

NH-VT Chapter of the Appraisal Institute Fall/Winter 2018-19 Newsletter



Education 2019

2019 Chapter Meetings & 2-Hour Seminars & Continuing Education

4-6 pm 2hrs CE
Ichiban Steak House, Concord NH

Jan 15, 2019 Commercial Roundtable
(See page 3 for more info)**

Presenters: David Choate – EVP of Colliers International, Dan Scanlon, Colliers International & Steve Weeks, Weeks Commercial Real Estate

This seminar will provide an overview of the commercial marketplace in Southern NH. Each presenter will examine trends in the commercial market including such topics as: owner-user properties; investor demand; valuation trends; lease rates; vacancy rates, operating expenses, net operating income; capitalization rates & income multipliers.

March 19, 2019 2-hr CE Topic TBA

April 4th, 2019 Concord 7 hr. Seminar

April 5th, 2019 Rutland 7 hr. Seminar

**Valuation by Comparison:
Residential Analysis & Logic**

(See page 4 for more info)**

Also, 2-hr CE on the following dates, topics TBA

May 21, 2019

September 17, 2019

November 19, 2019

--SAVE THE DATES--

December 5, 2019

7 hr. **USPAP** Holiday Inn, Concord

December 6, 2019

7 hr. **USPAP**, Rutland, VT

Instructor - Bruce Hunter, MAI

Register for all of these courses here:
www.appraisalinstitute.org/education/



NH-VT Chapter Officers & Directors 2019

President

David Cornell, MAI (outgoing) & Robert Concannon, MAI (incoming)



2019 Officers & Board Members



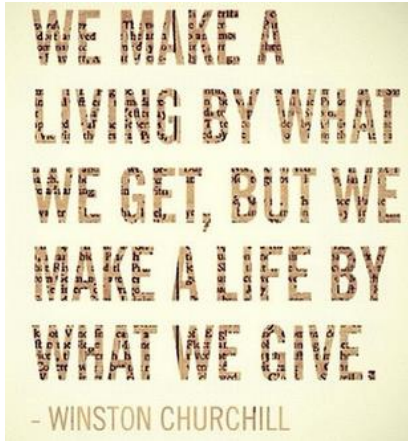
L to R: Brian White, MAI, SRA - Tom Prophet, SRA - Cathy Capron- David Cornell, MAI - Amy McClellan, SRA - Robert Concannon, MAI - Katrina Hill, SRA - Mark McCann, MAI - Ron Lavallee, SRA



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- Ron Lavallee, SRA, Stone Brook Appraisals, LLC, ron@stonebrookappraisals.com
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- Sean Sargent, MAI, SRA sean@sargeantappraisal.com
- Duane Cowell, MAI cwallapp@comcast.net

MEMBERSHIP



Want to become more involved? Our chapter is looking for a Treasurer as well as an Education Committee member.

In 2019, Duane Cowell, MAI, will be stepping down and the Board is looking for someone else to fill the Treasurer position moving forward.

Treasurer duties are changing and will be much less demanding than currently. Please note that our chapter will be transitioning to National handling the bulk of the Treasurer's duties in 2019.

Please contact Cindy if interested in helping. ai.nhchapter@gmail.com

New Members – *Welcome!*

Jennifer Hock – *New Chapter Member & Candidate for the Designation Program.*

Salt Coast RE Valuation, Nashua, NH

Nicholas Bono, SRA -*New Chapter Member. Orleans, Cape Cod, MA*

nick@appraisalsoncape.com

NH-VT Chapter Incoming President, Robert Concannon, MAI
with Appraisal Institute President-Elect for 2019

Stephen S Wagner, MAI, SRA, AI-GRS
taken in Chicago at the Appraisal Institute's
"Chapter Leadership Program"



Education continued from pg. 1... **2019 Course Offerings**

Sponsor: New Hampshire - Vermont Chapter of the Appraisal Institute

Seminar: **New Hampshire Commercial Real Estate Roundtable**

Date: January 15, 2019

Time: 4:00-6:00 PM

Location: Ichiban Japanese Restaurant, 118 Manchester Street, Concord, NH

Presenters: David Choate, Dan Scanlon & Steve Weeks

Seminar Topic: This seminar will provide an overview of the commercial marketplace in Southern New Hampshire. The Seacoast area will be covered by Davie Choate, EVP of Colliers International. Dan Scanlon of Colliers International will provide an overview of the greater Manchester and Nashua areas of the state and Steve Weeks, of Weeks Commercial Real Estate, will concentrate on the greater Lakes Region. Each of the presenters will examine trends in the commercial market including such topics as: owner-user properties; investor demand; valuation trends; lease rates; vacancy rates; operating expenses; net operating income; capitalization rates and income multipliers. A wide range of property types will be discussed including: industrial, retail, office, apartments, net lease properties, residential developments and subdivisions. Each of the presenters will cover their market area and a roundtable Q&A and discussion will follow.

David Choate, EVP has been working in commercial real estate since 1983. While concentrating on the greater Seacoast area of New Hampshire, Mr. Choate also holds real estate licenses in Massachusetts and Maine. He specializes in industrial and office developments along with retail properties and leasing. Mr. Choate is recognized by many as being the top commercial broker of the Seacoast area of New Hampshire.

Dan Scanlon, JD, CCIM has practiced real estate law and was a title insurance agent during the 1980s and has been a consultant to real estate lawyers and title companies since 1990. He provides commercial, industrial and retail brokerage services to users and investors along the I-93 and Route 101 corridors in southern New Hampshire, and also works with residential developers in acquiring land. Dan is the author of Good News Friday, a weekly email update that concentrates on recent real estate happenings throughout New Hampshire.

