
1st Quarter 2023 Newsletter & Updates



President's Letter

**Linda Whittlesey, SRA
2023 SCCAI President**

Greetings Southern California Chapter members. I have had the pleasure of seeing so many of you at our Chapter events this year. For those of who have yet to make it out to a Chapter event in person this year, here is a recap of what you've been missing:

Let's Get This Party Started:

We started our Chapter year with panache by celebrating our Officer Installation at the historic Biltmore. We were honored to have two national officers in attendance: Paula Konikoff, JD, MAI, AI-GRS and Craig Steinley, MAI, SRA, AI-RRS, AI-GRS.

If You Build It, They Will Come:

After two years of holding our L.A. - O.C. Market Trends Seminar virtually due to Covid, we were delighted that Orell Anderson, MAI and his dedicated committee were able to pull off a hugely successful in-person event with 136 people in attendance. We owe a debt of gratitude to the committee, the speakers and the sponsors, Valcre and Compstak for making the 31st Annual L.A. - O.C. Market Trends Seminar a success.

Ahoy Mates:

The Southern Branch knocked it out of the park with an excellent branch meeting at the Bahia Corinthian Yacht Club in Corona Del Mar on February 1st. After a delicious dinner in a room overlooking the harbor, Randall Bell, PhD and Michael Tachovsky, PhD gave an entertaining and thought-provoking presentation on "Junk Science". I cannot imagine a more enjoyable way to do Continuing Education. Thanks to Michelle Rogers, SRA and Jeff Hogan, SRA for successfully captaining this ship.

Teacher's Pet:

February included two successful back-to-back in-person classes in Ontario. Our own Jacinto Munoz, MAI, SRA, AI-RRS, AI-GRS taught Federal and California Statutory and Regulatory Laws and Scott Hartman, SRA flew in from Gettysburg, Pennsylvania to teach the Valuation of Accessory Dwelling Units.

Charles In Charge:

We were delighted to welcome two new committee members to the California Government Relations Committee. Alex Liu and Jeff Hogan, SRA joined Committee Chair Charles Baker, SRA, AI-RRS and me in representing So Cal in Sacramento on Saturday, March 4th, 2023. We especially enjoyed meeting the new BREB Bureau Chief, Angela Jemmott. We look forward to a productive working relationship with Ms. Jemmott. Charles will share Government Affairs updates in this newsletter.

Home-Grown Talent:

We had an excellent turnout at the Joint Luncheon with IRWA on March 14th, where our very own Chapter member John Penner, MAI was one of the featured speakers.

Looking for a Good Time?:

Join Chapter members and friends on Saturday, May 6th at the *Pasadena Showcase House of Design*. Tour an architecturally significant 1933 grand colonial estate that has been redesigned by a cutting edge team of professionals. The Chapter will subsidize your ticket to this event to give our members an opportunity to view the latest design trends, enjoy classic architecture and socialize with your colleagues. No CE: just a really good time. Details to follow next month.

It is no secret that most appraisers are experiencing a temporary decrease in business volume. If you find yourself with a bit more free time currently, I encourage you to take this opportunity to get involved in your Chapter. Whether that means taking an in-person class, volunteering on a committee or simply coming out to a social event, now is the time. Seize the day, renew friendships, network, learn. We hope to see you at an event soon.



Craig Steinley, MAI, SRA, AI-GRS, AI-RRS - 2023 Appraisal Institute President and 2023 SCCAI Board of Directors



Jacinto Munoz, MAI, SRA, AI-GRS, AI-RRS SCCAI Past President and
Linda Whittlesey, SRA 2023 SCCAI President



Region VII Report

Vice Chair:
Dale C. Cooper, MAI, SRA, AI-GRS, AI-RRS

National update from your friendly Region VII leadership: Chair Jacinto A. Munoz, Jr. MAI, SRA, AI-GRS, AI-RRS; and Vice Chair Dale C. Cooper, MAI, SRA, AI-GRS, AI-RRS, on the top things that the Appraisal Institute is working on:

New Website: This is long overdue and on-track for completion this year! We will be so excited to show this to you when it is revealed. It is currently being built and is mapped out. We receive regular updates and we are pleased with the progress year-to-date. It was announced in San Antonio that we should look for the new website in early Q4 2023. The website changes include an updated look and feel and enhanced user experience. This is part of our larger long-term strategic plan to modernize technology, such as social media and communication methods, and a review of the website initiative (one of the five initiatives in the Strategic Plan). This also includes a rebranding effort. This element in the Strategic Plan will include a refresh of the AI brand, social media, communications and website. We have retained outside firms to handle the rebranding campaign and website redesign and we'll have some exciting information to share in the coming months.

