

## 2008 MAINE CHAPTER PRESIDENT'S MESSAGE, BY RICK CARTER, SRA

On behalf of the Maine Chapter's Board of Director's, I would like to take this opportunity to wish you, your family, and your friends and work associates a happy and prosperous 2008. Having served as the Chapter's President in 2007, I hope to capitalize on last year's experiences to provide you, our members, with a highly positive year in 2008. Last year was a year of change in that we lost the services of our long time Chapter Secretary George Koutalakis, SRA and his wife Jill Koutalakis as our Executive Director. Both had worked hard for many years for the Maine Chapter for which we remain thankful. Both vacancies were filled when Mark Plourde, MAI offered to become both Chapter Secretary and Executive Director. We also learned at the end of 2007 that Paul Cloutier, MAI, SRA was stepping down after many years of service as Chapter Treasurer. We are thankful to Paul as well for his many years of service. We are pleased to report that the Treasurer's position will be filled by Terry O'Mahoney, MAI, SRA.

### My personal goals for 2008 include the following:

- Continue our Chapter's excellent reputation for offering quality Appraisal Institute education;
- Increase the opportunity for professional growth and fellowship through more Chapter meetings and other social events;
- Improved participation with regional and national events.

### In light of those goals we will be doing the following:

Offering a number of educational seminars beginning in March and running through December. All will be compliant with the Appraisal Foundation, State of Maine Board of Real Estate Appraisers, and the State of New Hampshire Appraisal Board requirements. Check our website regularly for notification.

**THINK TUESDAY.** All chapter meetings will be held on Tuesdays. We will be having Chapter Board of Directors Meetings, Chapter Business Meetings, and Dinner meetings with speakers on March 18th, May 13th, September 9th, and November 18th. Please mark these dates now. In addition, watch for other Tuesday events in other months.

We also will be active in regional and national events to the extent our budget allows. Having participated in these events, we will quickly report to you the results of our activities.

I look forward to serving as your Chapter's President again in 2008. Feel free to contact me at any time with suggestions or concerns. Sincerely, Richard A. Carter, SRA

## WINTER 2008



### INSIDE THIS ISSUE...

2008 MAINE CHAPTER OFFICERS & DIRECTORS	2
2008 MAINE CHAPTER EDUCATION-MEETING CALENDAR	2
MAINE BOARD OF REAL ESTATE APPRAISER NEWS	3
KEY CHANGES IN 2008-2009	4
APPRAISAL INSTITUTE NEWS - UNIFICATION UPDATE	5
MAINE CHAPTER NEWS AND EVENTS	6
APPRAISAL INSTITUTE 2008 NATIONAL DUES/FEE STRUCTURE	7
FEDERAL LEGISLATION 2007	8

## VALUATION OF CONSERVATION EASEMENTS COURSE—MARCH 17-21, 2008 IN NEW HAMPSHIRE

The Maine Chapter of the Appraisal Institute will be assisting the Appraisal Institute to put on the "Valuation of Conservation Easements" course in Portsmouth, New Hampshire. The dates for the program are March 17th to 21st, 2008. Instructors will be Jonathan H. Avery, MAI, SRA and William D. Park, MAI, SRA. Course attendance will provide 31 hours of continuing education, and another 2 hours are available by taking the exam. Fees are \$795.00 for Appraisal Institute Members, and \$955.00 for non members. The valuation of conservation easements has come under increasing scrutiny in recent years. The Internal Revenue Service has an obvious concern over its impact on tax receipts and Congress has focused on perceived abuses in the tax treatment of gifts of conservation easements. In addition, many state agencies have raised similar concerns at a state level. Valuation of Conservation Easements is an intense, advanced level educational endeavor dealing with one of the most controversial and scrutinized topics in valuation. It is designed for general certified appraisers who understand the methodology in the approaches to value and are ready to embark on understanding the intricacies involved in an often misunderstood and difficult type of appraisal. This program will expose the participants to how broad the valuation of conservation easement really is, so the participants will learn that there are different approaches, solutions, and regulations in different areas of the country and for different clients. Participants will need to be exposed to a number of different properties so that they will have the competency knowledge of conservation easements. In particular, this course will focus on the valuation methodologies and techniques used in appraising conservation easements, as well as the regulatory framework within which conservation easements are traded. You can register directly on-line at [http://www.appraisalinstitute.org/education/more\\_info.aspx?id=8498](http://www.appraisalinstitute.org/education/more_info.aspx?id=8498) ; or, FMI you can email to the following: [nationalprograms@appraisalinstitute.org](mailto:nationalprograms@appraisalinstitute.org) ; or, call 312-335-4140.

