



East Florida Chapter Appraisal Institute

NEWSLETTER

SECOND QUARTER 2017

Friday, April 21, 2017

AI Education Trust and Scholarships are available now. Visit the website [here!](#)

LOOKING FOR A NEW JOB....

See the chapter website for opportunities at www.eflai.org

FedEx Advantage Discount

New better discounts—for more information go to <http://www.appraisalinstitute.org/ai-benefits/>



I-DRIVE TROLLEY TOUR

See where more than \$1 billion in high-profile development is planned through 2019 for the I-Drive Resort area

9:50 AM

**Meet @ I-Ride Trolley Stop in from of I-Drive 360
(Stop #14N)
(if raining, meet at Tapa Toro)**

**10:00 AM - Noon
Trolley Tour**

**Noon
Lunch at Tapa Toro
8441 International Drive**

\$30

Trolley tour & lunch/membership meeting is included in fee

FREE Parking is available at the I-Drive 360 parking garage

FOR DETAILED INFORMATION/REGISTRATION:
<http://www.appraisalinstitute.org/education/EastFlorida.aspx>
Or call the chapter office at 813-651-5904



**Elections will be held during the membership meeting on April 21, 2017
See page 6 for details.**



Elaine Liz-Ramirez, MAI, CCIM
Chapter President

President's Message

As we spring ahead into the second quarter of 2017, Let us reflect on a successful 1st quarter. Our first meeting in January was highly successful and included new faces and veteran members. Thank you for all who participated and brought a friend/colleague! On February 14th, the Florida Gulf Coast Chapter and Region X participated in VALUEvent, a grass roots lobby effort in Tallahassee. We are talking to our Legislative leaders about the Appraisal Institute and appraisal regulation. Finally, we are closing the quarter with our annual winter extravaganza this week. This series will include the premier of Review Case Studies – Residential, as well as Business Practices and Ethics and Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets.

Come join us on Friday, April 21st as we tour the I-Drive Corridor. The event will begin at 9:50 a.m. as we board a trolley for a 2-hour narrated tour of projects which are proposed, underway or newly completed. Get an "on the ground" view of projects that are impacting Central Florida's economy. This tour is relevant to all valuers of real property, whether rooftops or commercial. Come see for yourself and visually experience the changes that are shaping our Future!

In May, three of our own will make their way to Washington D.C. to attend LDAC, Leadership Development and Advisory Counsel. This year, Ana Arroyo will join David Herring and Chris Starkey in representing the East Florida Chapter. This is a spectacular forum that you should consider attending!

Planning is well underway for our Seventh Annual Central Florida Real Estate Forum. Steve Marshall heads up the event again with a diverse speaker panel planned. We are seeking volunteers for the marketing and sponsorship committees. This is our premier event which will be held at the popular Citrus Club location.

I had the pleasure of attending a Chief Appraiser conference in San Diego this past week and participated in a forum wherein Jim Murrett, AI President-Elect, Jim Park, ASC Executive Director, and John Brenan, Director of Appraisal Issues, The Appraisal Foundation, exchanged perspectives on appraisal regulations. The panel discussion was energetic, and I am happy to report that there was a subsequent meeting between the AI and The Appraisal Foundation this week.

I encourage each of you to participate and share your thoughts, experience and energy. Our profession needs each and every one of us at the grassroots level. Together, let us be innovative and strive to achieve excellence within our profession.

I challenge each of you to take the time to phone a friend/colleague and invite them to our APRIL 21ST I-DRIVE TOUR AND LUNCH.

Elaine Liz-Ramirez, MAI, CCIM
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Hotel Rooms Available for International Valuation Conference

Hotel rooms are available at properties surrounding the Shaw Centre, site of the 2017 International Valuation Conference, being held June 8-11 in Ottawa, Ontario.

Early bird registration closes April 18, so register today. Get the best available rate, and book your room at one of the hotels where AI and the Appraisal Institute of Canada have negotiated room rates.

If your passport expires before December 8, be sure to renew it today. Average time for a response is six weeks, so apply now. And don't forget to contact your mobile carrier to ensure that your phone will work in Canada.

Learn more about the [International Valuation Conference](#) and [register](#)

MARK YOUR CALENDARS

2017 Central Florida Real Estate Forum

Thursday, October 26, 2017

Citrus Club

Confirmed Speakers (so far):

KC Conway, MAI

Story Musgrave

Bill Garber

Tyler Golden

Rich Crotty

Robert Palmer

Rick Singh

2017 FREAB Meetings

April 6, June 5, August 7, October 2, December 4

The Division of Real Estate is now able to live stream their meetings. The streaming is not recorded and it has limited space at this time. If you are unable to access the meeting, please try again later as access may become available during the day. If you have connected to the live stream and no longer wish to view the meeting in progress, please be sure to disconnect to allow others to access the live stream. Please disable your PC audio and video camera prior to logging into the meeting. Failure to do so will result in other users and attendees hearing and seeing you during the meeting.