AI PAREA: This year, the Appraisal Institute will launch its Practical Applications of Real Estate Appraisal (AI PAREA) program. These modules for both licensed and later certified residential should assist trainees in their pursuit of licensing. This also removes barriers to

entry. As a business owner, you may want to incorporate some new faces into your company. California just increased acceptance from 50% to 100%. AI PAREA is on-target to be launched by September.

CEO Search: You'll recall that last November, an announcement was sent to membership announcing that our CEO of many years, Jim Amarin, put in his 90-day notice and he just had his last day with us. Our Acting CEO is Beata Swacha, an Appraisal Institute veteran. She was the former CFO that many of you may have met during your Chapter Leadership Program (CLP) experience. A CEO Search Project Team has been created and their charge is to identify and recommend to the Board of Directors up to three candidates to serve as Appraisal Institute CEO. This effort likely will involve, among other things, recommending a search firm, working with the search firm, reviewing job requirements, considering candidate qualifications and conducting candidate interviews. After the CEO Search Project Team completes its work, the Board will evaluate the candidates presented and decide on the new CEO.

Residential Appraiser Committee: The Board voted to amend Regulation No. 7 to establish a Residential Appraiser Committee and details are being worked on as far as the role of this committee and the existing Residential Appraisal Project Team (RAPT). Regardless of official names, rest assured that AI's commitment to the residential appraisal community will remain strong with the Residential Appraiser Committee.

RAPT has done remarkable things with no funding and primarily over the phone or web meetings. This work included national webinars on advocacy, RESNET, hybrids, engagement letters, bulletproofing your work files and supporting your adjustments. Many of these were once for a cost and became open to all residential practitioners for free. The webinars supported your local efforts to recruit and retain. The RAPT Roundtables Workgroup produced a guide note for chapter roundtables to recruit and retain residential appraisers. For example, there is an opportunity for around 700 more AI Designated Members or Practicing Affiliates in California. While that is statewide, starting small with say 2.5% to 10% of your chapter size, say 30 to 90 appraisers, is a great starting point. The Roundtable Workgroup also gets into the types of events that can help support the local residential community. These events include instructor add-ons for dinner after residential courses and other hot topics. As we grow, existing and potential members need a relaxed, welcoming environment that:

- Allows them to grow and learn professionally with our education,
- Permits a social aspect where they have a friend or acquaintance at each event, and
- Creates involvement and a long-term purpose in their membership or affiliation with us.

If you're interested in other actions the Board took at its 1Q meeting, check out the recap in Appraiser News Online: <https://www.appraisalinstitute.org/ano/ai-board-of-directors-adopts-two-45-day-notice-items-during-february-meeting-/>

We would like to express gratitude to our membership, our local leadership and all who support us like the Appraisal Institute staff. We appreciate all you do to further and support all members of the profession as we lead efforts moving forward as a cohesive team.



***Jacinto A. Munoz, MAI, SRA, AI-GRS, AI-RRS
Region VII Chair***



2023 SEMINAR/CLASSES

***04/05/2023 - OPEN FOR REGISTRATION
Joint Luncheon with IRWA - Riverside
Riverside Convention Center
Riverside, CA
REGISTER HERE***

***04/18/2023 - NORTHWESTERN BRANCH MEETING
Lodging Performance Outlook 2023 Impact of
Current Events on Hotel Performance and Values
CBRE
Los Angeles, CA
REGISTER HERE***

***04/19/2023 - Complex Valuation Course
Ayres Hotel
Costa Mesa, CA
REGISTER HERE***

***05/15 - 19/2023 - Review Theory - General
Fullerton Marriott
Fullerton, CA
REGISTER HERE***

***SAVE THE DATE
06/08/2023 - 25th Annual Inland Empire Market Trends Seminar
DoubleTree Hotel
Ontario, CA
More Information to Follow***

***06/20/2023 - 7-Hour National USPAP Update Course
DoubleTree Hotel
Ontario, CA
REGISTER HERE***



EDUCATION COMMITTEE 2023 Chair: Michael Comstock, MAI

Hello SCCAI members. I am Michael Comstock and am grateful to be given the opportunity to serve as the Education Committee Chairperson for 2023. Ryan Hargrove will continue serving the Chapter in his next role as Secretary for the world's largest Appraisal Institute Chapter! We thank him for his leadership, and I'll do my best to fill his shoes. I will not be doing this alone as Alden Katagihara, MAI, MRICS, and Stephen Bethel, MAI are also serving on the Education Committee this year. We can only hope to continue SCCAI's involvement with your future education.