## 2008 MAINE CHAPTER OFFICERS AND DIRECTORS

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<i>President</i>	Richard A. Carter, SRA	rcarter@gwi.net	207-490-1940
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<i>Secretary</i>	Mark L. Plourde, MAI	mvc@prexar.com	207-642-4663
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<i>Director</i>	Derek A. Hanley	dhanley@mainevaluation.com	207-829-6091
<i>Region 4 Rep</i>	Richard A. Carter, SRA	rcarter@gwi.net	207-490-1940

## 2008 MAINE CHAPTER COMMITTEES

**Education Committee:** Terry O'Mahoney, MAI/SRA (Chair); Patricia M. Amidon, MAI; Edwin E. Jackson; Tracy L. Vickerson; Mark L. Plourde, MAI. **Finance Committee:** Terry O'Mahoney, MAI/SRA (Chair); Paul J. Cloutier, MAI/SRA; George E. Koutalakis, SRA; Joan M. Anthony. **Membership Guidance Committee:** Robert F. Pietroski, SRA (Chair); S. Philip DiBiase, MAI/SRA; Francis R. Montello, MAI/SRA; Renee C. Lachapelle, SRA; Robert B. Lynch. **Programs Committee:** Robert S. Amidon (Chair); Donna J. Cavallaro; Jo Ann Ray; Neil G. Piper; Norman A. Gosline, MAI; Sandra L. McCallum; William C. Chapman, III. **Government Relations Committee:** Theodore H. Webersinn, MAI (Chair); Paul C. Linehan, MAI; Bruce D. Hart; Walter "Terry" Bowditch; Daniel J. Dwyer; William C. Chapman, III. **Public Relations Committee:** Kevin M. King (Chair); Mary M. Benson; Derek A. Hanley; Stephen S. Clauson. **By-Laws Committee:** Donald P. Bamman, SRA (Chair); Christine C. Hume, MAI. Volunteers are always welcome to join any committee to help support the chapter.

## 2008 EDUCATION AND PROGRAMS CALENDAR OF EVENTS

<u>Date</u>	<u>Program</u>	<u>Location</u>	<u>CE Credit</u>
March 18	<i>Chapter Social and Business Meeting</i>	Portland, Verrillo's	0 Hours
April 21	Office Building Valuation—A Contemporary Perspective	Portland, Verrillo's	7 Hours
May 13	<i>Chapter Social and Business Meeting</i>	Augusta Country Club	0 Hours
May 23	Subdivision Valuation	Portland, Verrillo's	7 Hours
September 9	<i>Chapter Social and Business Meeting</i>	Portland, Verrillo's	0 Hours
September 19	Analytics—The Site To Do Business	Portland, Verrillo's	7 Hours
October 8	USPAP—National 7 Hour Update	Portland, Verrillo's	7 Hours
November 6	Quality Assurance in Residential Appraisals	Portland, Verrillo's	7 Hours
November 7	Condominiums, Puds, and Co-ops	Portland, Verrillo's	7 Hours
November 18	<i>Chapter Social and Business Meeting</i>	Portland, Verrillo's	0 Hours
December 5	Appraising High Value & Historic Homes	Portland, Verrillo's	7 Hours
December ???	<i>Should we have a Chapter Christmas Dinner Party this year? Please let us know ASAP</i>	TBD	

