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MESSENGER

<http://www.wisai.com>

JUNE 2016

PRESIDENT'S COLUMN

Dominic Landretti, MAI, AI-GRS

It is hard to believe that 2016 is nearly half over. An important goal that I set for the year was to improve the effectiveness, strength, and presence of our members. Quality educational offerings are essential to obtaining this goal. Through the first part of the year, our Chapter has already had some excellent educational opportunities including a new offering, the Risk Reduction Seminar, and the increasingly popular Condemnation Symposium. The Risk Reduction Seminar, held in Madison, was extremely beneficial in helping appraisers understand how to reduce risk within the engagement and reporting process. The 13th Annual Condemnation Symposium was hosted for the second straight time at Marquette University and provided valuable insight into the world of eminent domain. Thanks to the hard and diligent work of the education committee, our Chapter has numerous additional offerings in the coming months. Please visit the Chapter website (www.wisai.com) to view the upcoming events, including a recently added residential course to be held in Wisconsin Rapids. And finally, I am pleased to announce the Chapter will be holding the Year in Review Symposium at the University of Wisconsin – Madison School of Business. The Department of Real Estate and Urban Land Economics is sponsoring our Chapter in order to host the event.

As the year progresses, a unique presidential race is unfolding. Undoubtedly, the race will be fierce up until the November election. Regardless of the change in the political landscape, the Chapter will continue to tackle the lack of legislation of appraisal management companies. Earlier this year, the Chapter Board agreed to partner with the Wisconsin Realtors Association on appraisal management company legislation. Partnering with the WRA provides

the Chapter with a strong voice amongst our state representatives.

The time invested by volunteers is vital to the success of the Chapter. I would like to recognize Rick Larkin, SRA for his foresight and ingenuity in the creation of the Residential Appraisal Practice Group. The Group was created to give those involved in the residential appraisal process a platform to express ideas, share information, and communicate with peers. The establishment of the Group was approved by the Board at our May board meeting. I encourage all members to get involved with the Chapter.

It is my honor to serve as the Chapter President for 2016. I wish you all a successful and prosperous year.

Best regards,
Dominic Landretti, MAI, AI-GRS

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2016 OFFICERS & DIRECTORS

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Chapter Office / Executive Director

Christopher T. Ruditys(414) 271-6858
11801 W. Silver Spring Dr., Suite 200Fax: (414) 464-0850
Milwaukee, WI 53225
www.wisai.com

Office Hours:

8:00 a.m. - 5:00 p.m. Monday - Friday

TREASURER'S REPORT

The Chapter funds as of 5/31/16 are:

Primary Checking Account:	\$19,257.03
Money Market Account:	\$67,013.36
 Total funds balance:	 \$86,270.39

BOARD MEETING MINUTES

February 3, 2016

Dominic Landretti called the meeting to order at 4:34 PM at the office of Wisconsin Association Management, 11801 West Silver Spring Drive, Milwaukee, WI.

Members Present

Katie Thompson, Cheryl Dodson, Mike Esser, Angela Kwasny, Dominic Landretti, Ryan Gieryn, Rick Larkin, Hank Schneider, and Garrett Warner were in attendance. Erik Hansen, Kevin Dumman, Cherie Laffin, Curt Kolllel, Weston Robertson, and Tyson Hall joined via teleconference. Staff members present included Doug Stangohr.

Secretary's Report

Minutes from the November 4, 2015 board meeting were approved.

Motion made by Curt Kolllel
2nd by Angie Kwasny

Treasurer's Report

Approval of Financials – The financials for December 31, 2015 were reviewed and approved.

Motion made by Katie Thompson
2nd by Mike Esser

Notes: Kevin Dumman described budgetary items and answered questions.

Education Report

- 2016 Education Summary
 - Dominic discussed putting together a half day Real Estate Risk Reduction Seminar for the first week of May to be located in Madison, with a board meeting beforehand, and would coordinate with Angie on a Valuation Social to be held after.
 - Kevin discussed the planned classes for 2016, which potentially included Advanced Spreadsheet Modeling for Valuation

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Applications, The Discounted Cash Flow Model: Concepts, Issues, and Apps, and Contract or Effective Rent: Finding the Real Rent.

c. Rick Larkin discussed possible educational opportunities for residential appraisers.

National/Regional Update

1. Dominic Landretti attended the Regional Meeting on January 28, 2016 and updated the board about the items discussed at the meeting.
2. Dominic indicated that he would attend the National Conference July 25-27th in Charlotte, NC and invited anyone on the board who wished to attend to do so.
3. Cheryl Dodson discussed the upcoming Region III meeting.

