

New Hampshire Chapter of the Appraisal Institute Fall 2015 - Winter 2016 Newsletter

CHAPTER MEETINGS AND CONTINUING EDUCATION

January 12, 2016

SEMINAR TOPIC

TO BE ANNOUNCED

Check our website in December

4 PM

2 Hours of NH CE

Chapter Meeting with

Installation of 2016 Officers

2016 DATES

March 15, 2016

May 17, 2016

September 20, 2016

November 15, 2016

Every chapter meeting features a seminar (2 hours NH CE) and a social hour with free appetizers

**Ichiban Steakhouse
118 Manchester St,
Concord, NH 03301**

**Exit 13 off I-93. East on Rt. 3,
Approx. 1 mile. Restaurant is on the right.**

2016-2017 USPAP

7-HOUR UPDATE CLASSES

This one-day update course, copyrighted by The Appraisal Foundation, focuses on recent changes to USPAP requirements for ethical behavior and competent performance by appraisers. The course, which clarifies several commonly misunderstood aspects of USPAP, will aid participants in all areas of appraisal practice seeking updated competency in USPAP, including those subject to state licensing or certification and continuing education requirements imposed by professional organizations, client groups, or employers.

December 9, 2015

At the Red Blazer, Concord
Instructor: Bruce Hunter, MAI

January 22, 2016

At the Red Blazer, Concord
Instructor: Gregory Accetta,
MAI, AI-GRS

***Register for all of the above courses here:
www.appraisalinstitute.org/education/***

IMPORTANT! Every student must have a copy of the 2016-2017 edition of USPAP (paper or PDF). It is NOT included in the price of the class.

NH Chapter of the Appraisal Institute

2015 OFFICERS:

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Katrina Hill, SRA

Vice President
Catherine Capron

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David Cornell, MAI

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Cynthia Rogers



Above: Katrina V. Hill, SRA, President of the New Hampshire Chapter of the Appraisal Institute shakes hands with incoming AI President, Scott Robinson, MAI, SRA at the Chapter Leadership Program in Chicago, IL in September 2015.

Confused about the Appraisal Institute and the Appraisal Foundation "situation?"

Get more information here:

www.appraisalinstitute.org/ai-TAF-new



Online Education:
Learn at your own pace anytime, anywhere.
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New Hampshire Supreme Court Decision Overturns Lower Court's Use of a Zestimate for a Divorce Decree

On July 23, 2015, the Conway Family Court handed down a decision in the matter of Tammy Rokowski (petitioner) versus Shane Rokowski (respondent), in a divorce. Both parties were represented by counsel. Of primary interest in this decision is the way the Conway Family Court determined the value of the marital home (3rd Circuit Court – Conway Family Division, No. 2014-617). From the case (edited for clarity and space restrictions):

“A trial court has broad discretion in fashioning a final divorce decree and in managing the proceeding before it. We will not overturn a trial court’s ruling absent an unsustainable exercise of discretion. This means that we review the record only to determine whether it contains an objective basis to sustain the trial court’s discretionary judgement. The parties’ primary assets were the marital home in Connecticut and the respondents’ businesses. Neither party provided the trial court with formal appraisals of the home or the businesses. “The court valued the marital home at \$150,000 as of the date of the 2014 final divorce decree and awarded it to the respondent.”

“To determine the value of the marital home and to choose a valuation date, the court relied upon information supplied by [the respondent] from an on-line service, up-dated information the court was able to obtain by using a similar on-line service,” and “tax records.” The “on-line service” upon which the trial court relied was “Zillow”, a website that “offers free residential real-estate estimates along with other tools for real-estate buyers and sellers.” Zillow provided an estimated value for the marital home called a “Zestimate.” Realtors, homeowners, and others submit data and Zillow runs it through a secret algorithm to estimate the value of properties. Zillow does not itself obtain the data [upon which it relies to estimate property values] or test it for accuracy.”

