



Appraisal Institute of Canada  
Institut canadien des évaluateurs

# 2015/16 ANNUAL UPDATE



# 2015/16

## Annual Update

### ABOUT AIC

The Appraisal Institute of Canada (AIC) is a leading real property valuation association with over 5,000 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 Bylaws, Regulations, Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP), and a Code of Conduct 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, review, consulting reserve fund planning services and machinery and equipment appraisal services as defined under CUSPAP, 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 hold 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.



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Daniel Doucet, AACI, P.App

## PRESIDENT'S MESSAGE

This year has been an incredible opportunity to serve as president of my professional association. It has been a very rewarding experience and as I travelled across Canada and through several international cities, I was thrilled to see how the AIC, its designations, its standards and, most importantly, its members are recognized by the national and international valuation community as being among the best in the world.

It is a significant accomplishment for our members to establish themselves as “best-in-class” professionals. This reputation is due, in part, to our members’ commitment to complete quality reports and provide trusted advice that add value to their clients’ decisions. It also reflects the progress made in relationships with like-minded valuation organizations in North America and Europe.

### **I am particularly proud of AIC’s accomplishments in the past couple of years, including:**

- renewing affiliation agreements with all of our provincial affiliates;
- initiating a memorandum of understanding (MOU) with Université Laval to provide our course curriculum by distance learning in the French language;
- working actively on reciprocity agreements with like-minded valuation professional organizations (VPOs) such as the Appraisal Institute, The European Group of Valuers’ Associations, International Right-of-Way Association, American Society of Appraisers, and the Ordre des évaluateurs agréés du Québec;
- undertaking a national advocacy initiative in partnership with our provincial affiliates;
- expanding the 2016 Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) to incorporate standards for the valuation of machinery and equipment;
- implementing a Top Appraiser Under 40 Award; and



## DID YOU KNOW

- AIC members completed approximately 1,186,356 appraisals for third-parties in 2015: up 13% from 2014

- AIC members completed third-party appraisals that were valued at more than \$1 Trillion.

*\*Based on the 2016 Insurance Renewal membership questionnaire.*

## LIST OF AIC BOARD MEMBERS 2015-2016

### EXECUTIVE

#### **PRESIDENT**

**Daniel Doucet**, AACI, P.App (NB)

#### **PRESIDENT ELECT**

**Dan Brewer**, AACI, P.App (ON)

#### **VICE-PRESIDENT**

**Richard Colbourne**, AACI, P.App (NS)

#### **VICE-PRESIDENT**

**Thomas Fox**, AACI, P.App (SK)

#### **IMMEDIATE PAST PRESIDENT**

**Scott Wilson**, AACI, P.App, Fellow (PE)

#### **CHIEF EXECUTIVE OFFICER**

**Keith Lancaster**

### DIRECTORS

**Glen Power**, AACI, P.App (NL)

**Daniel Pinard**, AACI, P.App (QC)\*

**Peter McLean**, AACI, P.App (ON)

**Paula Malcolm-Schaller**, CRA (ON)

**Darrell Thorvaldson**, AACI, P.App (MB)

**John Manning**, AACI, P.App (AB)

**Ernie Paustian**, AACI, P.App (AB)

**Daniel Jones**, AACI, P.App (BC)

**Dan Wilson**, AACI, P.App, Fellow (BC)

*\*Louis Poirier, AACI P.App (QC) served on the board until February 2016.*

- achieving international recognition of the AIC, its designations and CUSPAP.

I have come to see first-hand the very important contribution that appraisers make to the Canadian economy. We all know that there is always much more that can be done to build new opportunities for our members, but when we look back, we can see how far we have come in the last few years. I look forward to working with the incoming president, Dan Brewer, AACI, P.App and the rest of the AIC board of directors and staff to continue the great work that is being done.

