

WINTER 2007



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2007 CHAPTER PRESIDENT'S MESSAGE

This year celebrates the **75th Anniversary of the Appraisal Institute**, which is recognized globally as the leading organization of professional real estate appraisers. During the past seventy-five years, the Appraisal Institute has been instrumental in promoting the highest standards of professional practice among real estate appraisers in the United States and throughout the world. This has come in the form of rigorous designation programs for both residential and commercial appraisers, aggressive public affairs outreach efforts, stringent peer review processes, high quality education, and dedication to continued research and thoughtful analysis. It is highly appropriate, therefore, that our theme throughout all of 2007 is entitled "**Celebrating our History, Valuing the Future**". Our national organization has planned a number of events which include Leadership and Development sessions in Washington DC in April, Regional meetings, a 75th Gala Anniversary Dinner in Las Vegas in July, and Anniversary Reception in Chicago in September.

We, the leadership of the Maine Chapter, also wish to "Celebrate our History and Value the Future" by pledging to provide members and non members alike with a series of engaging and vibrant activities during the coming year. Our goal in doing this is to not only to celebrate our history but to provide the citizens of our beautiful State with the most knowledgeable and professional real estate appraisers available. To that end, we invite you to join with us. Our organization is essentially one of volunteers who work with one another on committees. Programs and services we provide come at the expense of many intense hours of effort by individuals working on these committees to provide quality education, relevant programming, public awareness, and effective relationships with those working in local and state governments. We wish to sincerely thank all of you, our members, who have worked hard in this capacity in the past while urging those who are currently involved on all of our committees to assist us in making this our best year yet.

Sincerely,

Richard A. Carter, SRA

2007 President, Maine Chapter of the Appraisal Institute

APPRAISING ENVIRONMENTALLY CONTAMINATED PROPERTY SEMINAR

The Maine Chapter of the Appraisal Institute will be sponsoring an educational seminar on understanding and evaluating stigma related to environmentally contaminated properties on **March 2, 2007** at the **Verrillo's** Convention Center in Portland. In this seminar, the student will learn to examine the different types of environmental risks, hazards and contamination that may be present on or near real estate. The program will cover techniques for estimating stigma, factors affecting the level of stigma, and application of those factors to a typical valuation assignment. The instructor, **Nick A. Tillema, MAI, SRA, CCIM** is a principal of the Access Group, LLC of Indianapolis, Indiana and has developed a specialty in diminutive value calculations for both residential and commercial property types. This program has been approved by the Appraisal Institute for 7 hours of continuing education, as well as by the State of Maine Board of Real Estate Appraisers, with New Hampshire approvals pending but expected shortly. The cost for the seminar is **\$185.00 for all Appraisal Institute members** and \$210.00 for non-members. This includes all class materials, lunch, and morning and afternoon break refreshments! Please support the Maine Chapter by attending this quality educational event. You can register directly on-line at www.appraisalinstitute.org/education/maine.

2007 MAINE CHAPTER OFFICERS AND DIRECTORS

<u>Position</u>	<u>Name</u>	<u>Email</u>	<u>Phone</u>
<i>President</i>	Richard A. Carter, SRA	rcarter@gwi.net	207-490-1940
<i>Vice President</i>	Theodore H. Webersinn, MAI	tedwebersinn@verizon.net	207-664-0234
<i>Treasurer</i>	Paul J. Cloutier, MAI, SRA	pcloutier@nea.cc	207-892-6461
<i>Secretary</i>	Mark L. Plourde, MAI	mvc@prexar.com	207-642-4663
<i>Ex-Officio</i>	Mike B. Hollyday, MAI	michael.hollyday@tdbanknorth.com	207-761-8763
<i>Director</i>	Mary M, Benson	benchmarkmary@verizon.net	207-743-0500
<i>Director</i>	Renee C. Lachapelle, SRA	lachapelle@earthlink.net	207-333-6600 x 114
<i>Director</i>	Neil G. Piper	neil.piper@farmcreditmaine.com	207-784-0193
<i>Region 4 Rep</i>	Richard A. Carter, SRA	rcarter@gwi.net	207-490-1940