We are already a few months into 2023, and if you have been busy (with well-paying assignments), you are likely not tied to lending clients. If you haven't noticed, it is extremely slow! With that, I would offer out that this is the perfect time to not only catch up on some Continuing Education or Candidate Education but to even get ahead. We all hope the second half of 2023 will get back on pace, so why not take advantage and get educated?

As always, the Course Listings are [here](#). While you are on the SCCAI website, take a look around. If you missed the 29th Annual LA/OC Market Trends Seminar back in January, most of the speaker presentations are posted. Additionally, find a Jobs Board and a link to how to apply for the Chapter's Mason – Thornton Scholarship Program. We would also encourage those that are passionate about helping our younger generation, you can also reach out to the Chapter office how you can contribute to said scholarship Trust Fund, which is a 501(c)(3) non-profit organization.

Lastly, as a long-time member of SCCAI, I am confident that we provide some of the best classroom and virtual education, mixers, and honorary dinners for our members to attend for networking and plainly catching up with friends in the industry. Another goal of mine whilst in this Education Chair position, I also hope to learn more and offer insights to the National AI when it comes to Online offerings. Competition in the marketplace is picking up, and I want to be sure that AI remains the Number One education source for appraisal professionals. I have posted my email. I am more than open to listening to any suggestions relating to AI Education. Thank you for being a member. Mike

michael.comstock@cushwake.com



Charles Baker, SRA, AI-RRS
Chair, CA Government Relations Committee
March 14, 2023



PAREA

Ms. Jemmott indicated that BREa will soon begin the rulemaking process to allow for PAREa to be used to satisfy 100% of the experience credit for both the LR and CR credentials and 50% for CG. As you may recall, California had previously said that PAREa was fine, but only for 50% of the credit. That would have made PAREa pretty much unviable in CA since an aspiring appraiser would still have to find a supervisor for the remaining 50% of the required experience.

LEGISLATIVE UPDATE

The composition of the state legislature is overwhelming blue. 77% of the Assembly (62-18) and 80% of the Senate (32-8) is Democrat. Bob Rivas is the Assembly speaker and Toni Atkins is the Senate Pro-Tempore.

California is dangerously reliant on state income and capital gains taxes which is correlated with the health of the stock market. With the state budget whipsawing back into the negative, the issue of taxation on services has reared its head again. The governor vetoed 150-200 bills last session mainly due to budgetary constraints.

75% of bills for 2023 were introduced in the week leading up to February 17th. Mike's office combed through about 2700 bills, including 1000 "spot" bills, flagging about 30 that might be of interest to appraisers.

Of those, we are tracking the following:

- 1) AB 342 relates to the CA Architects Board authorizing a demographic survey (race, gender) to be sent to members. It was suggested that we offer an amendment to the bill to include licensed appraisers.
- 2) SB 1323 (defeated in prior session); equity stripping / predatory foreclosure sale. This will likely come up again in 2023. One provision of the bill required that while a foreclosure is pending, the trustee should cause an appraisal to be performed on the property.
- 3) AB 362; Real property taxation: land value taxation study. A bill to require the California Department of Tax and Fee Administration to conduct or commission a study on the efficacy of a statewide land value taxation system as an alternative to the current appraisal methods utilized for real property taxation.
- 4) AB 919; Residential real property: sale of rental properties: right of first offer.
- 5) AB 996; Department of Consumer Affairs: continuing education: conflict of interest.
- 6) AB 1620; Transfers of real property. (spot bill)
- 7) SB 294; Housing development projects: floor area ratios. This bill has to do with densities in new housing development projects.
- 8) SB 834; Housing: California Family Home Construction and Homeownership Bond Act of 2023. This bill would authorize the issuance of bonds in the amount of \$25 billion to finance the California Family Home Construction and Homeownership Program.

Readers may log-in to WWW.CALADVOCATES.COM to review all relevant bills.

APPRAISAL BIAS / EDUCATION / AB948

The committee discussed several of the cases of appraisal bias now in the courts as well as the ASC Appraisal Bias hearing held on January 24th. Members understand the difficulties of balancing the acknowledgement of public perceptions of the profession with the facts at hand, some of which appear to be at odds with each other. AB948 calls for four-hours of appraisal bias education as part of the 2-year renewal cycle. We discussed folding the bias course into the existing Laws & Regs class to make it a full-day 8-hour course to satisfy both requirements.

