



**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*



**North Star
Chapter**

NorthStarAI.org

January 2012 Meeting

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

January, 2012

**January 10, 2012
"A New Economy.."**



**with Guest Speaker:
King Banaian, PhD**

This influential and respected economist will give us a wide ranging economic overview and forecast for the upcoming year that focuses in on the outlook for the region, with respect to the real estate industry.

- What is the risk of a double-dip recession? How normal is it to have so high unemployment when we have had seven quarters of growth?
- The history of commercial and residential construction in economic recoveries.
- What is the "new normal" in MN and what does it mean for Real Estate?
- What is the State of the banking industry, as it applies to builders, managers and tenants?

There will be a question and answer period following the speaker's presentation.

2 Hrs. Appraisal Institute CE approved, 2 Hrs. MN Appraisal & Real Estate CE Applied for.

**The North Star Chapter of the Appraisal Institute
In conjunction with**

IREM Minnesota Chapter #45

Present the

January Luncheon Meeting

with Guest Speaker

King Banaian, PhD

Department of Economics, St. Cloud State University

**"A New Economy: A Guide for
Real Estate Professionals"**

Tuesday, January 10, 2012

Time: 11:30 am - Registration
12:00 pm—Luncheon & Program to follow

Location: Golden Valley Country Club
7001 Golden Valley Road
Golden Valley, MN 55427
Phone: 763-732-4100

\$20.00 Additional fee for those who have paid the Chapter Service Fee for 2012
\$60.00 - Out-state Members who have not paid CSF
\$60.00 - Non-Members and Guests

This program was developed and is administered by the North Star Chapter of the Appraisal Institute and IREM Minnesota Chapter #45.

Reservation Deadline is January 5, 2012

A very Happy and Healthy 2012 to you all!

King Banaian is a professor in the Department of Economics at St. Cloud State University. He holds the Ph.D. in economics from the Claremont Graduate School. He has consulted at the central banks of Ukraine, Egypt and Macedonia and the ministries of finance of Indonesia, Macedonia and Armenia. He is author of *The Ukrainian Economy Since Independence* (Edward Elgar, 1998), co-editor of *The Design and Use of Political Economy Indicators* (Palgrave, 2008) and more than forty articles and book chapters discussing monetary policy and political economy. He is a fellow of the Armenian International Policy Research Group in Washington, DC and Yerevan, Armenia. King is currently state representative in the Minnesota House for District 15B. He is also host of the King Banaian Show of the Northern Alliance Radio Network, broadcast in Minneapolis, and co-author of the *St. Cloud Quarterly Business Report*.

2011 - President - Dan Boris's Corner

Forward-looking Reflections....

I first walked into a meeting of the Society of Real Estate Appraisers at the Golden Valley Country Club in September, 1974. I was a year out of college looking to establish a career. It was only fitting and appropriate that my final meeting as President of the North Star Chapter of the Appraisal Institute was again at the Golden Valley Country Club. Ultimately the Society of Real Estate Appraisers merged in 1991 with the American Institute of Real Estate Appraisal Appraisers to form the current Appraisal Institute headquartered in Chicago. For the old-timers in the Chapter, Alyce Benda was the Chapter Executive Director in 1974. Maribelle came onto the scene nearly a decade later.

2011 ends with me participating for the last seven years either as a Board Director, Treasurer, Secretary, Vice President, culminating as the 2011 Chapter President. The torch has been passed to Steve Shaykett, MAI, of Sioux Falls, South Dakota. I will again be active next year as President, ex officio, during the year 2012. I'm glad to see our Chapter grow over the years to include the former Duluth/Superior Chapter, membership in Greater Minnesota, and into the Dakotas.

What makes the Chapter strong is commitment to Education and training. Kurt Ophus, MAI has been our Education Chair for many years and has helped us maintain a very good agenda of courses and seminars. When we take classes for our Continuing Education and general knowledge, our Chapter is a direct beneficiary in the form of a general subsidy to our local Chapter dues. Think twice about taking courses from other vendors of inferior quality and many times more expensive. Most importantly, our Annual Trends Seminar, given every year in May, is now 13 years old and boasts of over 2,500 total attendees. The reason people come back every year is not only can an Appraiser achieve almost half of the required Continuing Education for license renewal, but information shared and presented can directly help each and every one of us in our day-to-day practice of real estate.

