



## **From the Real Property Committee Chair**

September 30, 2013

RE: Real Property Discipline Committee Chairman's Report

Dear Mr. President:

This report covers the activities of the Real Property Discipline Committee since the last report presented by immediate past chair, Sam Luceno, FASA, dated March 2, 2013, to the present. The Real Property Discipline Governors' Report will be submitted separately by the Governors.

### **ASA-RPC Financial Status:**

The following information has been provided by Karen Mann, ASA, RPC's Budget and Finance Sub-Committee Chair.

Our liabilities (expenses) for the last year appear to be predominately allocated to governance and government relations (our share for our lobbyists). I don't have a problem with this fee as we get significant support and service from Peter Barash and John Russell.

My current issue is not our expenses, but the lack of income due to book sales or education. I hope to see allocation between the upcoming "Deane Wilson" classes which is a blend of BV and RP; I don't have answers on that yet. The interesting thing is that HQ reported \$192,123 in Education Courses Revenue, but the breakdown between the Disciplines is not clear. Having a better understanding on how revenues are to be allocated will be very helpful to the RPC in planning.

**Final Comment:** It is imperative that the RP committee develop income via education offerings. Our focus in that arena would provide the appropriate balance and would result in a much more healthy discipline. The added bonus of educational offerings would be the potential increase of membership and increased exposure of ASA.

I appreciate Karen's efforts and comments. As you will see throughout this report a general theme seems to become apparent. Revenues are based on membership; membership is based on perceived benefit. The challenge is to provide that member or potential member that benefit.

Our immediate RPC past chair, Sam Luceno, FASA, addressed our financial status in his last report. During this time efforts have been made through Ad Valorem/Mass Appraisal specialty to gain members and schedule Deane Wilson's "Going Concern" Course. While we are looking at ways to generate revenue, there may be hard choices in our future to cut expenses.



### **ASA-RPC Membership Sub-Committee - Recruitment and Retention Efforts:**

Membership recruitment and retention has been, and is a priority. Initiated by last year's committee the RPC provided an exhibit booth to the recent International Association of Assessing Officers. I would like to thank the Detroit Chapter for volunteering to man the booth, putting the ASA brand in front of the conference attendees. I would also like to recognize all the efforts of Michael Lohmeier, FASA in recruiting members for the Ad Valorem/Mass Appraisal specialty.

Another part of membership recruitment is education. This will be discussed in the education section of this report.

### **ASA-RPC Education Initiative:**

Gary Snowdon, ASA is the RPC education subcommittee chair and has provided the following information for this report.

2013 was a rebuild year for Real Property education and this will continue in 2014.

We had only two courses in our catalog, "Yellow Book" and "Conservation Easements".

This year we added "Allocating Components in Going Concern Appraisal," which is currently being offered. We are working on a version for Japan.

We completed the "Finding the Adjustment" 4 and 8 hour statistics course and gave it a trial run in Knoxville.

Dave Lewis's first webinar is in production and scheduled for presentation on December 10. Dave has many ideas for subsequent webinars.

We have been working on the "Self Storage" course with the Self-Storage Association. I've met with the two instructors and the SSA executive director, and reviewed their current developer's course. They are also interested in forming a more formal relationship with ASA. This may make ASA appraisers the "go to" appraisers for SSA owners.

"The Appraisal Spreadsheet: Boot Camp" 1 and 2 day course will be completed in the next year.

We have been working with the IEC and the national education staff on several issues:

- The policy manual and how the RPC feels it will hold us back as we build our program.
- Regional training sites. We went along with National for this but we believe our members are finding the sites too expensive. Also, the hotels are requiring expensive guarantees of attendance.
- Also, the locations may work for other ASA disciplines, but not for RP. We'll need to evaluate in a few months, and run our own analytics on the best locations for RP classes. (Our original idea was to analyze the geographic dispersion of real property members and plan two-day education conferences at those locations using chapters as hosts. Our alternate plan was to follow National with their regional sites.)



- The lack of frequency in course advertising. The course announcements are excellent, but are sent out infrequently.

We will be putting an RP Education Newsletter together in the coming months to attempt to interest chapters in hosting courses locally.