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

# MAINE BOARD OF REAL ESTATE APPRAISER NEWS

Effective 10/03/2007, the Maine Board of Real Estate Appraisers has increased the biennial license fee for Certified General real property appraisers, Certified Residential real property appraisers and Licensed real property appraisers from \$300 to \$400. Increases the biennial license fee for Trainee real property appraisers from \$200 to \$300. See the table below for current license fees and expenses. The rationale provided in response to our numerous inquiries was essentially that - the Maine Board of Real Estate Appraisers must be self supporting and faces higher than typical board operating expenses related to the very active complaint/investigation/hearing process. There are also additional reporting requirements for federal oversight. We also have a comparatively small pool of licensees to share the operating expenses (e.g., only about 950 Appraisers, vs. over 9,000 licensees of the real estate commission). Also, there have been "sweeps" of undedicated revenues into the General Fund that has occurred several times from our board as well as others. As for investigative costs and fine reimbursement for licensees found guilty of violations, the actual collection of fines and costs has lagged greatly. License fees were said not to have been raised for the past few years while deficit spending was occurring to draw down the ending cash balance to reduce leakage to the general fund and keep fees in check. Now, the Board must replenish the budget to have at least six months of operating expenses in reserves for 2008-2009. The potential impact of dwindling number of appraiser licensees could also adversely affect future license fees. Simply put, our small license group size and comparatively high compliance costs negatively impacts our license fees .

Category	Term	New Fee
<i>Certified General Real Property Appraiser</i>	2 Yr	\$400
<i>Certified Residential Real Property Appraiser</i>	2 Yr	\$400
<i>Licensed Real Property Appraiser</i>	2 Yr	\$400
<i>Trainee Real Property Appraiser</i>	2 Yr	\$300
<i>Temporary License</i>	6 Mo	\$100
<i>Application</i>	NA	\$50
<i>Examination</i>	NA	3 <sup>rd</sup> party
<i>Continuing Education Course Application</i>	1 Yr	\$50
<i>Qualifying Education Course Application</i>	1 Yr	\$50
<i>Education Course Renewal</i>	1 Yr	\$25
<i>Individual Request for Course Approval</i>	1 Yr	\$10
<i>Late Renewal (91 days – 2 years)</i>	NA	\$50

## APPRAISER LICENSE RENEWAL NOTICE AND PROCESS IS CHANGING

After June 1, 2007 you will no longer receive a paper application from for the renewal of your State of Maine Appraiser License. Instead, you will receive a mailer notifying you that your license is due to expire. 60 days prior to the expiration of your license, be on the look-out for your reminder mailer. The mailer will contain the Web address for the MBREA online license renewal service, as well as the online Access Code for the applicant. Online professional license renewal has been available since 2000 and provides a fast, convenient method for renewals. You can renew online at your convenience, 24 hours a day, 7 days a week, up to 60 days in advance of your license expiration date. Visit the online License Renewal Service at: [www.maine.gov/online/pfrr renewal](http://www.maine.gov/online/pfrr renewal)

**10 Day Notification Requirement (Effective 9/20/07)** Pursuant to Title 10, §8003 Sub 5A, Section D(2): All licensees and applicants for licensure must report in writing any of the following to the office, board or commission no later than 10 days after the change or event, as the case may be: (a) Change of name or address; (b) Criminal conviction; (c) Revocation, suspension, or other disciplinary action taken in this or any other jurisdiction against any occupational or professional license held by the applicant or licensee; or, (d) Any material change in the conditions or qualifications set forth in the original application for licensure submitted to the office, board or commission.

## A LETTER FROM THE MAINE BOARD OF REAL ESTATE APPRAISERS TO SUPERVISORY APPRAISERS

Supervising appraisers are responsible for the training and direct supervision of the trainee appraiser. Duties include, but are not limited to, the following: Personally inspect each appraised property with the trainee for a minimum of the first fifty (50) appraisals AND until the supervising appraiser determines the trainee is competent in accordance with the Competency Rule of USPAP for the property type; Review the trainee's appraisal reports; Accept responsibility for the appraisal report by signing and certifying that the report is in compliance with USPAP; Maintain up-to-date records of all the trainee's activities and a schedule of hours of work completed; Ensure that monthly reports of the trainee's activities are submitted to the Board. The supervising appraiser must sign the reports as verification that he/she has reviewed and approved the work documented by the trainee. Supervising your trainees in the manner prescribed by the Board not only ensures that the trainee receives an appropriate level of supervision and on-the-job training, but also means that you, the supervisor, have thorough and complete records of the trainee's activities conducted under your license.

