



Appraisal Institute of Canada
Institut canadien des évaluateurs

2012/13

Annual Update



About AIC

The Appraisal Institute of Canada (AIC) is a leading real property valuation association with over 4,800 members across Canada and around the world. Established in 1938, the AIC works collaboratively with its 10 provincial affiliated associations to grant the distinguished Accredited Appraiser Canadian Institute (AACI™) and Canadian Residential Appraiser (CRA™) designations.

The AIC is a self-regulating organization that is guided by a Code of Ethics, Rules of Professional Conduct, and Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) to ensure that:

- the integrity of the profession is maintained;
- members engage in conduct that will instill confidence and protect the public interest;
- members provide quality services within their areas of competence; and,
- members commit themselves to principles that reflect high standards of professionalism.

AIC-Designated Members are highly qualified, respected professionals who undertake comprehensive curriculum, experience and examination requirements. They are committed to ongoing continuing professional development to maintain the highest level of competency within an evolving marketplace. Our members provide unbiased appraisal, appraisal review and appraisal consulting services on all types of properties within their areas of competence.

Our Mission: To promote and support our members in providing high quality property advisory services for the benefit of clients, employers, and the public.

Designations

AIC-designated appraisers earn one of the following designations.

ACCREDITED APPRAISER CANADIAN INSTITUTE (AACI™):

The AACI designation is granted to individuals who have completed the AACI program of studies and fulfilled all the professional requirements of the Appraisal Institute of Canada. AACI members are qualified to offer valuation and consulting services and expertise for all types of real property.

CANADIAN RESIDENTIAL APPRAISER (CRA™):

The CRA designation is granted to individuals who have completed the CRA program of studies and fulfilled all the professional requirements of the Appraisal Institute of Canada. CRA members are qualified to offer valuation and consulting services and expertise for individual, undeveloped residential dwelling sites and dwellings containing not more than four self-contained family housing units.

President's Message

David Shum, AACI, P.App



This year marks the 75th anniversary of the Appraisal Institute of Canada (AIC) and I have had the privilege of representing the AIC membership, both nationally and internationally. I have worked alongside my colleagues on the Board of Directors to actively leverage new opportunities and address membership concerns. I have also had the pleasure of working with AIC's national and provincial staff who have effectively enabled the Board to focus on strategic decisions.

A few things have become very clear.

- AIC is highly respected and recognized around the world as an established professional association in Canada and an authority in real property appraisals.
- Our volunteers are extremely dedicated and have the interest of not only their colleagues, but the whole membership, at heart. They are driven by the common goal of creating a strong national core that each provincial affiliate can count on to help serve its membership more effectively.
- AIC staff has the expertise and knowledge to help guide AIC in its goal of achieving our strategic plan and future vision.

Our membership is very diverse. We come from different regions with unique market conditions; we have a vast range of experience; and, we specialize in various property types and services. But, it is safe to say that we all have something in common. We strive to produce quality valuation reports and provide intelligent insight on real property issues; we are proud of our designations and our association with the AIC; and, we are committed to our profession.

From the beginning of my term as president, my goal has been to continue taking AIC along a path where we can appreciate our differences and leverage the similarities in

order to move forward collaboratively towards our target of advancing our profession.

I am confident in saying that our team is moving in the right direction and has made significant strides to advance our profession throughout the year. The result of this hard work is outlined in this annual update.

As I hand the reins over to President-Elect, Dan Wilson, AACI, P.App, there are some key opportunities for AIC. We will continue to move forward within each of our strategic pillars by assessing initiatives, evaluating what is working, and ensuring we watch market conditions to bring the best services to our members to help them succeed. The key to success is and continues to be listening to our members.

Thank you all for your support and guidance throughout the year as well as sparking important discussions on what is best for the AIC membership. Through these discussions, we can grow stronger as a national organization –working towards advancing our profession.

LIST OF AIC BOARD MEMBERS 2012-2013

Executive	Directors
President - David Shum, AACI, P.App (AB)	Gregory Bennett, AACI, P.App (NL)
President Elect – Dan Wilson, AACI, P.App (BC)	Dan Brewer, AACI, P.App (ON)
Vice-Presidents	Richard Colbourne, AACI, P.App (NS)
• Daniel Doucet, AACI, P.App (NB)	John Farmer, AACI, P.App (AB)
• Scott Wilson, AACI, P.App (PE)	Thomas Fox, AACI, P.App (SK)
Immediate Past President - Michael Mendela, AACI, P.App, Fellow (ON)	Anne Helliher, AACI, P.App (ON)
	Paula Malcolm-Schaller, CRA (ON)
	Surinder Pal, AACI, P.App (MB)
	John Peebles, AACI, P.App (BC)
	Louis Poirier, AACI, P.App (QC)



CEO's Message

Keith Lancaster, MBA, CAE

AIC has seen significant progress as it continues to focus on aligning its services and projects to the strategic plan. Over the past year, I've travelled across Canada to discuss key issues and opportunities with our members and as a staff team we remain committed to ensuring members receive the service and value they deserve from their professional association.

