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Focused on promoting AIC members and the profession



George Maurice
AAI, P. App, AIC President

Q What is your current position with the Bank of Nova Scotia?

I have been with the bank as the senior appraiser for the past four years. My role is primarily to review and advise on appraisals for properties that are out of the ordinary in some way or another. Whether it is a particularly high dollar amount, unique property or building characteristics, or an unusual location, management wants to know the relative market trends and whether or not the bank should proceed with the transaction.

Does your background as an AAI suit you well for these responsibilities?

Without question. The well-rounded, multi-disciplinary training of an AAI is ideal for the bank's needs. From market value assessments and tax appeals to expropriations and foreclosures, from dealing with lawyers to automated valuation models, from highest and best use to point-in-time appraisals, the diverse education and experience of an AAI is ideally suited to dealing with a wide variety of properties and business transactions. That is why my involvement with the appraisal profession and my relationship with appraisers on staff and all across the country are so important. Appraisers are the bank's eyes and ears – they provide the credible information relevant to what exists in the market.

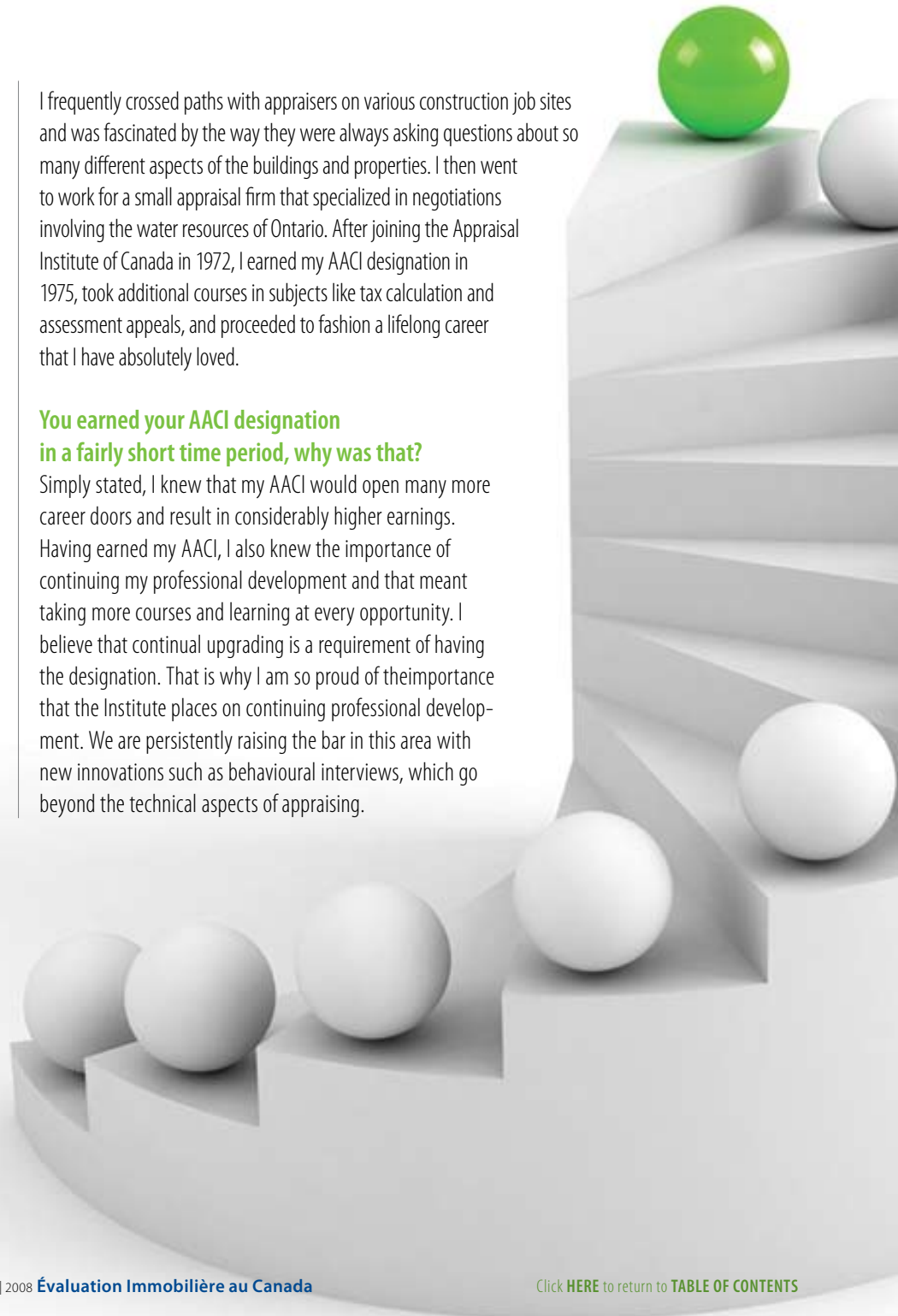
Is that what attracted you to the profession?

I actually started out selling equipment in the construction industry. Fortunately,

I frequently crossed paths with appraisers on various construction job sites and was fascinated by the way they were always asking questions about so many different aspects of the buildings and properties. I then went to work for a small appraisal firm that specialized in negotiations involving the water resources of Ontario. After joining the Appraisal Institute of Canada in 1972, I earned my AAI designation in 1975, took additional courses in subjects like tax calculation and assessment appeals, and proceeded to fashion a lifelong career that I have absolutely loved.

You earned your AAI designation in a fairly short time period, why was that?

Simply stated, I knew that my AAI would open many more career doors and result in considerably higher earnings. Having earned my AAI, I also knew the importance of continuing my professional development and that meant taking more courses and learning at every opportunity. I believe that continual upgrading is a requirement of having the designation. That is why I am so proud of the importance that the Institute places on continuing professional development. We are persistently raising the bar in this area with new innovations such as behavioural interviews, which go beyond the technical aspects of appraising.



“On an individual basis, we have to adapt to a changing world and a profession where nothing remains static.”

As well as taking courses on an ongoing basis, over the years you have also taught. How did that come about and why is it so important to you?

I always had excellent instructors along the way and felt that it was important to attempt to provide quality instructions for others in the field. As a result, I have taught courses through the Institute, at Seneca College, and now through an online tutoring program with the University of British Columbia (UBC). I find it very satisfying to have an opportunity to influence people and see them succeed to the point where they become CRAs or AACIs. It is tremendously rewarding for me. I regularly get letters from students and have contacts throughout the country as a result of my teaching experiences.

As well as teaching, you have also enhanced the profession through a variety of volunteer activities. Can you tell us about those?

Being part of the Toronto Chapter, I was asked early on to serve on some of the Chapter's committees, which ultimately led to becoming Chapter Chair. That was followed by volunteer time at the Ontario provincial level, where I rose to the position of President. After a time away from such activities, I was eventually encouraged to participate at the national level. That resulted in serving on different committees, then on the Board of Directors, and, eventually, the presidency. While there were sacrifices in time and the occasional missed family event, I can say without hesitation that I received much more from volunteering than I was ever asked to give. Over the years, I have come to know and network with many wonderful, talented people who have challenged me to think and grow. There is also immense pleasure in actively doing something to make our profession better. In a less formal capacity, I am also proud to have served as a mentor to younger appraisers. I was fortunate to have had a wonderful man named George Lee to guide me every step of the way along my career journey, until he passed away a while back. In fact George's son, Michael, is now an appraiser and it has meant a great deal to me to have played a small role in his career.

Why is continuing professional development so important to our profession?

Education is how a profession grows and the Institute is doing excellent work in this regard. We have bursary awards at Seneca, UBC, Langara College and UQAM. As well,

we hold career nights that are proving to be very popular networking opportunities. It is all about giving people in our profession the tools to stay current and to succeed.

On an individual basis, we have to adapt to a changing world and a profession where nothing remains static. The world is getting smaller and the way in which properties must be evaluated is continually changing to meet the demands of the marketplace. There are many different courses out there and members should take them whenever possible. Our annual conference plays an important role in this as well. Attending the educational sessions and networking with fellow appraisers from across the country to learn how they are dealing with valuation challenges in their areas is a great way to expand personal horizons and knowledge.

One area where the marketplace has really changed is the increasing incidence of fraud. Having led the Institute's Ad Hoc Real Estate Fraud Task Force over the past year, what is taking place on that front?

Fraud certainly is on the upswing and it is a much larger problem than the public realizes. Unfortunately, people often do not know who gets affected by the fraud that goes on. For example, fraudulent or false real estate values ultimately affect tax assessments which, in turn, can affect everyone. The bottom line is that it is a bad situation and we all have to do our part to rectify it. It is important for appraisers to realize that we are the first line of defence. When we are valuing properties, we can take measures to ensure that

the party buying or selling a property is really who they claim to be and that the values being claimed are truly accurate. By doing simple things like asking to see tax and utility bills, we can help identify the real owners of the properties. Asking questions and seeking the correct answers is one of the roles we are there to fill. From an Institute standpoint, we are also involved in solving the problem. For example, the Ontario government has a formal committee looking into real estate fraud and the AIC is part of that committee. Appraisers can certainly play a very big part in dealing with this problem.

What about changes to the International Financial Reporting Standards (IFRS), which represents another issue requiring attention?