## MAINE BOARD OF REAL ESTATE APPRAISERS - MEETINGS FOR 2008

January 9; February 5; March 4; April 1; May 6; June 3; July 1; August 5; September 2; October 7; November 5; and, December 2. All meetings are held in the Central Conference Room at 9:00 am at the Office of Licensing and Registration at 122 Northern Avenue, Gardiner, Maine. For more information, contact Kim Baker-Stetson at (207) 624-8522.

Board of Real Estate Appraiser Laws: <http://janus.state.me.us/legis/statutes/32/title32ch124sec0.html>  
 Board of Real Estate Appraiser Rules: <http://www.maine.gov/sos/cec/rules/02/chaps02.htm#298>

## **SOME KEY CHANGES IN THE 2008-2009 USPAP AND ADVISORY OPINIONS**

**DEFINITIONS:** The definition of Supplemental Standards was deleted. The majority of appraisers, users of appraisal services, and enforcement officials recognize that Supplemental Standards include laws and regulations. Appraisers must comply with laws and regulations because of the nature of law itself, not because of USPAP. Thus, continued use of Supplemental Standards as a defined term was unnecessary.

**DEFINITIONS:** The definition of Advocacy was deleted. Edits to the Conduct Section of the ETHICS RULE rendered the definition unnecessary because the term is used with its common English meaning.

**ETHICS RULE:** Edits were made to the Conduct section of the ETHICS RULE related to advocacy. The edits make clear that advocating the cause or interest of any party or issue contradicts the requirement for independence. The changes do not diminish the prohibition against advocacy in appraisal practice; advocacy remains unacceptable.

**SUPPLEMENTAL STANDARDS RULE:** The SUPPLEMENTAL STANDARDS RULE was deleted because the other requirements of USPAP eliminate the need for the Rule. The duty for the appraiser to comply with applicable assignment conditions is embedded in the obligations to provide ethical and competent services. The SCOPE OF WORK RULE requires appraisers to identify the problem to be solved, which includes identification of assignment conditions. In communicating assignment results, the requirement that reports be meaningful and not misleading creates an obligation to comply with applicable laws, regulations, and guidelines.

**Standards Rule 2-3, Standards Rule 3-3:** Edits were made to remove the requirement that the signing appraiser have a reasonable basis to believe that work done by others was credible. Language was added clarifying that the signing appraiser(s) must not rely on the work of others if that appraiser has a reason to doubt that the work is credible.

**Standards Rule 1-6(b):** Edits were made to the requirements for reconciliation of the approaches used to arrive at the value in each Standards Rule. The Comment to Standards Rule 1-6 was deleted. The edits were made for clarity and consistency.

**Standards Rules 2-2(a)(vi), 2-2(b)(vi), & 2-2(c)(vi):** The phrase "property use conditions" was shortened to "property." The portion of the Comment to each Standards Rule requiring reiteration of the report date and effective date of the appraisal was deleted. The edits were made for clarity and consistency.

**STATEMENT 10 (Retired):** The Statement titled *Assignments for Use by a Federally Insured Depository Institution in a Federally Related Transaction* was retired. Some of the issues addressed in STATEMENT 10 have been incorporated into the new Advisory Opinion 30, *Appraisals for Use by a Federally Regulated Financial Institution*. The Statement did not distinguish between laws (such as FIRREA), regulations and guidelines (such as the Interagency Appraisal and Evaluation Guidelines) resulting in confusion for both appraisers and users of appraisal services.

**ADVISORY OPINION 30 (New):** *Appraisals for Use by a Federally Regulated Financial Institution* replaces the advice from retired STATEMENT 10 and addresses adherence to the applicable laws, regulations, and guidelines of the federal financial institution regulatory agencies required for proper appraisal development and reporting.

**ADVISORY OPINION 5 (Retired):** *Assistance in the Preparation of an Appraisal* was retired because of the need to update and expand its guidance. The new Advisory Opinion 31, *Assignments Involving More than One Appraiser* meets these needs.

**ADVISORY OPINION 31 (New):** *Assignments Involving More than One Appraiser* offers advice on record keeping, signature and certification requirements in assignments that involve more than one appraiser.

**ADVISORY OPINION 32 (New):** *Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments* illustrates the application of USPAP in assignments performed by appraisers for ad valorem taxation. Note: Administrative edits also were made to USPAP and all guidance material, including the *USPAP Advisory Opinions* and *USPAP Frequently Asked Questions*, for conformity and consistency.



