

#### LDAC LEADERSHIP DEVELOPMENT AND ADVISORY COUNCIL

From April 23 through April 25, I had the opportunity to again represent you, the members of the Maine Chapter of The Appraisal Institute at the Leadership Development and Advisory Council Meeting (LDAC) held each year in Washington DC. As many of you might know, LDAC provides an opportunity for chapter members throughout the country to meet and discuss issues that are relevant to the vitality of our organization. In addition, we also have the opportunity to talk with our Washington staff to learn about pending legislation on both the federal and state levels relevant to our profession. Finally, we are asked to meet with our senators and congresspersons to lobby on behalf of potential legislation that will be favorable to our profession.

This year's event had an enrollment of 103 and represented most every chapter in the Appraisal Institute. We met at the Hotel Palomar in Washington DC's northwest region near Georgetown University. Our large group was sub divided into smaller groups which met on a rotating basis to discuss four critical issues. This year's discussions included the following:

1. "Political Awareness. Wagging the dog"- How active should we, the Appraisal Institute be in the political process?
2. "Reaching out for Diversity: How can Diversity enhance the Appraisal Institute?"
3. "Fear and Loathing: Who is training new appraisers?"
4. "Attracting and Involving New Members"

Each discussion had a minimum of twenty-five members being led by a volunteer member. Following each of the four sessions, the group leader summarized the main suggestions brought forth. It is my understanding that these will be available to us in the near future. I intend to have them available in another newsletter. Despite the continued controversy over the War in Iraq, Gun Control re the Virginia Tech tragedy, and the status of the US Attorney General, mortgage fraud is a very hot topic in Washington which, thankfully, appears to be of a bi partisan nature and capable of being effectively dealt with. Although at the time of the conference, there was no legislation immediately filed, our Washington staff felt that bills were imminent in both the house and senate. With that in mind, I again teamed with Ami Milne-Allen, an Appraisal Institute member from St Johnsbury, Vermont who is also on the Vermont Board of Real Estate Appraisers. Ami and I worked together at last years LDAC and it certainly was a pleasure being with her again. *(this article is continued on page seven)*

#### SEMINARS BY THE MAINE CHAPTER EDUCATION COMMITTEE

The Maine Chapter of the Appraisal Institute will be sponsoring two (2) educational seminars at the **Verrillo's** Convention Center in Portland on June 5th and 6th, 2007. These will both be taught by Valentino H. Pasquarella, Jr., SRA of Philadelphia, PA.

**Convincing Residential Appraisals** will be held from 1:00pm to 5:00pm on June 5th, and offers four (4) hours of continuing education credit from the Appraisal Institute, and the State of Maine for a cost of \$100.00 for all Appraisal Institute members and \$120.00 for non-members. This includes all class materials, and break refreshments.

**Supporting Sales Comparison Grid Adjustments** will be held from 8:30am to 5:00pm on June 6th, and offers seven (7) hours of credit for a cost \$185.00 and \$210.00 respectively. This includes all class materials, break refreshments, and lunch.

Please support the Maine Chapter by attending these quality educational seminars. You can register directly on-line at [www.appraisalinstitute.org/education/maine](http://www.appraisalinstitute.org/education/maine).



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## 2007 MAINE CHAPTER OFFICERS AND DIRECTORS

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## 2007 COMMITTEES

The **CHAPTER SERVICES DIVISION** includes the following Committees and Chairs: **Finance**, chaired by *Paul C. Cloutier, MAI, SRA*; **Government Relations**, chaired by *Paul C. Linehan, MAI*; **Membership Admissions, Development and Retention**, chaired by *Rob Lynch*; **Public Relations**, chaired by *Derek A. Hanley*; **By-Laws**, chaired by *Donald P. Bamman, SRA*. The **DESIGNATION DIVISION** includes the following Committees and Chairs: **Education**, chaired by *Terance O'Mahoney, MAI/SRA*; and **Associate Member Guidance**, chaired by *Michael Hollyday, MAI*. Chapter members with questions or concerns regarding any of these issues, should contact these committee chairs. You can visit the chapter website at [www.maineai.com](http://www.maineai.com) to download a directory of members and contact information. All members are encourage to keep their contact information current and complete by updating their records.

