



**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*



**North Star
Chapter**

NorthStarAI.org

June UPdate

1265 Josephine Rd., Roseville, MN ~ 651-633-0676 ~ Web site: www.northstarai.org

June, 2010

North Star Chapter of the Appraisal Institute will meet in Duluth, Minnesota

When: Friday, July 23rd

**Where: Inn on Lake Superior in Canal Park
350 Canal Park Drive
Duluth, Minnesota Phone: 218-726-1111**

Schedule: 10:00 am – 1:00 pm - “Core Industries in Northeastern MN”
 10:00 a.m. Adolph Ojard - Duluth Seaway Port Authority
 10:45 a.m. Terry Mattson - Visit Duluth (Tourism)
 11:40 a.m. Craig Pagel - Iron Mining Association
 12:25 p.m. Wayne Brandt - Timber Producers Association

1:00 pm – 3:00 pm – Open Lunch Break - On Your Own
 (there are wonderful places to have lunch in Canal Park or you can pick up lunch and take it out on the pier and watch the ships enter and leave the Harbor)

3:00 pm – 4:30 pm – a Harbor Cruise with the Vista Fleet Line
 Take in all the activity and spectacular scenery in the hard working Duluth and Superior Harbor. Learn about the Harbor, Duluth’s history, the science and ecology of Lake Superior and enjoy the panoramic views of the North Shore and the largest freshwater lake in North America.

Fees: \$50.00—Seminar and Boat Cruise - Members and Non-Members
Guests: Adults - \$14.00 for the Boat Cruise
Children (3-14) - \$4.00 for the Boat Cruise
Bring your families/special guests and make this a “Mini” vacation!
 3 Hrs. Appraisal Institute CE, MN Appraisal & Real Estate Continuing Education & Assessor CEUs—have been applied for.



**SPEND THE NIGHT!
SPEND THE WEEKEND!
Inn on Lake Superior
GREAT GROUP RATES
Mark you calendars now!
Don't Miss this Great Event!!!**

All registration details on Page 10

Please join us in Duluth - July 23, 2010! WE Need Your Help to make this meeting a SUCCESS!

It has long been the goal of the Chapter to have a meeting in the Duluth-Superior area. Todd Jacobson and Gary Battuello have been working together to plan an event to help us reach this goal! They have planned a great line-up of speakers in the Northeastern Area of the State to talk about the Core Industries – *the Duluth Seaway Port Authority, Iron Mining, Timber Producers and Tourism*. (We have applied for 3 hours of Appraisal, Real Estate CE and Assessor CEUs). We will then be on our own for Lunch – a great chance to network with members, and follow that with a “fun” event – a Boat Cruise of the area – learning more about the history of Duluth-Superior and Lake Superior.

We'd like to make this an annual event – reaching out to members outside of the Metro-Area to plan meetings and events for the Chapter Members.

Please help us make this a successful endeavor! Join Us! Take a break and enjoy the meeting! Just use the registration form attached to this newsletter.

Real Estate Advisory Board—Meeting in Duluth – July 22, 2010

The Minnesota Department of Commerce has invited the Minnesota Real Estate Appraiser Advisory Board to provide recommendations on possible revisions to Minnesota Statutes Chapter 82B, the law that governs real estate appraiser licensing and conduct.

THE ADVISORY BOARD WELCOMES YOUR INPUT AND ENCOURAGES YOUR ATTENDANCE AND HAS SCHEDULED A MEETING IN Duluth on July 22, 1:00-4:00 PM

Duluth Heights Community Recreation Center
33 West Mulberry Street - Duluth, MN 55802

THIS IS YOUR WAY TO BE INVOLVED WITH HELPING TO SHAPE THE NEXT APPRAISAL STATUTES.

Please note that this meeting in Duluth has been deliberately scheduled the day before our North Star Chapter Seminar/Meeting in Duluth on July 23rd. This allows for the perfect opportunity to attend both meetings!

Important Education Changes

Please note the important Education Changes that the Appraisal Institute has made to the Designated and Associate members' continuing education requirements as found on pages 4 and 5. You will also be receiving information news releases via e-mail from the Appraisal Institute soon.