**Thank-you for the honour of representing AIC members over the past year – it has been a true privilege.**

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Keith Lancastle, CEO

### CEO'S MESSAGE

The Appraisal Institute of Canada (AIC) continued to pursue the objectives of a three year strategic plan with vigor and focus in 2016. The plan continues to promote AIC members as “real estate appraisers of choice” through four specific key results areas:

- Advocacy on Behalf of the Membership – Be the leading voice for the appraisal profession
- Diversification of the Appraisal Professional's Value Proposition – Facilitate efforts for members to strengthen and diversify their skill set to seek expanded markets
- Recognition of AIC Members as Professionals of Choice – Promote AIC members and the full range of valuation services they offer
- A Vibrant and Engaged Membership – Strengthen the AIC through the implementation of effective recruitment and retention strategies

Through our concerted efforts, we are pleased to see that our membership has increased by 4 per cent, with significant growth among the new generation of appraisers – our Candidate Members and Student Members. Our website has received 14 per cent more visitors than

in 2014, and our “Find an Appraiser” online search tool continues to grow, receiving more than 8,000 visits every month (up 16% from last year). AIC has earned media exposure in excess of almost 700 million impressions, and our advertising is targeting our key client groups to provide significant exposure in critical markets. Our social media channels continue to grow in popularity, and we’ve added the new AIC Exchange blog to facilitate the sharing of AIC expertise through these channels.

Most importantly, we have been working to provide new opportunity to our members. CUSPAP 2016 introduces “machinery and equipment” valuation providing another diversification opportunity. New courses have been developed by UBC, such as BUSI 352, to help members further diversify their practice to include areas such as litigation, unique properties, assessment, and other areas of valuation expertise that will complement valuations for mortgage financing purposes.



Our Professional Practice team has delivered professional practice seminars and continuous professional development opportunities that are convenient and relevant in today's marketplace. The Admissions and Accreditation team has successfully integrated professional studies in both English and French to ensure our Candidate Members are well prepared for their future careers. And, our Communication team is leading the charge for a truly national advocacy program that involves and empowers our

provincial affiliates to stay on top of policies and regulations that affect our members at a provincial and federal level.

On behalf of the AIC team, we are pleased to present the 2015-2016 Annual Update which will provide more details on the key activities within each of the four strategic pillars as outlined in the 2015-2018 strategic plan.

## Membership at a Glance

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
<b>AACI</b>	1,940	1,960	2,002	2,001	2,011
<b>CRA</b>	1,484	1,486	1,498	1,475	1,469
<b>CANDIDATES</b>	1,230	1,265	1,304	1,347	1,520
<b>STUDENTS</b>	80	118	150	184	221
<b>TOTAL</b>	4,734	4,829	4,954	5,007	5,221



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### Membership at a Glance – April 1, 2015 to April 1, 2016

AACI			AACI	CRA		CRA	Candidate		Candidate	Student	2015-2016 Grand Total	2014-2015
	Retired	Active	Total	Retired	Active	Total	Retired	Active	Total	Total	Total	
<b>AB</b>	57	265	322	33	193	226	35	188	223	21	<b>792</b>	794
<b>BC</b>	123	442	565	47	232	279	31	245	276	39	<b>1,159</b>	1,109
<b>INT</b>	16	11	27	2	5	7	1	2	3	1	<b>38</b>	38
<b>MB</b>	19	55	74	2	47	49	3	70	73	28	<b>224</b>	220
<b>NB</b>	12	47	59	2	43	45	5	45	50	0	<b>154</b>	157
<b>NL</b>	4	29	33	5	35	40	2	10	12	5	<b>90</b>	89
<b>NS</b>	15	65	80	12	76	88	3	43	46	3	<b>217</b>	214
<b>NT</b>	0	2	2	0	0	0	0	2	2	0	<b>4</b>	4
<b>NU</b>	0	0	0	0	0	0	0	0	0	0	<b>0</b>	0
<b>ON</b>	97	550	647	81	513	594	57	695	752	104	<b>2,097</b>	1,942
<b>PE</b>	2	15	17	3	21	24	3	8	11	1	<b>53</b>	54
<b>QC</b>	16	88	104	5	56	61	1	19	20	12	<b>197</b>	198
<b>SK</b>	20	60	80	6	47	53	1	48	49	7	<b>189</b>	182
<b>YT</b>	0	1	1	0	3	3	0	3	3	0	<b>7</b>	6
<b>Total</b>	<b>381</b>	<b>1,630</b>	<b>2,011</b>	<b>198</b>	<b>1,271</b>	<b>1,469</b>	<b>142</b>	<b>1,378</b>	<b>1,520</b>	<b>221</b>	<b>5,221</b>	<b>5,007</b>



## ADVOCACY ON BEHALF OF THE MEMBERSHIP – BE THE LEADING VOICE FOR THE APPRAISAL PROFESSION

Advocacy was a focal point for AIC national and provincial affiliates in 2016. The key issues being discussed included members' concerns regarding pressure on fees and turn-around times, access to affordable data, over-reliance on automated valuation models and lack of awareness of the importance of the appraisal process.

