

## A Word From the President—Larry Disney

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We are nearing the end of 2013, a year that brought many announcements of change to the appraiser regulatory community.

Some agencies have implemented many, or all of those changes, while others are striving to have the implementation complete by the January 1, 2015 deadline.

Based upon discussions with regulatory officials, it appears the 2010 changes required by the Dodd-Frank Wall Street Consumer Financial Protection Act and its revised language of Title XI, and the added AQB Criteria requirements, was met with significantly fewer problems than what was encountered with the 2008 criteria updates.

However, as smooth as the process may appear today, we know 2014 promises to bring additional requirements and challenges. Anticipating those changes, I plan to work with the AARO leadership in addressing the following objectives:

- Request the assistance of the committee chairs and the advisory groups to solicit information, collect the results of surveys, and use those results for the benefit of the association membership.
- Work with the ASC Advisory Group in planning to have representation of AARO membership present at the regular meetings of the ASC in Washington.
- Continue an effective working relationship with the Appraisal Foundation boards.
- During the fall 2013 conference, it became evident that the requirement for background checks of initial licensees would

### AARO 's Mission:

Is to be an advocate for the member jurisdictions as to the enforcement and administration of appraiser and appraisal management company regulatory laws. The Association is committed to the success and advancement of state appraiser and appraisal management company regulatory programs and seeks to accomplish these objectives through: Leadership, Cooperation, Communication and Education

## 2013 Fall Conference Session Summaries

AARO returned to the Westin Washington DC for its 22nd Annual Fall Conference. We had a record 165 registered attendees from 37 different jurisdictions as well as several regulatory bodies and Affiliate members. That is a 35% leap in attendance in just the past 5 years.

In addition to the many information packed sessions, our attendees turned out in droves to participate in the Welcome Reception, the Silent Auction, and the Learning After Dark.

AARO is pleased to report the vast majority of the PowerPoint presentations have been downloaded to our website, [www.aaro.net](http://www.aaro.net). The Barry Shea presentation on the USPAP update for regulators was videotaped in front of our live audience. That recording is available on the Appraisal Foundation website.

For those who could not attend, we have included a bullet point summary of the Federal Update session offered on Saturday.

Many thanks to Vanessa Beauchamp for her notes.

Federal Updates

Jim Park- Appraisal Subcommittee

- Went over revisions to Policy Statements – first major revisions since 1993
- Board approved first ever ASC Strategic Plan
- Went over hotline figures and reminded attendees that the purpose of the hotline is to direct complaints to the proper state or federal agency. ASC does not get involved in resolution of complaint.

- Outlined ASC 2014 Priorities (31 state reviews; monitor Foundation, administer state grant program and maintain National Registry)
- Special Projects (rulemaking initiation, creating a unique appraiser identifier, maintain hotline and ASC webinar on recent changes to keep states informed)

John Brenan- Appraisal Foundation

- 2014-2015 USPAP available
- Will be video on website regarding the changes, asked attendees to provide link to such sites on their websites to keep appraisers informed.
- Dodd Frank has caused miscommunication issues between appraiser and client. Will be working on a video and brochure regarding the appraiser/lender relationship....these will be a source of clarification.
- Will have a video for consumers addressing low income home buyers
- Foundation has been working with bank examiners....providing training as to what they are looking at and the appraisal process in general
- Next year will be offering a Level 3 investigator training course
- 5 year contract with the Dept. of Energy regarding database appraisers will be able to use to substantiate value in green buildings.

Barry Shea- AQB

- Updated instructor course recertification
- Will be offering instructor certification once or twice in spring

takers in 2013 compared to 1200 first time takers in 2012) 45% of test takers are under the age of 35

- 300 CAP courses approved
- University Degree approved programs (Indiana University, University of Denver, University of Northern Iowa, Lehigh University, Virginia Commonwealth University, Texas A & M)
- Looking at alternative tracks for experience

John Brenan- APB

- Public meeting – Arizona in December
- Projects
  - Valuation of green buildings
  - Appraising newly constructed properties
  - Collection and verification of sales data
  - Valuation issues in tangible and intangible assets



Pictured - Allison McDonald (l), Gae Lynne Cooper (r)

### Meet Some New Members!

At the recent fall conference, AARO had a chance to visit with 2 of the newer members- Allison McDonald, Deputy Chief Attorney/Office of General Counsel/Division of Real Estate with Florida and Gae Lynne Cooper, the Interim Administrator for Oregon. We wanted to see what they had to say.