In addition to Trends, we've had some excellent seminars such as the recent presentation on multi-family housing coordinated by Marcia Goff, MAI, at Midland Hills. The previous year we had a superb presentation by Steve Sherf and Ted Leines regarding hotel and hospitality real estate. We had fun exploring TCF Bank Stadium and Target Field as they opened their doors. In 2010 we also had a great presentation in Duluth regarding the driving forces of real estate in the Arrowhead portion of the state. It has become an annual tradition to have a joint meeting with IREM members each January. Forces are in place to create other linkages to members of CCIM, brokers of SIOR and other real estate-related professional organizations.

To keep that momentum, we have engaged Merrill Bush Associates to act on our behalf in areas of Public Relations. His connections with local media such as the Minnesota Real Estate Journal and other real estate groups such as NAIOP and others has rejoined us with real estate families of professionals which were, up until recently, long-forgotten relatives. The real estate community is a relatively small circle if we simply reach out to one another and work towards similar needs and worthwhile goals. Public Relations was the brainchild of Ev Strand, MAI, a year ago and through a coordinated effort, that process has gained wings.

Those who sit back and don't get involved are doomed to a future of stagnation. Stepping forward and making an effort, however small, leads to a positive move in a forward direction for a worthwhile cause. As my yearly visit to the doctor has reminded me, "If you want to continue to live a quality and extended life, you can't do that by standing still." Sitting on the couch waiting for others to act will result in a sedentary lifestyle and an abbreviated life term.

Stand-up, take charge, and make a difference!!!

Daniel T. Boris, MAI, CCIM, SRA
2011 Appraisal Institute North Star Chapter President

The Chapter thanks you for your hard work and dedication on behalf of the Chapter, Dan! You've worked hard and everyone remembers being given the chance to be one of the first groups to tour both the new TCF Stadium and Target Field - what a great time everyone had - thanks to your efforts!

2012 - President - Steve Shaykett's Corner

Happy New Year to you all....

In 1983 I was serving as the vice present of the Kansas City chapter, next in line to be chapter president in 1984, but for personal reasons my family and I made the decision to move back to South Dakota by mid 1984, which we did. As I now step into the role as president of the North Star Chapter some of the challenges confronting the Appraisal Institutes predecessors (AIREA & SREA) at that time are the same that the Appraisal Institute and local chapter are addressing at this time, as well as continuing challenges resulting from the mandated licensing of appraisers for federally related transactions, some 20 years ago. A few years ago the Appraisal Institute formed a Strategic Planning Committee to develop a long range plan, which in 2011 formalized its recommendations and some were approved in November and are being implemented in 2012.

One of the old issues that again is being discussed is whether the Appraisal Institute is a trade association or a professional society. Strategic Planning Committee has recognized that the decline in member numbers is a nation wide trend, which is expected to continue, due mainly to decreased demand for mortgage loan appraisals, both residential and commercial, as well as other ideas of the Strategic Planning Committee that will be implemented in coming years that are intended to set Appraisal Institute members apart from other appraisers and competitors to become recognized as a professional society. These recommended changes include improved education, more hours of education, required testing for designated members, improved policing of members and specialized designations, as well as continued international expansion. More stringent requirements and the national declining numbers will likely lead to a smaller organization, but one that is better trained to offer a wider variety of valuation services, with the intended goal to make your membership more valuable.

