



**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

*The
Wisconsin
Chapter*

MESSENGER

<http://www.wisai.com>

OCTOBER 2014

PRESIDENT'S COLUMN

Ryan Gieryn, MAI

If You Don't Value What You Do, Why Should Your Clients?

In these times of "How fast can you get it done and how cheap can you do it?" I often find myself lamenting as to whether or not I made the right decision in becoming a real estate appraiser.

When I graduated from the University of Wisconsin – Madison, like many graduates, I was not sure exactly what I wanted to do with the rest of my life. What I did know is that if someone was willing to give me an opportunity, I was bound and determined to be successful.

At that time, a career as a real estate appraiser was not even on my radar. I can honestly say that I most likely didn't even know exactly what a real estate appraiser did.

After bouncing around for a few years trying out different professions, I was presented with an opportunity to learn the real estate appraisal profession from a commercial real estate appraiser that I had met through my participation in the local UW Alumni Chapter. At that same time, I was also offered a position with the West Bend Mutual Insurance Company, the largest employer in the West Bend area.

A career with the West Bend Mutual Insurance Company had many foreseeable benefits: a stable career with a large and growing company that has a beautiful corporate headquarters; great insurance and retirement benefits; excellent opportunities for career growth and advancement; and, a biweekly paycheck.

In discussing my options with my new appraiser friend, he explained to me that while he was not able to offer me any of the benefits that West Bend Mutual could, what he could offer me was: autonomy; the ability to set my own schedule; and, the potential to earn as much money as I desired depending on how hard and how much I wanted to work.

What can I say? I was sold! Being able to set my own schedule and the potential of being compensated based on how hard I wanted to work was all that I needed to hear.

As I'm sure most of you can remember, there is a huge learning curve when starting out in the appraisal profession. There are many classes that need to be taken. (Many of these classes a majority of appraisers are paying for themselves while losing income attending the classes and not writing reports.) New appraisers also have to learn how to find, research, and verify market data, which is an art unto itself. I can remember the first couple of years spending many long hours working on reports which now I can complete in a minimal amount of time. Many times during those first years I found this profession to be very frustrating, but could still see the light at the end of the tunnel. There always seemed to be more than enough work and we were compensated fairly well for it.

Fast forward to today. I have spent uncountable hours working on numerous assignments with my mentor; I have taken many

(Continued on Page 2)

IN THIS ISSUE . . .

Treasurer's Report	2
Job Opportunities	3
Board Meeting Minutes	4
2014 Proposed Educational Offerings	5
Congrats to Our Newest Designated Members	5
Member News	5
Year In Review Symposium	6
Advertising Opportunities Available	7

2014 OFFICERS & DIRECTORS

President

Ryan Gieryn, MAI(262) 677-9092
West Bend, WI

Vice President

Cheryl Dodson, MAI, AI-GRS(262) 366-6886
Colgate, WI

Secretary

Dominic Landretti, MAI, AI-GRS(608) 836-3406
Middleton, WI

Treasurer

Kathryn Thompson, MAI(262) 744-0070
Richfield, WI

Past President

Jason Teynor, MAI(608) 337-4595
LaCrosse, WI

Directors

Kevin Dumman, MAI, SRA, AI-GRS(920) 487-2345
Algoma, WI

Michael Esser, SRA(262) 224-7408
Milwaukee, WI

Curt Kolell, MAI, AI-GRS(262) 820-6722
Menomonee Falls, WI

Angela Kwasny(414) 916-9719
Brookfield, WI

Mark Letscher, MAI(414) 274-1640
Milwaukee, WI

Hank Schneider, MAI(414) 765-7424
Milwaukee, WI

Bill Sirny, MAI, AI-GRS(262) 781-3750
Brookfield, WI

Jeff Smyth, MAI, SRA(920) 452-5555
Sheboygan, WI

Garrett Warner, MAI(262) 784-7377
Brookfield, WI

Associate Liaisons

Elizabeth Goodman(414) 559-5898
Greenfield, WI

Kathryn Thompson, MAI(262) 744-0070
Richfield, WI

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 9/30/14 are:

Primary Checking Account:	\$8,658.76
Money Market Account:	\$50,470.66
 Total funds balance:	 \$59,129.42

PRESIDENT'S MESSAGE

(Continued from Page 1)

appraisal classes, almost all of those classes through the Appraisal Institute; I have received an MAI designation; and, I am involved with the Appraisal Institute on local and national levels. I feel that through all of this I have developed a great base of knowledge and have transformed into an extremely competent appraiser.

