

# NH-VT Chapter of the Appraisal Institute Fall 2016/Winter 2017 Newsletter



*Welcome Vermont!*

## 2017 Chapter Meetings & Continuing Education

January 17, 2017

2hrs CE Chapter Meeting & Seminar  
**David Cornell - 'Unleashing the Power of Excel in the Appraisal Process'**  
Ichiban Steak House, Concord NH

March 28, 2017

2hrs CE Chapter Meeting & Seminar  
**Vince Dowling - Valuation of Small Income Properties**  
Ichiban Steak House, Concord NH

March 29 & 30, 2017 14 hrs CE

**Vince Dowling - Litigation Appraising: Specialized Topics & Applications**  
Holiday Inn, Concord, NH

April 2017 7hrs CE  
Burlington, VT TBD

May 16, 2017

2hrs CE Chapter Meeting & Seminar  
Ichiban Steak House, Concord NH - TBD

Sept 19 2017

2hrs CE Chapter Meeting & Seminar  
Ichiban Steak House, Concord NH -TBD

September 7hrs CE Burlington, VT TBD

October 2017 Litigation Expert Witness  
14hrs TBD

November 14, 2017

2hrs CE Chapter Meeting & Seminar  
**Russ Thibeault - NH Economic Updates**  
Ichiban Steak House, Concord, NH

December 2017- USPAP - Concord, NH

December 2017- USPAP - Burlington, VT

Register for all of these courses here:  
[www.appraisalinstitute.org/education/](http://www.appraisalinstitute.org/education/)



## PRESIDENT'S MESSAGE

***NH-VT Merger*** by Katrina V. Hill, SRA, 2016 President

The merger of the New Hampshire and Vermont Chapters of the Appraisal Institute will become effective January 1, 2017. We will continue to hold our Chapter meetings and seminars in Concord, NH with spring and fall courses scheduled for Burlington, VT.

### ***Purpose of the Merger***

The purpose of the merger of the Vermont Chapter with the New Hampshire Chapter is to ensure and to maintain an active, relevant and meaningful Appraisal Institute presence in both states. The merger will allow for Vermont residents to have up to two seats on the New Hampshire Board of Directors; to hold two educational offerings in Vermont each year; and to have the possibility of holding one chapter meeting in Vermont each year. Chapter members from Vermont will be able to meet at the two educational offerings held in Vermont each year; at the one possible chapter meeting; or at the New Hampshire chapter meetings & educational offerings held in New Hampshire. The New Hampshire Chapter will benefit from the merger through expanded membership and increased educational offerings.

There will be no leadership changes and the newly formed chapter will have a common Board of Directors, with two seats filled by Appraisal Institute members from Vermont. With this merger, there will be an immediate increase and expansion of educational offerings with the key locations remaining as Concord, NH and Burlington, VT. The expanded services will provide greater opportunities for members, improved candidate mentoring and will allow candidates in both states to potentially qualify for scholarship funds to further their quest for a designation.

SINK YOUR TEETH INTO EDUCATION!

# EDUCATION

## NH Chapter of the Appraisal Institute

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Cynthia Rogers



Sandy Adomatis, instructor  
Oct 13<sup>th</sup> Intro to Green Buildings & Oct 14<sup>th</sup> Case Studies in Appraising Green Buildings

## ~THE NEW GREEN BUILDING WORLD~

Continuing Ed seminar with Sandy Adomatis held October 2016 at Unity Homes, Walpole, NH



...continued on page 3...

**"A HOME THAT HELPS YOU PAY YOUR ENERGY BILL – REALLY!"**  
Green building seminar

Thank you! Seminar developed by Sandy Adomatis and sponsored by Bangor Savings Bank, Portland, ME in conjunction with Unity Homes [unityhomes.com](http://unityhomes.com) & the NH Chapter of the Appraisal Institute



*What is a High Performance Building?* Green or High-Performance Buildings have six key elements ~ site, water efficiency, energy efficiency, indoor air quality, materials and operations and maintenance. (source: Residential Green Valuation Tools, Sandra K. Adomatis).