**DID YOU KNOW ???** As members of the Appraisal Institute, you are entitled to a free copy of the new 2008-2009 USPAP. All you have to do is just send your email request for this to [USPAP@appraisalinstitute.org](mailto:USPAP@appraisalinstitute.org)

**UNIFICATION UPDATE**, by Terry Dunkin, MAI/SRA, 2007 President of the Appraisal Institute

In keeping with the spirit of unified reporting to our three memberships, the American Society of Appraisers (ASA), American Society of Farm Managers and Rural Appraisers (ASFMRA), and Appraisal Institute (AI) collectively and jointly wish to issue this report on the status of unification talks among the three organizations. Much discussion and dialogue have occurred within and among the memberships of the three organizations in recent days, resulting in some confusion and at times a degree of consternation. The goal of this notification is to soften the tone of the conversation and accurately review the current status of unification.

As all of our members know, unification discussions between the three organizations have been under way for more than three years, with the discussions and plans intensifying in the past year. In May of 2007, the 15-member Unification Team (UT), on behalf of the three organizations, began receiving proposals for a consultant to bring these talks to a conclusion. Also in May, the three organizations sent a joint announcement to the memberships that included a list of answers to frequently heard questions, and a request for additional input from the memberships.

In early July, the consultant was chosen and a second communication was sent to the memberships requesting input, this time to be sent directly to the consultant and the UT. In late July, ASA representatives attended a joint leadership meeting of AI and ASFMRA in Las Vegas, which included input on the progress of the proposed plan. On November 6, the governing bodies of the three organizations heard the UT's presentation of the draft plan at a joint meeting in New Orleans. At the conclusion of its presentation, the UT proposed that the governing bodies adopt a motion to authorize and fund development of a final proposed unification plan for consideration in March 2008. (Under this timetable, the governing bodies would decide in March 2008 whether or not to send the final plan to their respective memberships.) The November 6 motion reads as follows:

*"To accept the Unification Team's report and provide funding in an amount not to exceed \$200,000 to continue development of the final plan by March 1, 2008, to unify the profession." (The current agreement calls for ASFMRA to pay 15%, ASA to pay 35%, and AI to pay 50% of expenses.)*

Following the joint meeting, the three governing bodies convened in separate sessions, with the ASA and ASFMRA bodies approving the motion requested by the UT. The AI Board did not approve the requested motion; however, it did pass a motion authorizing the Appraisal Institute's Unification Project Team, guided by the AI Executive Committee on behalf of the AI Board, to continue to work on unification with the teams from ASA and ASFMRA.

Skeletal details of the draft plan included the creation of a new entity, which was referred to in the plan as ABC. Within ABC, four disciplines - Business Valuation, Management and Consulting, Personal Property, and Real Property - would be created with provisions for additional disciplines to be added should the market demand arise. Governance of the organization would be at the ABC level, including responsibility for strategic direction, a common Code of Ethics, budgeting, establishing policies that cross discipline lines, hiring the chief staff officer and those sorts of activities. ABC also would own and have oversight over all designations, with requirements and control in the individual disciplines.

The individual disciplines would have responsibility for education, accrediting, additional ethics and standards above the base level required by ABC, establishing discipline dues, sending forward a discipline budget, creating and populating discipline-specific committees, and creating sub-discipline groups if needed.

Projected "transition costs" were divided into "start-up costs" and "termination expenses." Depending on ABC's geographic location, staffing make-up and other variables, start-up expenses ranged from \$575,000 to \$975,000, while termination expenses would potentially be between \$2.0 and \$5.9 million. At this time, it is unclear how these amounts would be pro-rated among the three organizations.

The proposal provided for ABC chapters, with reconfiguration of existing chapters, if needed, left to the affected chapters. However, it was envisioned that within three to five years, chapters would become multi-disciplinary. The plan called for the elimination of districts and regions, with leadership coming from the chapter and discipline levels. Staffing for the ABC organization would be at the ABC level, with additional staff, as needed, provided for at the discipline level.