All of you will be affected by these changes! Please make yourself familiar with the new changes, some beginning July 1, 2010.

MN AMC LAW SF2510 Bill passed

Please check this link: <https://www.revisor.mn.gov/bin/bldbill.php?bill=S2510.4.html&session=ls86> (scroll down to 135.10 – 148.2) reading excerpts from SF 2510, the portion regulating AMCs.

We all have Senator Ray Vandever and Representative Al Juhnke to thank for the passage of this bill – please write and express your appreciation.

The Exemptions section clarifies that this bill does not include appraisal companies:

1. Using Independent Contractors when the Appraisal is signed by the Appraiser who completed the Appraisal and the Appraiser who requested the completion of the Appraisal.
2. (Does not apply to) companies whose Appraisers are treated as employees.

Scott DiBiasio, who coordinates state legislation for the Appraisal Institute in Washington D.C., said that he thinks it is a very good bill. He is especially pleased with the indemnification clause (line 145.18): *Unlawful to: require an appraiser to sign any indemnification agreement that would require the appraiser to defend and hold harmless the appraisal management company or any of its agents, or employees for any liability, damage, losses, or claims arising out of the services performed by the appraisal management company or its agents, employees, or independent contractors and not the services performed by the appraiser.*

Notice from the MINNESOTA DEPARTMENT OF COMMERCE

IMPORTANT Notice from Peter Bratsch – MN Department of Commerce – Licensing Director

PUBLIC MEETING NOTICE

The Minnesota Department of Commerce has invited the Minnesota Real Estate Appraiser Advisory Board to provide recommendations on possible revisions to Minnesota Statutes Chapter 82B, the law that governs real estate appraiser licensing and conduct. The Board welcomes input from interested parties and is holding two public hearings this summer. Comments made at the hearings or submitted in writing will be given consideration. Real estate appraisers, consumers of appraisal services, and others with suggestions for changes are encouraged to review

Minnesota Statutes Chapter 82B at

<https://www.revisor.mn.gov/statutes/?id=82B&view=chapter>

Duluth

July 22, 1:00-4:00 PM

Duluth Heights Community Recreation Center

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TRAINEES AND SUPERVISORS MUST BE REGISTERED WITH THE MINNESOTA DEPARTMENT OF COMMERCE

A friendly reminder:

"As of August 1, 2009, the Minnesota Department of Commerce requires that both trainees and supervisors be registered with them." This can be done online at www.commerce.state.mn.us/Appraiser/Appraiser.html

There were several questions raised and we have some additional links that might be helpful to you:

The complete text of the new law, including other important requirements: (see sections 52-53)
<https://www.revisor.mn.gov/laws/?id=178&year=2009&>

Other links for your information to keep you updated on members and minutes from the MN Appraisal Advisory Board, Contact Information, etc. are:

The MN Appraisal Advisory Board:

<http://www.state.mn.us/portal/mn/jsp/content.do?subchannel=-536881740&programid=536918622&sc2=-536895815&id=-536881351&agency=Commerce&sp2=y&sp3=y>

BREAKING NEWS – Designated and Associate Members – Important!

ASSOCIATE MEMBER CE REQUIREMENT CHANGES TAKE EFFECT JULY 1, 2010

In the rapidly changing real estate appraisal field, continuing education plays an important role in professional advancement. Recently, [Regulation 10: Continuing Education](#) was amended to ensure its purpose is maintained in the fast-paced real estate appraisal profession.

New Changes

The Board of Directors recently amended the regulation to require that all practicing Associate members complete 70 hours of continuing education every five years. The 70 hours must include the “Uniform Standards of Professional Appraisal Practice” (7-hour or 15-hour course), “Business Practices and Ethics” and the “Appraisal Curriculum Overview” requirement. Associate member CE cycles begin July 1, 2010.

