

Summer Newsletter 2022



**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

**San Diego
Chapter**

Hi Everyone!!! Welcome to Summertime in San Diego!! Whether your plans are to stay home or travel abroad this summer, I hope everyone stays safe and healthy!

The Chapter had its first in-person Chapter Meeting of 2022 on May 19th after our San Diego Trolley Tour. Although it was a small group, it was a fun and sunny afternoon. DeAnn Hartman came down from Washington State to join us for this event and meet the Chapter Members who attended.



Our next Chapter Luncheon Meeting will be held on July 14, more information coming.

The Nominating Committee has been established and nominated Chapter Members for the 2023 Chapter Board of Directors. The chapter elections are being held electronically see the election article for more information.

We have a new Education Committee Chairperson. Jennifer Simmonson graciously volunteered to head up the Education Committee for the remainder of the year and has already spearheaded the first Committee meeting. Plans are in the works for setting up classes and seminars for the summer and fall. Our first offering will be a USPAP class on July 14th. See the Education/Events article for more information.



I hope to see you all at the next Chapter Meeting and USPAP Class on July 14th!
Thank you,

Colleen E. Matthies, MAI, Non-Practicing
2022 President
Appraisal Institute – San Diego Chapter



**Appraisal
Institute®**
*Professionals Providing
Real Estate Solutions*

**San Diego
Chapter**

Summer Newsletter 2022

Welcome New Members

Anthony Bucciero
Seth Austin Gergel

Designated Member
Practicing Affiliate

2023 Chapter Leadership Election

Check your email for the link to the electronic election.

Voting ends June 29!

2023 Slate of Officers, Directors, Regional Representatives

CHAPTER OFFICERS

President: Lee Stephens, SRA
Vice President: Brent Johnson, SRA, AI-RRS
Secretary/Treasurer: Kevin O'Harra, SRA
Immediate Past President: Colleen Matthies, MAI

DIRECTORS

2022-24 Director: Hector Monge, MAI, AI-GRS
2021-23 Director: Scott Morey, MAI
2022-24 Director: Jennifer Simonson
2021-23 Director: Mark Watson, MAI, AI_GRS
2023 Director: Jeremy Darner, MAI, SRA, AI-GRS
2023 Director: John DeLara, MAI

REGIONAL REPRESENTATIVES

Regional Rep (President): Lee Stephens, SRA
Regional Rep (Vice President): Brent Johnson, SRA, AI-RRS
Regional Rep (Nom Committee): Mark Watson, MAI, AI-GRS
Regional Rep (Nom Committee): Mike Hadrys, MAI
Alternate Regional Rep: Dave Eshelman, SRA
Alternate Regional Rep: Sean Stinchfield, MAI, AI-GRS

Submitted by the 2022 Nominating Committee

Mark Hendrickson, MAI, AI-GRS
Jennifer Simonson
Alison Roach, MAI, SRA
Howard Fram, MAI
Eva Stresemann, MAI

2022 Leadership Development and Advisory Council (LDAC) Wrap Up

The Leadership Development Advisory Council (LDAC) finally happened after a two-year pandemic delay! The 2022 LDAC meeting commenced on Wednesday, 5/18 in Washington DC to establish an “appraiser presence” in Congress and demonstrate that the Appraisal Institute is made up of professionals who recognize the importance of being actively involved in the political process.

The opening 2022 session featured remarks by Melody Taylor, Executive Director of the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE). Our own Eric Schneider was the 2022 Vice Chair and the 2023 Chair.

Brent Johnson, SRA, AI-RRS and Lucas Rotter represented our San Diego Chapter, joining Ryan Hargrove and the Southern California Chapter LDAC team to meet virtually with Senator Padilla’s staff to discuss current valuation issues impacting our appraisal profession and members.