Brad Wagar, an AIC Past-President and AIC's IVSC representative, has been very active on issues concerning IFRS and has been bringing reports back to our Board. We have voted to support its implementation and to ensure that our educational courses will prepare our members to effectively deal with the new standards. On the surface, some members may wonder what impact IFRS will have on them here in Canada, but, with today's global economy, companies that trade internationally will have to base values on international guidelines and these reporting standards will influence the way property portfolios are handled. It will undoubtedly present challenges and opportunities for which we have to be prepared.

With so much changing around us, the Institute is embarking on a marketing initiative to reposition the organization. Why is such an initiative important at this time and what kind of progress are we making?

We have done a relatively poor job in the past of promoting the AIC and its members as being the best in the country. By that I mean letting people know who we are, why we are qualified to do what we do, and why we should be the ones contacted and involved in all types of real property transactions. Our members know

that we cannot afford to waste any more time in getting our message out there and I believe that, for the first time, AIC, our provincial partners and individual members are all supportive and excited about moving forward in unison on this specific marketing initiative.

"We cannot afford to waste any more time in getting our message out there."

As for progress to date, I believe it has been significant on many fronts. We had a marketing plan rollout at our conference in St. John's. Part of this process involved 10 marketing champions, as we have chosen to call them, participating in a marketing workshop with provincial executive directors. With an expressed interest in marketing, these volunteers (one from each province) were provided with information and a tool kit which enables them to return to their provinces and be catalysts in 'spreading the word' with their Boards, other members and industry stakeholders. A similar workshop will be held at next year's conference.

Included with this issue of the magazine, AIC members received a tool kit on CD containing information on how appraisers can market themselves.

Even small things like the development and introduction of our AACI and CRA lapel pins now gives members a visible way to show the pride they take in belonging to the AIC and in achieving their designations. One member told me how someone specifically commented on his pin and asked about its significance. It is definitely a badge of pride.

To further help appraisers get the message out, the conference provided us with the opportunity to launch a corporate brochure, which promotes our profession in a highly visible, easy to read, yet prestigious manner. These brochures are for member use and orders are coming in for them by the thousands. We

originally printed 50,000 copies and, judging by their popularity, it looks like we will be going into a second printing in very short order.

A full scale advertising campaign is being undertaken by the Institute this fall with ads appearing in various national media.

On the high tech side of things, we have totally redesigned our web site to be much more interactive between the Institute, the provinces and individual members. It will offer seamless updating of information and provide such tools as professionally designed advertisements that members can access and use in local and regional markets.

There are also a number of other recent developments that play a significant role in the positive recognition we are earning. At our St. John's conference, we introduced and awarded Honorary AACI designations to a number of distinguished individuals who are not members of the Institute, but who work with our members, recognize our contributions to the real estate valuation process, and promote us in a variety of ways throughout the worlds of academia, business and government. The fact that these people have so proudly received their honorary designations reflects very positively on us. (See article on page 18) We also have been very active with the public and private sectors through our advisory committees and advocacy groups. Realizing that our profession works so closely with other stakeholders, who all have different needs and views, we are working diligently to develop and maintain open, two-way communication that will help us ensure that we continue to meet their evolving needs. The benefits from these activities are immense even though they often take place behind the scenes.

What role can individual appraisers play in getting the message out?

Members across the country can extend everything that we are able to do as a national organization. They are in the trenches day in and day out, meeting with bankers, lawyers, politicians, homeowners and business people. If they make their presence known, talk about

“We have a great Institute and a great profession that will only get better with each and every one of us pulling in the same direction.”

the profession at every opportunity, expand on the national communications . . . and do so with a consistent message, it can do nothing but reflect on them as industry leaders and enhance their business dealings. Imagine if 5,000 appraisers coast-to-coast made even one presentation to their local community and business groups. The impact of such a collective communication effort would be huge.

With all of this ongoing activity, what goals have you established for yourself as President and for the Board of Directors in the year ahead?

My number one personal goal is to ensure that our strategic plan continues to be acted upon in a positive fashion. Since promoting our profession and our members is at the forefront of that plan right now, I will do whatever it takes to enhance that process. I am here to represent the members, so, if someone needs me or wants me, I will be there to tell our story, to provide support, to listen to ideas and criticisms, and to strengthen the communication channels.

For our Board of Directors, I want to ensure that we know the issues; are prepared to contribute at meetings; treat each other with respect, acknowledge occasional diverse viewpoints; and put our shoulders to the wheel to get things done. I have no doubt that it is going to be an exciting, challenging and enriching year for all of us.

Do you have any final thoughts that you would like to share with members?

That they embrace the challenges and changes coming at us so rapidly and see them as opportunities to be seized. Whether we are AACIs, CRAs, Candidates or Students, we are all appraisers affected by the ongoing changes. Candidates and CRAs with degrees

are the future of our profession. Due to their involvement with residential appraisals, these members may be more in the public eye than AACIs. As such, they can certainly play a huge role in continuing to elevate our profession beyond where we are today. We are viewed

as leaders nationally and internationally and we must work even harder to enhance that recognition. We have a great Institute and a great profession that will only get better with each and every one of us pulling in the same direction. 🚩

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George Maurice
AACI, P. App, Président de l'ICE

Q Quel est votre poste actuel à la Banque de la Nouvelle-Écosse?

Je suis évaluateur principal à la banque depuis les quatre dernières années. Mon rôle consiste principalement à fournir des services d'examen et des conseils relativement aux propriétés qui, d'une façon ou l'autre, sortent quelque peu de l'ordinaire. Qu'il s'agisse d'une valeur monétaire particulièrement élevée, de caractéristiques uniques relativement à une propriété ou à un édifice ou d'un emplacement inhabituel, la direction veut connaître les tendances relatives

du marché afin de déterminer si la banque doit ou non donner suite à la transaction.

Vos antécédents comme AACI conviennent-ils à ces responsabilités?

Sans aucun doute. La formation complète et multidisciplinaire d'un AACI convient parfaitement aux besoins de la banque. Que ce soit l'établissement de la valeur marchande, d'appels en matière d'impôts fonciers, d'expropriations ou de forclusions, qu'il s'agisse de

traiter avec les avocats ou les modèles automatisés d'évaluation, de l'utilisation optimale ou de simples évaluations, l'éducation et l'expérience variées d'un AACI convient à une variété d'applications relatives aux propriétés et aux transactions commerciales. C'est pourquoi mon implication dans la profession d'évaluateur et mon rapport avec les évaluateurs qui sont membres du personnel et ceux de tout le pays sont si importants. Les évaluateurs sont en quelque sorte les yeux et les oreilles de la banque. Ils fournissent de l'information crédible au sujet de ce qui existe sur le marché.

Peut-on dire que c'est ce qui vous a attiré vers la profession?

En fait, j'ai commencé dans la vie comme vendeur d'équipement dans l'industrie de la construction. Heureusement, j'ai souvent rencontré des évaluateurs sur divers chantiers de construction et j'étais fasciné par les questions qu'ils posaient au sujet des différents aspects des édifices et propriétés. J'ai ensuite commencé à travailler pour le compte d'un petit cabinet d'évaluateurs spécialisé dans les négociations touchant les ressources hydrologiques de l'Ontario. Je me suis joint à l'Institut canadien des évaluateurs en 1972 et c'est en 1975 que j'obtenais le titre professionnel AACI. J'ai suivi quelques cours supplémentaires dans des

*« Chacun doit s'adapter à un monde en constante évolution
et à une profession plus que dynamique. »*

domaines comme le calcul de l'impôt et les appels d'évaluation et j'ai ensuite amorcé une carrière que j'adore.

Vous avez obtenu votre titre AACI en relativement peu de temps.

Comment y êtes-vous parvenu?

En termes simples, je savais que le titre AACI me donnerait accès à un plus grand nombre d'occasions de carrière et à des revenus considérablement plus élevés. Après l'obtention du titre AACI, j'ai bien compris l'importance du perfectionnement continu, ce qui signifiait encore plus de cours et un apprentissage plus approfondi à chaque occasion qui se présentait. Je croyais sincèrement que le perfectionnement continu allait de paire avec le titre professionnel. C'est pourquoi je suis si fier de l'importance que l'Institut accorde au perfectionnement professionnel continu. Nous élevons constamment la barre à ce chapitre avec de nouvelles techniques comme celles des entrevues fondées sur le comportement qui vont bien au delà des aspects techniques de l'évaluation.

En plus de suivre des cours régulièrement, vous avez aussi enseigné au fil des ans. Comment êtes-vous arrivé à ce stade et pourquoi cela est-il si important pour vous?

J'ai toujours eu d'excellents instructeurs en cours de route et j'étais d'avis qu'il était important que les autres qui oeuvrent dans le domaine reçoivent aussi un enseignement de qualité. Comme résultat, j'ai donné des cours par le biais de l'Institut au Collège Seneca et je participe

actuellement à un programme de tutorat en ligne de l'Université de la Colombie-Britannique (U.C.-B.). Je trouve très encourageante l'idée de pouvoir influencer les gens et de les voir réussir à obtenir le titre CRA ou AACI. Cela est très enrichissant pour moi. Comme résultat de mon expérience dans l'enseignement, je reçois maintenant régulièrement des lettres d'étudiants et j'ai forgé des relations à l'échelle du pays.

En plus de l'enseignement, vous avez aussi contribué à l'amélioration de la profession par une variété d'activités de bénévolat. Auriez-vous l'obligeance de nous en parler?

