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**North Star
Chapter**

NorthStarAI.org

April/May Newsletter

1265 Josephine Rd., Roseville, MN ~ 651-633-0676 ~ Web site: www.northstarai.org

April, 2013

April 23, 2013

**Eminent Domain
Workshop**

**James Dorsey, Esq.
&
Stuart Alger, Esq.**

will present an overview of the fundamentals of eminent domain law in Minnesota.

- They will cover valuation and compensation concepts of particular relevance to appraisers who provide appraisals of damages in condemnation cases. Many of these concepts are also relevant in property tax appeal and special assessment appeal cases.
- They will discuss the procedure that governs a condemnation proceeding, and the role of an expert appraiser in that process.
- And, they will discuss legal developments that have come out of the changes made in 2006 to the MN state statutes that govern condemnation proceedings.

The North Star Chapter of the Appraisal Institute

Presents the

April Luncheon Meeting

with Guest Speakers

**James Dorsey, Esq.
Stuart Alger, Esq.**

Leonard Street and Deinard



“Eminent Domain”

Tuesday, April 23

Time: 11:30 am - Registration
12:00 pm - Luncheon Buffet
12:30 pm - 2:30 pm - Presentation

Location: Midland Hills Country Club
2001 Fulham Street
Roseville, MN 55113
Phone: 651.631.0440

**\$50.00 - Out-state Members who have not paid CSF
\$50.00 - Non-Members and Guests**

This program was developed and is administered by the North Star Chapter of the Appraisal Institute

Reservation Deadline is April 19, 2013

**2 Hours of Appraisal Institute CE approved.
2 Hours of MN Appraisal & Real Estate CE approved**

2013 - President - Michelle Koeller's Corner

Although it looks and feels like January outside we have, in fact, entered spring which means that we are already into the second quarter of the year. It's hard to believe it's already April and there is still so much to accomplish this year. It is important for us to continue and build upon the work done by our previous President, Steve Shaykett, MAI and all of our dedicated volunteers.

With that in mind, we have some good news to share with everyone. Our chapter has 97 Candidates for Designation! These Candidates for Designation are the future of our industry and the future of this organization. This is definitely a good sign that we are continuing to strengthen our organization. However, we are in great need for additional Candidate for Designation Advisors. Our Chapter currently has 17 Advisors. I appeal to all our designated members to be a mentor/advisor for our Candidates for Designation. This will further demonstrate to the Candidates for Designation that we truly care about its members and their futures. If you are willing to be an Advisor or want to find out more about it, please visit the Appraisal Institute website.
<http://www.appraisalinstitute.org/airesources/join.aspx>

We would like to remind everyone that the North Star Chapter Meeting will be held on April 23rd. The presenters include Stuart Alger, Esq. and James Dorsey, Esq of the Leonard Street & Deinard law firm. They will be speaking about the fundamentals of eminent domain. I anticipate that this will be a great presentation and I look forward to seeing everyone there.

The 15th Annual Trend Seminar is also right around the corner. The Trends Committee, chaired by Julie Bjorklund, has put together a fantastic slate of speakers. Further details of the seminar are included in this newsletter. This seminar sells-out quickly and I encourage you to register early! Also, we are still looking for vendors of all kinds to host Vendor tables at the Trend Seminar this year. If you are interested in being a Vendor or know of someone that may be interested in being a Vendor, please contact Maribelle.

Finally, the PR Committee, chaired by Ev Strand and Tony Lesicka, along with our PR Firm, Busch Partners continues to work hard promoting our Chapter and our profession. Please see their important Committee report following this article.

As always, if you have any questions or concerns please feel free to reach out to Maribelle or myself. I look forward to seeing all of you at the upcoming meetings!

Best regards,
Michelle Koeller, MAI
2013 Appraisal Institute North Star Chapter President

Public Relations Committee

Our Chapter's Public Relations Committee continues to work to build greater visibility...and broader public recognition...for the important work done by North Star Chapter members and the value of our MAI and SRA designations. Last Quarter's "hits" include 1) the Chapter's co-sponsorship with the Real Estate Journal in which many of our members helped to present a four hour seminar on Valuation Trends and 2) a co-developed lengthy interview with Michelle Koeller, Chapter president, appearing in the March issue of the Minnesota Real Estate Journal (unfortunately accompanied by another person's photo!).