Senator Padilla’s staff voiced interested in the issues impacting the appraisal profession and how they can work to assist the profession in addressing the current issues, including the Property Appraisal and Valuation Equity Task Force (PAVE) – that has been welcomed by the Appraisal Institute. While some of the results as to bias in appraisal are preliminary and others have produced contradictory conclusion, these findings have greatly educated all stakeholders to better understand the appraisal process and how it fits into a larger ecosystem of mortgage finance and risk management. To directly address the issues that have been identified, the Appraisal Institute has conducted our own introspective review and launched several collaborative initiatives.

Summer Newsletter 2022

2022 Leadership Development and Advisory Council (LDAC) Wrap Up Continued

Issues addressed during the LDAC week included:

- Diversity in Appraisal, with the Appraisal Institute helping to lead the Appraiser Diversity Initiative (ADI), and industry collaboration with Fannie Mae, Freddie Mac and the National Urban League that promotes the appraisal profession to diverse communities.
- Decreasing Barriers, with the Appraisal Institute focused on the development of a Practical Applications of Real Estate Appraisal (PAREA) program, that provides alternatives to the traditional supervisory appraiser-trainee model for gaining experience in real estate appraisal.
- Education, with the Appraisal Institute being active in developing education and supporting valuation bias and fair housing training requirements for appraisers at the federal and state levels.

Appraisal Institute concerns included:

- The perception of Appraisers Making the Market rather than being disinterested third parties whose focus is on neutrality by providing credible and well-supported opinions of value – with the market being driven by buyers and sellers, not appraisers.
- Automated Valuation Models (AVMs), that can be technological tools in the valuation process, but should be used carefully including a component of AVM quality control standards that attempts to address bias or discrimination – though the institute believes the idea that policy might whisk away biases, some of which are systemic within the market, may not provide the desired results.
- A proposal to create a new Federal Valuation Agency – that the Appraisal Institute does not believe is the right answer. The appraisal Institute believes that while transparency and accountability are important, that these goals should be balanced with maintaining industry independence and promoting entry into the profession. Further, the Institute indicates that the proposed increased regulation, review and audit of appraiser files resulting from a complaint of undervaluation due to bias does not reference due process, and that it may undermine the independence of the appraiser to the point they consider fleeing the mortgage loan space.

Continued on Next Page

Summer Newsletter 2022

2022 Leadership Development and Advisory Council (LDAC) Wrap Up Continued

Appraisal Institute Recommendations:

- Appraisal Appeals is a portion of the PAVE (Property Appraisal and Valuation Equity) plan that the institute supports, including the issuance of guidance and new policies to improve the processes by which a valuation may be reconsidered if the initial value is lower than expected. The institute expects federal agencies will work on this guidance in the coming months and years, including the Veterans' Administration's (VA) "Tidewater Initiative" as a model for the industry to implement within any industry guidance relating to consumer appeals of appraisals. The Tidewater Initiative is a notice of value that occurs prior to an ROV process and protects appraiser independence while providing an opportunity to provide relevant information to the appraiser for consideration prior to completing the appraisal.
- PAL (Portal for Appraisal Licensing Act (H.R. 5756), is a proposal to address the concerns of appraisers who work in multiple states and faced with multiple state regulatory processes, including state-by-state background checks for renewals, reciprocity licenses and temporary practice permits. The Appraisal Institute is advocating for states to coordinate the licensing functions through a common platform or portal, like the Nationwide Mortgage Licensing System.
- As your 2022 LDAC representatives, we urged Senate and House members to support and co-sponsor H.R. 5756 to modernize the real estate appraisal licensing system, and also use this legislation as a foundation for reforms such as addressing Reconsideration of Value (ROV) requests from consumers. We received serious interest from Senator Padilla's staff, including questions of the current licensing and ROV processes, that they look forward to hearing more about including the H.R. 5756 and appraiser inclusiveness going forward.
- Appraisal Institute members, affiliates, and interested parties, we are encouraged to reach out to our respective senators and representatives, to request support and co-sponsorship of H.R. 5756. If you have questions, feel free to reach out to Brent Johnson and Lucas Rotter to discuss.