All these issues were positioned to emphasize the role that appraisal professionals play in mitigating risk and protecting consumers. Several key results were achieved, including:

- Launching a new Advocacy Sub-Committee, with national, provincial and staff representatives. An annual face-to-face strategy session and quarterly teleconferences were held to discuss issues, lessons learned and the resources that are needed to represent AIC effectively among federal and provincial governments, stakeholders and consumers;
- Meeting with Federally Regulated Financial Institutions (FRFIs) and conducting regular discussions with Appraisal Management Companies (AMCs) to learn more about their appraisal requirements and needs; sharing our members' concerns; and identifying ways that we can find solutions that address these concerns;
- Meeting with Members of Parliament who are on the federal Standing Committee on Finance as well as policy advisors within the offices of the Minister of Finance, Minister of National Revenue and the Department of Finance;
- Meeting with partners such as the Financial Consumer Agency of Canada, the Canadian Mortgage and Housing Corporation, Office of the Superintendent of Financial Institutions, Canadian Mortgage Professionals, Mortgage Broker Regulators Council of Canada, and others. These meeting resulted in the sharing information, research and resources;
- Submitting a proposal to the federal government's 2016 Pre-Budget Consultations and participating in the 2016 Stakeholder Pre-Budget Lockup prior to release of the 2016 Federal Budget;
- Supporting several provinces in their efforts to educate and influence provincial issues with key messages, media support, and communication material;
- Implementing regular online member surveys to obtain members' opinions on issues affecting them within their own region;
- Communicating AIC's "Advocacy in Action" through regular articles in CPV publications, online and social media channels; and
- Advertising in publications and online sites that reach federal government audiences.

## **DIVERSIFICATION OF THE APPRAISAL PROFESSIONAL'S VALUE PROPOSITION – FACILITATE EFFORTS FOR MEMBERS TO STRENGTHEN AND DIVERSIFY THEIR SKILL SET TO SEEK EXPANDED MARKETS**

To facilitate our members' success, AIC provided new opportunities for members to diversify their practice and experience. These activities included:

- Developing a new course, BUSI-352 – Case Studies in Residential Appraisal, to enhance AIC members' ability to expand their practice into areas outside of mortgage financing appraisals. This included areas such as litigation, assessment, unique properties, appraisal review and other services;
- Sharing member stories about their path to diversifying their practice – through the Canadian Property Valuation publication as well as a new webpage – “Meet our Members”;
- Releasing the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) 2016 which has been expanded to provide new standards for the appraisal of machinery and equipment;
- Negotiating reciprocity agreements with like-minded VPOs such as the Appraisal Institute, The European Group of Valuers' Associations, International Right-of-Way Association, American Society of Appraisers, and the Ordre des évaluateurs agréés du Québec; and
- Hosting continuous professional development courses – in classrooms and through webinars – to provide convenient learning opportunities to AIC members.





## RECOGNITION OF AIC MEMBERS AS PROFESSIONALS OF CHOICE – PROMOTE AIC MEMBERS AND THE FULL RANGE OF VALUATION SERVICES THEY OFFER

The awareness of AIC has increased through a consistent approach to messaging and branding throughout the last few years. Several new initiatives include:

- Adding new targeted advertisements to our inventory to further focus our messaging and placement to our key audiences – mortgage brokers, real estate agents and brokers, government;
- Promoting AIC members at national events, including the 2015 CAAMP National Conference, the 2015 Toronto Real Estate Forum; and the 2015 Credit Union Professionals Association Conference;
- Being interviewed by national mainstream media as well as proactively distributing AIC news through Canadian media channels to earn almost 700 million impressions in national and international media outlets;
- Being strategic with limited advertising budgets to earn close to 15 million impressions within trade and national publications;
- Focusing our attention on gaining more followers on social media channels -Twitter, Facebook and LinkedIn - by providing relevant and engaging content;
- Launching the AIC Exchange, a new blog that will facilitate the online sharing of AIC members' knowledge and authority;
- Developing a Renovation Brochure to provide consumer advice regarding "smart renovations" while also positioning the need to engage an appraiser to provide trusted advice;
- Increasing the number of visitors to the AIC website by 14% and attracting more than 100,000 visitors to the Find an Appraiser page;
- Continually working with our provincial affiliates, chapters and volunteers to deliver exceptional service and resources to members. This includes customizing ads for local markets, providing articles, and delivering AIC-branded resources; and
- Offering financial support to provincial affiliates to promote AIC members at the local level, such as trade shows, business events, advertising within local publications, etc.





## MORTGAGE BROKERS VALUE TIM'S OPINION

Tim is an AIC-designated appraiser, a Canadian real estate valuation expert. Mortgage brokers rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – to provide an unbiased and independent opinion of the value of real estate assets during mortgage financing and refinancing, underwriting and feasibility studies and more. If it involves real estate, involve an AIC-designated appraiser.

Mortgage Finance Valuations | Consulting  
Appraisal Review | Pre-Sale Market Value Appraisals

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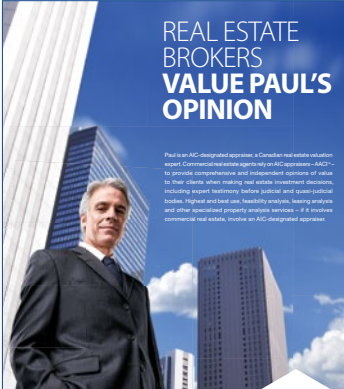
## FINANCIAL EXPERTS VALUE DIANE'S OPINION

Diane is an AIC-designated appraiser, a Canadian real estate valuation expert. Accountants, investors and financial planners rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – for unbiased opinions and trusted advice on the value of real estate, including expert testimony before judicial and quasi-judicial bodies. Property taxes, estate settlements, foreclosure, refinancing, planning, capital gains tax, asset management, PPS, mergers, acquisitions, and more. If it involves real estate, involve an AIC-designated appraiser.

Valuations | Consulting | Appraisal Review | Due Diligence

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## REAL ESTATE BROKERS VALUE PAUL'S OPINION

Paul is an AIC-designated appraiser, a Canadian real estate valuation expert. Commercial real estate agents rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – to provide comprehensive and independent opinions of value to their clients when making real estate investment decisions, including asset testimony before judicial and quasi-judicial bodies. Highest and best use, feasibility analysis, leasing analysis and other commercial property services. If it involves commercial real estate, involve an AIC-designated appraiser.

Valuations | Consulting | Appraisal Review | Reserve Fund Studies | Due Diligence

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## PROPERTY MANAGERS VALUE ALEX'S OPINION

Alex is an AIC-designated appraiser, a Canadian real estate valuation expert. Property managers and condominium owners rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – to provide an unbiased and independent opinion for reserve fund studies, depreciation reports, settling marital assets and market value, profitability analysis and more. When legal disputes call for valuations from expert witnesses, AIC-designated appraisers are also expert witnesses of choice and recognized by judicial and quasi-judicial bodies. If it involves real estate, involve an AIC-designated appraiser.

Valuations | Consulting | Appraisal Review | Reserve Fund Studies | Due Diligence

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## REALTORS<sup>®</sup> VALUE JASMINE'S OPINION

Jasmine is an AIC-designated appraiser, a Canadian real estate valuation expert. Residential Realtors<sup>®</sup> rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – to provide comprehensive and independent opinions of value to their clients when purchasing or selling a home. This due diligence helps clients make fully informed property decisions. If it involves residential real estate, involve an AIC-designated appraiser.