Faisant partie du Chapitre de Toronto, on m'a demandé dès le début de siéger à divers comités du Chapitre dont j'ai éventuellement assumé la présidence. Cette période a été suivie par du bénévolat au niveau de la province de l'Ontario où j'ai assumé la présidence de l'association. Après m'être éloigné quelque peu de ces activités, je fus encouragé à participer à l'échelle nationale. J'ai donc siégé encore une fois à divers comités et au Conseil d'administration avant d'assumer la présidence. Bien que j'ai dû sacrifier un peu de mon temps personnel et raté quelques réunions familiales, je m'empresse d'ajouter sans hésitation que j'ai retiré beaucoup plus de mes expériences de bénévolat qu'on m'a demandé de donner. Au fil des ans, j'ai appris à connaître et à réseauter avec des gens magnifiques et très compétents qui m'ont porté à réfléchir et contribué à

mon avancement. Aussi, on retire un plaisir immense à faire quelque chose qui contribue à améliorer notre profession. Dans un rôle moins officiel peut-être, je suis très fier d'avoir servi de mentor à des évaluateurs plus jeunes. J'ai eu l'occasion de rencontrer George Lee, un homme sans pareil, qui m'a guidé tout au long de ma carrière, en fait jusqu'à son décès il y a quelque temps. Son fils Michael est maintenant évaluateur et il m'a fait un grand plaisir de jouer un petit rôle sans sa carrière.

Pourquoi le perfectionnement professionnel continu est-il si important dans notre profession?

C'est par l'éducation qu'une profession prend de l'ampleur et l'Institut fait de l'excellent travail à ce niveau. Nous offrons des bourses à Seneca, l'U.C.-B., au Collège Langara et à l'UQAM. Également, nous tenons des soirées de discussions sur nos carrières qui se veulent des occasions de réseautage très populaires. Il s'agit en fait de donner aux gens qui oeuvrent dans le domaine les outils nécessaires pour rester à l'affût des plus récents progrès et réussir.

Chacun doit s'adapter à un monde en constante évolution et à une profession plus que dynamique. Le monde est maintenant d'accès facile et la façon dont les propriétés doivent être évaluées change constamment en réponse aux demandes et aux besoins du marché. Plusieurs cours sont disponibles et, dans la mesure du possible, les membres devraient s'y inscrire. Notre conférence annuelle joue aussi un rôle important à ce chapitre. La participation aux sessions pédagogiques et le réseautage avec nos collègues

de tout le pays qui permet d'apprendre comment ils relèvent les défis dans leurs secteurs respectifs est une excellente façon de repousser nos horizons et de parfaire nos connaissances.

Un secteur du marché qui a beaucoup changé est l'incidence accrue de fraude. Après avoir dirigé le Groupe de travail ad hoc de l'Institut sur la fraude immobilière, qu'en pensez-vous?

La fraude est un problème qui prend de l'ampleur, certes beaucoup plus qu'on le pense. Malheureusement, il arrive souvent que les gens ne savent pas qui est affecté par la fraude. Par exemple, les valeurs immobilières frauduleuses ou trompeuses affectent éventuellement les impôts fonciers ce qui, en retour, affecte tout le monde. La conclusion est qu'il s'agit d'une très mauvaise tendance et que nous devons tous faire notre part pour l'éliminer. Il est important pour les évaluateurs de réaliser qu'ils sont la première ligne de défense. Lorsque nous évaluons une propriété, il est possible de prendre des mesures pour assurer que l'acheteur ou le vendeur sont vraiment qui ils sont et que la valeur déterminée est vraiment exacte. En prenant quelques mesures simples comme demander de voir la facture d'impôts fonciers ou des services publics, nous pouvons identifier les véritables propriétaires. Poser des questions et chercher à obtenir la bonne réponse fait partie de notre mandat. Du point de vue de l'Institut, nous faisons aussi partie de la solution du problème. Par exemple, le gouvernement de l'Ontario a un comité officiel qui se penche sur la question de la fraude immobilière et l'ICE en fait partie. Les évaluateurs peuvent jouer un rôle très important dans cette affaire.

Que dire des normes internationales régissant les rapports financiers (NIRF) qui requièrent également une attention particulière?

Brad Wagar, l'un des présidents sortants de l'ICE et représentant de l'ICE auprès du CINE, s'est penché activement sur les questions relatives aux NIRF et a régulièrement présenté des rapports au Conseil. Nous avons voté en faveur de leur mise en œuvre et veillé à ce que notre programme pédagogique prépare

adéquatement nos membres en vue de l'application des nouvelles normes. Au départ, et c'est normal, certains membres se demandent possiblement quel sera l'impact des NIRF au Canada mais à la lumière de l'économie mondiale, les compagnies qui transigent à l'échelle internationale devront établir les valeurs en fonction des directives internationales et ces normes influenceront le traitement des portefeuilles. Il ne fait aucun doute que la mise en œuvre des normes en question représente des défis et des occasions que nous devons être prêts à relever.

« Nous ne pouvons plus nous permettre de perdre un temps précieux à transmettre notre message. »

Avec tant de changements qui planent à l'horizon, l'Institut s'est embarqué dans une initiative de marketing pour repositionner l'organisation. Pourquoi cette initiative est-elle présentement importante et quels sont les progrès accomplis à ce jour?

Dans le passé, nous n'avons pas tout à fait réussi à promouvoir l'ICE et ses membres comme étant les meilleurs au pays. Je veux dire que nous n'avons pas réussi à faire savoir aux gens qui nous sommes, pourquoi nous sommes qualifiés pour faire ce que nous faisons et pourquoi nous devons être les premiers contactés pour tous les types de transactions immobilières. Nos membres savent que nous ne pouvons plus nous permettre de perdre un temps précieux à transmettre notre message et je crois sincèrement que pour la première fois, l'ICE, nos partenaires provinciaux et les membres individuels appuient et sont emballés par cette initiative de marketing qui permettra à tous d'aller de l'avant à l'unisson.

En ce qui concerne le progrès accompli à ce jour, je crois qu'il est considérable sur plusieurs fronts. Nous avons présenté le plan de marketing lors de notre conférence à St. John's. Une partie

du processus faisait appel à 10 « champions » de marketing, un nom que nous avons choisi de leur donner, qui ont participé à un atelier de marketing en présence des directeurs exécutifs provinciaux. Possédant un intérêt manifeste en matière de marketing, ces bénévoles (un de chaque province) ont reçu de l'information et une trousse d'information qui leur a permis de retourner dans leurs provinces respectives où ils serviront de catalyseurs et transmettront la bonne parole auprès de leurs Conseils, les autres membres et les intervenants de l'industrie. Un atelier similaire aura lieu lors de la conférence de l'an prochain.

Avec ce numéro de la revue, les membres de l'ICE ont reçu une trousse d'outils sur DC contenant de l'information quant à la façon dont les évaluateurs peuvent se présenter et vendre leurs services.

Même les plus petites choses comme l'introduction des épinglettes AACI et CRA permettent maintenant aux membres de montrer qu'ils sont fiers de faire partie de l'ICE et de leur titre professionnel. Un membre me disait que quelqu'un a commenté son épinglette et lui a demandé quelle en était la signification. Il s'agit définitivement d'un gage de fierté.

Afin d'aider les évaluateurs à transmettre le message, la conférence nous a donné l'occasion de présenter une nouvelle brochure corporative qui fait la promotion de notre profession de façon très visible. Elle est facile à lire mais tout de même prestigieuse. Ces brochures seront utilisées par les membres qui en font la demande par milliers. Nous en avons d'abord imprimé 50 000 exemplaires mais si l'on en juge d'après sa popularité, il semble que nous serons tenus de procéder à un deuxième tirage très bientôt.

Cet automne, l'Institut lancera une campagne publicitaire à grande échelle, des annonces paraissant dans divers médias nationaux.

Du point de vue de la technologie, nous avons entièrement remanié notre site Web de sorte à accroître l'interaction entre l'Institut, les provinces et les membres individuels. Il permettra de télécharger l'information sans heurts et comportera des outils comme des publicités professionnelles que les membres pourront accéder et utiliser sur les marchés locaux et régionaux.

« *Nous sommes membres d'une excellente organisation et d'une magnifique profession qui ne peuvent que grandir encore si nous travaillons tous dans le même but.* »

Il existe aussi un certain nombre d'autres progrès récents qui jouent un rôle important dans la reconnaissance positive que nous recevons. Lors de la conférence de St. John's, nous avons présenté et remis le titre honoraire AACI à un certain nombre d'invités de marque qui ne sont pas membres de l'Institut mais qui travaillent en collaboration avec nos membres, qui ont reconnu notre contribution au processus d'évaluation immobilière et qui ont fait notre promotion d'une variété de façons y compris via les universitaires, l'entreprise et le gouvernement. Le fait que ces gens aient accepté avec fierté leur titre honoraire est très positif pour nous (v. l'article à la page 18). Nous avons également été très actifs auprès des secteurs public et privé par le biais de nos comités consultatifs et groupes de représentation. Comme notre profession collabore étroitement avec d'autres intervenants qui ont des opinions et des besoins différents, nous déployons tous les efforts pour élaborer et maintenir la communication avec eux et continuer à répondre ainsi à leurs besoins changeants. Les avantages de ces activités sont immenses bien que tout se déroule souvent en arrière-plan.

Comment les évaluateurs individuels peuvent-ils contribuer à transmettre notre message?