At this time, no meetings of the UT have been set for further discussion; however, with joint direction from all three boards, a decision will be made by the UT as to the potential for further productive discussions. At this point, these are the known facts and any speculation or rumors beyond the above report could be counterproductive. Jointly, we respectfully request that our respective memberships have faith in their leadership as it takes the next steps. Members with questions should direct them to the officers of their respective organizations. At this time, a conference call is planned between the Executive Committees of AI, ASA and ASFMRA on November 29. As new developments occur, we will promptly and jointly notify the memberships.

## MEREDA's 2008 Annual Real Estate Forecast Conference

The Maine Real Estate & Development Association will be holding its annual forecast conference in January 24, 2008 at the Holiday Inn By The Bay, 88 Spring Street, Portland, Maine from 10:30am to 4:00pm. This is MEREDA's signature event and provides a unique forum geared towards Developers, Brokers, Architects, Bankers, Attorneys, Accountants, Appraisers, and other industry professionals. The conference will feature an Economic Overview and Outlook on Maine's Economy, along with popular Market Overview's by property type with a focus on both Commercial and Residential Market Forecasts. Topics will include: The Southern Maine Office Market; The Greater Androscoggin Market; The Southern Maine Industrial Forecast; The Maine State Economic Forecast; The Greater Bangor Market; The Southern Maine Residential Market Forecast; The Southern Maine Retail Forecast; and the Maine Vacation/Hospitality Forecast. MEREDA will also be hosting its fourth annual Member Showcase which is sold out this year. Over 60 exhibitors will showcase their goods and services in the lower level Exhibition Hall of the Holiday Inn, and which provides an unparalleled opportunity for marketing and networking among real estate professionals in Maine. This event is expected to sell out this year, as it did last year with attendance of 550 people. You can sign up on-line at [www.mereda.org](http://www.mereda.org) or for more information, call Shelly Clark at 207-874-0801, or fax to 874-0802. The cost for MEREDA members before January 18 is \$75.00 per person, for non-members it is \$120. After January 18th it will be \$90 and \$140 respectively.

## CONSENSUS ECONOMIC FORECASTING COMMISSION: 11/01/07

### Maine Consensus Economic Forecasting Commission November 2007 Forecast

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
CPI-U* (Annual Change)	1.6%	2.3%	2.7%	3.4%	3.2%	2.8%	2.5%	2.5%	2.5%	2.5%
Maine Unemployment Rate**	4.4%	5.0%	4.6%	4.8%	4.6%	4.6%	4.8%	4.7%	4.6%	4.5%
3-Month Treasury Bill Rate**	1.6%	1.0%	1.4%	3.1%	4.7%	4.7%	4.6%	4.7%	4.7%	4.4%
10-Year Treasury Note Rate**	4.6%	4.0%	4.3%	4.3%	4.8%	4.7%	5.3%	5.7%	5.7%	5.5%
Maine Wage & Salary Employment*	606.5	606.8	611.7	611.7	614.7	618.0	619.9	623.7	628.0	632.3
Natural Resources	2.6	2.5	2.6	2.7	2.8	2.7	2.7	2.7	2.7	2.7
Construction	29.4	30.5	30.8	30.7	31.4	31.6	30.8	30.8	31.2	31.5
Manufacturing	68.0	64.1	63.0	61.4	60.2	59.4	59.1	58.9	58.5	58.2
Trade/Trans./Public Utils.	123.2	123.2	125.2	125.2	125.5	125.4	125.1	125.4	126.1	126.8
Information	11.6	11.4	11.2	11.2	11.2	11.4	11.7	11.8	11.9	12.0
Financial Activities	35.1	35.1	34.9	34.2	33.6	33.9	33.9	34.4	35.0	35.5
Prof. & Business Services	51.4	50.3	49.6	50.3	51.7	53.2	54.0	54.9	55.4	56.5
Education & Health Services	104.9	107.3	110.9	112.2	114.0	115.4	116.4	116.9	118.5	120.0
Leisure & Hospitality Services	57.3	58.5	58.8	59.2	59.7	60.0	60.5	61.7	62.6	63.1
Other Services	19.8	20.3	20.0	20.0	19.6	19.9	20.3	20.6	20.7	21.0
Government	103.1	103.7	104.7	104.8	105.0	105.1	105.4	105.5	105.4	105.3
Agricultural Employment	18.0	17.8	17.1	16.8	17.1	17.1	17.1	17.1	17.1	17.1