*Our October 2016 continuing education seminar* with Sandra Adomatis, SRA, was held at Unity Homes, Walpole, NH (founded by Tedd Benson) in order to learn about High-Performance home construction. After the classroom session, we toured the plant where the wall and roof panels are assembled. The wall structure is panelized and appears quite different from conventional on-site stick-built construction. There were laptop computers at every turn, alongside the large milling machines. The plant has remarkably very little waste products in the construction process. We noticed only a few dumpster bins throughout. Much of the waste from milling and fabricating is recycled.



*The end product* is a small sustainable and affordable energy-efficient structure, very tight, with good soundproofing and requiring low energy costs to operate. The Unity home uses over 60% less energy than a typical IECC-Code home (note: NH uses the 2009 IECC-Code). The home can be brought to net-zero with the addition of rooftop solar panels or other renewable energy source.

*These factory built homes are designed to be healthy* for the occupant and healthy for the environment. In addition to allowing for natural light with passive solar orientation, I was drawn to the comment that the homes are sound-quieting due to the extra insulation in the walls and roof. The insulation used is dense-packed cellulose insulation because it has greater R-value per inch than fiberglass batting and performs more reliably than foam. Cellulose insulation is a green building product, requiring 10 times less energy to develop the finished product than does fiberglass insulation (when considering transport of the raw materials, manufacturing it and then distributing it to the user).

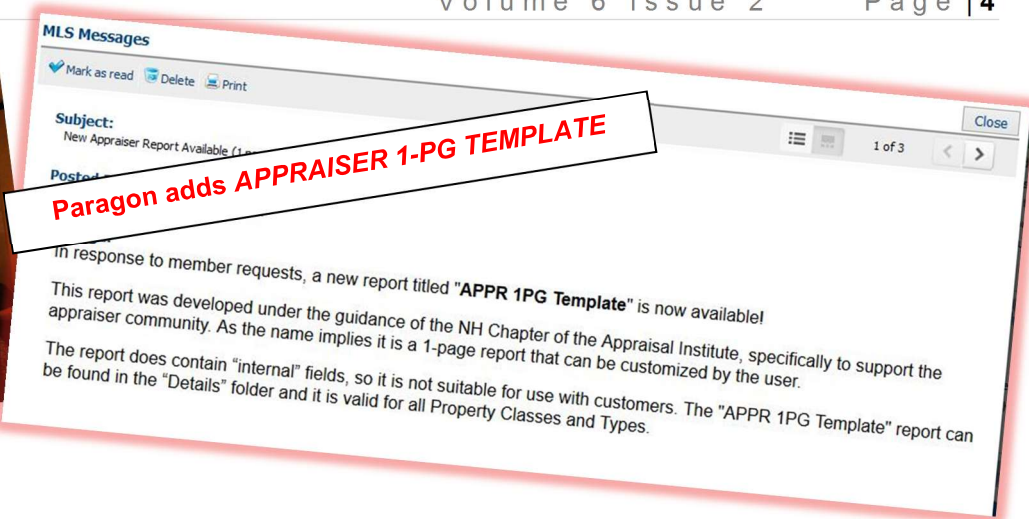


*Framing in these homes is not conventional.* The panels are large rectangular boxes filled with cellulose blown in to the cavities. The interior wall has a service chase (pocket for the electrical and plumbing, just inside the insulated wall). The panels are fabricated and then wrapped for shipping and assembled on site with a crane. The walls are thick and R-35 insulated with the ceiling up to R-48.



*When touring the model home,* it was evident that traffic noise was diminished when inside the structure. The indoor air quality is managed with an air exchanger. Additionally, no VOCs are used in the construction (Volatile Organic Compounds), which are a major health hazard.

*National studies have shown* that energy efficiency can increase a home's value from 0%-7% or more. That is, a buyer will pay a premium for these features. The challenge for the real estate appraiser in valuing High-Performance homes is to analyze if and how much these features contribute to market value.



