

# Upstate NY Chapter of the Appraisal Institute

# Newsletter

February 2013



13<sup>th</sup> Annual

## “Case Studies in the Valuation Of Upstate NY Real Estate”

### 2013 OFFICERS

#### **PRESIDENT**

John Mako, MAI, SRA

#### **VICE-PRESIDENT**

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The Chapter's "13<sup>th</sup> Annual" presentation of "Case Studies In the Valuation of Upstate NY Real Estate" will be presented on Friday, June 7, 2013 at the Vernon Downs Casino Hotel, Vernon, NY.

We are currently seeking "Presenters" for this annual program. If anyone has a peculiar appraisal assignment, incident, etc., and would like to share it with our group for up to twenty (20) minutes, please send your topic title along with a one paragraph outline of the topic to the Chapter office by March 15<sup>th</sup>.



### Reminder

## New Appraisal Institute Certification Requirements

as of January 1, 2013



Certification for a Service (Appraisal, Appraisal Review, Appraisal Consulting or Real Property Consulting) must also include statements relating to special commitments made by Appraisal Institute Members, Candidates and practicing Affiliates.

Each written report of a Designated Member must contain a certification that includes one of the following statements, whichever is appropriate:

- Either – As of the date of this report, I (or Designated Member(s) name(s)) have/has completed the continuing education program for Designated Members of the Appraisal Institute.
- Or – As of the date of this report, I (or Designated Member(s) name(s)) have not/has not completed the continuing education

*(Continued on page 2)*

(Continued from page 1)

program for Designated Members of the Appraisal Institute.

Each written report of a Candidate or Practicing Affiliate must contain a certification that includes one of the following statements, whichever is appropriate:

- Either – As of the date of this report, I (or

name(s)) have/has completed the Standards and Ethics Education Requirements for (Candidates or Practicing Affiliates) of the Appraisal Institute

- Or – As of the date of this report, I (or name (s)) have not/has not completed the Standards and Ethics Education Requirements for (Candidate or Practicing Affiliate) of the Appraisal Institute.

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## Upcoming Education

- **Thursday, March 28, 2013** – Seven (7) Hour Seminar entitled “Marketability Studies: The Six-Step Process to Basic Applications”, Hotel Utica, Utica, NY.
- **Friday, April 19, 2013** – Seven (7) Hour USPAP Update Class, Chapter office, Utica, NY.
- **Friday, June 7, 2013** – 13<sup>th</sup> Annual “Case Studies in the Valuation of Upstate NY Real Estate”, Vernon Downs Casino Hotel, Vernon, NY.
- **Wednesday, September 18, 2013** – “Business Practices and Ethics”, Chapter office, Utica, NY.
- **Thursday, October 24, 2013** – Morning Session (8:30 am – 12:00 noon) “Valuation of Communication Towers” (3.5 hours). Afternoon Session (1:00 pm – 5:00 pm), “Mineral Rights Valuation II” (3.5 hours), Syracuse (Location TBA).
- **Friday, November 8, 2013** – Seven (7) Hour USPAP Update Class, Chapter office, Utica, NY.

Reservation forms for the March 28<sup>th</sup> and April 19<sup>th</sup> sessions were sent recently to all members under separate cover. You can register online. Please call the Chapter office with any questions on any of the above programs.

## Help Wanted

**T**he Upstate New York Chapter of the Appraisal Institute seeks help in the following areas:

- Board of Directors – If any Chapter Member has an interest in serving on our Board of Directors to help guide the Chapter in years to come we ask that you notify the Chapter office of your interest
- Candidate For Designation Advisor – The Chapter needs designated members to serve as volunteers to advise Candidates who are pursuing their Designation. It’s easy, and you can get up to 25 hours of continuing education credit from the Institute. Interested? Go to the Appraisal Institute website ([appraisalinstitute.org](http://appraisalinstitute.org)), click on “Become an Advisor” and follow the instructions.

## Board of Directors Meeting

**T**he next Board of Directors Meeting for the Chapter will be held on June 6<sup>th</sup>, 2013. The meeting will be held at 6:00 pm at the Vernon Downs Hotel & Casino. Complete meeting information has been sent to all Board members under separate cover.

## New Appraisal Standards Approved for Higher-Risk Mortgages

**A** new rule passed Jan. 15 gives mortgage lenders an additional year to institute appraisal standards for higher-risk loans, Bloomberg reported. The extension is one of the revisions that regulators made to the Dodd-Frank Act to address concerns from financial firms.

Six agencies were involved in approving the rule, including the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau, the Office of the Comptroller of the Currency, the Federal Reserve, the Federal Housing Finance Agency and the National Credit Union Administration.

The rule takes effect Jan. 14, 2014, and will require lenders that issue loans that don't meet the qualified mortgage standard to get written reports by certified appraisers who have conducted physical inspections of homes, Bloomberg reported.

"This rule, along with the CFPB's recently issued qualified mortgage rule, are key components in addressing the practices that contributed to the worst economic crisis since the Great Depression," Comptroller Thomas Curry said, Bloomberg reported. "It will bring transparency and clarity to the appraisal process for higher-risk residential mortgages."

In addition to the physical inspection, the rule will require a second appraisal in situations where a home is being flipped for a quick, higher resale. However, a second appraisal will not be required if the new sale price increased only slightly.

## Fed: Monthly Bond Purchases Will Continue

**T**he Federal Open Market Committee will continue quantitative easing through monthly bond purchases at least until the Federal Reserve sees sufficient recovery in the housing and job markets, according to FOMC meeting minutes, HousingWire reported Feb. 20.

The announcement means that the Fed would maintain its practice of buying agency mortgage-backed securities at a pace of \$40 billion per month and longer-term Treasury securities at a rate of \$45 billion per month.

However, some FOMC members said that the Fed should be prepared to vary the pace of purchases based on economic conditions because they fear a large portfolio of long-term assets could expose the regulatory agency to major capital losses in the future, HousingWire reported.

Other members argued that a reduction or a too-early end to bond purchases could damage economic recovery. Some said that the Fed should be prepared to hold securities longer than originally anticipated by the committee's exit principles as a replacement for future asset purchases.

Overall, the FOMC agreed to a flexible and accommodative stance based on market conditions, HousingWire reported.



## Online Education:

*Learn at your own pace, anytime, anywhere*

**T**op-notch Appraisal Institute courses and seminars come straight to your desktop with online education! Learn from any computer anywhere, whenever you have time. It's easy, convenient and a great way to get the education you want. Check out the current course listing now! ([http://www.appraisalinstitute.org/education/online-education-view\\_programs.aspx](http://www.appraisalinstitute.org/education/online-education-view_programs.aspx))