Les membres de tout le pays peuvent facilement bâtir à même les efforts déployés par le bureau national. Ils évoluent tous les jours dans le milieu, rencontrent les banquiers, les avocats, les politiciens, les propriétaires d'immeubles et les gens d'affaires. S'ils font valoir leur présence, parlent de la profession à chaque occasion qui se présente, et transmettent le message national de façon cohérente, ils se présenteront du même coup comme chefs de file de l'industrie et leurs transactions s'en trouveront améliorées. Imaginez, si vous le voulez bien, 5000 évaluateurs d'un coin à l'autre du pays qui font une seule présentation à leur communauté locale et groupements d'affaires. L'impact de cet effort collectif sera immense.

Compte tenu de tout ce qui se passe, quels objectifs avez-vous fixés pour vous-même comme Président et pour le Conseil d'administration pour l'année qui vient?

Mon objectif personnel prioritaire est d'assurer que notre plan stratégique continue de se dérouler de façon positive. Comme la promotion de notre profession et de nos membres est la priorité absolue du plan en ce moment, je ferai tout mon possible pour améliorer le processus. Je suis ici pour représenter les membres alors si quelqu'un a besoin de moi ou me le demande, je serai là pour transmettre notre message, fournir appui et conseils, écouter les nouvelles idées et la critique et raffermir les réseaux de communication.

Du côté du Conseil d'administration, je veux m'assurer qu'il comprenne bien les enjeux, que les membres soient disposés à contribuer activement aux réunions, qu'il y ait respect mutuel, reconnaissance des divers points de vue et que tous déploient les efforts nécessaires pour que le travail soit accompli comme il se doit. Je n'ai aucun doute que l'année sera intéressante, couverte de défis et enrichissante pour chacun de nous.

Avez-vous quelques dernières idées à partager avec les membres?

Qu'ils relèvent les défis et acceptent les changements qui se produisent à un rythme effréné. Qu'ils les considèrent comme des occasions à ne pas rater! Que nous soyons AACI, CRA, stagiaires ou étudiants, nous sommes tous des évaluateurs touchés par cette évolution. Les stagiaires et les CRA qui sont titulaires d'un diplôme représentent l'avenir de notre profession. Par leur participation aux évaluations résidentielles, ils sont possiblement plus en vue que les membres AACI. Ils peuvent donc jouer un rôle très important dans le positionnement de notre profession, voire au delà d'où nous en sommes aujourd'hui. Nous sommes considérés comme des chefs de file aux paliers national et international et nous devons déployer tous les efforts pour maintenir et hausser cette reconnaissance encore davantage. Nous sommes membres d'une excellente organisation et d'une magnifique profession qui ne peuvent que grandir encore si nous travaillons tous dans le même but. 🇩🇪

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The gold standard for first-tier professions



Georges Lozano, MPA
AIC Chief Executive Officer

In past articles, I have talked about professional designations and the fact that their value rests with the quality standards that underpin them. These include professional standards governing education, experience, examination, and ethics. A few years ago, the Appraisal Institute of Canada (AIC) addressed these standards by restructuring the program of professional studies leading to the AACI and CRA designations. The aim of this restructuring was to achieve the objectives stated in our strategic plan of being recognized as a profession and not a trade, and recognized nationally and internationally as highly qualified professionals. So, where do we stand today?

IFAC is the International Federation of Accountants. It is a global organization that represents the accountancy profession and protects the public interest by encouraging high quality practices by the world's accountants.

Through its independent standard-setting boards, IFAC develops international standards on ethics, auditing and assurance, education, and public sector accounting. IFAC publishes a document entitled *International Education Standards for Professional Accountants*, where it identifies educational and other requirements that define first-tier professionals.

At the outset, the IFAC document addresses the concepts of capability and competence, which it describes as being the two sides of a coin. Capabilities it states are: "the professional knowledge; professional skills; and professional values, ethics, and attitudes required to demonstrate competence. Competence is being able to perform a work role to a defined stan-

dard, with reference to real working environments." The aim of the Institute's program of professional studies is to produce capable and competent real property professionals who can measure up with other top level professionals worldwide.

Professional competence begins with a solid educational foundation. The Institute understands this and that is why, a few years ago, it changed its designation requirements to include an undergraduate degree for both the AACI and the CRA. IFAC concurs and maintains that: "university education prepares individuals to be able to maintain competence throughout their professional careers."

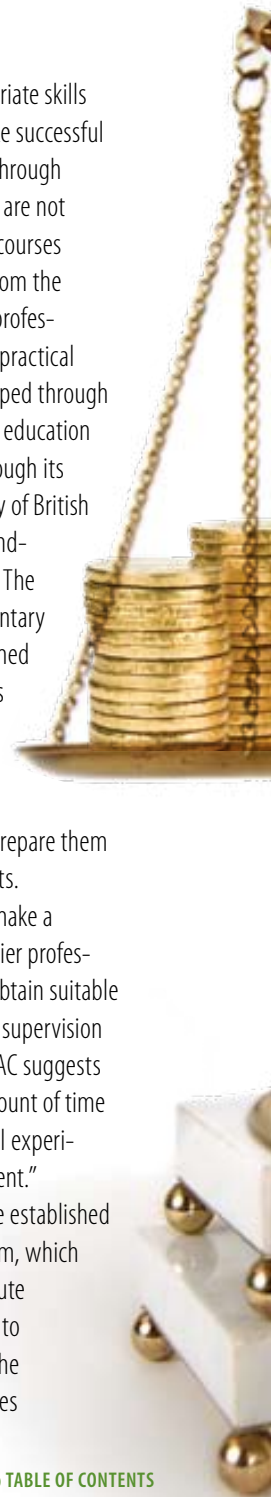
According to IFAC, an individual needs to bring to a program of professional studies "an appropriate level of prior education and learning to provide the foundation necessary to acquire the professional knowledge, professional skills, and professional values, ethics and attitudes needed to become a professional . . ." General education provides the tools needed by professionals to help them think and communicate effectively.

In order to become true professionals, AIC Candidates need to acquire professional knowledge, skills, values, ethics and attitudes, and they need to be able to integrate these in the course of providing professional services. In addition to broad-based university level education, Candidates need to achieve professional or 'hard' skills that complement the general knowledge or 'soft' skills, including the communication and management skills developed in general education.

According to IFAC, "Appropriate skills enable the professional to make successful use of the knowledge gained through general education. These skills are not always acquired from specific courses devoted to them but, rather, from the total effect of the program of professional . . . education as well as practical experience, and further developed through lifelong learning." Professional education is what the Institute offers through its partnership with the University of British Columbia and other post-secondary institutions across Canada. The courses it offers are complementary to the general education obtained through undergraduate studies and provide students with graduate level, in-depth knowledge of valuation principles and approaches to prepare them for a career as real value experts.

Education alone does not make a professional. As such, all first-tier professions require that candidates obtain suitable practical experience under the supervision of designated professionals. IFAC suggests that: "simply spending the amount of time necessary to meet the practical experience requirement is not sufficient."

In this respect, the Institute established the Applied Experience Program, which requires members of the Institute applying for designated status to obtain relevant experience in the application of the First Principles





“The Institute’s path to professional designation has changed significantly over the past five years and, today, it meets the gold standard for first-tier professions.”

of Value in a professional setting, so as to develop the professional skills expected by their clients. Experience leading to designation as a professional valuer should be conducted under the direction of a mentor who is an experienced member. The mentoring program ensures that Candidates are guided in their development and in the application of the principles of value and professional skills.

Professionalism and ethics go hand in hand. IFAC states that: “Proper ethical behaviour is as important as technical competence.” AIC agrees and that is why it has included ethics as an important part of its program of professional studies, in its appraisal practice standards, and throughout its professional practice process.

“The professional capabilities and competence of candidates should be formally assessed before the designation is awarded” states IFAC. A final assessment of professional capabilities and competence should: (a) require a significant proportion of candidates’ responses to be in recorded form; (b) be reliable and valid; (c) cover a sufficient amount of the whole range

of professional knowledge, professional skills, and professional values, ethics and attitudes for the assessment to be credible; and (d) be made as near as practicable to the end of the pre-qualification program.

The Institute’s final designation requirement is the professional examination. The professional exam, which includes a written and oral component, is designed to test Candidates’ proficiency in the application of the First Principles of Value and evaluates their critical professional skills – ethics, effective communication and critical thinking. All Candidates applying for designation must successfully complete the written examination and then pass the behavioural interview before being awarded one of the Institute’s professional designations.

Education, experience, ethics, and examination are the four Es that define the first-tier professional according to the International Federation of Accountants. The Institute’s path to professional designation has changed significantly over the past five years and, today, it meets the gold standard for first-tier professions. AIC’s designations are highly recognized in Canada and abroad as the pre-eminent professional titles in the field of real property valuation and advisory services. This is something to keep in mind in a competitive marketplace where quality matters. Professional designations are not all created equal. Many fall well short of the four Es that are the hallmark of top designations. You can be rightfully proud of your AIC designation – it identifies you as a real value expert. 

La règle d'or pour les professions de premier plan



Georges Lozano, MPA
Chef de la direction

Dans des articles précédents, j'ai parlé des titres professionnels et du fait que leur valeur repose au niveau des normes de qualité qui en sont le pilier principal. Ces normes incluent les normes professionnelles régissant l'éducation, l'expérience, les examens et l'éthique. Il y a quelques années, l'Institut s'est penché sur ces normes en remaniant le programme d'études professionnelles menant aux titres professionnels AACI et CRA. Le but de ce remaniement étant d'atteindre les objectifs énumérés dans notre plan stratégique, soit que notre secteur soit reconnu comme une profession et non un métier et que nous soyons reconnus aux paliers national et international comme des professionnels hautement qualifiés. Alors où en sommes-nous aujourd'hui?