Mortgage Finance Valuations | Consulting  
Appraisal Review | Pre-Sale Market Value Appraisals

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## LAWYERS VALUE LAURA'S OPINION

Laura is an AIC-designated appraiser, a Canadian real estate valuation expert. Lawyers rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – to provide an unbiased and independent opinion of the value of real estate assets for a wide range of issues, including matrimonial disputes, bankruptcy proceedings, tax fraud, reorganization, property tax appeals, foreclosures, partner disputes, estate planning, or proceeds of crime. AIC-designated appraisers are also expert witnesses of choice and recognized by judicial and quasi-judicial bodies. If it involves real estate, involve an AIC-designated appraiser.

Valuations | Consulting | Appraisal Review | Due Diligence

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## GOVERNMENTS VALUE SIMON'S OPINION

Simon is an AIC-designated appraiser, a Canadian real estate valuation expert. Municipal, provincial and federal governments rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – for unbiased, knowledgeable and unbiased opinions about public property, including depreciation, right-of-way, assessments, market rent analysis, acquisitions, disposals, income tax and property tax valuation, highest and best use and more. If it involves real estate, involve an AIC-designated appraiser.

Valuations | Consulting | Appraisal Review | Due Diligence

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## TRUSTEES VALUE PAUL'S OPINION

Paul is an AIC-designated appraiser, a Canadian real estate valuation expert. Trustworthy trustees rely on AIC appraisers – AACI<sup>®</sup> and CRA<sup>™</sup> – for unbiased opinions and trusted advice on the value of the real estate involved in refinancing, debt restructuring, or bankruptcy proceedings including expert testimony before judicial and quasi-judicial bodies. If it involves real estate, involve an AIC-designated appraiser.

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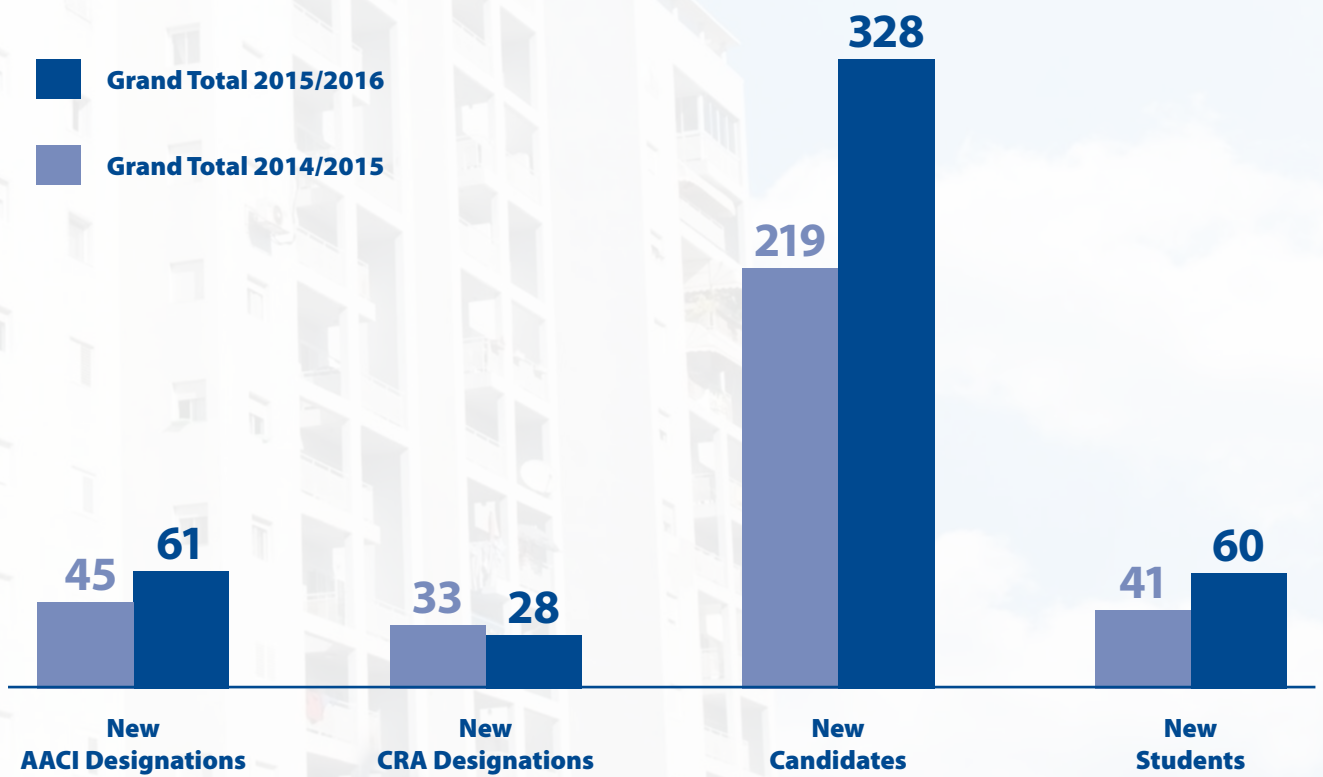
### A VIBRANT AND ENGAGED MEMBERSHIP