CE Requirements for Practicing Designated and Associate Members

| CE Cycle End Date | CE Cycle Concludes | Hours Requirement | USPAP | Business Practices & Ethics | Appraisal Curriculum Overview |
|--------------------------------------|---------------------------|--------------------------|--------------|----------------------------------------|--------------------------------------|
| Designated Members 2010* | December 31 | 100 | √ | √ | — |
| Designated Members 2011-2015* | December 31 | 100 | √ | √ | √ |
| Associate Members | June 30 | 70 | √ | √ | √ |

*Practicing Designated members on 100-Hour Recommended (formerly voluntary status) CE status are not required to complete 100 Hours of CE every five years, but are required to complete the USPAP and “Business Practices and Ethics” requirements, and for cycles ending 2011 and after, the “Appraisal Curriculum Overview” requirement. Such 100-Hour Recommended members that choose not to complete the 100 hours will not be considered to be “continuing education complete,” therefore completing the 100 hours is highly recommended. (See also explanation of 45-Day Notice item.)

NEW CHANGES TO THE “APPRAISAL CURRICULUM OVERVIEW” REQUIREMENT

The Board also approved new changes to the “Appraisal Curriculum Overview” requirement, allowing both Designated and Associate members options in which to complete this requirement. Aside from taking the current “Appraisal Curriculum Overview” course, members may also take Level II courses or certificate programs to complete the requirement.

Additional Options to Meet “Appraisal Curriculum Overview” Requirement

General Designated and Associate Member ACO Options

- Appraisal Curriculum Overview (2-Day General) **OR**
- Appraisal Institute Level II Advanced Curriculum: Each course is an option **OR**
- Appraisal Institute Certificate Program: Each program is an option:
 - Valuation of Conservation Easements
 - Appraising Historic Preservation Easements
 - Litigation

IMPORTANT BREAKING NEWS (continued)

Residential Designated and Associate Member ACO Options

- Appraisal Curriculum Overview (1-Day General) **OR**
- Appraisal Institute Level II Advanced Curriculum: Each course is an option **OR**
- Appraisal Institute Certificate Program: Each program is an option:
 - Appraising Historic Preservation Easements
 - Litigation

Additional Means to Receive CE Credit

Instead of attending classes in the traditional classroom setting, members may also receive continuing education credit by the following means:

| CE Cycle End Date | 1.25 Advanced Hours | All Hours Online | Instructing Appraisal Institute Education | Service to Appraisal Institute | Service to Real Estate Profession |
|-------------------------------------|---------------------|------------------|-------------------------------------------|--------------------------------|-----------------------------------|
| Designated Members 2010 | √ | √ | 70*** | 25 | 10 |
| Designated Members 2011-2015 | √ | √ | 70*** | 25 | 10 |
| Associate Members | √ | √ | — | 25 | 10 |

Legend – Note that in some cases, the Admissions & Designation Qualifications Committee may need to approve hours.

***Appraisal Institute instructors may receive a combination of maximum hours for AI instruction, service to the AI and service to the profession, not to exceed a total of 70.

The total credit hours in this category may not exceed 25.

The total credit hours in this category may not exceed 10.

Members that choose to take non-Appraisal Institute courses may reference the [Appraisal Institute Creditable Topics list](#) to ensure the program will be accepted for Appraisal Institute CE credit.

Beginning Jan. 1, 2011, the “Find an Appraiser” directory will include a statement on each individual listing that the Standards and Ethics requirements have been met. A 45-Day Notice item to go to the Board of Directors in August proposes that beginning Jan. 1, 2012, a statement as to whether a Designated member holds the status “continuing education completed” (completion of 100 hours) will be included with his or her listing in the directory.

If you have any questions, visit the [Frequently Asked Questions Regarding Appraisal Institute Continuing Education page](#). Or, contact the Continuing Education and Readmission department at 312-335-4401 or ce@appraisalinstitute.org.

More Appraisal Institute News...

NEW AI COMMUNITIES COVER DECLINING MARKETS AND ASSOCIATE MEMBER GUIDANCE

The Appraisal Institute has launched three new Communities of Practice for Appraisal Institute members. Open to the entire membership, the new “Appraising in Declining Markets” online community offers a forum in which members can discuss the valuation tools, resources and procedures that are being utilized during this unprecedented market downturn.

In addition, two new communities have been created specifically for Associate members who are pursuing an Appraisal Institute designation – one for Associate members on the MAI designation path and another for those on the SRA path. In these communities, Associates can ask questions about any step of the designation process and seek out guidance from AI national staff and seasoned Designated members.