L'IFAC est la International Federation of Accountants (Fédération internationale des comptables). Il s'agit d'un organisme mondial qui représente la profession de comptable et qui protège l'intérêt public en encourageant les comptables du monde entier à adopter des pratiques de haute qualité.

Par le biais de ses comités indépendants responsables d'établir les normes, l'IFAC prescrit des normes internationales régissant l'éthique, la vérification et l'assurance, l'éducation et la comptabilité et l'imputabilité dans le secteur public. L'IFAC a publié un document intitulé *International Education Standards for Professional Accountants* (Normes d'éducation à l'intention des comptables professionnels) dans lequel sont identifiées les exigences pédagogiques et autres

qui définissent les professionnels de premier plan.

Dès le début, le document de l'IFAC traite les concepts de la capacité et de la compétence que l'on décrit comme étant les deux côtés d'une médaille. Le document poursuit en disant que la capacité consiste en « les connaissances professionnelles; les aptitudes professionnelles et les valeurs professionnelles, l'éthique et les attitudes nécessaires au reflet de la compétence. Par ailleurs, la compétence consiste en le pouvoir d'effectuer un travail conformément à une norme spécifique dans un cadre de travail réel. » Le but du programme d'études professionnelles de l'Institut est de produire des professionnels de l'immobilier qui ont la capacité et la compétence et qui sont en mesure de rivaliser tout autre professionnel de premier plan à l'échelle du monde.

La compétence professionnelle commence avec de solides bases pédagogiques. L'Institut a bien compris ce principe et c'est pourquoi il a modifié, il y a quelques années, les exigences menant aux titres AACI et CRA pour inclure un diplôme de premier cycle. L'IFAC en convient et dit : « l'éducation universitaire prépare les gens à maintenir leur compétence tout au cours de leur carrière professionnelle. »

Selon l'IFAC, une personne doit, avant d'entreprendre un programme d'études professionnelles, « avoir complété un niveau approprié d'éducation et d'apprentissage préalable qui servira de base à l'acquisition de connaissances

« La voie menant aux titres professionnels de l'Institut a beaucoup changé au cours des cinq dernières années et répond, aujourd'hui, à la règle d'or des professions de premier plan. »

professionnelles, d'aptitudes professionnelles, de valeurs professionnelles, d'éthique et les attitudes nécessaires pour devenir un professionnel . . . » La formation générale offre les outils dont ont besoin les professionnels pour les aider à penser et à communiquer efficacement.

Pour devenir de vrais professionnels, les stagiaires de l'ICE doivent faire l'acquisition de connaissances professionnelles, d'aptitudes, de valeurs, d'éthique et d'attitudes et doivent être en mesure de les intégrer aux services professionnels qu'ils offrent. En plus d'une formation universitaire générale, les stagiaires doivent acquérir des aptitudes professionnelles spécialisées qui complètent l'ensemble d'aptitudes non techniques comme la communication et la gestion relevant de leur formation plus générale.

Selon l'IFAC, « les aptitudes appropriées permettent au professionnel d'utiliser avec succès les connaissances acquises dans le cadre de sa formation générale. Ces aptitudes ne sont pas toujours acquises à même les cours spécifiques qui leur sont consacrés mais plutôt à même l'ensemble du programme de formation professionnelle, l'expérience pratique et un perfectionnement continu ». La formation professionnelle est ce qu'offre l'Institut par le biais de son partenariat en éducation avec l'Université de la Colombie-Britannique et d'autres maisons d'enseignement postsecondaire à l'échelle du pays. Les cours offerts viennent compléter la formation générale acquise dans le programme de premier cycle et offre aux étudiants diplômés une connaissance détaillée des principes de l'évaluation en plus de les préparer à une carrière à titre d'experts en évaluation.

Seule, l'éducation ne suffit pas à faire d'une

personne un professionnel. Ainsi, toutes les professions de premier plan requièrent que leurs stagiaires obtiennent un niveau adéquat d'expérience pratique sous la surveillance de professionnels agréés. L'IFAC suggère que « le simple fait d'accorder le temps nécessaire à satisfaire les exigences de l'expérience pratique ne suffit pas ».


À ce chapitre, l'Institut a créé un programme d'expérience appliquée qui oblige les membres qui visent un titre professionnel à obtenir l'expérience pratique pertinente à l'application des principes de base de la valeur en milieu professionnel et à acquérir les aptitudes professionnelles auxquelles les clients s'attendent. L'expérience menant à un titre comme évaluateur professionnel doit être acquise sous la surveillance d'un membre d'expérience. Le programme de mentorat assure que les stagiaires sont guidés dans leur formation et l'application des principes de la valeur et des aptitudes professionnelles.

Le professionnalisme et l'éthique font la paire. L'IFAC dit « Un comportement éthique adéquat est aussi important que la compétence technique ». L'ICE est d'accord et c'est pourquoi il a inclus l'éthique comme élément important de son programme d'études professionnelles, dans ses normes régissant la pratique et dans le cadre de son processus général de pratique professionnelle.

« Les aptitudes professionnelles et la compétence des stagiaires doivent être évaluées officiellement avant qu'un titre professionnel ne soit attribué » de poursuivre l'IFAC. L'évaluation finale des aptitudes professionnelles et de la compétence : (a) requiert qu'une proportion importante des réponses du stagiaire soient enregistrées; (b) être fiable et valide; (c) couvrir une quantité suffisante

de connaissances professionnelles, d'aptitudes professionnelles, de valeurs professionnelles, d'éthique et d'attitudes pour que l'évaluation soit crédible et (d) avoir lieu le plus près possible de la fin du programme de préqualification.

Les exigences finales menant aux titres professionnels de l'Institut consistent en un examen professionnel. Cet examen, qui comporte un élément oral et écrit a été conçu pour éprouver la compétence des stagiaires dans l'application des principes de base de la valeur et sert aussi à évaluer leurs aptitudes professionnelles critiques, soit l'éthique, l'efficacité de la communication et la pensée critique. Tous les stagiaires doivent subir et réussir l'examen écrit et l'entrevue fondée sur le comportement avant de recevoir l'un des titres professionnels de l'Institut.

Éducation, expérience, éthique et examen. Voilà les quatre « E » qui définissent le professionnel de premier plan selon l'International Federation of Accountants. La voie menant aux titres professionnels de l'Institut a beaucoup changé au cours des cinq dernières années et répond, aujourd'hui, à la règle d'or des professions de premier plan. Les titres professionnels de l'ICE sont hautement reconnus au Canada et à l'étranger comme étant les titres professionnels de choix dans le domaine de l'évaluation immobilière et des services consultatifs connexes. Il s'agit là d'un point à se rappeler sur un marché concurrentiel où la qualité fait la différence. Les titres professionnels ne sont pas tous égaux. Plusieurs ne répondent pas à la règle des quatre « E » qui caractérisent les titres de premier ordre. Vous avez raison d'être fiers de votre titre de l'ICE — il vous identifie comme experts en évaluation. 

AACI (Hon) Members recognized for outstanding contributions to profession

Over the past decade, the Appraisal Institute of Canada (AIC) has embarked on an ambitious program to advance the profession throughout Canada and internationally. In carrying out these endeavours, the advice of clients, educators, government officials and legal experts from outside the appraisal profession has been invaluable. In order to identify these individuals who are ethically above reproach; recognized as leaders in business, law, academia and other professions; and who contribute to the AIC's advancement of the profession, the Board of Directors recently approved the prestigious new membership category of Honorary Accredited Appraiser Canadian Institute (AACI, Hon) and selected an initial group of 10 individuals to be recognized in this fashion.

This honorary designation is with distinction and comes with the expectation that these honoured and prominent individuals will play an important advisory role within the Institute and its committees, providing leadership and visibility that will assist the Institute in achieving its goals.

The first 10 Honorary AACIs are:

- Sheila Botting, Senior Managing Director, Valuation and Advisory Services, Cushman & Wakefield Lepage Inc., Toronto
- Michael Brooks, Chief Executive Officer, Real Property Association of Canada (REALpac), Toronto
- Dr. James DeWald, Assistant Professor, Strategy and Global Management, Haskayne School of Business, University of Calgary, Calgary
- Tim McGrath, Assistant Deputy Minister, Public Works and Government Services Canada, Ottawa
- Daniel Muzyka, Dean, Sauder School of Business, University of British Columbia, Vancouver
- Jim Ramsay, Provincial Tax Commissioner, Province of Prince Edward Island
- Dr. Ted Rowe, Broker-Owner and President of RE/MAX in Newfoundland and Labrador
- Wayne Spracklin, Q.C., White, Ottenheimer & Baker, LLP, St. John's
- Wayne R. Whitlock, Q.C., Bennett Jones, LLP, Calgary
- Stephen Waqué, Q.C., Borden Ladner Gervais, LLP, Toronto

While five of these honorees will be recognized at future ceremonies, five were inducted at the President's Banquet at the AIC National Conference in St. John's, NL in June. In this issue, we introduce four of our Honorary AACIs. Others will be featured in future issues of *Canadian Property Valuation*.



Photo credit: Shane Kelly

AIC Past President Paul Olscamp, AACI, P.App (Fellow) with Honorary AACI recipient James Ramsay (L).