### 2007 Maine Chapter Service Award

This year's recipient of the Maine Chapter of the Appraisal Institute's Chapter Service Award goes to **Mary M. Benson** of Benchmark Appraisal Company, 288 Lake Road, Norway, Maine. Mary has served on the Chapter Board of Directors over the past three years and has tirelessly given of her time and guidance on chapter leadership issues. She always brought her experience, sound judgment, and strong ethical standards to bear on issues facing the chapter when it came time for decisions to be made. Rick Carter, SRA, President of the Chapter said "It is thanks to members like Mary, who volunteer their time and leadership for the good of the profession that make the Maine Chapter work." Congratulations Mary, we appreciate it!

### Thanks to Guest Speakers in 2007

On October 10th, **Jim Norris** of the Internal Revenue Service spoke at the Augusta Country Club breakfast meeting about current IRS-Appraisal Issues such as Qualified Appraisals and Penalties; Conservation Easements; Tax Credits; and Estate Valuation Assignments. On November 7th, **Andrew L. Black, Esquire**, Division Chief of the Maine Attorney General's office came to Verrillo's and gave us an overview of common appraisal license regulatory compliance issues, the complaint process and enforcement procedures of the Maine Board of Real Estate Appraisers. Those in attendance gained useful information, and we thank both Jim and Andrew for their efforts. We look forward to more speakers in 2008.

### New Website in Development

The Maine Chapter is pleased to announce that a new chapter website is currently being developed and should be rolled out during the first quarter of 2008. The new website will reflect numerous updates in terms of functionality and content, and will provide an effective tool for keeping our members updated with current information that impacts our profession in Maine. There will be a lot of membership information and direct links to register for educational programs, as well as various downloads including the membership directory, chapter newsletter, and Richard Lewis Sawyer Scholarship application. A calendar of meetings and events will also be included. An announcement will be emailed to all members when it is done.

## Appraisal Institute National Dues/Fee Structure for 2008 \*

	DESIGNATED & ASSOCIATE MEMBERS - PRACTICING STATUS <sup>1</sup>						DESIGNATED & ASSOCIATE MEMBERS - NON-PRACTICING STATUS <sup>2</sup>				AFFILIATE MEMBER STATUS		
	General	Residential	Life-General <sup>3</sup>	Life-Resid. <sup>3</sup>	Semi-Retired-General <sup>4</sup>	Semi-Retired-Resid. <sup>4</sup>	NEW General	NEW Resid.	Retired or Life <sup>5</sup>	NEW Temporarily Non-Practicing <sup>6</sup>	Standard <sup>7</sup>	Student <sup>7</sup>	NEW Trainee <sup>7</sup>
Designated	\$940	\$740	\$420	\$370	\$420	\$370	\$630	\$555	\$100	\$100	\$190	\$40	\$95
Associate	\$295*	\$295*	\$225	\$225	\$150	\$150	\$225	\$225	\$100	\$100			

1. A **Practicing Member** is a Designated Member in good standing or an Associate Member in good standing who engages in business activity identified by the Standards of Professional Appraisal Practice. Some Practicing Members may also hold the status of Life Member or Semi-Retired Member.

2. A **Non-Practicing Member** is a Designated Member in good standing or an Associate Member in good standing who is not engaged in business activity identified by the Standards of Professional Appraisal Practice. Some Non-Practicing Members may also hold the status of Temporarily Non-Practicing Member, Retired Member, or Life Member.

3. A **Practicing Life Member** is a Designated Member in good standing or an Associate Member in good standing who has held membership in the Appraisal Institute or its predecessor organizations continuously for at least 40 years, who is current in the payment of full membership dues as an Active Designated Member, Associate Member, Candidate Member, or Candidate during those years, and who engages in business activity identified by the Standards of Professional Appraisal Practice.

4. A **Practicing Semi-Retired Member** is a Designated Member in good standing or an Associate Member in good standing who is at least sixty (60) years of age and earns no more than a certain dollar amount in each calendar year from business activity identified by the Standards of Professional Appraisal Practice.

5. a) A **Non-Practicing Retired Member** is a Designated Member in good standing or an Associate Member in good standing who is at least sixty (60) years of age and who does not engage in business activity identified by the Standards of Professional Appraisal Practice.