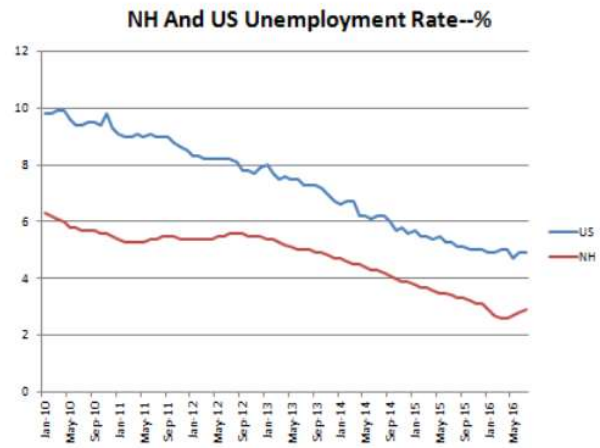
Members of the NH Chapter provided guidance to Chad Jacobson at NNEREN to develop report templates for appraisers using the new PARAGON software. The new APPR 1PG (APPRAISER One Page) reports were just released and are customizable reports. These reports can be used for all seven property classes (Residential - SF, Condo, Mobile Home; Land; Multi-Family; Commercial Sale; and Commercial Lease). Check it out.

**Break Out Session Topics**

- What are the implications of New Hampshire's slower growth on residential and commercial values?
- How will our ageing population impact residential values and land development patterns?
- What are the implications of growth increasingly concentrating in southern/seacoast New Hampshire?
- Will the current moderate improvement continue or will there be more or less growth?
- Is the business cycle dead?

Russ Thibeault, President of Applied Economic Research, Laconia, NH  
Teaching November 15<sup>th</sup> seminar  
"NH's Changing Economic & Real Estate Environment: Implications for Appraisers"

**NH Unemployment Rate (2.9%) Lowest In New England, Tied For Lowest in US**



Appraisal Institute November 2016

**CHAPTER NEWS**

For more information on the NH/VT Chapter of the Appraisal Institute please contact the Executive Director, **Cynthia Rogers** at:

P.O. Box 1046  
Hollis, NH 03049  
603-921-0247



**Ride the waves of success!**

[ai.nhchapter@gmail.com](mailto:ai.nhchapter@gmail.com)

**There is always more to learn**

**\*IRS Proposes Changes to Valuation-related Tax Rules**

The Internal Revenue Service on Aug. 4 issued a [proposed rule](#) that would greatly impact estate and gift tax transfers where there are liquidations of partial interests. If adopted, the proposal would prohibit discounts of family-controlled entities, including limited liability companies.

The IRS is proposing to eliminate discounts for marketability and control from estate, gift and generation transfer tax treatment, which would have the practical effect of increasing the taxable amount of the estate/gift/transfer.

**\*\*'Yellow Book' Uniform Appraisal Standards for Federal Land**

**Acquisitions is being updated by the U.S. Department of Justice. The update is expected to be released in 2017. An Appraisal Institute two-day seminar on the updates is in development.**

**\*Appraisers Take Note: From the Appraisal Institute's Appraiser News Online, (published every Wednesday)**



Nov 16, 2016

**Trump Administration Could Gut CFPB, Repeal Dodd-Frank**

An incoming Republican president and Republican-controlled House and Senate could have a significant impact on the Consumer Financial Protection Bureau and the Dodd-Frank Act, HousingWire reported Nov. 9. CFPB could see a change in structure or be completely eliminated, while the Dodd-Frank Act could be repealed.



Dec 07, 2016

**Trump Treasury Pick Wants to Privatize Fannie, Freddie**

Steve Mnuchin, President-elect Donald Trump's choice for secretary of the U.S. Department of the Treasury, said he wants to restructure and privatize Fannie Mae and Freddie Mac, stating that leaving them under "government ownership" displaces private lending in the mortgage market, HousingWire reported Nov. 30.



Dec 07, 2016

**Carson Accepts Offer to Head HUD**

Retired neurosurgeon and former presidential candidate Ben Carson on Dec. 5 accepted President-elect Donald Trump's nomination to head the U.S Department of Housing and Urban Development, Reuters reported. At HUD, Carson would oversee mortgage lending and multiple housing programs.

*Message from Scott Robinson, AI President to Residential Appraisers: "DIVERSIFY YOUR PRACTICE"*

### ***New Hampshire passes new law on Accessory Dwelling Units***

Section 674:72 [RSA 674:72 effective June 1, 2017.] 674:72 Accessory Dwelling Units. –

I. A municipality that adopts a zoning ordinance pursuant to the authority granted in this chapter shall allow accessory dwelling units as a matter of right or by either conditional use permit pursuant to RSA 674:21 or by special exception, in all zoning districts that permit single family dwellings. One accessory dwelling unit shall be allowed without additional requirements for lot size, frontage, space limitations, or other controls beyond what would be required for a single family dwelling without an accessory dwelling unit. The municipality is not required to allow more than one accessory dwelling unit for any single family dwelling.