One of the major challenges that has not changed is moving associates to designated levels. Sitting on the chapter admissions committee in the 80s, I saw many of my peers complete all the education and experience requirements, only to procrastinate for years over completing the demonstration report. In some cases never completing it and never reaching their goal to be designated. In the old days non-designated associates of the American Institute of Real Estate Appraisers were candidates, and once designated would be Members. This last November, as part of the Strategic Planning Committees recommendations, the Appraisal Institute once again is going to classify those working towards a designation as candidates. This change is to help those serious about becoming designated to achieve that goal. In 2011 the Appraisal Institute granted 1 SRA designation and 8 MAI designations to our chapter associates. The Appraisal Institute has around 20,000 members, of which about half are designated members and the balance associates. The average age of designated members is 61 years old and projections by the Appraisal Institute show that many members over the next 5 years will be leaving the profession and the Appraisal Institute at a rate that is much greater than the current rate of newly designated. As the Institute becomes smaller, it is inevitable that the dues will likely increase. One of the unintended consequences of this lack of designated members will likely be that some of our current clients will have to seek less qualified appraisers to provide appraisal services. This is another reason we need to get more designated members. I would like to challenge all of our associates to set a goal for 2012 to be the year they become designated. The Appraisal Institute is offering the Capstone Program, as well as other demonstration report alternatives, as part of the effort to encourage associates to become designated. Any associate that is considering this as the year to achieve their goal to become designated I would encourage you as soon as possible to check out the program on the Appraisal Institutes website, or contact our Associates Committee Chair, Janene Hebert, or our Associates Guidance Chair, Christine Mackaman, MAI.

Another challenge for the chapters has always been getting volunteers for committees. One of the little known facts is that you can receive Appraisal Institute continuing education credit for serving in chapter or regional leadership positions. The Education committee is one of the prime committees for our chapter. Kurt Ophus, MAI has chaired this committee and has done a stellar job over the years overseeing and providing the chapter with a breakeven education program. However, other education providers, on line offerings

2012- President Steve Shaykett's Corner (continued)

However, other education providers, on-line offerings and our own national education offerings make it a very competitive market. As Kurt says at each meeting, “**signup early and often**” for chapter education. This benefits the members by offering affordable local courses and seminars. However, if we cannot continue to at least breakeven, we may have to cut back these offerings. Trust me, as one that has to travel for every course or seminar, it is a huge benefit to have it offered locally. Michelle Koehler, MAI is in charge of the 2012 Trends Seminar. As most of you know this is a big money maker for the chapter and requires a lot of volunteers. Also, with the Appraisal Institute's renewed concentration on getting associates designated, it will be necessary for our guidance committees, along with Associates Committee Chair, to be up to date and proactive in providing services for our candidates and associates. Ev Strand, MAI and his public relations committee, along with our consultant, Merrill Busch and his staff, have done a tremendous job this last year in really getting the PR Program off the ground and running. This committee is trying to make the Appraisal Institute and the North Star Chapter as visible as possible to potential users of our services. Success of this program is based on visibility to these groups, which requires attendance of our members at many different functions as presenters, or just being acknowledged at meetings. It is too much of a burden to ask the same individuals to be participants at all of these events. Many of these events are not only good exposure for the chapter, but also provides net-working opportunities. I encourage you to offer your time and talents to these committees, or if called on, please give serious consideration to helping out.

We have a large chapter with many talented people providing a huge resource of ideas and energy to continue the North Star Chapter's reputation as being one of the leading chapters in the Appraisal Institute. Make 2012 the year to set a personal goal to become designated or to give back to this organization, because the Appraisal Institute is no longer standing still. The Appraisal Institute is moving forward with a clear vision of the future. I encourage all of you to jump on the train, it should be exciting.

**Steve Shaykett, MAI
2012 Chapter Presiden**

ARE YOU INTERESTED IN SERVING ON A 2012 COMMITTEE??

Our 2012 President, Steve Shaykett MAI, would like to find “committed” people who are interested in participating in the operations of the Chapter. This is one of his main goals for the year. He would like each of you to be given the opportunity to volunteer for positions on the Chapter Committees. If you are interested, please consider one of the Committees listed below and send an e-mail to the Chapter Office indicating which committee you would like to be involved in: maribelle@northstarai.org or maribellec@aol.com
Steve would also be happy to hear from you if you would send him an e-mail: steve@shaykettappraisal.com