AI Communities is an online member benefit available to all Appraisal Institute members. While in the AI Communities, members can exchange news and share information with colleagues, check the AI Communities’ calendar to stay abreast of upcoming events, participate in online discussion boards, suggest a poll to community facilitators and chat online with other members.

The latest three communities join the existing six, which cover topics as varied as: technology, sustainable buildings, international valuation, tax valuation, eminent domain and modular/systems-built and manufactured housing communities.

To experience AI Communities, log in to “My Appraisal Institute” at www.appraisalinstitute.org/MyAppraisalInstitute and click the "Explore AI Communities" button in the right column. After clicking “I accept” on the Terms of Use page, members will be able to download the full tutorial and enter the AI Communities site. For questions and more information, contact communities@appraisalinstitute.org.

AI UNVEILS NEW RESIDENTIAL NEWSLETTER

Responding to member feedback, the Appraisal Institute distributed the first issue of a monthly e-newsletter geared toward residential appraisers on June 4, 2010. “Residential Update from Appraiser News Online” is a monthly digest of residentially oriented valuation news from around the profession.

Residential Update will be e-mailed the first Friday of each month in a comparable format to Appraiser News Online. Legislative and regulatory stories will be categorized as either “Origination” or “Asset Management and REO,” while the rest of the stories will fall under the familiar “In the States” and “Around the Industry” headings.

All Appraisal Institute members who have earned the SRA designation and Associate members who have selected the SRA path will automatically receive Residential Update. There is no need for current SRA –designated members or Associate members to sign up. The e-newsletter is also available free of charge to nonmember residential appraisers or other real estate professionals by signing up at: www.appraisalinstitute.org/ResidentialUpdate/contact.aspx.

NEW MEMBER BENEFIT: PROFESSIONAL PRACTICE CENTER

The Appraisal Institute has just launched the online [Professional Practice Center \(PPC\)](#) as a new member benefit. The PPC, a compilation of valuable resources and information covering the latest appraisal practices and procedures, serves as a clearinghouse of current industry information for Appraisal Institute members. From this portal site, you can instantly access a multitude of relevant resources pertaining to current “hot topics” in the appraisal industry; white papers and other documents covering industry standards and ethics; and links to breaking legislative developments.

The PPC will be expanded and updated on an ongoing basis. To visit the new Appraisal Institute Professional Practice Center, visit www.appraisalinstitute.org/PPC. Please note: many features are accessible by AI members only, so be sure to log in to take full advantage!

Need to take Courses for an MAI Designation? Need to upgrade your MN Appraisal License?

Do you want to Upgrade your License to Certified General AND meet MAI Designation Requirements? At the April meetings of the Appraisal Institute, the Board of Directors decided to change one of the educational requirements for the MAI designation.

The Appraisal Institute Board decided that the General Associate member may fulfill the report writing course requirements for the MAI designation by attending and passing either

1. Course 405G, *General Appraiser Report Writing & Case Studies*, OR
2. Course 540, *Report Writing and Valuation Analysis*.

Course 405G, *General Appraiser Report Writing & Case Studies*, is the most recently released course and now appeals to the widest range of students.

By offering this course, the chapter will meet the needs of current enrollees who are pursuing the MAI designation AND will also meet the needs of students working toward AQB general certification requirements in Minnesota.

GENERAL APPRAISER REPORT WRITING AND CASE STUDIES COURSE (30 Hr. Course) - will be offered...

December 6 - 7 - 8 - 9, 2010

Instructor: Rich DuBay, SRPA, SRA

These dates worked best for our Associates based on our recent poll.



7-Hour National USPAP Update Course & Business Practices & Ethics

Suspension of Associate Members Who Don't Comply With Ethics, Standards Education

The National Board of Directors of the Appraisal Institute approved, in accordance with Regulation No. 10, suspension of Associate members who are not in compliance with the Standards of Professional Appraisal Practice Course and Business Practices and Ethics Course requirements, beginning October 1, 2010.