61J1-4.003(7) Continuing Education—A registrant, licensee, or certificate holder, including a Board member, may earn five (5) classroom hours by attending an entire meeting where the Board considers disciplinary cases, for a maximum of seven (7) of the required thirty (30) hours; provided that, the individual is not appearing as a party to a disciplinary action and notifies the Division of Real Estate, Education Section, of the intent to attend at least seven (7) days prior to the meeting. Contact Janice Taylor at least 7-days prior to the meeting to register. Please visit the website www.myfloridalicense.com > *Doing Business with Us* > *Real Estate Division Page* > *Florida Real Estate Appraisal Board* > *Meetings & Workshops*, and print all publicly available materials as early as 7 days before the date of the meeting. The department endeavors to minimize paper usage in all business practices.

Appraisals to Benefit American Consumers – Part 2

In the last chapter newsletter, we discussed what Congress thinks about the appraisal industry, as they grilled the AI, TAF, ASC and CRN in November meeting before the U.S. House Financial Services Committee. So who is CRN? A group of 500+ bank appraiser reviewers and appraisal management companies. What's the big deal? The Committee asked CRN's Fantastic Seven to come in and give recommendations to streamline the appraisal regulatory structure. This CRN group's AMC leadership saturation (Appraisal Management Company) is like the Hallmark network's intent on showing holiday movies from October thru January. All-AMC, all the time.

So what are they going to propose? First see the links below. Then the Key Takeaways from the Hearing. Oh, and the National Association of Home Builders were also before the committee.

<http://www.eflai.org/wp-content/uploads/2017/01/2017-January.pdf>

<http://financialservices.house.gov/news/documentsingle.aspx?DocumentID=401197>

Key Takeaways from the Hearing:

The current appraisal regulatory regime is stuck in a 1980s model and does not reflect the advancements of a 21st century marketplace.

The appraisal regulatory structure should take advantage of advancements in alternative home valuation methods.

The Dodd-Frank Act's impact on the appraisal industry has not enhanced the system for appraisers, consumers or stakeholders.

The decline in the number of professional appraisers is reflective of burdensome qualifications and a changing marketplace.

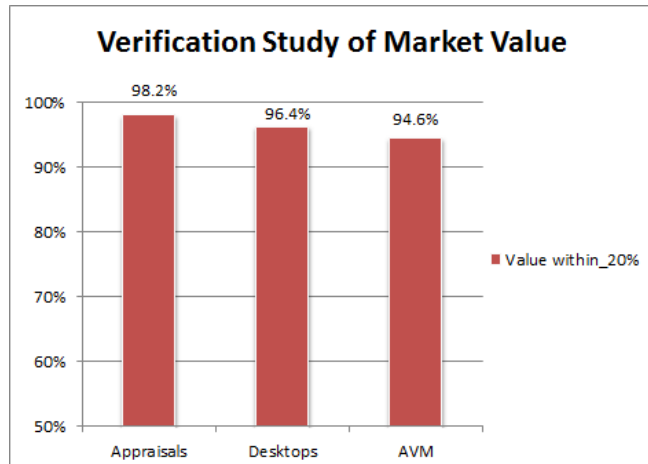
The single family appraisal industry is focused on how to add appraisers immediately. Think national impact, not local. In Oregon now, Umpqua Bank (NW regional bank) told me their average turn time for any 1004 appraisals is 22 business days (30 calendar days) and fees start at \$700. Not including up to two weeks before engagement is accepted and the inspection made. So 22 days from then. We just had to get a 1004 appraisal for a SBA loan (as an abundance of caution) and had to call 18 appraisers before we could get one to accept. Fee was \$950. Nice work if you can get it.

So what is needed? Is there really a problem? There is if you are the National Association of Realtors with super lobbying power and closings being impacted. NAR spent >\$60 million on lobbying last year. They are the power behind the curtain. Realtors are back and empowered with iPhone/Uber/Smart Devices using sales data metrics on steroids. And many markets have appraiser shortages. If you want to buy a house, should it take 45 days all the time? Is the process sluggish from start to finish, with refinances taking 60 days to close. That is not rocket speed.

"The last meaningful update of the appraisal structure was in 1989, and while the marketplace has evolved, the regulatory regime remains stuck in the past," said Subcommittee Chairman Blaine Luetkemeyer (R-MO). "Ultimately, our nation's appraisal system is unnecessarily complicated and outdated. That complexity impacts homeowners and is, in part, responsible for delayed closings and increased consumer costs. Today's hearing gave this Subcommittee an opportunity to examine the past and, more importantly, look to the future of appraisal standards in America. We can and will find a better way that increases consumer choice and maintains market confidence."

I'd get your sales license if you are a certified residential appraiser and expect to see things change. Robo-appraisals are finally here. I did not think this stuff up. And the AMC players are the big dogs saying we can give fast, low risk solutions. And Washington DC is looking at raising the *de minimis* to \$500,000. Here come the appraisal alternatives. Think desktop reviews and desktop appraisals for most loans under \$500,000. CU has changed the game. It's been stripping most appraisal report data for over 2 years and their automated model is pretty darn good with millions of historic appraisal reports.

