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President's message: Its time to complete a designation

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Back in January I started my term as president of the Massachusetts chapter of the Appraisal Institute. At the time, the future of the economy and real estate market was very uncertain, and it has been a very tumultuous year. With respect to the appraisal profession, 2009 was a year that has seen significant new legislation passed governing appraisal practice, and there have been significant ebbs and flows with respect to the demand for our professional services. There has been limited work related to new financing, and there was continued fee compression through the first half of the year. However, by most accounts, the past few months have seen significant improvement, and both demand and fees are strengthening. Most importantly, more and more often clients are demanding more qualified professionals to deal with problem assets in a market with limited data points. They are turning to MAIs, SRAs, SREAs, SRPAs and RMs for their expertise, superior education and experience.

For this reason, I encourage all those appraisers out there who have completed some portion of the requirements for an Appraisal Institute designation to bear down and get their remaining requirements completed. There continues to be a flight to quality by users of appraisals, and the Appraisal Institute continues to be one of the most recognized appraisal organizations in the country.

2010 looks to be an interesting year. While many lenders and others continue to "pretend and extend," there has been movement toward facing reality on distressed assets and most bankers I have spoken with have indicated an increase in appraisal orders related to existing assets. Opportunities relating to tax abatements and estate planning are also coming to fruition as owners and attorneys realize the opportunities for tax savings and estate planning near the bottom of the market. Appraisers will continue to be challenged by a market with limited data, and questions will continue to abound with respect to capitalization and discount rates. However, the Appraisal Institute continues to develop current and relevant courses and seminars to deal with these issues, and it continues to work hard for its members in these challenging and uncertain times. The Washington office continues to lobby on Capitol Hill for legislators to recognize the need for quality appraisal and valuation services.

It has been an honor to serve as the Mass. chapter of the Appraisal Institute's president for the past 11 months. In 2009, the chapter has offered a wide range of educational opportunities to its members and the rest of the real estate community. Our social events have been well attended, and the Emerging Leaders group continues to be active. As my term comes to a close, I leave you in the able hands of Bill LaChance, MAI, SRA and thank you again for the privilege of serving as President.

Please take note of the Mass. chapter's upcoming educational and meeting events:

- *Holiday Meeting and Installation of Officers and Directors - 12/10/09 - Anthony's Pier 4, Boston
- *Sales Comparison of Small, Mixed Use Properties - 12/21/09 & 12/22/09 - Waltham;
- *Economic Outlook and Real Estate Trends for 2010 - 1/26/10 - Federal Reserve, Boston;
- *Best Appraisal Practices - 2/10/10 to 2/13/10 - Woburn;
- *7-Hour National USPAP Update Course (2010 version) - 2/24/10 - Woburn;
- *Introduction to Valuation for Financial Reporting - 3/4/10 - Boston;
- *Winter Social - Boston Celtics v. Memphis Grizzlies - 3/10/10 - TD Garden, Boston;
- *15 Hour National USPAP Course - 3/4/10 & 3/5/10 - Woburn;
- *Basic Appraisal Procedures - 3/24/10 to 3/27/10 - Woburn;
- *Hotel Appraising: New Techniques for Today's Uncertain Times - 3/29/10 - Boston;
- *General Income Approach, Part 1 - 4/14/10 to 4/14/10 - Woburn;
- *General Income Approach, Part 2 - 5/12/10 to 5/15/10 - Woburn;
- *Appraisal Curriculum Overview - 5/20/10 & 5/21/10 - Woburn.

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