ADMISSIONS COMMITTEE: MEMBERSHIP ADMISSIONS, DEVELOPMENT AND RETENTION

GENERAL (3-YEAR TERM) _____

RESIDENTIAL (3-YEAR TERM) _____

ASSOCIATE GUIDANCE COMMITTEE

GENERAL (3-YEAR TERM) _____

RESIDENTIAL (3-YEAR TERM) _____

EDUCATION COMMITTEE

GENERAL (3-YEAR TERM) _____

RESIDENTIAL (3-YEAR TERM) _____

BYLAWS _____

FINANCE _____

GOVERNMENT RELATIONS _____

HOSPITALITY MEMBER SERVICES _____

PROGRAM COMMITTEE _____

PUBLIC RELATIONS _____

RESEARCH COMMITTEE _____

WEB-SITE COMMITTEE _____

North Star Chapter Education News.... 2012 Schedule

USPAP Courses

- April 11 **7 Hour National USPAP Update Course - 2012-2013** - 7 Hours Appraisal Real Estate CE
Instructors: Craig Harrington, SRA
- 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** - 7 Hours - Appraisal Institute CE; 4 Hours Appraisal & Real Estate CE - MN Instructor: Rich DuBay, SRPA, SRA

New Courses

- April 18-19 **Fundamentals of Separating Real Property, Personal Property & Intangible Business Assets** - 15 Hours CE with Exam Instructor: Kerry Jorgensen, MAI
- May 30, 31 **Condemnation Appraising: Principles and Applications** - 22 Hours CE w/Exam, 21 Hours no/Exam
June 1 Instructor: Vincent Dowling, MAI, SRA

Seminars

- Jan. 23 **New - Residential Applications: Using Technology to Measure and Support Assign. Results**
Residential - 7 Hours Instructor: Sandra Adomatis, SRA
- Feb. 9 **Litigation Skills for the Appraiser: An Overview** - General/Residential - 7 Hours
Instructor: Alan Hummel, SRA
- May 9 **14th Annual Real Estate Trends Seminar**—General/Residential - 8 Hours
Local Professionals in Related Real Estate Fields
- August 9 **The Lending World in Crisis: What Clients Need their Appraisers to Know** - General- 7 Hours
Instructor: Alan Hummel, SRA
- August 15 **Residential Review type Seminar**—TBD - Residential - 7 Hours
Instructor: Alan Hummel, SRA



Courses to Upgrade Your License and General Designation Courses

- Feb 21-22 **Apartment Appraisal: Concepts & Applications** – 16 Hrs PL/QE/CE w/Exam
Instructor: Vincent Dowling, MAI, SRA
- Mar. 12-13 ***NEW*-Real Estate Finance, Statistics & Valuation** – 15 Hrs.PL/QE/CE w/Exam
Instructor: James Vernor, PhD, MAI
- April 16-17 **Advanced Residential Applications and Case Studies** – 15 Hrs PL/QE/CE w/Exam
Instructor: Rich DuBay, SRPA, SRA
- May 14-15 **Income Valuation of Small, Mixed-Use Properties** – 16 Hrs PL/QE/CE w/Exam
Instructor: Vincent Dowling, MAI, SRA
- May 22– 25 **General Appraiser Sales Comparison Approach** - 30 Hrs Pre-Licensing/QE/CE w/Exam
Instructor: James Vernor, PhD, MAI
- Aug. 21-22 **Sales Comparison Valuation of Small, Mixed-Use Properties** - 16 Hrs. PL/QE/CE w/Exam
Instructor: Vincent Dowling, MAI, SRA
- Nov. 5-8 **General Appraiser Market Analysis & Highest & Best Use** - 30 Hrs Pre-Licensing/QE/CE w/Exam
Instructor: Kerry Jorgensen, MAI
- Dec. 3-5 **General Appraiser Report Writing and Case Studies** - 30 Hours PL/QE/CE with Exam
Instructor: Rich DuBay, SRPA, SRA

New Advanced Designation Course

- July 24-28 **Advanced Market Analysis and Highest and Best Use** -33 Hours CE with Exam
30 Hours - CE (no Exam) Instructor: Vincent Dowling, MAI, SRA



Register online at: northstarai.org/education

Please Help Us Promote the “Trainee” Appraiser Course Package (75 Hour)

If you know of anyone who would like to become an appraiser and needs the best training possible to do so, please recommend that they take these courses from the North Star Chapter! If they take these courses as a package they will save over \$200.00.