## 2007 EDUCATION AND PROGRAMS CALENDAR OF EVENTS

<u>Date</u>	<u>Program</u>	<u>Location</u>	<u>CE Credit</u>
<b>March 2</b>	Appraising Environmentally Contaminated Properties	Portland, Verrillo's	7 Hours
<b>June 5 **</b>	<b>Convincing Residential Appraisals</b>	Portland, Verrillo's	4 Hours
<b>June 6</b>	<b>Supporting Sales Comparison Grid Adjustments</b>	Portland, Verrillo's	7 Hours
<b>August 17</b>	RED SOX OUTING (to be confirmed upon ticket availability)	Boston Fenway Park	SOCIAL
<b>September 26**</b>	Evaluating Commercial Construction, Day 1	Portland, Verrillo's	7 Hours
<b>September 27</b>	Evaluating Commercial Construction, Day 2	Portland, Verrillo's	7 Hours
<b>September 28</b>	Evaluating Residential Construction	Portland, Verrillo's	7 Hours
<b>October 29</b>	7 Hour National USPAP Update	Portland, Verrillo's	7 Hours
<b>October 30</b>	Business Practice and Ethics	Portland, Verrillo's	7 Hours
<b>November 29</b>	Land Valuation Assignments	Portland, Verrillo's	7 Hours
<b>November 30</b>	Land Valuation Adjustment Procedures	Portland, Verrillo's	7 Hours
<b>December 6</b>	Chapter Christmas Dinner Party and Officer Installation Ceremony	S. Portland Marriott	SOCIAL

**Please register directly on-line for these classes** at [www.appraisalinstitute.org/education/maine](http://www.appraisalinstitute.org/education/maine)

\*\* denotes regular chapter business meeting to be held at 5:00pm on day of the program for now, this may change

# MAINE LEGISLATIVE NEWS

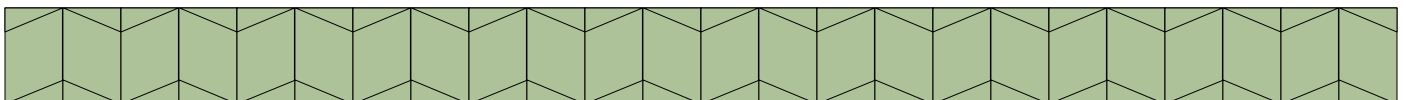
**The Maine Legislature is considering legislation that will allow the Maine Appraisal board to refuse a license or enforce disciplinary action on the following grounds.**

## **§ 14014-A. Denial of or refusal to renew license; disciplinary action**

In addition to the grounds enumerated in Title 10, the board may deny a license, refuse to renew a license or impose the disciplinary sanctions authorized by Title 10, section 8003, subsection 5-A for:

1. **Lack of trustworthiness.** Lack of trustworthiness and competence to conduct real estate appraisal activity in a manner that safeguards the interests of the public;
2. **Misconduct.** The commission of an act or omission in the practice of real estate appraising that constitutes dishonesty, fraud or misrepresentation with the intent to benefit the licensee or another person or with the intent to injure another person;
3. **Court judgment.** The entry of a final civil or criminal judgment against a licensee on grounds of fraud, misrepresentation or deceit in the making of an appraisal of real estate;
4. **Unauthorized payment.** Payment of a finder's fee or a referral fee to a person who does not have an appraiser license in this State in connection with an appraisal of real estate or real property in this State;
5. **Misrepresentation of professional qualifications.** Making a false or misleading statement in that portion of a written appraisal report that deals with professional qualifications or in any testimony concerning professional qualifications;
6. **Predetermined appraisal result.** Accepting a fee for performing an independent appraisal service when, in fact, the fee is or was contingent upon the appraiser's reporting a predetermined analysis, opinion or conclusion or is or was contingent upon the analysis, opinion, conclusion or valuation reached or upon the consequences resulting from the appraisal assignment;
7. **Lack of diligence.** Failure or refusal, without good cause, to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal;
8. **Negligence or incompetence.** Negligence or incompetence in developing an appraisal, preparing an appraisal report or communicating an appraisal;
9. **Breach of confidentiality.** A violation of the confidential nature of individual, business or governmental records to which a licensee or applicant gained access through employment or engagement as an appraiser;
10. **Suspension or revocation of license.** Having had a professional or occupational license suspended or revoked for disciplinary reasons or an application rejected for reasons related to untrustworthiness within 3 years prior to the date of application; and
11. **Failure to meet professional qualifications;** failure to submit complete application. Failure to meet the professional qualifications for licensure as provided in this subchapter or failure to submit a complete application within 30 days after being notified of the materials needed to complete the application.