**AARO-** You are relatively both new to AARO. What are some of your first impressions?

**AM-** I love the exchange of information, the good ideas I hear from other states, the interesting solutions to similar problems we are facing in Florida.

**GLC-** I find the AARO conference to be well done, very organized. I have met many, many people who have offered help and led me to some of the available resources. At times, I feel overwhelmed with all the information. How can I absorb it all!

**AARO-** Have you met any interesting people?

**GLC-** Yes, everyone has been interesting. I have grabbed a lot of (business) cards.

**AM-** Yes! I appreciate the open dialogue.

**AARO-** Will the information gained here at the conference help you do your job back home? How?

**AM-** Yes; specifically, USPAP is nationally applicable. I'll take the knowledge that I've learned from other states and apply it where we can in Florida.

**GLC-** With only 1 month behind me as Interim Administrator, everything is a challenge. But hearing direct from the ASB, the AQB is great.

**AARO-** What challenges do you face in your work?

**GLC-** Make it to week 6! There is so much to learn. We have an ASC audit coming up, database issues, legislative issues. But I learned in the Job Function Break Out sessions that I'm not alone. That's comforting.

**AM-** One of our biggest challenges right now is keeping our prosecutions within the 1 year mandate.

**AARO-** Will we see you in San Francisco (spring 2014 conference)?

**AM-** That would be wonderful!

**GLC-** I would love to go but it depends on my board.

**AARO-** Lastly, are you a cat person or a dog person?

**GLC-** Dog.

**AM-** Dog.



# New By Laws Approved!!!



## ***Policy and Planning Committee Report, Nikole Avers, Chair***

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### Executive Summary

October 21, 2013

The Planning and Policy Committee shall develop and recommend policy to the Board of Directors that is in the best interest of the Association regarding the Association's membership, bylaws, programs/meeting, publications, governance, administration/operation, funding, education, training, research, and other relevant matters. The Committee shall review the Bylaws at least every two (2) years. The Committee shall establish and maintain a Policy and Procedures Manual, subject to approval by the AARO Board of Directors, to serve as guidance to AARO officers, committees and member jurisdictions. The Vice-President shall serve as Chairperson.

In accordance with the Association Bylaws, a comprehensive review of the bylaws was conducted. A revision of the mission statement was developed by the Policy and Planning Committee and recommended to the Board of Directors at spring conference. The Board of Directors and the members of Executive Committee recommended additional revisions which included:

- Two (2) year appointment to committee chairs
- Three (3) director at large positions on the executive committee
- Reordering the name of the Budget, Finance committee
- Change of Publications to Communications committee
- Breaking the many "committees" into administrative committee and advisory councils
- Adding and defining two new advisory councils, one for appraiser professional organizations and another for appraisal management company organizations.

There were a few other corrections made but these are the substantive changes.

### MOTION

Move that the bylaws be amended as follows in the **redlined** draft of the bylaws.

### RECOMMENDATIONS

As a result of the review, the committee has several recommendations for the future Policy and Planning committee charges.

- Work on Article III, Section 6 in defining Affiliate membership
- Evaluate if bylaws have sufficiently addressed succession planning for vacancies in leadership positions within the Association (Executive Committee and Board of Directors).
- Further evaluate the roles of each of the committees and councils to determine if their purpose in achieving the Association's mission is adequately defined.
- Revise Article VI, Section 1 (e) on, "The financial signing officers" to clarify it may be an electronic signature and electronic payment

## *Images from the Fall Conference*



The Saturday audience pays close attention during the Federal Updates session.

Cassandra Karinen with Metro West Appraisal gives her first hand account about Experience Training



Larry Disney, Incoming President leads the applause in thanks for Sherry Bren's outstanding year as President of AARO.