The Board's action reflects our organization's position that the standards and ethics education requirement remains crucial to elevating the practice of Appraisal Institute members and to helping protect the public. Members benefit by completing additional ethics education.

Associate members interested in fulfilling their standards and ethics education requirement may find courses by contacting their chapter or on the Appraisal Institute Web site (www.appraisalinstitute.org/education)

Former Associate members seeking readmission to the Appraisal Institute must provide proof that they have taken and passed the 15-hour Uniform Standards of Professional Appraisal Practice Course (or the seven-hour version, if eligible) and have taken the Business Practices and Ethics Course within the four years prior to readmission.

In a related action, the Board passed a 45-Day Notice proposal to suspend Associate members for up to six months if those members fail to complete the Standards and Ethics Education Requirement.

Sign Up NOW - Seating is limited

July 14, 2010 - 7-Hour National USPAP Update Course

July 15, 2010 - Business Practices and Ethics

www.northstarai.org/education

2010 Application and New Resources Now Available for General Comprehensive Exam

Applications for the 2010 General Comprehensive Exam are now being accepted. Associate Members who are now eligible to take the exam as well as those who are planning to finish their required education in 2010 should note the following dates and deadlines.

Eligible General Associate Members may now apply for the following exam dates in 2010:

Oct. 6-7, 2010 (Deadline to apply: Aug. 11, 2010)

To be eligible to take the General Comprehensive Exam, the General Associate Member must have fulfilled the MAI college degree requirement as well as all MAI education requirements. All required exams must be graded and passed before applying for the General Comprehensive Exam. In addition, the Associate Member's Standards of Professional Practice cycle must be current.

Associate Members can view their remaining designation requirements at any time by logging in to the [My Appraisal Institute section](#) and clicking "My Associate Status Report" in the left sidebar. The 2010 education schedule is currently posted on the Web site, and new offerings will be added over the next couple of months.

To register for courses, please direct members to visit the [Designation Education page](#) of the Web site and click the course(s) they need to register online. When planning your education schedule, please remember to allow 60 days for grading time for *Report Writing and Valuation Analysis* and 30 days for all other exams.

For complete information on the exam, please download the [General Comprehensive Exam Guidebook](#). To access all other important forms and guides, including the 2010 application form, please bookmark the [Designation Requirement Tools page](#) in your Web browser and encourage Associate Members to do the same.

Please note: all of the above requirements to take the exam must be met prior to submitting an application. The General Comprehensive Exam is offered at more than 200 [PearsonVue Testing Centers](#) across the country. You can learn more about these testing centers and view locations on their Web site at www.pearsonvue.com. While the testing centers do offer more options for Associate Members to take the exam in a location close to their home, **please be advised that space at these locations is limited.** Associate Members must apply for the exam and receive a registration code from the Appraisal Institute national office before they can reserve a seat in a test center. Associate Members are encouraged to apply for the exam and reserve their seat at a test center as soon as they become eligible for the offering they are interested in taking. Due to the structure of the testing centers, no late applications may be accepted. If you have any other questions on designation requirements, feel free to contact an Admissions staff member at 312-335-4111 or admissions@appraisalinstitute.org.

Now Available: FREE Associate Guidance Seminar in Webinar Format

The Associate Guidance Seminar is now available as a series of **free** Webinars on the Web site. The Associate Guidance Webinar Series is based on the classroom version of the Associate Guidance Seminar that many chapters have offered in the past. By offering these presentations in a Webinar format, the Appraisal Institute is able to reach a much wider audience of Associate Members in a very cost-effective manner. Associate Members on the designation path can benefit by viewing these Webinars at any time.

Similar to the classroom version, the Associate Guidance Webinar Series is broken down into three, 30- to 60-minute sections:

[Associate Guidance Webinar Series: Experience Screening](#) is presented by Jan Young, MAI, SRA, senior manager of Experience Screening. She gives Associate Members information on the Experience Screening requirements and process.

[Associate Guidance Webinar Series: Demo Report](#) is presented by Demonstration Appraisal Reporting Grading Panel Vice Chair, Stephen Wagner, MAI, SRA. The presentation gives information on the different options and alternatives to meet the demo requirement and tips on getting started.