The bill was introduced 04/10/07 and is currently in the Business Research and Economic Development Committee. Here is a link FMI: <http://janus.state.me.us/legis/LawMakerWeb/summary.asp?ID=280024958>





TO: All Members of the Appraisal Institute, American Society of Appraisers, and American Society of Farm Managers and Rural Appraisers

FROM: Terry R. Dunkin, MAI, SRA, President, Appraisal Institute

Leslie H. Miles, Jr., ASA, International President, American Society of Appraisers

Ray Brownfield, AFM, ARA, President, American Society of Farm Managers & Rural Appraisers

We wish to inform you that the governing bodies of the American Society of Appraisers, the American Society of Farm Managers and Rural Appraisers and the Appraisal Institute recently took action confirming a commitment to the goal of unifying the profession under one association. As you know, our organizations have been working for some time to identify areas of mutual cooperation. Our combined government-relations initiative is one example where such cooperation has been ongoing for several years.

Through the work of the Cooperative Efforts Project Team, a 15-member group made up of five members from each organization, it has become clear that unification of the profession, broadly referred to as the Property Economics Profession, is a goal that all three of our organizations can and do support. Their input and study of the issues over the past several years have guided us in taking the action announced here. Over the coming months we will be sharing with you a plan for unification involving our three organizations as it is developed. Because much already has been accomplished by the Cooperative Efforts Project Team, we believe the necessary steps can occur over the next 24 months.

In making this commitment to the goal of unification, our organizations recognize that a long history of mutual involvement already exists, including our original sponsorship of The Appraisal Foundation and development of the Uniform Standards of Professional Appraisal Practice. Other initiatives, both national and international, have led to very positive relationships that will only foster an atmosphere of respect and high intentions.

We look forward to communicating with all of our members in the coming weeks and months as our team works through the issues. It is our intention to keep you informed regularly through every means possible. We recognize that our members will make the final determinations on future of the profession, but we will do our part to deliver a plan that will both fortify and advance the profession for the benefit of all.

**Membership Update:** As of December 31, 2006, paid membership in the Appraisal Institute was 19,065. Of these, 8,476 are designated members, and 10,598 are non-designated (Associate, Life, Semi-Retired, Affiliate, and Student). Total paid membership increased +4.1% over the prior year.

## Appraisal Foundation USPAP Reminder

The Appraisal Foundation is reminding everyone that the current edition of the *Uniform Standards of Professional Appraisal Practice (USPAP)*, which was adopted on July 1, 2006, will remain in effect until December 31, 2007. A new version will be available in 2008.



## Registration is Open! 75<sup>th</sup> Anniversary Conference—Las Vegas, NV

Registration is now open for the Appraisal Institute's 75<sup>th</sup> Anniversary Conference to be held July 15–22, 2007, at Caesars Palace in Las Vegas, Nev. Caesars Palace, which is one of the most prestigious resorts in Las Vegas, is offering attendees a special discounted room rate of \$139 per night. Because of the popularity of this event, rooms are expected to fill quickly. Attendees are encouraged to make reservations early to guarantee a room at this exceptional rate. Registration for the conference is available online at [www.appraisalinstitute.org/conf/ai75.asp](http://www.appraisalinstitute.org/conf/ai75.asp). Information available on this page include:

- A complete schedule of events
- A copy of the conference brochure
- Hotel room reservation information

The conference includes a variety of programs and events to meet a broad spectrum of appraisal topics. A total of 30 hours of continuing education seminars will be offered, including:

- *A Professional's Guide for Conservation Easement Appraisals*
- *Real Estate Investing and Development: A Valuation Perspective*
- *The Client Perspective on the Appraisal Profession*
- *Rates and Ratios: Making Sense of GIMs, OARs, and DCF*
- *The Real Estate Economy: What's in Store for 2008?*
- *Making Sense of the Changing Landscape of Valuation: Cool Tools—Cool Trends*

In addition, a number of programs and functions have been scheduled that will provide attendees with an opportunity to network with old friends and meet new colleagues, including:

- Associate Guidance Seminar
- Experience Training Seminar
- Golf tournament
- Regional meetings (including the Education Delivery and Chapter Leadership meetings)
- The 75<sup>th</sup> Anniversary Celebration Reception and Dinner
- The Education Trust Fund Auction
- Exhibitor Expo
- National meetings

Conference attendance is expected to exceed 500 appraisers, lenders, brokers, and users of appraisal services. This is an event you don't want to miss. Visit the 75<sup>th</sup> Anniversary Web site at [www.appraisalinstitute.org/75thanniversary/default.asp](http://www.appraisalinstitute.org/75thanniversary/default.asp) for up-to-date conference details and information.