Coming up next is an article to be published in the Journal on appraising medical office buildings and healthcare facilities by Stu Mortrude, MAI, Diversified Real Estate Services. More are in the works. If you have a timely appraisal issue or topic you think might be of interest to the real estate industry, financial community, or general public and are willing to author a column (even if you don't want to write it yourself), we'll develop it for you. We have editors in each of these areas interested in presenting our point of view, but we need your help to make it happen.

We're currently briefing key real estate reporters and editors on the coming Spring Trends Conference, giving them a "heads-up" on speakers and the program, and inviting them to attend and connect with North Star members.

This year Public Relations hopes to be self funding but to do this and grow our efforts we need your help to find \$500 Corporate Sponsors. The most logical sponsors are vendors or business associates of AI members. If you are aware of a firm that we may be able to interest in such a sponsorship and you have a personal relationship with them please let us know. We will make the approach and do the heavy lifting but an introduction by you to a key contact can make all the difference in a prospective sponsor's willingness to consider stepping up. And when you see any of our current sponsors in meetings, thank them for being our generous partners in advancing the work of the Chapter.

Ev Strand, MAI Chair, Marketing & Public Relations Committee
Merrill Busch - Busch Partners, Marketing Consultant

ARE YOU INTERESTED IN SERVING ON THE BOARD OF DIRECTORS IN 2014?

The Nominating Committee will be meeting within the next few weeks to nominate Board members, Regional Representatives and the Treasurer for next year's North Star Chapter Board of Directors.

The Nominating Committee Chair, Steve Shaykett, MAI announces:

The open positions in 2014 will be:

1. Treasurer: 1 - Vacancy. (Nominee usually accepts this job with the idea of moving up to Secretary, then Vice President and then President)
2. Directors: 4 - Vacancies (Nominee accepts this position with the idea of serving for 3 years)
3. Regional Representatives: 2 - Vacancies Regional representatives are required to attend one meeting a year in person. The others are done via phone call. This is a good opportunity to help direct the major policy directions that the national leadership of the Appraisal Institute is considering. Make yourself heard.
4. Regional Alternates: 5-10 vacancies. A Regional Representative accepts this position with the possibility of filling in for a Regional Representative who is unable to attend a Regional Committee meeting.

If you have any interest in being considered for any of these positions, please forward your name, or the name of any other appraiser that you would like to nominate for one of these positions, or if you would like to learn more about the duties of a particular position please contact Steve at: Steve@shaykettappraisal.com



Education



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The North Star Chapter of the Appraisal Institute - 15th Annual "Trends"

15th Annual Real Estate *Trends* Seminar

May 6, 2013

Fantastic Speakers – Fantastic Topics

Fantastic Seminar!!

This seminar offers an update of local real estate trends and issues for 2013 that will appeal to all appraisers and real estate professionals. It provides both residential and commercial topics concurrently in the morning and a general session of timely topics in the afternoon. Each session will be led by top professionals in the field of real estate.

The Morning RESIDENTIAL Session will include the following presentations:

The Morning Residential Session is full (we do have a waiting list)

The Morning COMMERCIAL Session will include the following presentations:

- "Capital Market Trends" – Murray Kornberg - CBRE Capital Markets
- "Apartment Trends" – Brent Wittenberg - Marquette Advisors
- "Office Trends" - John McCarthy & "Retail Trends" – Eric Bjelland both with Cushman Wakefield/NorthMarq

The Combined Afternoon GENERAL Session will include the following presentations:

- "Realty Components in Complex Real Estate Trends" – Thomas Hamilton, PhD, Univ. of St. Thomas
- "Final Report of the Property Tax Working Group" - Stephen Behrenbrinker, CAE, City Assessor - St. Cloud
- "Population, Risk, & Real Estate: What Makes the New Normal New"– King Banaian, PhD, St. Cloud State Univ.

When you register, you will be asked to choose the morning Commercial Session. The afternoon General Session is a combined session for all registrants.

Tuition includes seminar, handouts, refreshment breaks, and lunch.