James Ramsay

As the Provincial Tax Commissioner for the Province of Prince Edward Island, Jim is responsible for provincial tax administration, real property assessment, the registry of deeds, and corporate geomatics services. He has been involved in the development and implementation of comprehensive tax administration and land information systems for the province of Prince Edward Island, including property assessment, property tax, property mapping and associated applications such as survey control and civic addressing. In recent years, he has ably led the team implementing an enhanced property assessment and tax system for PEI. Jim is actively involved in many provincial, inter-provincial, and national committees associated with tax administration and land information.

"I am truly honoured to be recognized in this way, although I feel it is also recognition for anyone active in the property assessment field. Early in my career, I realized that the Appraisal Institute of Canada was a national organization that offered accreditation to its members based on education, training

and experience. As a result, I was successful in having the province recognize and adopt the AACI and CRA designations as base standards for property assessment. I currently have a staff of people who have obtained the AACI designation, which is mandatory in PEI, and they are viewed by taxpayers and the courts as true professionals in the property assessment field.

"I have always been a firm believer in national standards for property valuation. During my involvement with the assessment community across the country, I strongly emphasized the importance of consistent and uniform methods Canada-wide. Meetings with the AIC over the years enabled me to provide input on proper training programs relative to property assessment and to ensure that everyone was treated fairly. Through open and frank discussions, we managed to accomplish a great deal, including the tremendous educational program now established through the AIC and the University of British Columbia.

"A large portion of the wealth of our country is based in real estate. It is important that we have an accurate value of that property and that there is absolute integrity in the valuation process. Accredited appraisers are at the forefront in that regard. They are also doing much more than valuing property. For example, appraisers are providing market value assessments that are used by many government programs, including in the calculation of federal equalization payments to the provinces.

"The AIC is being very progressive in addressing the challenges brought on today by the rapid change in information technology. I hope to continue my involvement with appraisers and the Institute and, in fact, to devote even more time to strengthening our relationship. I am the longest standing provincial head of property assessment in Canada and I am committed to using the knowledge and experience I have gained over the years to continue improving the quality of the service we provide."

"I was successful in having the province recognize and adopt the AACI and CRA designations as base standards for property assessment."

James Ramsay

Dr. Ted Rowe

Acclaimed as "The man who brought RE/MAX to Newfoundland," Dr. Rowe this year will celebrate his 25th year as the co-owner of RE/MAX in Newfoundland and Labrador. During this time, he has made a significant contribution to the advancement of the real estate sector in St. John's. He purchased the RE/MAX franchise for Canada's youngest province in July 1983. From the original eight who started out in 1983, the company has grown to a sales force

of 117 agents, operating from 13 locations. As a result, he was honored by his fellow owners with the prestigious RE/MAX International Distinguished Service award. Ted holds a BA in Mathematics from Memorial University, an MA in Psychology from Dalhousie, and a PhD in Psychology from University Of Western Ontario. He is a former director of the St. John's Real Estate Board, and an active community volunteer.

"Receiving this honour is truly a meaningful mark of recognition that I absolutely treasure," says Ted. "I have always had a great deal of respect for appraisers and the challenges they face. When working together on various assignments over the years, we have enjoyed an excellent two-way flow of information that helped us ensure the end result was correct. From a professional standpoint, their openness and willingness to communicate and interact has been very much appreciated. Appraisers have always been active as associate members on our real estate board. We have always managed to work well together and I credit our relationship as being a key component to building a sizeable real estate organization in this part of the country.

"As for the appraisal profession, I sometimes detect that there is a degree of self-doubt regarding the importance of the role they play in the real estate transaction. I can assure you that there is absolutely no need whatsoever for any doubts about that role. The AIC designations are very meaningful and respected. Realtors are up to their necks in real estate transactions and total objectivity can often be difficult. Appraisers, on the other hand, are paid to provide independent opinions of value. They are well trained and can defend every aspect of the service and opinions they provide.

"In this day and age, when the financing of real estate is becoming so easy



Photo credit: Shane Kelly

AIC President George Maurice, AACI, P.App with Honorary AACI recipient Ted Rowe (R).

and computerized systems are providing property values, due diligence often goes out the window. I believe, in the long term, this is a recipe for disaster. Right now, we are seeing the ramifications in the US real estate market. Judicious lending benefits from an independent appraisal, and

designated appraisers will become increasingly important in the process. Whether it is providing independent opinions of value or finding new roles such as in the area of tax appeals, the professional appraiser is going to become more important than ever.”

“Realtors are up to their necks in real estate transactions and total objectivity can often be difficult. Appraisers, on the other hand, are paid to provide independent opinions of value. They are well trained and can defend every aspect of the service and opinions they provide.”

Ted Rowe

Stephen Waqué

Stephen is a partner of Borden Ladner Gervais. He is a member of the Ontario bar and a graduate of the University of Toronto Law School. As National Head of the firm’s Environmental, Municipal, Expropriation and Regulatory Law professional group, his practice addresses real estate litigation, including expropriation, environmental and planning issues across Canada. He arbitrates, prosecutes and defends substantive claims dealing with lease arbitration, expropriation, environmental and professional liability fields. Notably, he was lead counsel in the successful prosecution of the largest expropriation claim brought in Ontario; acted in the defence of the largest environmental case occurring in this province; and, was engaged as provincial negotiator in the largest private public land exchange concluded in this decade.

Stephen is particularly recognized for his achievement in alternative dispute resolution and has been appointed as an independent arbitrator to determine real estate values and rental rates by both government and private sectors.

A frequent speaker on issues related to real estate litigation, value determi-

nation, legal responsibilities of real estate professionals and insuring real estate related risks, he is also the author of the text *New Law of Expropriation* (updated on a regular basis), as well as numerous articles published by *Insurance Law Journal*, *Canadian Underwriters Magazine* and *The Appraisal Institute Magazine*, among others.

“This honour is very powerful and meaningful to me personally, because of the deep respect I have for the integrity and character of the appraisers I have worked with over the years,” said Stephen. “In being recognized this way, I probably had the advantage of being exposed to a large number of appraisers across Canada through my expropriation and lease arbitration practice. I have also been a dedicated supporter of the AIC and the support it provides to its members. Appraisers play a key role in the real estate industry and are much more likely to succeed if they have a strong organization to support their efforts.”

“In my dealings with the Institute and appraisers almost 30 years ago, the key objectives were to have a credible system of self-regulation, a viable insurance program, and a vibrant continuing education system. Over the years, each of these pillars has grown in complexity and substance. The sophistication that appraisers now bring to their analysis is truly remarkable. As our economy moves to greater emphasis on services and technology and with both the financial and real estate sectors undoubtedly due to rise again, there will be greater demand and recognition for real estate consultation and advice. The good news is that the profession has the opportunity to ride these macro economic trends into the near future.

“Our law firm is the largest in Canada and the practice group that I lead is probably one of the largest purchasers of appraisal services in the country. Our use of appraisers is evolving as we engage them more as part of the team providing advice to clients. Unfortunately, our need for those services is far greater than the profession’s capacity to provide it. By that I mean there are not enough appraisers with the qualifications we require to bid on some of our jobs and those with the qualifications often cannot meet our time requirements. The challenge for the Institute is to engage the upcoming generation of ambitious and intelligent young people in our universities to choose real estate appraisal as their profession. I also hope that the AIC continues to work diligently on statutory recognition, self-governance and regulation. The excellent apprais-



Photo credit: Shane Kelly

AIC President George Maurice, AAI, P.App with Honorary AAI recipient Stephen Waqué (R).

ers out there with character and integrity are supported so much more in the marketplace if they have the legal recognition.

“As far as recognition goes, I am delighted to see the Institute now

marketing itself and its members in a more proactive and purposeful way. Establishing a brand with value to members and to people who require appraisal services is a very positive step.”

“The sophistication that appraisers now bring to their analysis is truly remarkable. As our economy moves to greater emphasis on services and technology and with both the financial and real estate sectors undoubtedly due to rise again, there will be greater demand and recognition for real estate consultation and advice.”

Stephen Waqué

Dr. James Dewald

An Assistant Professor in the Strategy and Global Management Area of the Haskayne School of Business, Dr. DeWald holds a PhD (Business Strategy) from the University of Calgary, and B.Sc. (Civil Engineering) and MBA (Organization Theory) degrees from the University of Alberta. He has been on numerous private and public boards, and is currently the Chair of the Board for HomeCo (not-for-profit affordable housing), a Trustee of Boardwalk REIT, and a partner in Peters-Dewald Land Company Inc. (real estate development). Prior to pursuing his academic interests, he held many senior management positions, including CEO of two major real estate development companies.

Jim has several published academic articles to his credit, along with two book chapters, and two books. He co-writes the urban design column for the

Calgary Herald, and is the Calgary Eyeopener (CBC Radio) Real Estate columnist. His principal research areas include strategic decision-making, cognitive resilience, and value-based strategy theory. Jim is a member of the Academy of Management.

“I have tremendous respect for the Appraisal Institute of Canada, for real estate appraisers, and for the very difficult, but important work that appraisers do,” says Jim, “As a result of my deep regard for the profession, receiving this honour means a great deal to me.

“Prior to joining the University of Calgary a couple of years ago, my background for many years was in real estate development. While some developers unfortunately view the work they do with appraisers as a potential roadblock to getting what they want, I see the appraiser’s role quite differently. In my experience, appraisers have a tremendous breadth of knowledge that provides developers with vital information to be used throughout the development process. If anything, I believe that appraisers should be brought into the process as early as possible to work in collaboration with the rest of the development team.