However, as many of you know, since the U.S. economy has begun to climb out of the recent recession the amount of work has substantially reduced, along with the compensation levels.

Why is that? That is a question I tend to ask myself at least several times a week. The primary answer that I have been able to come up with is that our profession, and the lending and real estate community as a whole, have lost sight of the role that the appraiser serves which has diminished the value of our services.

In doing some research, I came across the Urban Land Institute's 1991 book titled, *Graaskamp on Real Estate*, which is a collection of papers that were written by professor James A. Graaskamp. In Section Two of this book which is titled "Appraisal Reform," Professor Graaskamp takes on the argument of the need for redefinition and reform of the appraisal process. The following is an excerpt that can be found on pages 173 through 174 of the *Graaskamp on Real Estate* book.

The appraisal function and methodology are pivotal to decisions involving social equity and efficient allocation of capital on a vast scale. The first imperative is the necessity of ethical institutions that are sensitive to the responsibility of their social functions. Social equity is becoming more complex, and therefore valuation models require continual redefinition to allocate real estate taxes, income taxes, available mortgage capital, and eminent domain compensation. Land ownership is a trusteeship, and as public reasserts its control over historical private rights

(Continued on Page 3)

PRESIDENT' MESSAGE*(Continued from Page 2)*

financial reimbursement depends on sound valuation procedure.

Capital is also a trusteeship, and the malfunction of appraisal in defining collateral values and real estate feasibility can result in great economic losses to existing financial institutions. These institutions are really congregations of individuals with whom the appraisal profession has a social compact to do the best professional work possible. In addition to validation of institutional collateral, appraisal serves to benchmark the performance of assets and asset managers. To the degree that its methods fail to use the best forecasting techniques available, appraisal contributes to the misallocation of capital and the short-changing of those enterprises that might otherwise have been financed to the social benefit of all.

The failure of the professional appraisal organizations to advance standard or even issue position papers on innovative techniques or issues raised by contemporary appraisal assignments is first a crisis in business ethics and secondly a frustration that drains the best talent and most creative energies away from further contributions to a professional appraisal group.

The preceding was prepared by Professor Graaskamp for a 1984 real estate valuation colloquium. However, the importance of what James Graaskamp concluded in 1984 is just as imperative today as it was 30 years ago.

As appraisers we must all make sure that we are properly educated on the latest valuation techniques and that we apply those techniques properly in every appraisal report that we perform. If we fail to do so, we are all contributing to the misallocation of capital and the short-changing of those enterprises that might

otherwise have been financed to the social benefit of all.

After reading this section of Graaskamp on Real Estate, I have taken on a renewed respect for our appraisal profession. What we do on a day-to-day basis is truly important to the proper functioning of a capitalistic society. Real estate appraisers should not be out there attempting to see how many reports they can get done in the fastest amount of time. Appraisers should be using their expertise in the real estate field to ensure the reliability and stability of our financial markets.

As I stated at the beginning of this newsletter, the real estate appraisal profession is currently in a down market, especially in our local market area. However, the real estate market functions in cycles and it will eventually get better. Markets such as North Dakota, Texas, Puerto Rico, and the Caribbean are currently seeing historical levels of growth and development. Also, keep in mind that average age of appraisers in this country is about 60 years old and that we are losing appraisers at a rate of over 2% per year. The market will get better!