Here is a historic comparison from 2013-2014 vintages of valuation products measuring performance with a Standards Rule 3 Appraisal Review or appraiser certified value for the AVM comparison. You do the analysis by product type and find the risk for low risk transactions?



Product Performance	1004 Appraisals	2055 Appraisals	Desktop Appraisals	Automated Models
Value within 10%				
Value within 20%				
Overvalued >20%				
Undervalued >20%				
Population Size				
Sample Average				

For Loan-To-Value Ratios <70%, see how desktop appraisals are a possible solution, even for purchases. Freddie Mac has tested this recently. They will be rolling that out as an approved option, in lieu of a 1004 appraisal. Just wait. They will approve when a third party inspection and desktop appraisal is permitted for the assignment.

At a minimum, Uber type inspections and real time appraiser assisted evaluations using an approved app on your phone are here. Wow.

But do not worry! Appraisers will be needed as Subject Matter Experts and Uber-type appraisal decision-makers and inspectors. You won't have to drive-by every property and take a photo of 3 comparable sales for every report. Just be an expert and understand what clients need and the government agencies say is safe and sound for the assignment.

Lenders will get an approved loan code stating they can safely use a desktop appraisal and then send a short form appraisal report to you, prefilled with an agency approval. You select the comps (eventually on a tablet or iPhone) and certify the comp selection using a standardized, smart disclosure from your USPAP Certified Instructor. And desktop appraisals with safety for you to operate appropriately (GSEs will allow), while you make \$50-\$65+/hour.

Now it may take a while for the state lawmakers to get on board, but you'll be Uber ready by then, with your A-Game on for "alternative home valuation methods". Time to rebrand yourself. You'll be robo-efficient on a core Realtor team with commercial appraiser relationships, you'll find new niches for you to excel in. You'll do just fine.

Michael Moran, SRA, FVP, Residential R.E. Valuation Officer, Enterprise Risk

SunTrust Bank | Take a step toward financial confidence. Join the OnUp Movement at OnUp.com

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EAST FLORIDA CHAPTER OF THE APPRAISAL INSTITUTE

2018 PROPOSED SLATE OF OFFICERS, DIRECTORS AND REGION REPRESENTATIVES

2018 President	Anna Arroyo, MAI	Region Reps (2017-2018)	Christopher Starkey, MAI
2018 Vice President	Christopher Starkey, MAI		David Herring, MAI, SRA, AI-GRS,
2018 Treasurer	David Herring, MAI, SRA, AI-GRS, AI-RRS		AI-RRS
2018 Secretary	Matthew Jehs, MAI		Hal Katz
Directors (2016-2018)	John Stevely, MAI Hal Katz	Region Reps (2018-2019)	Matthew Jehs, MAI Elizabeth Alvarez, SRA
Directors (2017-2019)	Mike Moran, SRA Riley Jones, MAI, SRA	Alternate Region Reps	Riley Jones, MAI, SRA Willem Faber, MAI Melissa Chandler, SRA Nick Chop, MAI
Directors (2018-2020)	Willem Faber, MAI Melissa Chandler, SRA		

Additional nomination may be made by a timely filing of a written petition signed by at least five percent (5%) of the total chapter membership. Such petition may be in electronic form. To be effective, each nominating petition must be delivered in writing to the Chapter Secretary no fewer than fifteen (15) days prior to the regular membership meeting when the elections are to be held. The Chapter Secretary shall deliver in writing a copy of any petition filed to each Chapter member no fewer than ten (10) days prior to the date on which elections are scheduled to be held. The East Florida Chapter elections will be held at the membership meeting on April 21, 2017. No additional nominating may be made from the floor.

Comprehensive Exam Prep

Gary DeWeese, MAI, and an instructor for the Appraisal Institute for more than 20 years, is offering his Comp Exam prep material for sale. These materials are the same as presented in his live webinars.

The cost is \$300 for the Income, \$150 for the Sales, \$150 for the Cost/HBU and \$150 for the General module material. If you purchase the first 3 modules, the General module material is free. The material is based on multiple choice type problems with detailed solutions illustrated. The material is electronically delivered the same day as ordered.

For more information about the material, to read student reviews, and learn how to order go to www.garydeweese.com or contact Gary directly at garydeweese@comcast.net or 925-216-8751.

The materials were developed by Gary DeWeese and are not sponsored or endorsed by the Appraisal Institute

2017 Education Calendar

March	Review Case Studies—Residential Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets Business Practice
June	Quantitative Analysis
September	Uniform Appraisal Standards For Federal Land Acquisitions: Practical Applications (Yellow Book) Supervisor/Trainee AND Solar PV (details to follow)
October	Real Estate Forum
November	Valuation of Conservation Easements
December	Land Valuation

Questions—Call Lauren at 813-651-5904 or Lauren@eflai.org



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Visit appraisalinstitute.org/online for a list of classes!



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