Our last task for the coming year will be to organize a rewrite of the POV courses.

The work of this subcommittee under Gary's leadership is much appreciated. Education is a keystone to recruiting and maintaining membership. The RPC has the challenge of competing against proprietary schools, and other associations who offer state approved education at a competitive cost. The education subcommittee, with support from the entire RPC will be looking for ways to meet this challenge.

### **Governmental Affairs:**

The ASA-RPC Government Affairs Sub-Committee chaired by Karen Mann, ASA has been very active in communications with several government agencies. The following comments have been provided by Karen indicating the efforts put forth by this subcommittee.

ASA-RP Government Relations professionals are Peter Barash and John Russell. I have personally found that these two people have been proactive in accessing the concerns of ASA members – and RP members specifically. Our Committee includes Barry Alperin, Mike Pratt, past International President Michael Evans and myself. Several areas which could affect the RP portion of ASA membership have resulted in increased collaboration with NAIFA. The presence of the two combined forces, with similar points of view have submitted joint letters of comment on the following; SBA and Going Concern Valuation issues; on the Dodd-Frank Appraisal Provision Implementation; State Department Designation Limitation (elimination of MAI only for review appraisers positions in the governmental positions); and IRS Issues.

Other areas of ASA Governance have included addressing the “Appraisals Involving Higher Priced Mortgage Loan Fed Reg Comments (which included the analysis of modular vs manufactured home requirements).

ASA is planning a Capitol Hill Day for March 20, 2014 – both ASA members and the Governance Relations Committee members are encouraged to attend.

### **Nominations:**

The RPC Nominations Sub-Committee for fiscal year 2012-2013 was chaired by W. David Snook, FASA. The Sub-Committee Members (Richard Gilmore, FASA and Allen Bealmear, ASA) were appointed and approved in accordance with the ASA Real Property Discipline Committee Rules of Procedure. A “call-to-action” e-mail was sent to all ASA Real Property Members in search of qualified individuals who were ready, willing, and available to serve on the RP Committee if elected. The Nominations Sub-Committee Members performed a cursory analysis of those who responded to ensure they were qualified. Of those who qualified, the Sub-



Committee Members selected a stable of Nominees, Officers and Members at-Large, in accordance with the aforementioned Rules of Procedure and submitted the recommended Nominees to the then RPC Chair, Sam Luceno, FASA who forwarded those names to the RPC Members for acceptance or rejection. All recommended nominees were unanimously approved by those RPC Members who voted. The slate of nominees were then sent to ASA Headquarters for placement on the ASA RP Ballot so all ASA RP Members would have an opportunity to cast their vote.

The ASA RPC Nominations Sub-Committee has retained a list of interested real property members, who were not selected at the time or were not elected, for future consideration as nominees for the 2013-2014 election.

**2013 International Conference Sub-Committee:**

Bill Wilson, FASA, RPC Conference Chairman and Micheal Lohmeier, FASA Conference Committee Member have put together, what promises to be, one of the best ASA-RP Conference Programs in several years. A full complement of speakers is scheduled which will include a joint session with MTS on “Preparing & Testifying for Ligation.

The PR sessions include Golf Course Valuation, Appraisal Ad Valorem Issues, A class on disaster issues by Randall Bell “The Master of Disaster”, Expand your Practice: Church Appraisals and an introduction to a 7 hours CE RP class which can be offered by the chapters, “How to find Your Adjustments Using Spreadsheets”.

Going forward the RPC needs to have HQ retain these and last year’s sessions in a searchable data base in which individual sessions can be sold to both our members and the public, with the public at a higher price.

In conclusion, we as a committee have a lot to do, but we also have to be careful not to become overwhelmed or get lost in the process. Our upcoming committee meeting will focus on our needs and what actions we want to take. We hope to have leadership’s support and guidance in allowing us to be successful in our endeavors.

I would like say “Thank You” to all the members of the RPC. Being volunteers, their time and efforts are truly appreciated. I would also say “Thank You” to staff for all their help. I have been reminded by someone very special to me that it does take a village to get things done and I am just glad to a part of that village.

Respectfully Submitted,

Michael T. Orman, ASA  
RPC Chair