03/14/2023 SCCAI and IRWA-LA Joint Luncheon and Program



SPEAKERS: Matthew Lubawy, MAI, CVA; John Penner, MAI and
Event Chair: Ryan Hargrove, MAI, SRA, AI-GRS



**SCCAI recently designated member Kirsten Huimin Smiley, MAI
and SCCAI President Linda Whittlesey, SRA**



Attendees at the Joint Luncheon



Jan Kelly and David Stephen Segal, MAI



**SCCAI President Linda Whittlesey, SRA and
SCCAI Past President Jacinto Munoz, MAI, SRA, AI-GRS, AI-RRS**

The 2023 Eastern Branch

Chair: William "Bill" Jones, MAI
Vice Chair: Christie Santolucito, Candidate
1st Advisor: Paul Norlen, MAI
2nd Advisor: Scott Thompson, MAI, AI-GRS
3rd Advisor: Daniel Lee, MAI, AI-GRS

What an interesting year its turning out to be! Interest rates are moving up but the economy continues to roar along, and policymakers and appraisers alike are trying to make sense of conflicting data. It brings to mind the old saying, "May you be condemned to live in interesting times."

In a time of great change it's good to consider how one part of the real estate market is faring, the apartment market. Regulatory, tax, and market changes are all having powerful effects on the apartment market. Mansion taxes, changes in eviction laws, increasing interest rates, and changes in permissible density for development sites are just some of the new developments that will affect the apartment market. Meanwhile we need to consider how markets are doing...what is really happening to rents? Is the adaptive reuse of office buildings to apartment buildings a viable answer to our housing shortage? These are some of the questions we will look at.

Two seasoned experts in the So Cal Apartment Market will help us understand these developments, bringing a wealth of knowledge and real-world experience to this webinar. George Koiso, MAI and Pedro Chin are co-founders of Worth Valuations. George and Pedro have a total of 50 years appraising properties in Southern California and have been involved in appraising over 3,000 apartment properties over the last five years, including many of the highest profile and most complex assets in the region. Please mark your calendars. May 3, 2023 at 10 am via zoom.

Meanwhile put aside June 8 2023, on your calendar...that is the day of the Inland Empire Market Trends Seminar. This year we will be celebrating the 25th Anniversary of this illustrious event! While it will be the silver anniversary the price will be more on the level of copper or tin-foil, but the insights and discussion will be solid gold. Sponsorship

opportunities are available – please reach out to me or the Chapter Office if your company or firm is interested.

Another event is in the discussion stages but I hope to have more news in our next newsletter article.

If the pace of work has slowed a little, consider using the time to “sharpen the saw” in the words of Stephen Covey. It’s a great time to start walking or running a little more. I’ve been going to the gym more and reading some books I’ve always wanted to read. It’s a great time to explore that hobby you’ve always wondered about or reconnect with a friend you haven’t spoken to for years. While this season is challenging it also has opportunities.



The 2023 Northwestern Branch

Chair: Jerardo Arciniega, MAI
Vice Chair: Marcus Espinoza, MAI, SRA
1st Advisor: Norman Chung, MAI, AI-GRS
2nd Advisor: Jose Hernandez, Candidate
3rd Advisor: Daniel Lee, MAI, AI-GRS

The Northwestern Branch has some exciting news this quarter: We will be hosting our first in-person education event since 2020! The event will take place on April 18th and will be held at the CB Richard Ellis offices in Downtown Los Angeles. Luigi Major, MAI, a Managing Director with HVS Americas will be speaking to us regarding trends and valuation issues in the hospitality sector. Mr. Major was kind enough to speak to us four years ago and it was a great event. We expect another great presentation from him. We look forward to seeing you in person!



MEET OUR NEWLY DESIGNATED MEMBERS

Kirsten Huimin Smiley, MAI
Leo Kao, MAI



Scholarships Available

The Mason – Thornton Scholarship Committee would like to remind our Members that the Chapter offers valuable financial assistance for those pursuing their designations. Namely, the Mason – Thornton Scholarship Fund is available to SCCAI Members who have an active Candidate status and are members in good standing. Scholarships assistance is available for up to 75% of the total course fee. In-person, synchronous, and/or online courses are eligible insofar as the course is required for professional designation. Applications, which are available on the Chapter website, should be submitted to Lianna at least 30 days prior to the class start date. There is no better time to continue and/or resume the quest for your professional designation.

Bradford Thompson, MAI, AI-GRS

Chair, Mason – Thornton Scholarship Fund

Application and Information





[SEARCH CLASSES](#)

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