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 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>
March 2 *	Appraising Environmentally Contaminated Properties	Portland, Verrillo's	7 Hours
June 5	Convincing Residential Appraisals	Portland, Verrillo's	4 Hours
June 6 *	Supporting Sales Comparison Grid Adjustments	Portland, Verrillo's	7 Hours
August 17	RED SOX OUTING (to be confirmed upon ticket availability)	Boston Fenway Park	SOCIAL
September 26 *	Evaluating Commercial Construction, Day 1	Portland, Verrillo's	7 Hours
September 27	Evaluating Commercial Construction, Day 2	Portland, Verrillo's	7 Hours
September 28	Evaluating Residential Construction	Portland, Verrillo's	7 Hours
October 29	7 Hour National USPAP Update	Portland, Verrillo's	7 Hours
October 30	Business Practice and Ethics	Portland, Verrillo's	7 Hours
November 29	Land Valuation Assignments	Portland, Verrillo's	7 Hours
November 30	Land Valuation Adjustment Procedures	Portland, Verrillo's	7 Hours
December 6 *	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

* denotes regular chapter business meeting to be held during the lunch hour of the program for now, this may change

MAINE BOARD OF REAL ESTATE APPRAISERS: JANUARY 2007

NOTICE TO MAINE REAL ESTATE APPRAISER EDUCATION PROVIDERS

REAL ESTATE APPRAISER COURSE PROVIDER REQUIREMENTS – EFFECTIVE 01/01/2008

As you may already be aware, on February 20, 2004, the Appraiser Qualifications Board (AQB), of the Appraisal Foundation* adopted changes to the *Real Property Appraiser Qualification Criteria*** that will become effective on January 1, 2008, to comply with the 01/01/08 changes, the Maine Board of Real Estate Appraisers initiated legislation to adopt the new AQB standards that was enacted by the Maine legislature as Public Law 518*** and will be effective on January 1, 2008. These changes will have a significant impact on real estate appraiser license applicants and real estate appraiser course providers.

Impact on Course Providers: Effective January 1, 2008, the Maine Board of Real Estate Appraisers will no longer review or approve qualifying or continuing education courses. Effective January 1, 2008, all qualifying or continuing education courses offered for Maine real estate appraiser licensing purposes must be approved by the AQB. The AQB has established a process for approval called “Course Approval Program” or “CAP” for real estate appraiser course providers. Information on the CAP process is enclosed and additional information is available at the Appraisal Foundation’s website. Courses offered for Maine real estate appraiser licensees may continue to be submitted to the Board for review and approval during 2007, but the course approval term for any new or to be renewed courses will expire on December 31, 2007. Course providers who have not received AQB approval to offer a course on or after January 1, 2008, may not promote or offer the course as meeting the requirements for real estate appraiser qualifying or continuing education licensure purposes in Maine.

In you have questions regarding the status of a currently approved qualifying or continuing education course in Maine, please contact Kim Baker-Stetson (207) 624-8522 or Carol Leighton (207) 624-8520.

All inquiries regarding the CAP*** process must be directed to the AQB at the website listed below.

***APPRAISAL FOUNDATION** – <http://www.appraisalfoundation.org>

****2008 CRITERIA** – http://www.appraisalfoundation.org/s_appraisal/sec.asp?CID=98&DID=133

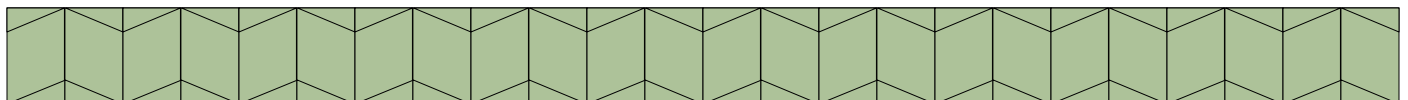
*****MAINE PUBLIC LAW** – <http://janus.state.me.us/legis/ros/lom/LOM122nd/14Pub501-550/Pub501-550-17.htm>