All this being said, what we do in our profession as real estate appraisers is important and should be valued as such. The next time you are asked to get involved in an assignment please take the time to think about what the role of an appraiser truly is and the processes that you are going to have to perform in order to provide an accurate and reliable opinion of value. Once you have done that, value your time and knowledge accordingly. If we don't truly value what we do, why should our clients?

JOB OPPORTUNITIES

Please don't forget to visit the Wisconsin Chapter's website for available job opportunities.

<http://wisai.com/pages.asp?id=9>



Online Education:
Learn at your own pace anytime, anywhere.
Visit appraisalinstitute.org/online for a list of classes!



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

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 MEETING MINUTES

August 20, 2014

Ryan Gieryn called the meeting to order at 4:32 PM at the office of Wisconsin Association Management, 11801 West Silver Spring Drive, Milwaukee, WI.

Members Present

Angela Kwasny, Ryan Gieryn, Kevin Dumman, Cheryl Dodson, Curt Kolell, Jeff Smyth, Michael Esser, Katie Thompson, Dominic Landretti and Chris Ruditys were in attendance. Director's Garrett Warner and Hank Schneider joined via teleconference.

Members attending via teleconference were Benjamin Weis, Robert Felderman, Chris Heinzerling, Brian Richardson, Elizabeth Goodman, and Kimberly Witte.

Secretary's Report

Minutes from the April 16, 2014 board meeting were approved.

Motion made by Curt Kolell

2nd by Katie Thompson

Treasurer's Report

Approval of Financials – The financials for July 31, 2014 were reviewed and approved.

Motion made by Jeff Smyth

2nd by Angie Kwasny

Notes/Comments:

Chris Ruditys presented details on the financial statements. Mr. Ruditys indicated that the Chapter was performing well due to revenue from education classes including the Review Theory General and Condemnation Seminar in June. Also net operating income was impacted positively due to an increase in dues collected from an increase in designated members.

Education Report

Kevin Dumman updated the Chapter. A classroom business ethics will not be provided due to the ease of taking the class online. Also, the 15 Hour USPAP is not necessary to provide at this time but the Chapter should consider offering one or two 7 Hour USPAP classes in 2015. The Chapter is still considering a Chief Reviewer round table panel and will be looking into scheduling the Review Theory – Residential class once it is

made available from National. Further, a discussion was made to consider providing the Golf Course Seminar in 2015 around the time the PGA event will be held in Milwaukee. The offering may combine the course and PGA event in some manner.

LDAC Update

Hank Schneider, Mike Esser, Angie Kwasny, and Kevin Dumman attended the Leadership and Advisory Council (LDAC) in May 2014. Kevin discussed their meetings with various political representatives and informed the board regarding the topics discussed. Mike and Angie discussed the breakout sessions they all attended during the conference.

Angie and Hank completed their third and final year. Replacements were considered including Garrett Warner and Weston Robertson. Replacements will be finalized in upcoming meetings.

National/Regional Update

The National Appraisal Institute meeting was held in Austin, Texas in June 2014. Ryan Gieryn and Detlef Weiler attended. Ryan discussed the meeting and provided some updates regarding the population of appraisers in the country.

Year in Review Update

A keynote speaker for the year in review is still undetermined. Various individuals are being tracked down to present. Chris Ruditys and Ryan Gieryn are looking into possible candidates for the presentation. Garrett Warner and Weston Robertson have committed to presenting. Also, a meet and greet for Candidates for Designation was discussed. The meet and greet would be held about an hour before the year in review and would give Candidates a chance to meet their Advisors and other Candidates in person. A light lunch may be served.

Old/New Business

A few changes in the appraisal community were discussed but no new or old business was discussed.

Adjournment

At 5:58 PM the meeting adjourned by Ryan Gieryn.