Schedule

May 6 - 8:00 am—5:00 pm

Tuition: \$190.00 for all attendees (\$25 late fee after May 1)

Instructors

Each session will be led by top professionals in the field of real estate.

Education Credit:

8 Hours of Appraisal Institute Continuing Education approved.
8 Hours of Appraisal Continuing Education and Real Estate Continuing Education have been applied for in Minnesota.
Assessor CEUs applied for.

This program was developed and is administered by the North Star Chapter of the Appraisal Institute.

Location

Continuing Education and Conference Center
University of Minnesota St. Paul Campus
1890 Buford Avenue
St. Paul, MN 55108

Hotel Information

For hotel Information, please visit www.northstarai.org and click on the Education link. Then, please look under the "where can I stay" pull-down menu.

More Information

For more information on this class and other upcoming offerings:
www.appraisalinstitute.org/education/northstar.aspx



Education



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The North Star Chapter of the Appraisal Institute - 15th Annual "Trends"

15th Annual Real Estate "Trends" Seminar

Date: May 6, 2013 - 8:00 a.m. - 5:00 p.m.

Tuition:

- \$ 190.00 - All Attendees
- \$ 215.00 - Late Fee (after May 1, 2013)

8 Hours Appraisal Institute CE Approved
 8 Hours MN Appraisal & Real Estate CE—Applied for
 Assessor CEUs Applied for

Please indicate which Session you would like to attend:

FULL - Residential Morning Session
Afternoon General Session

- Commercial Morning Session**
Afternoon General Session

The "General" Afternoon Session is for all attendees.

Payment (must accompany registration)

- Check (payable to Appraisal Institute)
- VISA Mastercard Amer. Express

Amount \$ _____

Card Number _____

CCV# _____

Expiration Date _____ (on back of card)

Name on Card _____

Questions? Please e-mail Maribelle Cushman at maribellec@aol.com or call 651-633-0676

Fax: 651-633-5956

Registration Information:

Name, Designation

E-mail (required)

Member Account Number

State Appraiser Number

Firm Name

Firm Address

City, State. ZIP

Phone/Fax

Register online at: www.appraisalinstitute.org/education/northstar.aspx

Seminar held at the:

Continuing Education & Conference
 Center - Rooms 135 & 155
 1890 Buford Avenue
 St. Paul, MN 55108 - 612.624.3275

Courses to Upgrade Your License

~ May and June ~

General Appraiser Site Valuation & Cost Approach May 6 - 9, 2013

May 6 - 9, 2013 - 30 Hrs. PL/QE/CE with Exam; 28 Hrs. CE - no Exam

May 6 8:00 a.m. Registration, 8:30 a.m. – 5:00 p.m. Lecture
May 7 - 8 8:00 a.m. - 5:00 p.m.- Lecture
May 9 8:00 a.m. - 3:00 pm - Lecture; 3:00—5:00 p.m. - Exam

Note: QE/PL Course - AQB Approved

General Appraiser Site Valuation and Cost Approach is a practical, hands-on course that concerns two basic aspects of real estate appraisal: land/site valuation and the development of the cost approach. Extensive use of problems and case studies will give you practice in applying site valuation and cost approach methods. By successfully completing the course and exam, you will have met most states' education requirements in the content area identified as general appraiser site valuation and cost approach.

Who Should Enroll: Those seeking General Appraiser Certification

Instructor: *James Vernor, PhD, MAI - Atlanta, GA*

General Appraiser Income Approach, Part 1 - June 3-6

June 3 - 6, 2013 - 30 Hours PL/QE/CE Credit w/ Exam

June 3 8:00 a.m.- Registration, 8:30 a.m. - 5:00 p.m. - Lecture
June 4-5 8:30 a.m.- 4:00 p.m. – Lecture; 4:00 p.m. - 5:00 p.m. - Exam
June 6 8:30 am - 2:00 pm Lecture; 2:00 pm - 5:00 pm – 3-Hour Exam

Note: QE/PL—AQB Approved Course

After a brief review and introduction, *General Appraiser Income Approach/Part 1* opens with a graphic treatment of the time value of money, the six financial functions of a dollar, and important associated concepts. A thorough, detailed analysis of gross income including leases and the various expenses appropriately deducted from gross income follows, with realistic case studies of several income property types. Direct capitalization is then presented using overall capitalization rates, band of investment, and residual techniques. Substantial class time is devoted to practicing the taught concepts to prepare participant for the exam.