## Appraising Residential Properties, 4th edition

**Publisher: Appraisal Institute**

*Appraising Residential Properties*, fourth edition, has all the information an appraiser needs to perform residential appraisal assignments competently plus new material that reflects • Recent changes in USPAP • The new requirements of the 2005 residential appraisal report forms • Ongoing developments in residential real estate markets and practices Written in response to the new AQB requirements for licensed and certified residential appraisers, the fourth edition also includes • A new chapter on the use of statistics in real estate appraisal • Updated information on residential appraisal specialties • More discussion of automated valuation models (AVMs) • A new emphasis on the scope of work decision in the valuation process • A new appendix containing the ANSI/NAHB standard for measuring the size of houses • Basic instructions on the use of financial calculators. New data sources are highlighted throughout the text and the discussion of residential property design and building construction has been significantly reorganized and updated. To order by phone, call 1-800-504-7440, ask for stock number 0702M. Price is \$60.00 for Members and \$70.00 for non-members, plus shipping and handling.



## 500 + PEOPLE ATTENDED THE ANNUAL MEREDA CONFERENCE, JANUARY 27, 2007

A record breaking 550 people signed up for MEREDA's **Annual Real Estate Forecast Conference**, held at the Holiday Inn by the Bay in Portland on January 27, 2007. The conference featured forecasts for various commercial real estate sectors in Maine, and included remarks made by Maine **Governor John Baldacci**, and the State **Economist Catherine Reilly**. This conference has become the premiere annual event for developers, brokers, architects, bankers, attorneys, accountants and other professionals who support commercial real estate in Maine. Along with the Governor, some of the state's top real estate leaders provided their valuable insights in the state of the economy and what lies ahead this year for Maine's real estate industry. **James Harnden** of Ram Harnden Commercial Real Estate Services provided perspectives on the *Office Market*; **Steve Baumann** of CB Richard Ellis / The Boulos Company provided perspectives on the *Retail Market*; **Michael Miller** of NAI The Dunham Group provided perspectives on the *Industrial Market*; **Anne Weigel** of Coldwell Banker Residential Brokerage provided the *Single Family Residential Forecast*; and **John Anton** of the Northern New England Housing Investment Fund spoke on the *Multi-Family Market* sector. In addition, **Paul Badeau** of the Lewiston Auburn Economic Growth Council spoke on the *Greater Androscoggin Market*; **David Hughes** of Epstein Commercial Real Estate spoke on the *Greater Bangor Market*; and **Robert Baldacci** of Ocean Properties rounded out the day by speaking on the *Vacation and Hospitality Market* sector.

Supplementing the conference was MEREDA's Third Annual Member Showcase, where nearly one hundred MEREDA members exhibited their products and services. The **Maine Chapter of the Appraisal Institute** sponsored a booth in this event and handed out a lot of materials and information regarding the Maine Chapter, its membership, and the Appraisal Institute. The booth was manned this year by **Rick Carter, SRA**, Chapter President, and **Mark Plourde, MAI**, Chapter Executive Director. We were pleased with the good response from those in attendance and look forward to continuing our chapter membership in MEREDA and to future public relations opportunities to let clients know that we exist and how to reach our appraiser members.