The AIC Board has approved a number of important initiatives. We have implemented a major change in our Committee structure that will streamline the sharing of information and improve cost efficiencies; there has been significant efforts to strengthen our partnerships with new and existing stakeholders; and we continue to look for innovative ways to provide optimum service and valuable programs throughout the whole membership cycle – from the beginning of

the accreditation process, to achieving a designation, to continuing professional development to retirement.

This renewed approach is starting to yield tangible results. Our membership numbers have steadily grown over the previous year with almost 100 new AIC members joining or changing their membership category from April 2012 to April 2013. What is most exciting is that the future looks bright, with the majority of increases at the entry-level membership categories - Student Member and Candidate Member.

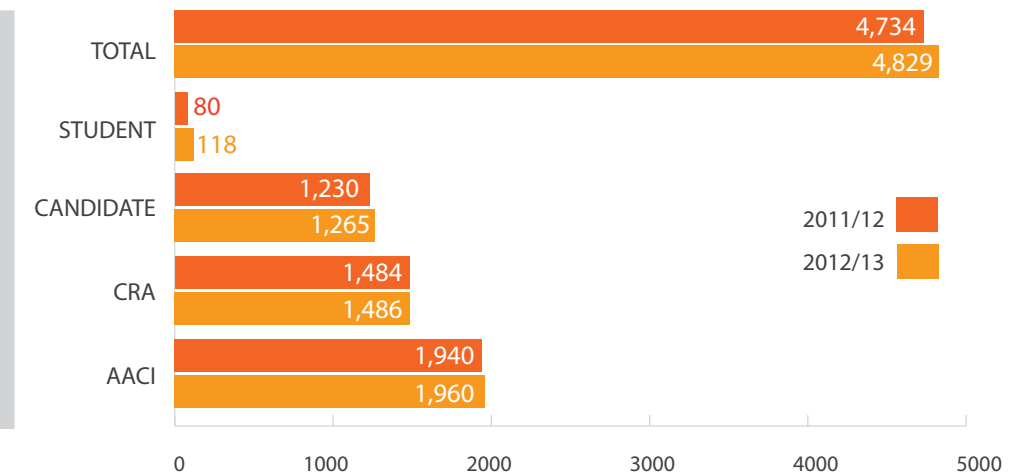
With close to two years at the helm, I'm proud to say that the AIC team – including staff, board members and volunteers - has been working diligently to deliver results for our members under the four strategic pillars:

- Building Relationships;
- Member Growth and Development;
- Governance & Management; and,
- Knowledge & Authority.

The following sections outline the key highlights within each of these areas.

Membership at a Glance

	2011-2012	2012-2013
AACI	1,940	1,960
CRA	1,484	1,486
Candidates	1,230	1,265
Students	80	118
Total	4,734	4,829



AIC MEMBERSHIP STATISTICS- AIC MEMBERSHIP APRIL 10, 2012 TO APRIL 8, 2013

	AACI			CAN			CRA			STU			2012/13 Total	2011/12 Total
	Retired	Active	Total	Retired	Active	Total	Retired	Active	Total	Active	Total			
AB	53	258	311	41	175	216	36	201	237	13	13	777	760	
BC	104	449	553	36	237	273	36	235	271	34	34	1,131	1,133	
MB	17	54	71	6	56	62	0	51	51	14	14	198	185	
NB	8	50	58	3	45	48	1	44	45	0	0	151	153	
NL	3	29	32	2	12	14	4	35	39	4	4	89	83	
NS	17	66	83	6	31	37	12	81	93	4	4	217	215	
NT	0	1	1	0	1	1	0	1	1	0	0	3	4	
NU	0	0	0	1	0	1	0	0	0	0	0	1	0	
ON	78	546	624	54	488	542	75	515	590	37	37	1,793	1,733	
PE	5	14	19	2	8	10	2	21	23	1	1	53	48	
QC	15	90	105	1	4	15	10	65	75	7	7	202	207	
SK	15	57	72	4	38	42	7	45	52	4	4	170	172	
YT	0	1	1	0	0	0	0	3	3	0	0	4	5	
INT'L	15	15	30	2	2	4	2	4	6	0	0	40	36	
Total	330	1,630	1,960	158	1,107	1,265	185	1,301	1,486	118	118	4,829	4,734	

Building Relationships

The Appraisal Institute of Canada continues to position itself as the leading source of professional expertise within the real property industry. It has strengthened its strategic alliances with several organizations to promote AIC Members across Canada.