Steve Weeks, Jr. is a 30-year veteran in the commercial real estate industry. Steve has been involved in more than \$200 million in real estate transactions. His experience includes 14 years with the Flatley Company focusing on Industrial and Office development throughout New England. Steve has established himself as the commercial real estate broker of the Lakes Region of New Hampshire. Mr. Weeks holds a bachelor degree in Economics and Political Science from the University of New Hampshire.

This seminar will be a must attend event for every commercial real estate appraiser that works in New Hampshire. It will also provide residential appraisers with valuable market and valuation information from the larger New Hampshire real estate marketplace.

Education continued from pg. 1...

2019 Course Offerings

Valuation by Comparison: Residential Analysis and Logic

April 4th, 2019 Concord 7 hr. Seminar

April 5th, 2019 Rutland 7 hr. Seminar

Valuation by Comparison: Residential Analysis and Logic

Some AI educational programs may not be approved in every state. Students should [check state approvals](#) prior to registering for any Appra

Classroom

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Updated Version Now Available!

NEW ways to solve appraisal problems...

Real estate markets and residential appraisal requirements have changed significantly due to market volatility and increased oversight which has left residential appraisers searching for new strategies to handle their appraisal assignments. This seminar revisits valuation fundamentals and illustrates why you need data collection and analytical skills more than ever. The seminar uses and is based on the 2018 updated 2nd edition of *Valuation by Comparison*. You'll learn why clients need an appraisal, why you must have appropriate market data, and why it is imperative that you know your market. You'll discover how to find the information you need in markets where data is scarce, inconsistent, or misleading. And you'll explore techniques to accurately interpret and then anticipate the actions of buyers and sellers in today's market. Whether you are an experienced appraiser or newer to the profession, you'll learn about a variety of approaches and resources that are available for gleaning indications of market value, and you'll better understand which items require adjustment and which items can be ignored.

Upon completion of this seminar, participants should be able to:

- Identify factors that affect property prices.
- Select the best tools for market analysis of residential properties.
- Recognize consistency issues in residential appraisals.
- Recognize common search errors and some search tools for use in the future.
- Recognize how the back stories of comparable sales impact sale prices and value opinions in appraisals.
- Understand the logic of sales comparison analysis and the methods for supporting adjustments.
- Recognize and describe the commonly used sales comparison spreadsheets and their logic.
- Extract and apply the rates of adjustment for sales comparison analysis.

2018 EDUCATION REVIEW

September – Amy McClellan

Amy's presentation was a condensed version of the Calypso Education 8-hr class.

Credit given to Calypso Education for allowing us to share this information.



What is the value in energy efficient buildings?

- The cost savings of energy.
- Lower operating costs allow for a higher mortgage.
- Potential higher property value.
- Non-financial value of doing what is right for the environment.
- Remember that cost does not equal value! (Super adequacy).
- National trends are showing that there is value in energy efficient buildings

Appraisal Requirements:

- The appraisal must be in compliance with USPAP
- The appraisal must meet all secondary market guidelines.
- Market data must be supported with market data.
- Support for adjustments must be available.
- Cost alone is not adequate to support an adjustment.
- Per secondary market guidelines, without sales to support adjustments, two methods must be developed. Cost or Income alone is not adequate. Both must be used.
- Adjustments must be explained and supported.
- Approaches to value must be reconciled.
- Provide support in the appraisal report so that you do not have to provide it later: (AI Energy Efficient Addendum or other worksheet, energy report or energy ratings.)
- There are many terms for energy efficient items and your client may not understand things the same way you do. Explain, explain explain and cite sources.
- USPAP requires that you write the appraisal report for the intended user; this can take up to 3 times longer to do when writing an appraisal for an energy efficient property.

“According to recent studies:

- 62% of firms building new single family homes report that they are doing more than 15% of their projects green. By 2018, 84% of them expect this level of green activity.
- 54% of firms building new multifamily projects report that they are doing more than 15% of their projects green. There is also growth expected—with 79% reporting the same level of activity anticipated by 2018.
- In the single family market, the most striking shift is in those firms dedicated to green building (doing more than 90% of their projects green). That percentage is already at 19%, and by 2018, it is expected to double (to 38%)” (NAHB)

Online Education

Learn at your own pace anytime, anywhere.

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2018 EDUCATION REVIEW continued...

October – Timothy Runde
 Green Commercial Seminar



November – Russ Thibeault

In a Nutshell

- ▶ There are risks (inflation, rising interest rates, labor availability) but no immediate dark clouds;
- ▶ US economy continues to show good GDP and job growth figures;
- ▶ Aided by tax cuts, GDP growth is expected to be in the 2.5-3.0% range;
- ▶ Considerable pressure is leading to higher inflation and interest rates (federal debt, energy costs, labor shortages);
- ▶ NH economy remains healthy but growth is constrained by severe labor shortage—State economy will remain healthy but grow at a slower rate;
- ▶ NH real estate market is solid, but constrained by lack of listings—especially in Rockingham and Hillsborough counties;
- ▶ Rising interest rates generate lower housing refi demand and may hamper affordability.

NH Appraisal Institute
Appraising in Uncertain Times

November 2018

Russ Thibeault
Applied Economic Research

NH--Overall: A Mixed Picture, Probably Continued Good NH Economy, Stable Real Estate Market

National Economic Growth	Green
NH Economy	Green
Major Commercial New Ventures	Green
Rental Market Prospects	Green
Housing Price Trends	Yellow
NH Available Labor Supply	Red
NH Demographic Trends	Red
Interest Rate Outlook	Red
Inflation Outlook	Red
Available Housing Inventory	Red
Pace of New Housing Construction	Red
Year To Date Momentum	Yellow