RLS Scholarship Status:	2007 Membership Directory	Business Meetings & Programs
<p>The deadline for applications for the 2007 <b>Richard Lewis Sawyer Scholarship</b> has been extended to <b>June 30th</b>. This <b>\$500</b> scholarship is available to any Maine student who plans to attend an accredited, post secondary educational program and is a member of the Appraisal Institute, or whose present or legal guardian is a member of the Appraisal Institute. The RLS Scholarship is awarded based on <b>academic excellence</b> and <b>financial need</b>. Applicants must submit a one page letter on why they would like to be considered as well as evidence of academic achievement.</p> <p>Applications will be reviewed and the final applicant selected by the <b>Scholarship Committee</b> of the Maine Chapter of the Appraisal Institute—comprised of the immediate past President of the Chapter, the Chair of the Education Committee, and “Teena” Sawyer. Download the application from <a href="http://www.maineai.com">www.maineai.com</a></p>	<p>The <b>Public Relations Committee</b> has been working towards updating all membership contact information so that a new <b>Maine Chapter Membership Directory</b> can be printed for distribution to potential clients and users of appraisal services, such as bankers, lawyers, accountants, and assessors. This phase of work is 95% done with the recently compiled <b>DRAFT</b> membership directory having been Emailed to each member on our roster for one final round of edits and confirmation of contact information.</p> <p>If you have not yet done so, please look at your listing in this draft and let Mark Plourde know if any changes need to be made. You can Email same to <a href="mailto:mvc@prexar.com">mvc@prexar.com</a> or fax to 642-4663. The intent is to print the membership directory in June for all dues paying members and post it on our website for download, and distribution to client groups for easy reference.</p>	<p>The <b>Programs Committee</b> has been working towards setting up several <b>social events</b> for chapter members and guests to attend to relax in an informal setting centered on a cash bar, appetizer snack foods, and no set program. The first such event was held at the <b>Falmouth Foreside Tavern</b> on Thursday April 26th from 5:00pm to 7:00pm, with 40+ people there. Efforts are underway to have a future social event with a guest speaker who is the <b>Assistant Attorney General for the Maine Board of Real Estate Appraisers</b>. Keep an eye out for future events. The next <b>Chapter Business Meeting</b> will be held on <b>June 5th at 5:00pm at Verrillo's</b> Conference Center, at the conclusion of that day's seminar, in the lounge. This will be a social hour, cash bar, and business meeting only, with no meal or guest speaker planned. We are still trying to find a combination of time/format/reduced cost that will appeal to chapter membership for attendance. Please send any and all suggestions for social events and business meetings to Rick Carter, SRA.</p>

## LDAC 2007, *CONTINUED FROM PAGE ONE*

We met with staff members from the offices of Senator Patrick Leahy of Vermont, Senator Susan Collins, Senator Olympia Snowe, and Representative Thomas Allen of Maine's First District. It was quite thrilling for me to actually talk for ten minutes with both Senator Collins and Representative Allen. Both are very supportive of our efforts. Our appeal to them was based on the fact that "the Appraisal Institute (i.e. you as members) believe that Congress must pay attention to collateral valuation issues in order to adequately address problems in the mortgage market. We urge enactment of legislation to combat mortgage fraud with provisions designed to uphold integrity in the real estate valuation process. Such provisions, at a minimum, should provide enhanced enforcement powers to the Appraisal Subcommittee, free up existing resources for state appraisal board enforcement activity, and create incentives to promote professionalism for appraisers. In addition, we believe any new federal requirements for mortgage lenders or brokers must also be meaningful provisions ensuring appraisal independence."

Specifically we asked them to assist in the following:

1. Effectively insulate the appraisal process from parties with a vested interest in the transaction by banning appraiser coercion, extortion, bribery, or collusion and define and enforce strict fines and penalties for violators.
2. Identify mortgage related fraud as a criminal act. Establish effective penalties that are consistent for appraisers, mortgage brokers, lenders, realty agents, and others involved in fraudulent activity related to a mortgage transaction.
3. Criminalize appraiser identity theft.
4. Promote professionalism of appraisers by specifying that professional appraisal designations are important.
5. Raise consumer financial literacy.
6. Provide resources to state appraisal boards to support enforcement activities.
7. Increase regulatory authority of the Appraisal Subcommittee over state appraisal boards.
8. Increase public awareness of Appraisal Subcommittee reviews of state enforcement and compliance.

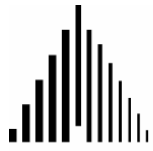
I would add that this entire process is intense. When finished, as a group we went to an Irish Pub and relaxed. We took taxis home.

Having done this for two years now, I would invite others from our Chapter to let us know if you are interested in attending next year. I can honestly say that this, **by far**, is the best professional experience I have had with the Appraisal Institute. I wish all of you could go. I think you would agree.

Respectfully submitted,

Rick Carter, SRA

President Maine Chapter of the Appraisal Institute.



# Appraisal Institute®

*Professionals Providing  
Real Estate Solutions*

## THE FINE PRINT...

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