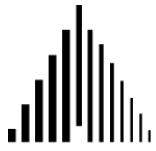
5. b) A **Non-Practicing Life Member** is a Designated Member in good standing or an Associate Member in good standing who has held membership in the Appraisal Institute or its predecessor organizations continuously for at least 40 years, who is current in the payment of full membership dues as a Designated Member, Associate Member, Candidate Member, or Candidate during those years, and who does not engage in business activity identified by the Standards of Professional Appraisal Practice.

6. A **Temporarily Non-Practicing Member** is a Designated Member in good standing or an Associate Member in good standing who is temporarily unavailable for employment in any business activity identified by the Standards of Professional Appraisal Practice due to: (i) poor health or physical disability; (ii) family obligation or responsibility; (iii) military service; or (iv) other good cause shown.

7. An **Affiliate Member** is an individual who is interested in property economics and either (i) does not engage in business activity identified by the Standards of Professional Practice, or (ii) holds an **appraiser trainee** license or equivalent from a state. Affiliate members may include such individuals as university faculty, students, brokers, developers, lawyers, accountants, financial planners, researchers and investors. To be eligible for **student affiliate membership**, the student must be enrolled in six or more credit hours in a college degree program relative to real estate appraisal, finance and/or economics at the time of application. They must provide proof (course schedule, college confirmation, etc.) of their current enrollment at the time of application and confirm proof of student status annually.

*\*Chapter dues for Designated and Affiliate members will vary by chapter. In 2008, Associate members pay only \$295 to cover both national and chapter dues, which represents a dues reduction from 2007.*

The annual Dues for the Maine Chapter of the Appraisal Institute are only \$60 per member, regardless of membership type. We have not raised our dues in over ten years. In fact, our chapter dues are now among the ten lowest chapter dues in the country (out of almost 100), despite our relative small size by comparison. We have historically been able to operate this way with a lot of volunteer effort and attention to expense controls in providing basic services to our membership. However, this approach has been increasingly more difficult to maintain in the face of rising costs and the ever changing educational, political and regulatory environment we must work within - both on national and state levels. We sincerely ask for your continued support of our programs through your attendance at our meetings and seminars, your volunteer time on chapter committees, and, as always, your feedback is welcome anytime.



# Appraisal Institute®

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## THE FINE PRINT...

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## FEDERAL LEGISLATION 2007

A number of bills were introduced in Congress this year to combat mortgage fraud and predatory lending, some of which also address issues that are important to appraisers, such as appraisal independence. The most significant bill in this regard is **House Resolution 3915**, *The Mortgage Reform and Anti-Predatory Lending Act*, which passed the House late November and has now been referred to the Senate Committee on Banking, Housing and Urban Affairs. **H. R. 3915**, introduced by Rep. Brad Miller (D-NC) represents a bi-partisan solution to predatory lending/mortgage fraud. The bill includes provisions from **H.R.3837**, *The Escrow, Appraisal and Mortgage Servicing Improvements Act*, introduced by Rep. Paul Kanjorski (D-PA) and added to **H.R. 3915** as an amendment. These provisions would: Promote appraisal independence by banning improper influence of appraisers through acts such as coercion, extortion, collusion, compensation, instruction, inducement, intimidation, non-payment or bribery. Civil penalties: first offense: \$10,000, second offense: \$20,000: Promote more transparency of the Appraisal Subcommittee by requiring more detailed reports by the ASC; Give the ASC the authority to issue binding rules and regulations, after public notice and opportunity for comment, in the areas of temporary practice, national registry, information sharing and enforcement; Create a national registry for state appraisal agencies to report license or certification suspensions or revocations; Increase appraiser license registration fees from \$25 to \$40, and allow the ASC to use the fees to make grants to state appraisal agencies to help defray enforcement costs; Give the ASC the authority to monitor funding and staffing levels of the State appraiser certifying and licensing agencies so they are at proper levels; Give the ASC the authority to impose interim sanctions and suspensions on state appraiser certifying and licensing agencies if they are found to be out of compliance; Permit special consideration of appraisers' designations or training from professional appraisal organizations as an indication of their proficiency; Call for a Government Accountability Office study on improving the appraisal process and the effectiveness of state compliance efforts. Additionally, the study would examine the existing de minimis.