******CAP** – http://www.appraisalfoundation.org/s_appraisal/sec.asp?CID=78&DID=109

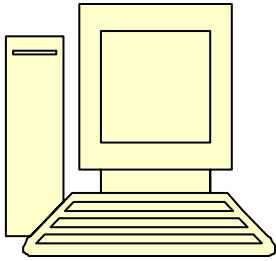
Leadership of the Maine Chapter of the Appraisal Institute is presently pursuing further clarifications of these changes from the Maine Board of Real Estate Appraisers, The Appraisal Foundation, and the Appraisal Institute to see what options exist for the Maine Chapter to plan and implementing educational offerings in 2008.

It is important to note that while the Appraisal Foundation has made adoption of the new AQB Real Property Appraiser Qualification Criteria a “voluntary” choice, the State of Maine chose to make AQB compliance “mandatory”, and thus will no longer be approving our educational offerings beginning in January 2008 or thereafter.

It is troubling to learn so far that the Appraisal Foundation intends to charge \$1,100 for each education program ranging from 2 to 13 credit hours in length as a course review and approval fee. It is also not clear how long it will take to obtain such approvals. In short, these changes add significant risk, uncertainty, and costs for appraiser education course providers starting January 1, 2008 in Maine. All chapter members are therefore urged not to wait until 2008 to get the education credit hours needed, as we are presently unable to effectively plan on offering any education for 2008 at this time. The Chapter Education Committee has put together a full slate of educational offerings for 2007 and urges all members to help support our Chapter with your attendance this year and avoid potential AQB related issues in 2008. Once we can work through these significant financial and regulatory related constraints, we will report back to members for 2008 planning purposes.



HOW TO UPDATE YOUR AI CHAPTER MEMBERSHIP RECORD



Several years ago, the Chapter Membership Directory was changed from a hard copy printed format, to a free download from a link on our chapter website. This approach was intended to keep our chapter membership directory both current and complete as the information flowed directly from the Appraisal Institute Membership Account Records. However, some members have not taken the time to go on-line and update their account contact information to keep it current. This is a missed opportunity and we bring this to your attention so that you are aware of it and can change it. Here's how to do that: Go to www.appraisalinstitute.org and enter your membership account log in and password to get to the members only section of the site. There, in the upper left hand corner is a link to "update account info", select that and input your current information. If by chance you have never been to this site, or have not set up a web account with the Appraisal Institute, you can just log into the home page of the Appraisal Institute (link above); then, go to "site map" under the "about us" menu; then go to Members, and "Set Up Account".

By keeping your account information current and complete on the national Appraisal Institute website, you will be also keeping your Maine Chapter Membership Directory information up to date. This is a great way for prospective clients to find you from their desktop, and for you to find other fellow appraisers in the Maine Chapter. Do it today.

THE MAINE CHAPTER HAS A NEW MEETINGS FORMAT FOR 2007

"THESE DECISIONS WERE THE RESULT OF SIGNIFICANT FINANCIAL LOSSES EXPERIENCED BY THE CHAPTER OVER THE PAST TWO YEARS OF OPERATIONS."

As it presently stands, for 2007, there will be four (4) business meetings held during the lunch hour of education programs. The dates of these chapter meetings will be: March 2, June 6, September 26, and the Christmas Dinner on December 6. This format was approved by the Board of Directors in 2006 as a means of reducing expenses while still meeting the minimum criteria set forth by AI national to hold four business meetings per year. Due to this change, there will be no more free 2-hour workshops included with a business meeting. It was also a decision made in 2006 to not offer a free USPAP class to members in 2007. These decisions were the result of significant financial losses experienced by the chapter over the past two years of operations. Current Chapter resources cannot sustain our desire to offer free USPAP education in 2007. Chapter leadership is working hard to restore our resources in 2007, and with your help by attending our programs, we will reach that goal. We need your support this year.