Key highlights include :

- Hosting Sir David Tweedie, Chair of the International Valuation Standards Committee (IVSC), along with valuation partners, the Royal Institute of Chartered Surveyors (RICS) and the Canadian Institute of Chartered Business Valuators (CICBV) in Toronto. Over 100 representatives from government, financial institutions, and Corporate Canada gathered to learn about Sir David's vision for International Valuation Standards and the impact on the real property industry in Canada.
- Meeting with Federally Regulated Financial Institutions (FRFIs) and Appraisal Management Companies (AMCs) to learn more about their appraisal requirements and needs as well as sharing our members' concerns and solutions to issues.
- Presenting at a Canadian Mortgage and Housing Corporation (CMHC) discussion on fraud prevention in real estate valuation at Canadian Association of Accredited Mortgage Professionals (CAAMP) Fraud Summits in Toronto and Calgary.

- Lecturing on mortgage fraud at the Canadian Police College during a week-long course on investigation of mortgage fraud.
- Promoting AIC at key national conferences, including the 2012 (CAAMP) in Vancouver.
- Working with industry stakeholders to develop the 2013 AIC Residential Form.
- Advertising AIC Members' services within trade publications within the mortgage, legal, and real estate industries.
- Distributing up to \$1500 per province for regional initiatives that promoted AIC members, such as Home & Garden shows, Business events, advertising within local publications, and more.
- Advertising on on-line business school sites and distributing up to \$1000 per province for promotional initiatives that promote the appraisal profession within post-secondary institutions.
- Ensuring greater access to information in both official languages within our publications.
- Providing enriching volunteer opportunities for local members through a community sponsorship of Habitat for Humanity. This year, our Nova Scotia affiliate participated in a build within their own community helping two young families to obtain adequate housing.
- Continually working with our provincial affiliates and volunteers to advance our common goals to ensure the optimum delivery of member services.

Member Growth and Development

To maintain a high level of public trust in professional appraisal practice and to ensure that the Appraisal Institute of Canada's designations remain the most recognized and respected professional designations within the real estate industry, AIC continues to explore ways that our education program remains leading edge throughout the whole cycle of our membership – from obtaining an AIC designation to continuing professional development activities.

Standards of professional appraisal practice, mentorship, peer review, enriching volunteer experiences and professional practice initiatives are just a few of the key initiatives that help AIC members gain the skills and knowledge they need to respond to evolving industry requirements.

Key highlights include:

- Releasing the 2012 CUSPAP and working diligently to draft the CUSPAP 2014 version.
- Revising the AIC Consolidated Regulations to account for improved processes, namely as they relate to the Disciplinary Process.
- Increasing communication to members on professional practice matters and key topical issues impacting the day-to-day practice through regular columns in the Canadian Property Valuation Magazine, Communiqués, and consumer/industry guides.
- Introducing a new one-day Professional Practice Seminar geared towards Designated Members that will be delivered in both classroom and webinar formats.

The two options offer cost-effective alternatives to members all the while maintaining the quality of the session. The two-day seminar is in the process of being redeveloped and is expected to be launched in the second half of 2013.

- Implementing a one-year pilot-project in Québec that allows AIC members to co-sign qualified non-AIC members with appropriate professional liability insurance coverage.
- Conducting research that benchmarked the compensation of AIC members and future demand for designated appraisers.
- Hosting the annual AIC Conference in Ottawa with a full program of educational and topical discussions for member development. Over 350 AIC members attended this year's conference, one of the highest attendances in AIC history.
- Implementing new communication tools such as webinars to improve communication with our members.
- Offering a Behavioural Descriptive Interview (BDI) refresher webinar for AIC's volunteers to ensure cost-efficiencies and convenience for members.
- Continually improving the Complaint Resolution Process by focusing on member education and preventing the reoccurrence of complaints. A number of initiatives have also been implemented to ensure efficient and timely resolution.

Member Growth and Development

- Working to redefine the competencies that will better equip our members to progress into the next decade. This strategic review will allow AIC to continue to position itself as THE professional association of choice for appraisers in Canada and this competency mapping process involves the development of:
 - new competency profiles for AACIs and CRAs;
 - a map of the current AIC program of studies compared to the newly defined AACI and CRA competency profiles; and,
 - a revamped competency based examination ensuring that our Candidates meet the new competency profiles (AACI and CRA).
- Being the best-in-class professional association for appraisers in Canada by ensuring AIC's accreditation process measures up against other similar professional

associations. To do this AIC is benchmarking its programs and policies relating to its accreditation process. This includes examining the overall candidacy journey and the continued professional development process. We will be identifying the strengths and weakness of our accreditation process as well as areas where improvements are needed and new opportunities exist, then developing industry best practices. During the review we will focus on:

- AIC's accreditation process for AACIs and CRAs (candidacy journey);
- AIC's Continuing Professional Development (CPD) program; and
- AIC's related policies including the reinstatement policy.