## ***ASSUMPTIONS and HYPOTHETICAL CONDITIONS APPRAISAL INSTITUTE ISSUES GUIDE NOTE 15:***

(see full text in the Professional Practice / Ethics and Standards section of the AI website)

### Summary of Standard Practices

1. When assignment conditions such as special/extraordinary assumptions or hypothetical conditions are labeled in a report, they must be labeled correctly.
2. Special/extraordinary assumptions or hypothetical conditions are conditions presumed true on the effective date, e.g., date of value for an appraisal, not before or after.
3. Special/extraordinary assumptions or hypothetical conditions must be clearly and conspicuously disclosed in a written or oral appraisal or review report so that the intended user(s) of the report clearly understand the context of the appraisal or review conclusions. In addition, the report must include the statement that the use of the special/extraordinary assumption or hypothetical condition might have affected the opinions and conclusions.
4. It is misleading to characterize a value opinion based on a hypothetical condition as an "as is" value. A value opinion based on a special/extraordinary assumption may or may not be "as is." Care must be taken when using the phrase "as is" in connection with a value opinion.



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 Allen, Stephen D., MAI, SRA, AI-GRS-South Burlington, VT  
 Andrews, Charles M., SRA-Montpelier, VT  
 Armstrong, Thomas W., MAI-Plymouth, NH  
 Bergeron, Kathleen H., MAI-Portsmouth, NH  
 Bergeron, Stephen J., MAI-Portsmouth, NH  
 Boatwright, William L., MAI-Portsmouth, NH  
 Brooks, Mark W., MAI-South Burlington, VT  
 Concannon, Robert P., MAI-Lee, NH  
 Cornell, David M., MAI-Concord, NH  
 Correnti, Mark, SRA-New Boston, NH  
 Cowall, Duane H., MAI-Bedford, NH  
 Crafts, John M., MAI, SRA-Bedford, NH  
 Currier, Kenneth D., MAI-Gilford, NH  
 Essa, Alex F., MAI-Jackson, NH  
 Frank, Jonathan H., MAI-Peterborough, NH  
 Fremeau, Joseph G., MAI, SRA-Manchester, NH  
 Friihauf, Edward J., MAI-Montpelier, VT  
 Gammal, Michael W., MAI-Essex Junction, VT  
 Gardner, Jr, Vern J., MAI, SRA-Portsmouth, NH  
 Hill, Katrina V., SRA-Sunapee, NH  
 Kaffenberger, Kurt J., MAI-Winooski, VT  
 Keller, Michael F., MAI-Burlington, VT  
 Kurfehs, H. Charles, MAI-Manchester, NH  
 Lavallee, Ronald E., SRA-Hooksett, NH  
 Lavoie, Jack R., SRA-Bedford, NH  
 Martin, Lawrence K., MAI-Montpelier, VT  
 McCann, Mark J., MAI-Concord, NH  
 McClellan, Amy C., SRA-Sugar Hill, NH  
 Miano, Edward L., SRA-Oak Bluffs, MA  
 Nessel, Judy L., SRA-Nashua, NH  
 O'Brien, Michael R., MAI-Winooski, VT  
 Palmer, J. Diane, MAI, AI-GRS-Danby, VT  
 Prophet, Thomas L., SRA-Nashua, NH  
 Reeks, Wesley G., MAI, RM-Bedford, NH  
 Rogers, J. Chet, MAI-Hollis, NH  
 Sargeant, George C., SRA-Rutland, VT  
 Sargeant, Sean A., MAI, SRA-Rutland, VT  
 Shadan, Suzanne, SRA-NH  
 Silver, George F., MAI, SRA-Burlington, VT  
 Taylor, Bruce A., MAI, SRA-Fairlee, VT  
 Walls, Jerry N., MAI-Concord, NH  
 White, Brian W., MAI, SRA-Dover, NH