Committee Discussion

1. Finance Committee
 - a. Dominic indicated that the Finance Committee was approved previously via email.
 - b. The members include Kevin Duffman as Chair, with members Angela Kwasny and Curt Kolllel.
2. Nominating Committee
 - a. It was indicated that the board needed to elect new members.
 - b. Katie Thompson was nominated by Hank Schneider and seconded by Garrett Warner. The board approved the nomination.
 - c. Mike Esser was nominated by Garrett Warner and seconded by Katie Thompson. The board approved the nomination.
 - d. Garrett Warner was nominated by Dominic Landretti and seconded by Katie Thompson. The board approved the nomination.
3. Government Relations Committee
 - a. Dominic updated the board on the general actives of the committee

Catch-a-Drink Name Change

1. The board discussed options for a name change to improve professionalism and inclusion. Options were discussed. Valuation Social was indicated as a possible name.
 - a. Motion was made by Garrett Warner to change the name to

Valuation Social, and seconded by Rick Larkin. The motion was approved.

Year in Review Update

1. Dominic discussed the possibility for potentially scheduling the 2016 Year in Review on Dec 7 or 8.
2. Suggestions for possibly changing the format were discussed.
3. The idea of hosting at UW-Madison at Grainger Hall, with catering in the Atrium Area, was discussed to potentially increase exposure of the Appraisal Institute with the University of Wisconsin System.

Old/New Business

1. LDAC 2016
 - a. Will be held May 25 – 27th, 2016 in Washington D.C.
 - b. Erik Hansen, Kevin Duffman, and Garrett Warner will be attendees for 2016.
2. General Membership Meetings/Social Events
 - a. A May 4th Valuation Social is planned to be scheduled after the Risk Reduction Seminar in Madison
 - b. There was a discussion about a General Membership Meeting to be scheduled, and possible dates to be looked into.
 - c. There was a discussion about a potential Valuation Social after the Condemnation Symposium, and this would be considered.

Adjournment

At 5:45 PM the meeting adjourned.
 Motion made by Katie Thompson
 2nd by Hank Schneider

Respectfully Submitted,
 Garrett Warner, MAI

Secretary, Wisconsin Chapter of the Appraisal Institute



Online Education: Learn at your own pace anytime, anywhere, http://www.appraisalinstitute.org/education/online_education.aspx.

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!

BOARD MINUTES

May 4, 2016

Dominic Landretti called the meeting to order at 9:35 AM at the office of US Bank Plaza Conference Center, 1 S. Pinckney Street, Madison, WI.

Members Present

Katie Thompson, Erik Hansen, Angela Kwasny, Kevin Dumman, Cherie Laffin, Dominic Landretti, Ryan Gieryn, Rick Larkin, and Garrett Warner were in attendance. Hank Schneider, Curt Kolell, and Cheryl Dodson joined via teleconference. Staff members present included Doug Stangohr.

Secretary's Report

Minutes from the February 3, 2016 board meeting were approved despite the misspelling of Curt Kolell's name.

Motion made by Kevin Dumman
2nd by Hank Schneider

Treasurer's Report

Approval of Financials – The financials for April 30, 2016 were reviewed and approved.

Motion made by Angela Kwasny
2nd by Rick Larkin

Notes:

Kevin Dumman described budgetary items and answered questions. National/Regional Update

1. Cheryl Dodson reported that she, Ryan Gieryn, and Steve Stiloski attended the Regional Meeting in Chicago in April and updated the board about the items discussed at the meeting.
2. Cheryl Dodson reminded the board that the National Conference is occurring July 25-27th in Charlotte, NC.
3. Cheryl Dodson discussed the State of the Appraisal Institute presentation by Lance Coyle at the Regional Meeting.

Committee Discussion

1. Finance Committee
 - a. Kevin Dumman indicated that nothing outside of the items already discussed in the Treasurer's Report needed to be discussed.
2. Nominating Committee
 - a. Cheryl Dodson indicated that correspondence on status is forthcoming.
 - b. Cheryl Dodson also indicated that committee will include discussions to generate interest in forthcoming newsletter.
 - c. Cheryl Dodson further indicated that the chapter needs an election by June 30 and in order to do so the chapter needed nominees for Secretary and two directors by early June

3. Government Relations Committee
 - a. Dominic updated the board on the general activities of the committee
 - b. Rick Larkin has reached out to the WRA regarding AMC legislation
 - c. It was agreed that the chapter needed to collaborate with the WRA
4. Education Committee
 - a. The Risk Reduction Seminar on May 4th had 21 attendees signed up.
 - b. Advance Spreadsheets had twelve attendees
 - c. Residential Applications: Using Technology Part I one-day class is targeted for October in Wisconsin Rapids. Wisconsin Rapids was chosen as a central location for the chapter. Rick Larkin suggested possibly reducing the class fee to increase attendances and better compete with other education providers.
5. Candidate Guidance Committee
 - a. No updates

Year in Review Update

1. Board discussed the move of the Year in Review to Madison
 - a. Concerns were noted about the move, but consensus was reached and the move to Madison was agreed upon by the board.
 - b. Dominic Landretti indicated that the Year in Review is to be held on December 7th
 - c. Dominic Landretti is looking for additional speakers and will investigate advertising with UW

RAPG (Residential Appraisal Practice Group)

1. Rick Larkin discussed the need for a Residential Appraisal Practice Group in order to increase participation with residential appraisers and the Chapter. This was discussed by the board.
2. Dominic Landretti proposed creating a formal committee.