THE MAINE CHAPTER 2007 NOMINATING COMMITTEE ACTIONS

THE FIRST MAINE CHAPTER BUSINESS MEETING WILL BE HELD AT THE VERRILLO'S BANQUET CENTER FROM NOON TO 1:00PM ON FRIDAY MARCH 2, 2007 DURING THE LUNCH HOUR OF THE SEMINAR.

A SEPARATE MEETING NOTICE WILL BE EMAILED TO ALL MEMBERS.

The By Laws of the Maine Chapter of the Appraisal Institute require that adequate notice be given to chapter membership for changes to chapter officers and directors. The 2007 Nominating Committee is being formed with Mike Hollyday, MAI (past President) as the incoming Chair of the Committee, and Rick Carter, SRA (current President) also serving on this committee. The Board of Directors nominated George Koutalakis, SRA to serve on this committee. The remaining two slots are to be filled by nominations from the floor of the first chapter business meeting (March 2, 2007) and you are encouraged to attend and cast your vote. Additional nominations may be made by timely filing of a written petition signed by at least 5% of the total chapter membership. Also of note, the Board of Directors has appointed Mark Plourde, MAI to serve as the Chapter Executive Director (filling Jill Koutalakis spot) and also to serve as Chapter Secretary (filling George Koutalakis, SRA spot). The Secretary role is an Office of the Chapter, and thus requires approval of the chapter members. Thus, this vote will also take place at the March 2, 2007 chapter business meeting during the lunch hour of the seminar on Appraising Environmentally Contaminated Properties at Verrillo's from 12:00 to 1:00pm. Please attend if you can and cast your vote if interested.

THE MAINE CHAPTER NEWSLETTER NEEDS YOUR HELP

Some of you may remember the mid 1990's when the chapter had a newsletter and it ran for a while. It was a lot of work to put together in those days. Over time, the tasks of maintaining it fell to just a few, and it simply became too much of a burden to keep going on a volunteer basis. Since then, many chapter members expressed an interest in having a chapter newsletter again, because many could benefit with a common source of chapter information, appraisal news, and resources. Thus, in 2007, we are ramping up to try it again. Having said this, how do we keep it going? WE NEED YOUR HELP to support it going forward by sending articles of interest, newsworthy items, requests for information, helpful tips, and resources, guest articles, and the like. This can easily be done by Email now, and you are encouraged to send to the new chapter email address of: mvc@prexar.com, or by "snail mail" at Maine Chapter Newsletter, P.O. Box 550, Standish, Maine 04084. We are hoping to make this a quarterly publication and upload it to our chapter website with a link for direct download to each member. This will greatly facilitate keeping costs down and information current for members. Together with your support, we can make this chapter publication a beneficial resource for both membership communications and public relations.

New Guide to Condo Form Available

Using the Individual Condominium Unit Appraisal Report Forms: Fannie Mae Form 1073 and Exterior-Only Form 1075 by Mark Rattermann, MAI, SRA, is a comprehensive guide for appraisers, lenders, and other real estate professionals that examines the new condominium appraisal report forms in detail, providing line-by-line instructions and explanations for each required entry. Those new to appraising individual condominium units can learn what is required in a condominium unit appraisal report, while experienced appraisers may want to focus on specific aspects of the form that pose particular challenges. Many case studies are presented to illustrate appropriate responses to a variety of situations that appraisers may encounter in valuing condominiums of different types. Using the Individual Condominium Unit Appraisal Report Forms is the third in a series of publications on form appraisal reports. Like the Appraisal Institute's other form guides, this text focuses on the proper interpretations of the requirements and regulations that affect residential appraisals. It should be of great practical use to appraisers who value condominiums. Special introductory member price for a single copy through 01/31/07 is \$24. The regular member price is \$30; nonmember price is \$35. Call 800-504-7440 and request stock number 0709M, or go online at www.appraisalinstitute.org/ecom/publications.