Motion made by Katie Thompson

2nd by Angie Kwasny

Respectfully Submitted,
Dominic Landretti, MAI
Secretary, Wisconsin Chapter of the Appraisal Institute

2014 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>
December 8, 2014	Year In Review Symposium (3 Hour)

All seminars/courses 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 event have been proposed and are not finalized.
Additional educational and social events will be added
throughout the year.*

CONGRATULATIONS TO OUR NEWEST DESIGNATED MEMBERS

Cheryl A. Dodson, MAI, AI-GRS

Kevin Dumman, MAI, SRA, AI-GRS
Dumman Appraisal Group, LLC

Dominic A. Landretti, MAI, AI-GRS
Landretti & Company, LLC

Curt R. Kolell, MAI, AI-GRS

Troy J. Kruser, MAI
L.A. Duesterbeck & Associates

Mary J. Muth, SRA

William P. Sirny, MAI, AI-GRS
NorthAmerican Realty Advisors, Inc.

MEMBER NEWS

Tim Leberman Retirement News

Tim Leberman, SRPA of Valbridge Property Advisors I Vitale Realty Advisors, LLC retired in September after a long and storied career in the real estate appraisal profession. Tim first joined Vitale Realty Advisors in 2001 and focused on the valuation of complex land and special purpose properties, as well as serving as a valued mentor to Steve Vitale, MAI. Prior appraisal positions included being Chief Appraiser for MGIC, as well as positions with Realty Valuation Services and the Wisconsin Department of Revenue.

Tim worked tirelessly to contribute and improve the appraisal industry, including serving on many national appraisal organizations. Tim served on the Appraisal Standards Advisory Council (1989 to 1993) and the Appraisal Standards Board (1993 to 1999) of The Appraisal Foundation. He currently continues to serve as a founding Board Member of The Appraisal Research Foundation.

Tim was awarded the Eugene Gohl Memorial Award in 1999 by the Wisconsin Chapter of the Appraisal Institute for outstanding service to the appraisal industry. Former colleague Tim Warner, MAI, SRA commented "Tim is likely the most honorable appraiser I have had the privilege to know and has made significant contributions to the profession."

Tim and his wife, Donna, have relocated to Cheyenne, Wyoming to begin a new chapter of their lives and be closer to their daughter. Congratulations Tim on an outstanding career and thank you for all of your efforts! The Wisconsin Chapter wishes you a happy and healthy retirement.

AI Member Reappointed to Wis. Real Estate Appraisers Board

Lawrence R. Nicholson, MAI, has been reappointed by Gov. Walker to the Wisconsin Real Estate Appraisers Board as the Certified General Appraiser member for a four-year term, the Appraisal Institute reported May 27.

Nicholson, the owner of The Nicholson Group in Hartland, Wisconsin, was first appointed to the board in 2010 and most recently served as board secretary and chairman of the Real Estate Appraiser Application Advisory Committee.

The Wisconsin Real Estate Appraisers Board, under the umbrella agency of the Wisconsin Department Safety and Public Services, undertakes the responsibilities of regulating and licensing real estate appraisers in the state of Wisconsin. The board consists of seven members appointed by the governor.

The Real Estate Appraisers Board also is responsible for examinations, education, experience and administration. Additionally, it receives complaints against Wisconsin real estate appraisers, investigates the matters and on the basis of its findings can take appropriate disciplinary actions.

AI Member Appointed to Wis. Real Estate Appraiser Application Advisory Committee

Peter A. Moegenburg was appointed to the Real Estate Appraiser Application Advisory Committee. His term began September 3, 2014.

Rolling & Barnes, LLC Real Estate Appraisals & Consulting

John Rolling, SR/WA and **Marian Barnes, SR/WA**, Candidate for Designation, are pleased to announce the formation of their partnership as Rolling & Barnes, LLC Real Estate Appraisals and Consulting. The partnership is effective August 1, 2014.

Rolling & Barnes, LLC will continue to provide appraisal and consulting services for eminent domain purposes, asset management and related public works issues. The partners bring a total of 40 years of appraisal experience, with specialty expertise in highway, airport, urban renewal, pipeline and overhead transmission projects. Marian Barnes also has 20 years' experience in environmental assessment.