[Associate Guidance Webinar Series: Comp Exam](#) is presented by Comprehensive Exam Panel Vice Chair, Jim Hartman, MAI. It gives general Associate Members information on how the exam is administered, sample questions and suggestions on preparation.

To view these Webinars and access additional information on the designation requirements, please see the [Designation Requirement Tools](#) page of the Web site. If you have any questions on these Webinars or the designation requirements, please contact an Admissions staff person at 312-335-4111 or admissions@appraisalinstitute.org

Appraisal Institute Reminders....

The Member Referral Program is Back!

Help spread the word about our member referral program! When existing members refer new members to the Appraisal Institute, they can receive up to 20 percent off their 2011 national dues. Members earn a 5 percent discount for every member that joins in their name, getting credit for up to four new members. The deadline for referrals is Sept. 30, 2010.

Participating is simple! Members will have to download the member referral cards and hand them out to potential new members. Every time a new member enters the existing member's name as the referring member on the membership application form, the existing member receives 5 percent off their 2011 national dues.

For more information and to download the referral cards, visit www.appraisalinstitute.org/referral.

Scholarship Recipient from our North Star Chapter

The Diversity Committee proudly announces the second quarter scholarship recipients—the goal is to help these members obtain their MAI or SRA designation, while keeping them active and engaged with the Appraisal Institute.

Kari Jacobson - a General Associate in our chapter, recently received a \$500.00 scholarship from the committee which was applied to the Advanced Sales Comparison and Cost Approaches Course!

The AIET Minorities and Women AI Designation Scholarship is for Minorities and Women Associate members who are active in appraising, and need financial assistance to take Appraisal Institute courses leading to the MAI or SRA designations. The scholarship program is funded by the Appraisal Institute Education Trust. The next deadline for application is November 1, 2010.

The AIET Appraisal Institute Designation Scholarship is for all Associate Members who are active in appraising and need financial assistance to take Appraisal Institute courses leading to the MAI or SRA designations. The next deadline for applications for this scholarship is November 15th, 2010.

Information is available at: www.appraisalinstitute.org/education/scholarship.aspx

Questions about the scholarship program or the AIET should be sent to EducationTrust@appraisalinstitute.org

The Appraisal Institute is asking that we remind our Members to pay 2010 dues...

The Appraisal Institute will soon suspend those members who have not paid their 2010 dues!

- To make a payment, [log in to the AI Web site - www.appraisalinstitute.org](http://www.appraisalinstitute.org) to pay online via credit card or check,
- Grab a debit or credit card and call 888-7JOINAI (888-756-4624), Fax: completed form to: 312-335-4292
- or submit payment through the mail to:
Appraisal Institute Remittance Center, 97498 Eagle Way, Chicago, IL 60678-7498
- Dues Statements are no longer being mailed.

Appraisal Institute Online Education



Online Education (http://www.appraisalinstitute.org/education/online_education.aspx) 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)

RESERVATION FORM FOR Duluth-Superior Mini Seminar - July 23, 2010

Number attending the Seminar/Boat Cruise _____ at **\$50.00 each** = \$ _____

Name(s) _____

Adults attending the Boat Cruise only _____ at **\$14.00 each** = \$ _____

Name(s) _____

Children attending the Boat Cruise (ages 3-14) _____ at **\$4.00 each** = \$ _____

Name(s) _____

TOTAL AMOUNT DUE \$ _____

Appraisal License # _____ Real Estate License # _____ Assessor # _____

Name _____

Company _____

Address/City/State/Zip _____

Phone _____ Email _____

Check enclosed OR

■ VISA ■ MasterCard Card No. _____

Name on Card _____

Exp. Date _____



Deadline to Register **July 20, 2010.**
Return this form with payment to:
North Star Chapter - Appraisal Institute,
1265 Josephine Road,
Roseville, MN 55113
(651) 633-0676 • fax (651) 633-5956
e-mail: maribellec@aol.com
This program was developed and is administered by the
North Star Chapter of the Appraisal Institute.



**Cancellations not called in by July 21 will be billed.
No Shows will be billed.**

**JOIN US!
Enjoy the Seminar and the Scenery!**