Alan Hummel with Forsythe Appraisal presents as part of a panel along with Cassandra Karinen and Greg Stephens of Metro West Appraisal and Tony Pistilli of Axios Valuation Solutions

“Taped before a live studio audience.”  
Barry Shea of the ASB gives the USPAP Update for Regulators.



The next generation of AARO Leadership – new officers and directors for 2013-2014. L-R: Don Rodgers, Christine McEntire, Nikole Avers, Maria Brown, Larry Disney, Craig Steinley (back), Dave Campbell (front), Joe Ibach, Anne Petit, Mark Mrnak, Debra Rudd, Craig Coffee and Mike McGee.

The spring 2014 conference is around the corner!!! Beautiful San Francisco will host the AARO attendees April 11-13 at the historic Sir Francis Drake Hotel.



**The spring conference schedule has changed. It will start Friday at 1 pm. Make your travel plans accordingly.**



Check the AARO website in January for the tentative agenda.



More New Members– DataQuick has been approved as an Affiliate Member. And thanks for many years of active involvement to Leslie North. She was unanimously awarded Honorary Member status by the BOD. Thanks Leslie!

## Future Conferences

Spring 2014– San Francisco, CA April 11-13  
Fall 2014– October 18-21, Westin DC City Center  
Spring 2015– Nashville, TN Dates TBD  
Fall 2015- October 17-20, Westin DC City Center

### **AARO Officers and Directors for 2013-2014:**

President; Larry Disney, KY  
President-Elect: Nikole Avers, TN  
Vice-President: Maria Brown, ID  
Secretary: Anne Petit, OH  
Treasurer: Dave Campbell, ND  
Immediate Past President: Sherry Bren, SD

#### Directors at Large:

Debra Rudd, AZ  
Toni Bright, IA  
Joe Ibach, ND  
Mike McGee, MS  
Doug Oldmixon, TX  
Tom Lewis, NC  
Amy McClellan, VT  
Vanessa Beauchamp, MO  
Mark Mrnak, TX  
Fran Oreto, FL

#### Alternate Directors:

Craig Steinley, SD  
Don Rodgers, NC  
Robin Hannigan, KS  
Christine McEntire, OK  
Craig Coffee, GA

### **Book Your Rooms Early!**

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not be as easy to implement as might have first been believed. The agenda topic presentations created a number of questions, and some attendees indicated inaccurate statements were made.

In an attempt to clarify the background information confusion, the Appraiser Qualifications Board (AQB) has issued a series of Q&As that can be downloaded from the Appraisal Foundation website or by entering the following link into your computer browser:

<https://netforum.avectra.com/eWeb/DynamicPage.aspx?Site=TAF&WebCode=AQBFAQs>

- Many of the appraiser regulatory agencies now require the registration of Appraisal Management companies. In the near future, this will be required of all regulatory agencies. Therefore, I will request that the AARO-AMC advisory group to work closely with the states and the AMCs in developing sessions for the spring and fall conferences that will continue to identify issues and concerns that can be used for enhancing the registration and regulation of AMCs.
- In 2014 Amy McClellan and the ASC Advisory Group will discuss recommendations that will be forwarded to the ASC as suggestions for the most beneficial programs and tools that can be provided to benefit all state appraiser regulatory agencies.
- President-Elect Nikole Avers is working with the Program Planning Committee in preparing the 2014 spring agenda. Nikole and the committee will soon be requesting assistance in identifying 2014 spring program topics. When you receive the survey, please take time to complete it and provide suggestions. Taking the time to do so will provide valuable information for the committee use, and it will assist with ensuring a strong effective program.

On behalf of the leadership and membership of AARO, I thank everyone for your support and trust in electing me the president in 2013-2014. I ask everyone to please continue to let me, the AARO leadership, and the advisory groups know how we can improve the level of service offered by AARO. Also, please provide all suggestions regarding the conference planning, education seminars and other related matters. It is essential that we all work together to continually improve and promote the regulation of real property appraisers.

It is my wish to each of you, the AARO stakeholders and the membership for a happy and joyful Holiday Season as we end 2013 and welcome 2014.