The company is based in Madison, Wisconsin. Both partners hold credentials as certified general appraisers in Wisconsin. Marian Barnes is also licensed in Michigan. John Rolling is licensed in Minnesota.



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

**Monday,
December 8, 2014**



YEAR IN REVIEW SYMPOSIUM

Current market conditions require appraisers to make more incisive calls, with less data from recent sales and lease transactions. Join us to understand how economic and market forces are effecting the office, retail, industrial, and residential subdivision markets locally, and what can be expected as we enter 2015.

In addition to providing an overview of local market conditions in these major property categories, presenters will:

- Discuss current and coming, likely changes in the underlying financial and macroeconomic setting that will influence changes in the way buyers, sellers, lenders, and tenants perceive the market.
- Discuss supply and demand dynamics by property type and by vacancy and occupancy rate trends; what variables are to be considered when appraising distressed properties on both an "as is" basis and "as stabilized" basis; and a look at current trends in expense ratios and capitalization rates.
- Detail benchmark sale transactions to understand the "why" behind the sales prices from both the sellers' and buyers' perspectives, as well as trends for both arm's length and liquidation sale settings, with a look at strategies for those holding properties in this market.
- Discuss how the availability of opportunities in distressed commercial properties effects new construction and how lenders view financing for distressed properties.
- Special emphasis on the Milwaukee metro subdivision submarket, distressed property economics and management, and what appraisers need to know about these major property types in the current market setting.

Our annual **Holiday Party** will take place after the symposium with cocktails, hors d'oeuvres and networking.

12:00 - 12:30 p.m.	Registration
12:30 - 12:45 p.m.	Introductions, Ryan Gieryn, MAI
12:45 - 1:20 p.m.	Market Economic Overview-Southeastern WI Thomas D. Zale, <i>Northwestern Mutual Real Estate Investments, LLC</i>
1:20 - 1:35 p.m.	Office Market Overview Weston Robertson, <i>L.A. Dueterbeck & Associates</i>
1:35 - 1:50 p.m.	Office Market Overview Matt Hunter, <i>CBRE</i>
1:50 - 2:00 p.m.	Break
2:00 - 2:15 p.m.	Retail Market Overview Garrett Warner, <i>Wisconsin Appraisal Services</i>
2:15 - 2:30 p.m.	Industrial Market Ryan A. Gieryn, MAI, <i>Commercial Property Consultants</i>
2:30 - 2:45 p.m.	Industrial Market Brian Parrish, <i>PARADIGM Real Estate, LLC</i>
2:45 - 3:00 p.m.	Break
3:00 - 3:30 p.m.	Panel Discussion
3:30 - 5:30 p.m.	Annual Holiday Party & General Membership Meeting Cocktails & Hors D'Oeuvres

LOCATION

This course is being held at the **Wisconsin Chapter of the Appraisal Institute's** facility in Milwaukee, WI.

11801 W. Silver Spring Dr., Suite 200
Milwaukee, WI 53225
Phone: 414-271-6858

DIRECTIONS

From Highway 45, exit on to W. Silver Spring Drive going west. At the first stop light (opposite the CITGO station) turn left on to Rae Street. WCAI's office is located at 11801 W. Silver Spring Drive, Suite 200, Milwaukee, WI 53225.

REGISTRATION AND FEES

\$60.00 Before December 5th
(For Members & Non-Members)

\$85.00 After December 5th or At the Door

TO REGISTER, please go to:

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

CONTINUING EDUCATION CREDIT

- Appraisal Institute - 3.0 Hours
- State of Wisconsin - 3.0 Hours
- Assessor Credit - 3.0 Hours

REGISTER TODAY, <http://www.appraisalinstitute.org/education/Wisconsin>



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. ¼ Page	\$85 / \$125	\$80 / \$120	\$75 / \$115	\$70 / \$110
C. ½ 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: _____

Name: _____

Address: _____

City, State, ZIP: _____

Phone:(____) _____ Fax:(____) _____

E-mail: _____