Legislative Alert : LD 183 - An Act To Protect Consumers in the Home Appraisal Process

Sec. 1. 9-A MRSA §3-313, first ¶, as amended by PL 1999, c. 150, §4, is further amended to read: A creditor that imposes a fee on a person for the cost of an appraisal of any real estate shall furnish to the person, at no cost, one copy of the appraisal upon request, if the request is made within 90 days after the creditor has provided notice of action taken on the application for credit or the date of the closing, whichever is later, or 90 days after the application is withdrawn. An appraiser who conducts an appraisal under this section shall physically inspect the property on site and in person as part of the appraisal.

Sec. 2. 9-A MRSA §9-309, first ¶, as amended by PL 1999, c. 150, §7, is further amended to read: A creditor that imposes a fee on a person for the cost of an appraisal of any real estate shall furnish to the person, at no cost, one copy of the appraisal upon request, if the request is made within 90 days after the creditor has provided notice of action taken on the application for credit or the date of the closing, whichever is later, or 90 days after the application is withdrawn. An appraiser who conducts an appraisal under this section shall physically inspect the property on site and in person as part of the appraisal.

Sec. 3. 9-B MRSA §447, first ¶, as amended by PL 1999, c. 150, §8, is further amended to read: A financial institution that imposes a fee on a person for the cost of an appraisal of any real estate shall furnish to the person, at no cost, one copy of the appraisal upon request, if the request is made within 90 days after the financial institution has provided notice of action taken on the application for credit or the date of the closing, whichever is later, or 90 days after the application is withdrawn. An appraiser who conducts an appraisal under this section shall physically inspect the property on site and in person as part of the appraisal.

SUMMARY: This bill requires that appraisers physically inspect real estate on site while preparing an appraisal of that property for a financial institution or creditor that imposes a fee on the consumer for the appraisal.

Public Hearing to be held on 02/06/07 at 2:00pm at Room 427, State House and Work Session on 02/08/07.



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THE FINE PRINT...

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Address Label

NEW MAINE CHAPTER EXECUTIVE DIRECTOR & SECRETARY

BY PATRICIA M. AMIDON, MAI

At the December 4, 2006, meeting of the Maine Chapter of the Appraisal Institute at the Marriott at Sable Oaks in South Portland, George Koutalakis, SRA, said that he is stepping down from his position as the chapter Secretary. At the same time, Jill Koutalakis resigned from her position as the Executive Director of the chapter. George Koutalakis had been the Executive Secretary since 1997 when Teena Sawyer retired from that position after more than 20 years of service. His wife, Jill, became the Executive Director of the chapter several years ago and has been instrumental in implementing the chapter's far-reaching educational offerings. The chapter's operations have been located at the offices of Sterling Appraisal, Koutalakis's appraisal firm, at 182 High Street in South Portland and will now move to a new location at Maine Valuation Company (c/o Mark Plourde, MAI) in Standish. Both George and Jill believed that it was time to make way for new leadership in these positions, and will assist with the transition efforts now underway.

The chapter is deeply appreciative of the service that both George and Jill have provided over the years. George served as President of the chapter in 1984-1985 and again in 1988-1989. He has also received the chapter's Service Award three times – in 1993, 1998 and 2003 – more than any other member. During his tenure as the executive secretary, George was instrumental in improving the chapter's technology and in creating and maintaining the chapter's website with the assistance of his wife Jill. Jill, in her role as Executive Director, also served as the liaison between the chapter and national and assisted the Chapter's Education Committee greatly in its efforts to sponsor quality programs for members. George's actions have impacted appraisers in Maine and the U.S. in that he fought long and hard for a reclassification of appraisers by the Workers Compensation Board from a very high workers compensation insurance rate to a significantly lower one on par with that for real estate brokers. His tenacious efforts have resulted in the savings of hundreds of dollars per year per appraiser on insurance. The Maine Chapter very much appreciates the leadership and support of both George and Jill Koutalakis over the years and we all wish them well.