“With the fluctuating values of real estate and the complex nature of the factors influencing that value, the importance of a good appraisal is growing more significant over time. Take the Calgary real estate market, for example. Prices in Calgary are actually going down and everyone wants appraisers to tell them what the real values are or should be. It’s a tough job, but because it is difficult and requires a specialized skill set, it makes the appraiser that much more valuable in the process. I believe there is a great future for the appraisal profession, particularly if they continue to take a leadership role in all matters related to real estate. For example, with the implementation of the International Financial Reporting Standards (IFRS), it is important for appraisers to take control of the situation before it is left to others like the chartered accountants.

“Based on my experiences with the appraisal profession, I am confident that good things are in store and I am looking forward to having even closer ties as we move forward.”



Photo credit: Shane Kelly

AIC President George Maurice, AACI, P.App with Honorary AACI recipient James Dewald (R).

“In my experience, appraisers have a tremendous breadth of knowledge that provides developers with vital information to be used throughout the development process.”

James Dewald

FIRST PROFESSIONAL LIABILITY INSURANCE COMPANY

In this issue, we explore the legal world of libel, slander and passing off – all topics which diminish the reputation of appraisers as individuals and the profession as a whole. Unfortunately, there are more than a few clients who would seek to steal your name, your car and anything else, if you let them. Shakespeare wrote about those who steal someone's good name as stealing more than his purse. That rings true today for professionals as Mark Frederick of Miller Thomson LLP tells us. Mark R. Frederick is a partner with Miller Thomson LLP, a national Canadian law firm.



Brian Duncan
AAI, P. App,
President of the Board,
FPLICL

Going for gold (standards)

To be an appraiser is not an easy task. As a member of the Appraisal Institute of Canada (AIC), you worked hard to earn the CRA and AAI designations. Qualification for most takes many years of arduous study and practice. It also means years of apprenticing, years of researching, years of working at lower pay, all with the expectation that some day you would make the 'big leagues,' where you could sponsor your own company, have your own clients and earn your own profits.

Qualify your client

Unfortunately, there is more than one person around who will want to deny you this opportunity for which you had worked so hard. They will take your most precious commodity – the time you sell, and, in return, give you grief, unpaid accounts, a slandered name and ruined business relations. They do this because they search out the unwary professional and trap him or her into doing that which they do not want to do. They are the 'bad clients.' They make their way in life taking as much as they can get without giving (or paying in this instance).

How do you protect yourself from those who want to do you this wrong? You can avoid them by taking the time to qualify these individuals as

being client-worthy. There are two basic ways of denying the dangerous client the opportunity to sue or cause harm to you:

1. Know your client

We have all seen this through the banks and financial brokerages – the KYC form. The form lets a financial person know with whom he or she is dealing and what their skill and background are. It tells them about their history, their financial capacity, their willingness for risk, etc. Those prudent appraisers who know the value of their own reputation take the time to know the reputation and background of their clients. This does not mean that you must have them fill out forms or credit references. It does mean that you might consider some form of brief intake interview to find out who referred them to you, what sort of business they are in, etc.

Appraisers who want to be thought of as first class appraisers take the time to get to know their clients. They use tools such as a client information database to record important things about their clients, such as:

- Contact name and number
- How bills are to be sent
- The occupation of the person/business requesting service

- The credit limit assigned to the new or existing client.
 - Standard terms to apply to the transaction of business, i.e., payment in 30 days, etc.
- Some prudent appraisers go so far as to create a client database and email their clients with updates and matters that might be important to them. Even better is to follow up the confirmation of an order with a letter of engagement or an email confirming a price quote.

Good client relationships are all about both protection for yourself and effective marketing approaches toward your clients.

It is important to remember that good client relationships are not built over a three-day period, though each day should be treated by you as being as important as the last day. Only after a number of assignments can your client display enough consistency to warrant better terms from you. Clients who demand premium terms (i.e., 24-hour turnaround, special delivery requests where you act as their courier, discounts for the first file, etc.) are often clients who turn out to be unreasonable and who will blame you for their own errors or attempt

to foist liability upon you. Be as careful when providing your business card to these people as you are with your name and reputation.

2. Practice excellence

There is a second way of denying the bad client an opportunity to pounce upon you, and that is through standards of excellence that you create for yourself. Excellence is the patience to do a job correctly, efficiently and for a cost that befits your talent. Excellence is not sold by the dozen or at 'low, low factory prices.' Excellence is sold by the job. It means not doing things that you are not comfortable doing. It is referring the client, who needs a specialist in an area where you are really not competent, to another appraiser. It also means turning down clients who do not measure up – who have had disputes with their last appraisers – who appraisal value shop – who object to discussing payment until you cannot

collect – who want you to rush as opposed to taking the necessary time to get it right.

Excellence is a hard horse to stay up on at first, but, as you gradually get used to providing services in excellence, it becomes the only way you can do things – consistently and well. That leads not only to lower complaints and/or claims, but to better business.

When your excellence efforts fail

What happens if you do all the right things and yet you or your work is abused in some way? What happens if the dangerous client writes to a third party that you are an incompetent appraiser because you would not do his bidding?

There are several remedies that may or may not be warranted.

1. Libel/Slander. To libel someone is to print something defamatory about them and publish it

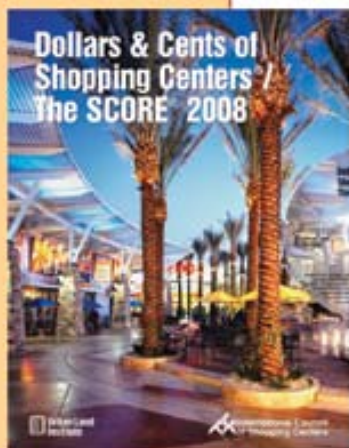
to a third party, whether through the internet or newspaper or even a letter. To slander someone is to say something defamatory about them to a third party. Either way, they are harmful to your reputation and business.

If someone either libels or slanders you, you have to do a number of things to preserve legal rights. If a serious libel has taken place, i.e., the local real estate news editorial reads: "Malcolm is a terrible appraiser who is drunk all the time," then you, as the appraiser, must take quick action. Most common law provinces have Statutes of Limitations stating that libel notices must be served in quick succession on those who have libelled you. Most libel actions are really not worth a lot of money, though the courts can award damages 'at large' for libel or slander, if your reputation is damaged to the point that your business suffers. Most notices must go out in 10 days, and a Statement of Claim soon after.

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Even then, you must carefully consider whether you want to defend every so-called libel. Truth is a defence to most libels and you must be scrupulous in ensuring that the libel is actually a libel — that there is no truth or chance of truth being associated with it.

Finally, you must not get caught up in complaining about frivolous libels. Being called a jaywalker is not like being called a thief.

Good clients will not malign you, but will instead talk to you to resolve differences. Bad clients will call you every name in the book regardless of how good or bad you are.

Passing off. A second problem occurs when you find that your name is being used by someone else on a phoney appraisal.

Passing off someone else's work as yours or vice-versa is a true tort in Canada. You must be scrupulous to protect your own work before you allow it to be used or misused by others. The most common types of passing off for appraisers involve the alteration of your report or part of your report by another, who then takes credit for your efforts, or in having someone do a report in your name and then circulating it. This sort of conduct robs you of your reputation, as most reports done like this

“There is a gold standard that all appraisers can attain. The real gold is not in the appraisal you have just sent, but in the many years of successful and profitable practice that a real estate appraiser can enjoy and the knowledge of many happy and satisfied clients.”

are done for fraudulent purposes. To protect yourself, you must not allow your reports to go off to third parties without proper assurance that they will not be misused. This means that your report should carry a qualification that it will not be valid unless the signing page is completed with your signature and every page is initialled and marked authentic via your letterhead. The


remedy for passing off is usually very expensive to be pursued, but it is worth it if multiple parts of your work are being used by others or if people are passing around your work as theirs. Control over your opinions is very important to avoiding this or any other undesired scenario.

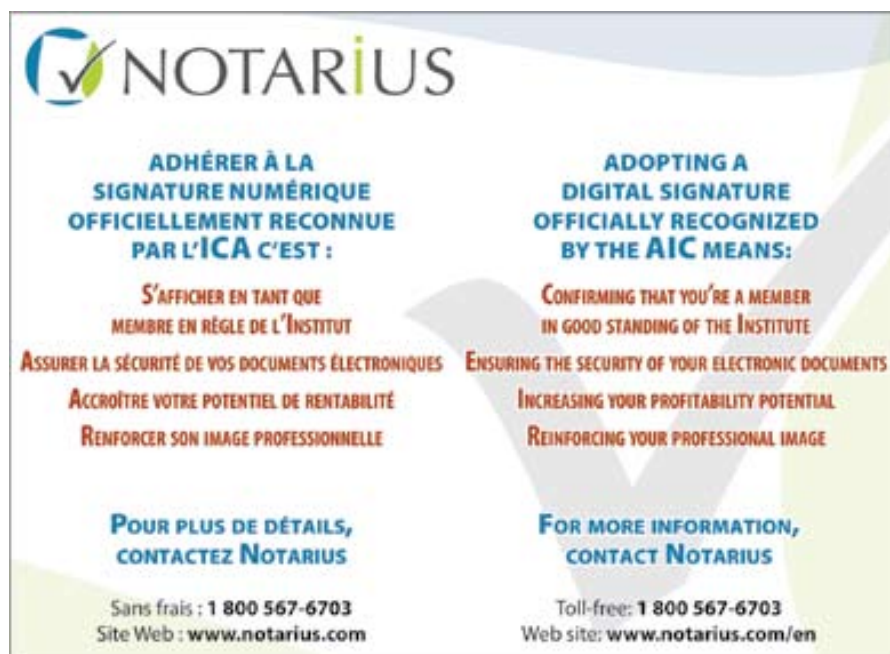
Another way to protect your work is to copyright it. This is accomplished simply by denoting your work as copyrighted. This allows you to pursue unauthorized users of your work through prosecution under copyright statutes. At the same time, you must be careful to reserve copyright in your work explicitly in the body of your narrative report.