### CANDIDATES--

Brighton, Benjamin Charland-North Berwick, ME-SRA  
 Capron, Catherine J.-Boscawen, NH-MAI  
 Dickman, Scott E.-Concord, NH-MAI  
 Garcia, Lisa J.-Florence, VT-SRA  
 Heath, Scot D.-Fracestown, NH-SRA  
 Hughes, Thomas P.-Concord, NH-MAI  
 James, Jeffrey S.-Honeoye Falls, NY-MAI  
 Keller, Michael F., MAI-Burlington, VT-AI-GRS  
 Lavoie, Jack R., SRA-Bedford, NH-AI-RRS  
 Leclair, Paul J.-Burlington, VT-SRA  
 Martin, Lucas Kevin-Montpelier, VT-MAI  
 McClellan, Amy C., SRA-Sugar Hill, NH-MAI  
 Minor, J. Bradley-South Burlington, VT-MAI  
 O'Grady, Marc A.-South Burlington, VT-MAI  
 Schermerhorn, Brett-Shelburne, VT-MAI  
 Silver, Brian K.-Burlington, VT-MAI

### PRACTICING AFFILIATES & AFFILIATES-

Abbott, Carol A.-Essex Junction, VT  
 Abraham, William E.-Nashua, NH  
 Benson, Eric P.-Bethel, VT  
 Bernhardt, Anne K.-Millsboro, DE  
 Bruno, Kathleen L.-Barre, VT  
 Chavez, Isaac E.-Montpelier, VT  
 Comito, Robert C.-Portsmouth, NH  
 Curtis, Jr., Robert J.-Bristol, NH  
 Daniels, Timothy R.-Concord, NH  
 Dartt, Nancy J.-Essex Junction, VT  
 Devries, Jr. Justus J.-Bristol, VT  
 DiMarzio, John J.-Franconia, NH  
 Duffy Smith, Pamela W.-Burlington, VT  
 Furey, Michael W.-Waltham, VT  
 Lagasse, Stephen C.-White River Jct, VT  
 Larson, Jesse D.-Wells, VT  
 Leidinger, Jeffrey W.-Canterbury, NH  
 Lessard, Jr, Joseph W.-Salem, NH  
 Levi, Andrew-Richmond, VT  
 Lithgow, Thomas E.-Concord, NH  
 Madden, John-Rye Beach, NH  
 Mahoney, Michael M.-Winooski, VT  
 McMullen, David-Hanover, NH  
 Michaud, James-Hooksett, NH  
 Moreno, K.-Wildier, VT  
 Murray, James P.-Milton, VT  
 Norman, Rex A.-Windham, NH  
 O'Brien, Thomas-Burlington, VT  
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 Reilly, Leitha-Londonderry, NH  
 Rizzi, John K.-Milford, NH  
 Rogers, Sylvia P.-White River Jct, VT  
 Sansoucy, George E.-Lancaster, NH  
 Smith, Shawn M.-Huntington, VT  
 Stoliker, III, John D.-Hubbardton, VT  
 Taylor, Robert B.-Fairlee, VT  
 Thibeault, Russell W.-Laconia, NH  
 Twombly, Stephen G.-Roxbury, VT  
 Wakefield, Russell C.-Moultonborough, NH  
 Wells, A.G.-Mendon, VT  
 Woods, Charles Stott-St. Johnsbury, VT

### RETIRED MEMBERS-

Boyle, Jr, James H., SRPA-South Londonderry, VT  
 Cole, Paula J., SRA-Antrim, NH  
 Conkling, Sr., John C., SRA-New Hampton, NH  
 Croteau, Raymond G., MAI, SRA-Hooksett, NH  
 Durkin, Robert L., SRA-Waterbury Center, VT  
 Gallus, Peggy A., RM-Berlin, NH  
 Howrigan, Richard J., SRPA, SRA-Boston, MA  
 Leiter, Reed J., SRPA-Wentworth, NH  
 MacDonald, Arthur J., SRA-Woodstock, VT  
 Spiess, Susan S., SRA-Amherst, NH  
 Spring, Donald V., MAI-Meredith, NH



Ron LaVallee receives  
his SRA designation.

*Congratulations!*

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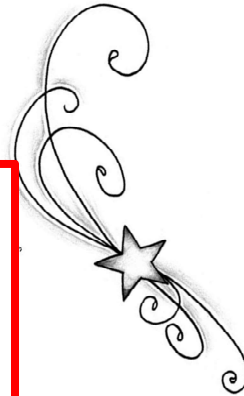
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**Happy New Year!**