Strengthen the AIC through the implementation of effective recruitment and retention strategies

While many professional associations are experiencing challenges in attracting and retaining members, AIC continues to grow its membership base, especially with new Candidate and Student Members. There are many new initiatives contributing to this growth, including:

- Hosting a monthly session to introduce individuals to the profession. In 2015, AIC had almost 700 participants in the AIC 101- Introduction to the Appraisal Profession webinar;
- Introducing a new award, the Top Appraiser Under 40, to recognize AIC's young talent and to promote volunteerism and leadership among the new generation of appraisers;
- Engaging more than 300 volunteers across the country in various committee, events and national initiatives;
- Introducing the AIC's French Program of Professional Study within the Université Laval as well as enhancing our partnership with the University of British Columbia to update and evolve the English Program of Professional Study;
- Providing more online Professional Practice Seminars and Continuous Professional Development (CPD) opportunities to ensure that members were able to complete their professional development requirement for the 2015-2016 CPD cycle;
- Providing monthly e-newsletters to update members on professional practice issues, events and other valuation news;
- Providing a quarterly publication, the Canadian Property Valuation, that shares members' expertise and technical experience;
- Increasing the capacity of peer reviewers to provide Candidate members with more timely feedback on their Work Product Review;
- Engaging the membership in the annual "Canada Day Photo Contest" and developing the AIC 2016 calendar to reinforce the contribution our members make to communities across Canada;
- Recognizing new members through the "Future is Bright" column in the Canadian Property Valuation (CPV) to share the diversity of career paths open to AIC members;
- Hosting more than 350 AIC members at the annual AIC Conference in Kelowna with a full program of educational discussions for member development and,
- Promoting the appraisal profession on mainstream on-line sites such as Facebook, YouTube, LinkedIn and Kijiji as well as job-search sites such as Monster. This exposure provided 17 million impressions and enabled the [www.aicanada.ca/become-an-appraiser](http://www.aicanada.ca/become-an-appraiser) page to be one of the top visited pages on the AIC website.





Growth and Development

### A SNAPSHOT OF AIC ACTIVITIES



**38% increase in residential appraisals completed for third-party clients in 2015.**  
974,851 appraisals in 2015 vs. 707,699 appraisals in 2014



**Increase of 14% in total visitors to the AIC website;** 51% are new visitors; and, 49% are repeat visitors.



**19% increase in non-residential appraisals completed for third-party clients in 2015.**  
211,265 appraisals in 2015 vs 176,925 appraisals in 2014



**Approximately 15 million impressions were earned through online and print advertisements** within targeted publications/sites to promote AIC members and the AIC-designated appraiser career



**697 participants completed the AIC-101:**  
*Introduction to the Appraisal Profession*



**More than 700 million impressions were earned nationally and internationally** with media relations activity



**12.6% increase in students registered with the AIC Program of Studies since 2014.** (1,120 vs 995)



**Increase in activity within social media channels including 23% increase in Facebook likes; 51% increase in Twitter followers; and, 10% increase in LinkedIn.**



**918 members participated in the one-day Professional Practice Seminar** delivered in webinar format



**Over 25,000 copies of Canadian Property Valuator (CPV) distributed annually** to members, clients and industry stakeholders



**Average of 8,410 searches per month** on the 'Find an Appraiser' tool on AIC's website



**Average of 65 jobs posted/month** by various employers across the country in the "career opportunity" section of the AIC website.