Motion made by Garrett Warner
2nd by Erik Hansen
The motion carried.

Old/New Business

1. Cheryl Dodson agreed to serve as the Regional PAC member

Adjournment

At 11:20 AM the meeting adjourned.
Motion made by Katie Thompson
2nd by Cheryl Dodson

Respectfully Submitted,
Garrett Warner, MAI
Secretary, Wisconsin Chapter of the Appraisal Institute

2016 PROPOSED EDUCATIONAL OFFERINGS

For more information on each offering and
TO REGISTER, please go to:

<http://www.appraisalinstitute.org/education/Wisconsin>

<u>Date</u>	<u>Course/Seminar</u>
September 20, 2016	The Discounted Cash Flow Model: Concepts, Issues, and Applications <i>(7 Hours)</i>
September 29, 2016	Contract or Effective Rent: Finding the Real Rent <i>(4 Hours)</i>
October 18, 2016	Residential Applications Part 1 <i>(7 Hours)</i> <i>This offering is geared towards the residential appraiser and will be held in Wisconsin Rapids.</i>
December 7, 2016	Annual Year in Review Symposium <i>We are excited about our new location this year at the University of Wisconsin-Madison!</i>

All seminars/courses (except where noted) will be offered
at WCAI's facility located at:
11801 W. Silver Spring Drive, Suite 200, Milwaukee, WI 53225

QUESTIONS?

Please call the WCAI office at (414) 271-6858
or visit www.wisai.com.

*These events have been proposed and are not finalized.
Additional educational and social events will be
added throughout the year.*



*Attendees at the 13th Annual Condemnation Seminar
held on May 25th at the Marquette University Law
School Eckstein Hall.*

2016 NEW DESIGNATIONS

Dean Poirier, SRA

Dave Wagner, AI-GRS

Wanda Wood, AI-RRS

JOB OPPORTUNITY

Associated Bank is looking for an experienced
Commercial Review Appraiser (must be state licensed
appraiser in one of the states within our primary footprint).

The link to the job posting is available at:
[https://assocbank.taleo.net/careersection/prof/jobdetail.ftl?j
ob=1610785](https://assocbank.taleo.net/careersection/prof/jobdetail.ftl?j ob=1610785)

Interested parties should apply online or contact
Curt Kolell for additional information:

Curt R. Kolell, MAI, AI-GRS
SVP, Chief Appraisal Officer / Corporate Credit
Office: 262-820-6722 / Fax: 262-820-6729
N64 W23710 Main Street, Suite 200 / Sussex, WI 53089
Curt.Kolell@AssociatedBank.com

Front Lines

REPORTS AND INSIGHTS FROM THE FIELD

Sink or swim

How one appraiser completed an assignment involving multiple properties on a private island with no public utilities, limited access and few comparables

by Kevin Dumman, MAI, SRA, AI-GRS

Island time

Chambers Island is part of the town of Gibraltar in Door County, Wisconsin, and takes its name from Col. Talbot Chambers, who sailed past it in 1816 on his way to establish a military post at the head of Green Bay. Settlement on the island began in the 1840s and grew rapidly during the 1850s. In 1867, the Chambers Island lighthouse opened to help guide mariners through the west, or main, channel, from Lake Michigan to the port of Green Bay. The lighthouse was deactivated in 1961, but it's now part of a 40-acre park that draws many visitors to the island.

I routinely appraise properties in Door County, Wisconsin, which is a peninsula in the northeastern part of the state that divides Green Bay on the western shore and Lake Michigan on the eastern shore. It's a beautiful area boasting numerous islands, some of which are privately owned while others are operated as state parks. A handful of the islands are inhabited, but only one has year-round residents and year-round ferry service. Others are accessible through seasonal ferry service or private boat.

I've worked in this area for a long time, and I have a reputation for accepting difficult assignments — which meant that sooner or later an island property owner was going to contact me. One such owner engaged me for an estate planning and settlement assignment involving a significant real estate portfolio that included property on the 2,834-acre Chambers Island. The holdings consisted of large parcels of vacant inland acreage, small vacant inland building sites, vacant parcels with frontage on Mackaysee Lake (an inland lake on Chambers Island), vacant parcels with bay frontage and a parcel with a cottage.

