Ontario, CA
September 16, 2015	EASTERN BRANCH LUNCH MEETING The Latest & Greatest on Fractional Interest Valuation	Pasadena, CA
September 18, 2015	Federal and California Statutory and Regulatory Law Course	Costa Mesa, CA
September 21-25, 2015	Advanced Income Capitalization	Costa Mesa, CA
October 6 - 9, 2015	General Appraiser Market Analysis and Highest & Best Use	Ontario, CA
October 20, 2015	Supervisory Appraiser/Trainee Appraiser Course	Costa Mesa, CA
October 22 - 28, 2015	Advanced Concepts & Case Studies	Costa Mesa, CA

CALLING ALL CANDIDATES

**Take a good look at the list of classes above!
We are offering three Advanced Courses between now
and the end of the year.**

Don't miss out on this opportunity to take these classes locally.

**Registration for Advanced Courses CLOSES
Two weeks prior to the class start date.**

Don't wait until the last minute to register because you won't be able to get in!

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!](#)

Newsletter Editor
Linda Zimmer
Executive Director
Linda@sccai.org

Newsletter Contributor and Publisher
Lianna Ayala
Executive Assistant
Lianna@sccai.org