Who Should Enroll

Those seeking general Appraiser Certification, underwriters, lenders, and assessors

Instructor: *Vincent Dowling, MAI, SRA - West Chester, PA*

General Appraiser Income Approach, Part 2 - June 24-27

June 24 - 27, 2013 - 30 Hours PL/QE/CE Credit w/ Exam

June 24 8:00 a.m.- Registration, 8:30 a.m. - 5:00 p.m. - Lecture
June 25-26 8:30 a.m.- 4:00 p.m. – Lecture;
June 27 8:30 am - 2:00 pm Lecture; 2:00 pm - 5:00 pm – 3-Hour Exam

Note: QE/PL—AQB Approved Course

After a diagnostic quiz on the six financial functions of one and a brief review, *General Appraiser Income Approach/Part 2* opens with a thorough treatment of discounted cash flow (DCF) analysis. Topics include identifying components of a DCF, projecting cash flows, analyzing leases, solving for value in a variety of common situations, and supporting the discount rate. The effects of debt financing including cash equivalence and equity analysis are covered in detail. Income patterns and property models including residual and other applications are followed by selecting and supporting the discount rate. Also presented are the strengths and weaknesses of direct and yield capitalization. The final section reviews and summarizes the mathematical concepts involved with income capitalization and prepares the participant for not only the course exam but also the certification exam.

Who Should Enroll: Those seeking general Appraiser Certification, underwriters, lenders, and assessors

Instructor: *Vincent Dowling, MAI, SRA - West Chester, PA*

North Star Chapter Education News.... 2013 Schedule

USPAP Courses

- July 17 **7 Hour National USPAP Update Course—2012-2013**
7 Hours Appraisal & Real Estate CE
Instructors: Craig Harrington, SRA
- July 18 **Business Practices and Ethics** - Craig Harrington, SRA
7 Hrs. Appraisal Institute CE, 4 Hrs Appraisal & Real Estate CE—Minnesota

Courses to Upgrade Your License and General Designation Courses

- May 6-9 **General Appraiser Site Valuation and Cost Approach**
Instructor: James Vernor, PhD, MAI—30 Hrs PL/QE/CE w/Exam, 28 - No Exam
- June 3-6 **General Appraiser Income Approach/Part 1**
Instructor: Vincent Dowling, MAI, SRA—30 Hrs. PL/QE/CE w/exam, 27 Hrs. CE - no Exam
- June 24-27 **General Appraiser Income Approach/Part 2**
Instructor: Vincent Dowling, MAI, SRA 30 Hrs. PL/QE/CE w/exam, 27 Hrs.CE - no Exam
- Dec. 2-5 **General Appraiser Report Writing and Case Studies** - 30 Hours PL/QE/CE with Exam
Instructor: Rich DuBay, SRPA, SRA

Advanced Designation Course

- Sept. 11-17 **Advanced Concepts and Case Studies**—38 Hours with Exam
Instructor: Kerry Jorgensen, MAI

Seminars

- May 6 **15th Annual Real Estate “Trends” Seminar - Residential/General**
8 Hrs. AP & RE applied for—Assessor CEUs—approved
- June 20 **NEW - Complex Litigation Appraisal Case Studies** - 7 Hrs. General/Residential
Instructor: Sandra Adomatis, SRA
- Aug. 1-2 **NEW - Practical Regression Using Microsoft Excel** - 14 Hrs. General/Residential
Instructor: John Urubek, MAI

To Be Scheduled:

- NEW - **Marketability Studies: Advanced Considerations and Case Studies** - 7 Hrs. - General
NEW - **Condos, Co-ops & Puds (How to Appraise Prop. in Associations)** - 7 -Hrs. - Residential - Summer
NEW - **Income Approach for Residential Appraisers** (Available in Summer 2013) - 7 - Hrs. Residential

Register online at: northstarai.org/education