The two courses, *Basic Appraisal Principles* and *Basic Appraisal Procedures* together with the 15—Hour *National Uniform Standards of Professional Appraisal Practice* combined meet the MN requirement of 75 Hours for Classification #1—“Trainee” Appraiser. The courses can be taken separately or as a package which offers a great discount!

The North Star Chapter of the Appraisal Institute proudly presents:

<i>Basic Appraisal Principles (30 Pre-Licensing Hours)</i>	Feb. 7-10. 2012
<i>Basic Appraisal Procedures (30 Pre-Licensing Hours)</i>	Feb. 14-17, 2012
<i>15 Hour National USPAP (15 Pre-Licensing Hours)</i>	March 8-9, 2012



These courses meet the education requirements of 75 hours for the “Trainee” Appraiser classification in Minnesota prior to taking the licensing exam. They may be taken individually or as a package. Complete descriptions, schedules and fees are available by calling 651-633-0676 or can be found on the chapter website: www.northstarai.org/education

Would you be interested in attending LDAC? May 22 - May 24 - Washington, D.C.

What is LDAC?

- A revolutionary approach to leadership development!
- An incubator of new programming ideas!
- A mouthpiece to our Nation’s lawmakers!

The Leadership Development & Advisory Council (LDAC) has served as a source of leadership and as an inspiration for new programming ideas for the Appraisal Institute for over 30 years. Through a series of roundtable discussions, LDAC provides a forum where ideas and opinions of targeted topics of concern in the appraisal profession are exchanged.

Capitol Hill Trip

LDAC establishes an “appraiser presence” in Congress. Organized into Congressional Teams, LDAC participants lobby Capitol Hill and demonstrate that the Appraisal Institute is made up of professionals who recognize the importance of being actively involved in the political process. Visit the Appraisal Institute [Government Affairs](#) page.

Up to 100 individuals will be selected based on the following criteria:

1. Work experience (minimum of 3 years real estate experience or have taught real estate courses for 3 years)
2. Professional quality of work, demonstrating an outstanding ability in appraising or related profession
3. Personal attributes, to be described in letter of recommendation (i.e. an up-and-coming leader in his/her Chapter, a strong contributor to discussion on a sophisticated level)
4. Balance and diversification of the Council

If you have any interest in attending these meetings, please let the Chapter know as soon as possible. The Chapter must send the applications with the registrant fee, a resume and recommendation of the Chapter Board to the Appraisal Institute by March, 2012.



Respond by e-mailing the Chapter office at: maribellec@aol.com or call Maribelle at 651.633.0676

Residential Associates

Are You Interested in taking the 45-Hour Demo Package? (Alternative to Residential Demo for SRA Associates)

If you are a Residential Associate of the Chapter or the Appraisal Institute and would like to take the 45 Hour Demo Package, which can be used as an alternative to writing a Residential Demonstration for the SRA Designation, we are asking that you let the Chapter Education Committee know at once.

In order to receive the 45 Hours of credit, you would need to take both Advanced Residential Applications, Part 1 (15 Hour course) and Advanced Residential Report Writing/Part 2 . as back-to-back offerings at the same location. It is not permissible to take Part 2 for the Residential Demonstration Report alternative at a later time, nor is it permissible to register for Part 2 unless it is taken immediately after Part 1 at the same location.

**We have scheduled the
Advanced Residential Applications and Case Studies, Part I on April 16-17.**

If there are enough of you interested - at least 15 - the Education Committee would be pleased to offer Part 2—Advanced Residential Report Writing immediately following the 2-day, Part 1 course.

Important Note: If you wish to become a State Certified Residential Appraiser, *Advanced Residential Applications and Case Studies/Part 1* is approved by the Appraiser Qualifications Board for 15 content hours in advanced residential applications and case studies. *Advanced Residential Report Writing/Part 2* is approved for 30 hours in the appraisal subject matter elective category.

**The package does meet the qualifying education requirements for the
AQB's Certified Residential classification.**

Call the Chapter office at 651-633-0676 if you are interested—NOW!!!