“The trial court relied upon its internet research to evaluate the respondent’s comparable sales data, which consisted of the tax records for homes on the same street as the marital home. For instance, the tax records for one home demonstrated that, although it was assessed at \$160,000, it sold in 2011 for \$76,862. The trial court observed that according to [the] Zillow web site, this same property sold [in 2013] for \$116,472 suggesting that property may have been a short-sale to avoid foreclosure.” Similarly, the tax record for another home showed that it was assessed at \$146,000 and sold in 2011 for \$82,000. The trial court noted that Zillow estimated the property’s value to be \$103,222 and indicated that the property was again for sale. The tax record for the third potential comparable sale demonstrated that the home was assessed at \$126,000, although it sold in 2012 for \$40,000. The court stated that Zillow estimated the property’s resale value as \$112,649.”

“The trial court also relied upon its internet research to choose a valuation date, finding that the area where the home is located “is experiencing a recovery with sales or projected sales price reflecting other than foreclosures or short-sales pricing,” and, choosing to value the home as of 2014 (when the decree was issued) instead of 2011 (when the petition was filed).

“It is a basic principal of jurisprudence... that the court may not introduce its own evidence into a proceeding.”) Doing so is “inconsistent with the established role of the trial court in adversary litigation.”

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"Under Rule 201, "[a] judicially noticed fact must be one not subject to reasonable dispute in that it is either (1) generally known within the territorial jurisdiction of the trial court or (2) capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned." **Here, we conclude that Zillow's "Zestimate" is not capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned.**" (explaining that "Zillow's Zestimate of [a] house's value fails to attain the requisite status as a fact "that can be accurately and readily determined from sources whose accuracy cannot reasonably be questioned").

Appellate courts in other jurisdictions have found reversible error when a trial court relied upon internet information from outside of the evidentiary record that fails to meet the standard for judicial notice. **We reach the same conclusion here and hold that, because the trial court relied, in part, upon Zillow's "Zestimates" to ascertain the home's value and choose a valuation date, the court erred.** Because the marital home was one of the parties' most significant assets, we vacate the trial court's distribution of the marital property."

Thank you, Vern J. Gardner, Jr., MAI, SRA, for providing this case information.



Lamar Ellis III, MAI, SRA of Aerial Real Estate Solutions of Atlanta, GA demonstrates a drone at the November 17 seminar in Concord. One lucky attendee, Carl Vernlund of Berlin, CT, won the drone at the end of the day.



MEMBER NEWS

David Cornell, MAI: Thoughts on LDAC, May 2015

In January, NH Chapter President Katrina Hill, SRA, asked if I would be interested in attending the Leadership Development & Advisory Council (LDAC) conference in Washington, DC. Although I didn't know a lot about LDAC, my initial thought was this sounds exciting and I immediately said, "Count me in!" I quickly learned that LDAC, annually held over three days, brings together approximately 100 appraisal professionals from across the globe. Participants are organized in think-tank discussion groups to analyze appraisal industry best practices and opportunities. Topics discussed were:

- Protecting the Integrity of the Appraisal Profession
- Appraising the Tough Ones – Difficult Properties and Controversial Topics
- Developing and Growing Your Business – Finding New Clients and Meeting Their Needs
- Business Operations – Running a Business and Managing Employees

LDAC strives to incubate new ideas and foster creative thinking to advance better appraisal practices. After three event-packed days, the 2015 LDAC participants felt confident that key initiatives were produced for advancing the appraisal profession and the Appraisal Institute. It was a true privilege to be part of such an esteemed group of talented and experienced appraisers. I had high expectations going into the conference, and the conference exceeded all of my expectations!

The NH Chapter wishes to thank Peggy Gallus, RM, of Androscoggin Appraisal Associates, Berlin, NH, for her long service to the chapter. She is a past president of the Chapter, served as Chair of the Government Relations and Public Relations Committees for several years, and on the Nominating and Membership Committees.

Enjoy your retirement, Peggy! You deserve it.