- Developing a process by which all Candidates would be required to submit three (3) co-signed reports for peer review during their applied experience program. This initiative is meant to be a positive learning experience providing guidance and support to the Candidate while offering an opportunity to educate the co-signer and the mentor and, thus, ensure a higher quality of appraisal reports by AIC members.
- Developing mentoring guidelines for the applied experience program to assist all parties involved in the mentoring process: Candidate, mentor and co-signer.

2012/13 NEW DESIGNATIONS, CANDIDATES AND STUDENT MEMBERS

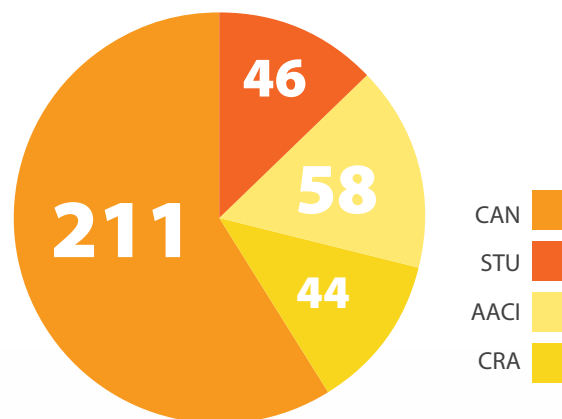
	New AACI Designations	New Candidates	New CRA Designations	New Students
AB	12	4	28	4
BC	10	9	32	9
MB	2	2	17	6
NB	1	1	4	0
NL	0	4	5	3
NS	1	0	7	2
NT	0	0	0	0
NU	0	0	0	0
ON	22	19	106	19
PE	1	2	4	0
QC	3	0	2	2
SK	5	3	5	1
YT	0	0	0	0
INT	1	0	1	0
Grand Total	58	44	211	46



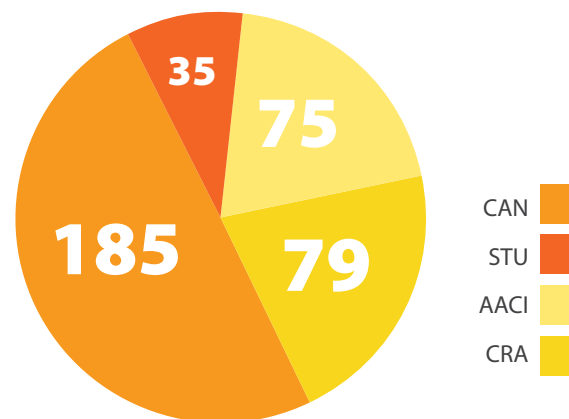
2012/2013 New Designations, Candidates and Student Members

Member Growth and Development

2012/13 NEW DESIGNATIONS,
CANDIDATES AND STUDENT MEMBERS



2011/12 NEW DESIGNATIONS,
CANDIDATES AND STUDENT MEMBERS



Governance & Management

The Appraisal Institute of Canada continues to update its policies and programs to ensure efficient and cost-effective operations.

Key initiatives include:

- Updating the AIC By-laws and Articles of Continuance to comply with Industry Canada's new Not-for-profit Corporations Act.
- Creating a Policy & Procedure manual in collaboration with our provincial affiliates to ensure that the roles & responsibilities are clearly outlined between partners to ensure seamless service to our members.

- Implementing a new committee and sub-committee structure to streamline our governance model to become much more effective and to reduce duplication. New terms of reference have been drafted to outline objectives, responsibilities and committee requirements. New technologies are being utilized to minimize the operational costs for each committee.



Knowledge & Authority

The AIC continues to position itself as “the” authority for real property knowledge within Canada and around the world.

Key initiatives include:

- Submitting a response on behalf of the AIC membership to the Office of the Superintendent of Financial Institution's (OSFI) proposed Mortgage Guidelines leading to the “Residential Mortgage Underwriting Practices and Procedures (B-20)” which was implemented in June 2012.
- Providing AIC-Member representation on the International Valuation Standards Committee (IVSC) as part of the IVSC Advisory Forum which provides guidance to the IVSC Professional Board and the IVSC Standards Board.
- Participating and moderating a session on international valuation issues during the Pan Pacific Congress in Melbourne Australia.
- Working with Public Works and Government Services Canada (PWGSC) as the Development of a Guideline for the valuation of parking rates as well as “green” buildings.
- Delivery presentations to Scouts Canada national leadership on understanding the fundamentals of real estate valuation and advising them on valuation issues related to their properties across Canada.
- Providing expert advice within a Canadian financial institution's customer e-newsletter on the subject of making “smart” choices to improve the value of a home renovation.
- Providing media commentary to mainstream television and national print publications on the role of financial regulatory systems in protection of the Canadian economy. Furthermore, conducting media interviews on the value of home renovations.