There are no employment opportunities or shopping available on Chambers Island, and occupancy is largely seasonal. Other amenities such as public electricity, public utilities and schools are unavailable to island residents — and this is accepted by the market. Transportation to the island from the mainland is either

by seasonal ferry service or private boat or airplane (there's a private-use airport with a single gravel runway).

Having previously valued properties (commercial, residential, waterfront and vacant land) on nearby Washington Island, I was ready for the Chambers Island assignment, but there were vast differences between the two that added an extreme level of difficulty to this project. Sales data on Washington Island is very limited, while sales data on Chambers Island is virtually nonexistent, especially for the range of properties included in the assignment portfolio. There were a few sales on Chambers Island I could analyze and include in the appraisals, but not enough to credibly complete the reports without considering sales data from off the island. That left me with three options: (1) use sales from the mainland; (2) use sales from Washington Island; or (3) use sales from neighboring islands.

Even after location adjustments, sales on the mainland were not representative of or even in the same market as those on a seasonally inhabited island with no public services, so I wanted to avoid using them if possible. Sales of properties on Washington Island were more representative of those on Chambers Island, but still required a location adjustment to account for differences. As for other neighboring islands, there was only one recent sale of a parcel of vacant land on Detroit Island.

Analysis of the limited historic sales of properties on Chambers Island indicated that the market experienced little change over time due to limited demand — very few outsiders are interested in purchasing property there. Most property is owned by a small number of parties, and most transactions occur among those parties.

In the end, I used the few older sales from



About the Author

Kevin Dumman, MAI, SRA, AI-GRS, is the owner of Dumman Appraisal Group in Algoma, Wisconsin.



With virtually no sales data available for Chambers Island, assessing a portfolio of largely vacant property on the 2,834-acre private island was not a typical assignment. It required thoughtful analysis of the limited sales data available in the area, which includes Washington and Detroit Islands, and a complex location adjustment. The properties at right are all on Washington Island.

Chambers Island supported by sales data from Washington Island. In order to factor a supported location adjustment for the Washington Island sales, I paired them with the one sale on Detroit Island and the historic sales on Chambers Island. From these sale pairings, I calculated a range in location adjustment from the market and reconciled this information to determine the appropriate adjustment for this project and scope of work.

A few months after I completed this assignment, I received a call from the local assessor, who had heard about my work. The town of Gibraltar, of which Chambers Island is a part, was going to be reassessed, and after struggling for many years to value property on the island without any outside assistance and with limited sales data, the assessor wanted to discuss my data and methodologies to see what he could employ for his assignment. ◀

REFLECTIONS FROM THE PAST PRESIDENT'S DINNER - JANUARY 11, 2016





ADVERTISING OPPORTUNITIES AVAILABLE

The Wisconsin Chapter of the Appraisal Institute (WCAI) is proud to offer advertising opportunities in its newsletter and website. To sign up to advertise, please fill out the form below.

If you have any questions regarding advertising, please call the WCAI office at 414-271-6858.

AD SIZES	1 Issue	2 Issues	3 Issues	4 Issues
A. Business Card	\$50 / \$75	\$45 / \$70	\$40 / \$65	\$35 / \$60
B. 1/4 Page	\$85 / \$125	\$80 / \$120	\$75 / \$115	\$70 / \$110
C. 1/2 Page	\$125 / \$175	\$120 / \$170	\$115 / \$165	\$110 / \$160
D. Full Page	\$225 / \$300	\$215 / \$290	\$205 / \$280	\$190 / \$265
E. Inside Front Cover	\$325 / \$425	\$310 / \$410	\$295 / \$395	\$280 / \$380
F. Inside Back Cover	\$325 / \$425	\$310 / \$410	\$295 / \$395	\$280 / \$380
F. Back Cover (1/2 pg)	\$375 / \$475	\$360 / \$460	\$345 / \$445	\$330 / \$430
G. Website*	\$175 / \$225	\$250 / \$350	\$300 / \$400	\$325 / \$425

*Price per issue decreases for each additional issue you advertise in First number indicates member rate, second number indicates non-member rate.
Per Quarter (For Website)

Confirm your selection by e-mailing a .jpeg/.tif/.pdf/or .eps file to Heather Westgor at heather@wamllc.net and mail your advertising fee and order form to WCAI, 11801 W. Silver Spring Dr., Ste 200, Milwaukee, WI 53225.

ORDER FORM

Circle Issue(s): January April July October Website

Ad Size: _____

Calculate your total: \$ _____
(Multiply price per issue x number of issues)

Contact Information

Company: _____

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