Appraisal Institute Scholarship Opportunities

AIET Appraisal Institute Designation Scholarship - Deadline Jan. 1, April 1, July 1, Oct. 1

Associate Members who are active in appraising and need financial assistance to take Appraisal Institute courses leading to the MAI or SRA designations. Contact: <http://www.appraisalinstitute.org/education/scholarship.aspx>

AIET Minorities and Women Education Scholarship Program - Deadline is April 15

Minorities and women students pursuing academic degrees in real estate appraisal or related fields. Contact: <http://www.appraisalinstitute.org/education/scholarship.aspx>

AIET Undergraduate Scholarship - Deadline is April 15

Awarded on the basis of academic excellence, this scholarship helps finance the educational endeavors of undergraduate students concentrating in real estate appraisal, land economics, real estate or allied fields. Contact: <http://www.appraisalinstitute.org/education/scholarship.aspx>

AIET Minorities and Women AI Designation Scholarship - Deadline Jan. 1, April 1, July 1, Oct. 1

Minorities and women Associate Members who are active in appraising and need financial assistance to take Appraisal Institute courses leading to the MAI or SRA designations. Contact: <http://www.appraisalinstitute.org/education/scholarship.aspx>

Career Opportunities

REAL ESTATE COMMERCIAL OR BUSINESS APPRAISER/ANALYST

Downtown Minneapolis firm seeks

- Licensed or Designated Appraiser/Analyst w/3+ years commercial valuation experience.
- Strong analytical, research, writing, proofing, MS Office and Internet research skills required.
- Must be self-directed and have eye for detail.

Competitive compensation includes full benefits package with 401K.

Please email cover letter & resume to afuller@ebherman.com or fax to (612) 630-8075.

APPRAISER needed in the Twin Cities

Established Twin Cities metro appraisal company is looking for a Licensed or Certified Appraiser to join their growing, successful company.

Qualifications

- Must be a State Licensed or Certified Appraiser
- College degree preferred
- Computer literate: experience with Bradford Clickforms Software preferred
- Excellent analytical, written and oral communication skills

Strong time management skills

Benefits

- Established client base and fee structure
- Monthly payroll paid to appraiser based on fee split percentage regardless if payment has been received from client
- Work from your home office

Benefits available following eligibility period

To Apply: Please send your resume to: marie@rappraisal.com DO NOT apply if you have any complaints on file with the Commerce Department.

If you would like to submit an ad for our "Career Opportunities" list, please [email](#) or fax your article to Maribelle at maribelle@northstarai.org or fax 651-633-5956.

It will appear on the Chapter Website and also in Newsletters as they are published.

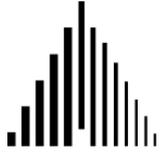


Online Education:
Learn at your own pace anytime, anywhere.
Visit appraisalinstitute.org/online for a list of classes!



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North Star Chapter

Fax

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www.northstarai.org

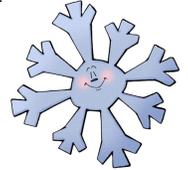
To Maribelle From _____

Fax: 651-633-5956 T _____

Phone: 651-633-0676 F _____

Date: _____

Total Pages: 1



**Schedule: 11:30 am ~ Registration
12:00 pm ~ Luncheon followed by the two-hour program**

Please reserve the following space(s) for me on January 10th at the Golden Valley Country Club for the Luncheon and Program with Guest Speaker, King Banaian, PhD

Name: _____

Guest: _____

If you have paid your Chapter Service Fee there will be a \$20.00 additional fee for this meeting only.
(This will help cover additional costs for this meeting offered with IREM)
The fee for Outstate members and Guests - \$60.00

Please make your reservations for the Luncheon by January 5, 2012
Cancellations not called in by January 9, 2012 will be billed.
No Shows will be billed.

Fax: 651/633.5956
E-mail: maribellec@aol.com
or mail your reservations to: Maribelle Cushman
1265 Josephine Road, Roseville, MN 55113

You can fax this form back to 651-633-5956 or send an e-mail: maribellec@aol.com

And you can register online at: www.northstarai.org/meetingevents.asp

**** Golden Valley Country Club, 7001 Golden Valley Road, Golden Valley, MN 55427**
For Directions: 763-732-4100 or use www.mapquest.com