

Upstate NY Chapter of the Appraisal Institute

Newsletter

May 2013



President's Message



As you read this, spring is finally arriving in the Upstate area. The tulips are springing forth with all their color, trees are budding, and it's time to start mowing the lawn. All this involves preparation, planning, and a commitment of time. In our business lives, we have similar responsibilities, which bring about results, just as sharpening the blade on the mower gets us a clean cut.

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As I look around the country, one of the most satisfying signs of a changing times is the number of newly designated individuals within the Appraisal Institute. It seems like a week doesn't pass without an announcement of a newly designated MAI or SRA passing through my inbox. During 2012 we have been lucky enough to see such success here in the Upstate Chapter with two recently designated MAI's. Each of these fine individuals, Rick Coughlin and Bill Beyerbach have earned and been awarded their MAI designations. One of their first items of business has been both of their offers to serve the Upstate Chapter of the Appraisal Institute. Congratulations, and thanks.

Time is a precious commodity for us all. With the pressures of family, business, other personal commitments, why add another item to our Outlook calendar? Serving the industry and profession provides us the basis to press on in the valuation business. It's not a small matter that the premier organization, the Appraisal Institute, and our fellow members of the Upstate Chapter, are included in the building blocks of our success as valuers and professionals. But, we must pay back for the assistance provided by the education, guidance, and support of the organizations which provided us with the tools for this success. Or, do we pay forward to give others the support we received? A bit like sharpening the mower at the beginning of the season...

Rick and Bill are great illustrations of the support our Chapter and the Appraisal Institute were able to supply, and each is a fine example of the pay back/forward process. Rick is a member of the Chapter Board of Directors, and Bill has been nominated to serve on the Board for the 2014 year. Each sees the value of service, providing the support for those working towards their designations. I'm sure that each of these professionals would acknowledge the assistance of their

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family, friends, peers, and mentors in the path towards earning their designations. Each, as the true professionals they are, is offering to return the favor and work with their chapter organization.

In March, Sue Baldwin, MAI, organized and presented a Syracuse Subchapter Breakfast. Her innovative approach is an illustration of forward thinking. As has been seen in some of the other subchapters, instead of a closed meeting of appraisers, Sue took the step to invite market participants to the meeting, enticing them with a fine program and a great breakfast. We saw as many brokers, developers, bankers, and municipal officials as we did appraisers. This provided an amazing networking opportunity, the ability to cross sell services, and the opportunity to put faces with names. Thanks to Sue for putting aside the time and effort required to make this event a success.

The Appraisal Institute has recently altered its membership structure to smooth the path towards designation, through the Candidate for Designation process. This requires that the Chapter provide Candidate Advisors, who mentor Candidates for Designation. This is a time commitment, but not unlike sharpening the mower blade. The up and coming members of

our chapter represent the future of the organization and the profession. For the warhorse members of the Chapter, it's time to payback for the assistance we all received along our road to designation, and to pay forward to the younger members, who will enable our professional organization, our industry, and our careers to continue into the future.

Please don't just crumble this newsletter and toss it in the drawer or trash. Think about how you can help to nurture the up and coming members of the valuation profession. We offer the finest educational programs in the industry. If you take the time to attend our offerings and Chapter/Subchapter meetings, you'll find exceptional value in the peer to peer discussions, above and beyond the generally fine content offered by the instructors. Don't hide away in the office, pecking out another appraisal report. Get out into the world of your clients, peers, competitors, and market participants. We provide, as a Chapter, the opportunities to grow. Don't just toss that away. Look for the budding stars of the industry and nurture them. You'll find it rewarding, if you give it a try. If you want to help, but don't know where, call me. We'll find a place...

John Mako, MAI, SRA
Upstate NY Chapter President

Region IV Educational Offerings

Enclosed with this Newsletter is a matrix showing the upcoming educational offerings of Chapters throughout Region IV.

Online Education:

Learn at your own pace, anytime, anywhere

Top-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)

13th Annual

“Case Studies in the Valuation of Upstate NY Real Estate”

June 7, 2013, Vernon, NY

We are pleased to once again announce the presentation of one of the most popular educational programs the chapter presents...the 13th Annual version of “Case Studies in the Valuation of Upstate New York Real Estate.” This year’s program will be held at the Vernon downs Casino Hotel...NOT TURNING STONE...Vernon, NY. Seminar Facilitator Nathan Gabbert, SRA, Rochester has put together another great line-up of presenters and topics as follows:

- “Changes to the 2014-2015 Edition of USPAP” – Jim Murrett, MAI, SRA, Buffalo;
- “Determining Economic Units” – Don Fisher, MAI, Syracuse;
- “Mineral Rights Valuation Part II” – Michael Coles, Elmira;
- “Terror In The North Country – Native Americans vs. Appraiser vs. Local Sheriff vs. County Attorney” – Daniel Deighan, MAI, Keene;
- “Valuing Gravel Pits” – John Bentkowski, Ithaca;
- “Scared Straight – Crime Does Not Pay” – Nathan Gabbert, SRA, Rochester;
- “Inverse Obsolescence” – John Rynne, MAI, SRA, Rochester;
- “The Lease/Leaseback Transaction: How Does It Work And How Is It Valued” – John Mako, MAI, Syracuse;
- “Appraising The Appraisal: A Review Appraisers Perspective” – Sandra Smith, SRA, West Winfield.
- “Narrative1” - Appraisal Software Overview

As you can see, another great education opportunity has been planned for you.

The Chapter has a block of rooms reserved at Vernon Downs Casino Hotel for the night of June 6th at a rate of \$89.00 per room plus tax. To make room reservations call the Hotel directly at (315) 829-3400 and identify yourself as being with the Upstate NY Chapter of the Appraisal Institute meeting on June 7th.

A reservation form for the Seminar is enclosed. All credit card reservations must be made online. Reservations payable by check must be sent to the Chapter office...with check!

And, for our golfers, we have arranged for a golf outing on Thursday, June 6, 2013 at the Oneida Community Golf Club, Oneida, NY, just a short drive from the Hotel. Tee times will commence at 11:00 am that day. A reservation form for the golf outing is enclosed. Please adhere to the reservation deadline date of May 31st, the day we have to call in our guaranteed head count. Payment for golf is by check only and must be paid in advance.

Plan on joining us for another great event, filled with great topics and great camaraderie.

Board of Directors Meeting

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

Foreclosure Rescue Scams, Mortgage Fraud Remain Concerns

The Financial Crimes Enforcement Network noted that the volume of suspicious activity reports related to foreclosure rescue scams almost doubled between 2011 and 2012, HousingWire reported April 15. There were 2,800 such allegations in 2011 and 4,400 last year.

However, reports of possible mortgage fraud have declined between 2011 and 2012, but such fraud remains a concern. In 2012, there were 69,000 allegations of mortgage fraud, a 25 percent decline from 2011 when 92,000 allegations were reported.

Speaking April 15 at the Mortgage Bankers Association Fraud Issues Conference in Hollywood, Fla., Jennifer Shasky Calvery, FinCEN director, said that the decline in mortgage fraud reports should not be interpreted as improvement across the board, HousingWire reported. She told the conference that even though mortgage fraud suspicious activity reports have declined in the last two years, scams are on the rise.

“Our analysis reflects that this could be partly a function of scammers finding opportunity in the distressed part of the mortgage market, as opposed to new loan origination,” Shasky Calvery said, HousingWire reported. “And it may also be the result of increased awareness of foreclosure rescue scams, given the focus on this issue during the past several years.”

In October 2012, the Financial Fraud Enforcement Task Force released results of a year-long initiative to bring scammers to justice. The task force, led by the Federal Bureau of Investigation, charged 530 criminal defendants — 172 of them were executives. HousingWire reported that investigated cases involved 73,000 homeowners with total losses of \$1 billion.

FinCEN forms were updated to allow those filing suspicious activity reports to specify types of activity, such as reverse mortgage issues, loan modification scams and appraisal fraud. Many of the reports have been initiated by financial institutions.



Upcoming Education Programs

- **Friday, June 7, 2013** – “Case Studies”, Vernon Downs Casino Hotel, Vernon, NY.
- **Wednesday, September 18, 2013** – “Business Practices and Ethics”, Chapter office, Utica, NY. Instructor James L. Murrett, MAI, SRA, Buffalo.
- **Thursday, October 10, 2013** – “Appraising the Appraisal: Appraisal Review” (General & Residential), Hotel Utica, Utica, NY. Instructor Vincent M. Dowling, MAI, SRA, West Chester, PA.
- **Thursday, October 24, 2013** – “Valuation of Cell Towers” Location TBA. Instructor Nathan Gabbert, SRA, Rochester (3.5 hours).
- **Thursday, October 24, 2013** – “Mineral Rights Valuation Part II”, Location TBA, Instructor Michael Coles, Elmira (3.5 hours)
- **Friday, November 8, 2013** – “7-Hour USPAP Update Course”, Chapter office, Utica, NY. Instructor James L. Murrett, MAI, SRA, Buffalo.