If you have interest in attending the 2023 LDAC meeting in Washington DC, let me and chapter leadership know, and review the LDAC information and application process at <https://www.appraisalinstitute.org/about/ldac-learn-more-and-apply/>

Summer Newsletter 2022

2022 California Government Relations Committee (AI-CGRC) Update

With the Sacramento-Sierra Chapter and the Central Valley Chapter merging into the Northern California Chapter on January 1, 2022, the number of California Chapters is now three, but with the same number of CGRC committee members. The three California Appraisal Institute chapters are:

- San Diego Chapter
- Southern California Chapter
- Northern California Chapter

Each chapter has one vote with the State Committee Chair selected by the committee and holds the Chair position for two years, coinciding with the 2-year California legislative calendar. The current San Diego CGRC Chair is, Ben Kunkel who is also the committee treasurer, and committee member, Brent Johnson.

The committee employs a lobbyist to serve as our voice with legislators, legislative matters, and state agencies. Our lobbyist is Mike Belote, Esq., has represented us since 1989 (as the American Institute of Real Estate Appraisers) and since 1991 as the Appraisal Institute. Each chapter is assessed an annual payment to offset the cost of our lobbying efforts, calculated on a per-member basis with the larger chapters paying the larger share of the annual costs.

With the goal of expanding our representation at the state level, the AI-CGRC has invited members from the ASA and the American Guild of Appraisers (AGA) as guests to our meetings. In addition, a representative of the American Society of Farm Managers & Rural Appraisers (ASFMRA) participates in the meetings.

Our committee meets at least two times each year with additional meetings scheduled as needed. Our lobbyist, Mike Belote and his staff review legislative activities to determine affect on our appraisal profession and a summary of their potential impact for the committee to review. The committee considers what actions, if any, to have Mike take including advocating positions and seeking additional information for the committee consideration. Mike Belote and his staff have been invaluable in recent years and months, representing our appraisal profession and interests, including in the AB 5 (Independent Contractor) and the more recent AB 948 (Real Estate Appraisal Bias) legislation.

After meeting the past two years virtually during the pandemic, the committee was able to meet in person at Mike Belote's downtown Sacramento office near the state capital, March 5, 2022. Mike and Scott Dibiasio (AI Manager, State & Industry Affairs), provided the committee with a legislative update relative to the appraisal profession and California appraisal and business issues, including:

- Racial bias legislation and California AB 948 (appraisal bias) summary review
- BREX renewal fees and licensee numbers
- Sales tax on services

Committee member Charles Baker and Melissa Back provided the National GRC report that included the ASC January 22 report: Identifying Bias and Barriers, Promoting Equity

The CGRC is scheduled to meet this fall on October 1st, 2022, at Mike Belote's office in Sacramento. Please contact Ben Kunkel or Brent Johnson with questions about the work of the Government Relations Committee.

Education/Events

7-Hour National USPAP Update Course

July 14, 2022

Join us
IN PERSON

CONDEMNATION APPRAISING: PRINCIPLES AND APPLICATIONS

August 10-12, 2022

Join us
IN PERSON

Avoiding Bias: Building a Bias Defense

August 17, 2022

Join us on
zoom

**Check out The San Diego Chapter Website
for more information!**

Summer Newsletter 2022

2022 National Conference:

August 2 – 3 in Las Vegas

The 2022 Annual Conference is happening in person at the famous Bellagio Las Vegas on August 2-3. Early registration is happening now through July 11, 2022.

Register now and save!

There are a limited number of substantially discounted Bellagio rooms left (\$135/night) in the AI block, so register and book your room now! See you there!!



REGISTRATION NOW OPEN

"From my experience at the annual conference last year in Orlando, this is a truly productive and rewarding experience. I encourage anyone and everyone, whether a designated member, an affiliate, or aspiring appraiser to attend. You will have productive networking and take-aways to implement in your work, career and business, along with available state CE credit hours.

Bring your best game and up it to another level!"

Brent A Johnson SRA, AI-RRS



**AIM
HIGHER**
Confirm State Approvals for Credit.

**Search Online Education
from the Appraisal Institute**

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!](#)