A failure to take steps to stop libel or slander or passing off or breach of copyright is to risk losing your rights. Those who permit libel in the face of knowing about it cannot come to the Court to seek redress if the limitation period passes, or if they have not ‘set the record straight.’ Even then, redress must be sought carefully.

At the end of the day, keeping your reputation intact means treating it as a valuable commodity and not letting anyone cheapen it. You are the best police for your name. Do good work. Do not be rushed. Know who your clients are and avoid clients who do not fit your preferred profile. Better yet, cultivate clients who want excellence.

At the same time, do not let your name be used without proper compensation. Do not let just anyone rely on your work. Protect yourself from those who seek to undermine your business, by complaining if you are defamed or if your work is passed off. Through its professional practice process, the AIC can receive complaints where you are subject to improper comment by another member (though it cannot award damages). Choose your forum carefully, as expenses rise the higher up the chain you go in the court system.

There is a gold standard that all appraisers can attain. The real gold is not in the appraisal you have just sent, but in the many years of successful and profitable practice that a real estate appraiser can enjoy and the knowledge of many happy and satisfied clients. 



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Sharing common experiences

Whenever I attend a local or national Appraisal Institute of Canada (AIC) event, I find that, when our members get together, they almost always slip into sharing stories about interesting inspections, clients, and unique valuation assignments.

This is more than just ‘talking shop,’ it is a valuable learning opportunity. Our academic training cannot prepare us for every situation that we will encounter during our careers. But, it is safe to say that, for every assignment that we will face during our careers, another member has probably already had a similar assignment and figured it out. In this respect, our members represent a massive database of valuation industry experience.

Sharing professional experiences and solutions is the basis of peer support. There is much we can learn from each other. The AIC has developed a number of tools to facilitate the exchange of experience-based knowledge, including the Appraisers Forum on the AIC web site, the *Canadian Property Valuation* magazine, and the many professional development opportunities.

Peer review presents yet another opportunity to capitalize on shared learning. The Applied Experience Program is a form of peer support that focuses on training Candidates, however, there is no formal peer support program for designated members. A national peer review program for designated members could have many benefits, including improved quality and consistency of work product, reduced professional complaints, reduced insurance claims, and heightened credibility with the public. Many top-tier professions have a formal peer review program in place, so why not the AIC?

The concept of a formal peer review program for the AIC dates back to the 1950s, when it was first discussed by the National Board of Governors. Over the years, it has come and gone. There have been exploratory committees and even some provincial programs, however, it never really seemed to get any traction.



Of all the issues and ideas discussed during the development of AIC’s 2007–2012 Strategic Plan, peer review was the most popular. As a result, one of AIC’s current strategic initiatives is “...to develop a plan whereby an affordable and effective peer review system may be established. . .”

Moving forward from this, the Board of Directors struck an ad-hoc committee to advise the Board on how to proceed. Initial discussions led to the conclusion that a national peer review program would be a huge undertaking. Imagine for a moment a program to review only one report from each private practice member, only once every five years. We would have to build the capacity to review 1-2 reports every day, and these reports would range from residential forms to full narratives. The scope of the review would have to be such that the feedback to the member is meaningful and practical, which means more than just a standards compliance check. This would require two or possibly three full time reviewers, plus support staff. The costs could be significant.

Therefore, it was decided to launch a small-scale Peer Review Pilot Project to focus only on residential form reports. This program will be launched later in 2008 and will run for at least one full year. The primary goal of the Pilot Project is to measure costs and benefits. The pilot project will also give us some practical experience, which will be quite useful down the road should the Board

choose to pursue an expanded program.

A detailed program manual is under development. As complaints are received by the Counsellor of Professional Practice, some are identified as having only minor issues and not worthy of an investigation. The member in question will be offered the opportunity to participate in the Peer Review Pilot Project as an option. The report will be reviewed by a trained volunteer and the member will be provided with practical feedback, suggestions, and guidance.

To date, much work has been completed in preparing to launch the Pilot Project. Detailed review forms have been designed and a program manual has been developed. A call for review volunteers has gone out and was well received. The reviewers will receive some training to ensure consistency of the review process, and the development of the training program is underway. 📄

Ad Hoc Committee on Peer Review Pilot

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Linda Hastings, AACI, P. App
Robert Stewart, AACI, P. App
Gerald W. McCoombs, AACI, P. App
Cherie Gaudet, CRA

To contact this committee email:
professionalaffairs@aicanada.ca

Consulting assignments – rules for today and tomorrow

Members of the Appraisal Institute of Canada (AIC) designated as AACIs are fully trained and qualified to undertake real estate consulting assignments. Real estate consulting is a broad term that is applied to studies of real estate other than estimating value.

It is an area of practice that some AIC members might not have considered, or are reluctant to explore since it is a departure from point-in-time valuation assignments. However, consulting services align with the objectives of the AIC in providing a broad range of services to clients.

Land utilization studies, highest and best use analysis, marketability, feasibility, investment studies or other research-related assignments are examples of real property consulting. Clients have choices regarding with whom they contract for services and AIC members have market knowledge and competence to complete these projects.

The *Canadian Uniform Standards of Professional Appraisal Practice (Standards)* deal with the procedures for development and communication of a real property consulting service. The *Consulting Standard Rules* provide 14 mandatory rules that form the minimum requirement to produce a credible result for any particular type of consulting assignment. For example, Rule 10.2.11 “requires a consultant to describe and apply the consulting procedures relevant to the assignment.”

In addition, the *Standards* provide Comments to clarify, interpret, explain and elaborate on the Rules, and their application is also mandatory. More specifically, the Comments provide a subset of criteria for consideration. Comment 11.7 Real Property Consulting states that “in performing real estate or real property consulting services, a member must:

- i. identify alternative courses of action to achieve the client’s objective, and analyze their implications;



- ii. identify both known and anticipated constraints to each alternative and consider their probable impact;
- iii. identify the resources actually or expected to be available to each alternative and consider their probable impact;
- iv. identify the optimum course of action to achieve the client’s objective.”

Further detail is provided for very specific types of assignments. However, there are commonalities in that each assignment must contain a signed certification, similar to that produced in appraisal and review assignments.

In summary, the real estate consulting field is diverse and offers AIC members a challenging and lucrative opportunity to expand their services. However, members must keep abreast of any changes to the *Standards* as they are updated from time to time.

The Standards Committee has already commenced a review of potential future changes to

our *Standards* that will be required as the result of the adoption of the *International Financial Reporting Standards (IFRS)*, due to replace Canada’s existing *Generally Accepted Accounting Principles* on January 1, 2011. With the adoption of *IFRS*, there will be demand for valuation and consulting services prepared under International Valuation Standards, providing consistent and comparable measurements of assets. As the standards of tomorrow develop, members will be advised of the requirements and their impact on the reporting procedures. 🚩

Standards Committee

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Iain Hyslop, AACI, P. App

Brian Varner, AACI, P. App

Chris Perret, AACI, P. App

George Ward, AACI, P. App

To contact this committee email:

standards@aicanada.ca

AIC provides best available insurance product to members

It is now 20 years since the Appraisal Institute of Canada (AIC) decided to secure the availability of professional liability insurance for its members, by launching the Professional Liability Insurance Plan (PLIP). From its early roots, this initiative has been developed continuously to maintain the best product available to protect both members and their clients. Evolving from the creation of a levy stabilization fund in those early days, came the formation of the First Professional Liability Insurance Company Limited (FPLICL) in 2006.

Under the guidance and watchful eyes of AIC members serving on the PLIP Committee, the AIC Insurance Advisory Committee, and with the collaboration of Brian Duncan, AACI, P. App, President of the Board, FPLICL, the members' interests continue to be carefully considered and represented, as this concept first became reality and now is progressively refined.

Consistent through this whole period have also been a core group of service providers who are not only essential for the effective delivery of this program, but are legally required to meet today's increasingly regulated financial services world.

Since all of this has created a potentially bewildering structure and array of company names that can quickly become very confusing, some explanation is timely.

In order to access the global insurance marketplace, the AIC has always engaged an insurance brokerage to do this on behalf of the membership. Historically, this has been a role served largely behind the scenes, working with the AIC Executive and Insurance Committee and more recently with FPLICL. Martin Merry & Reid Limited (MMR) is the insurance brokerage



"AIC members have a comprehensive and effective Professional Liability Insurance Program of which to be proud."

firm engaged by the AIC to provide this service, as it has done for the past few years. Recently, in order to properly meet regulatory requirements under the new structure, the name has become more prominent, as invoicing and documentation to members has had to be issued in MMR's name.

The Canadian Insurance Policy is issued

by Travelers Guarantee Company of Canada, whose name also appears on the members insurance certificates. This is important, as the company is not only licensed to issue insurance policies in Canada, but is rated 'A' Excellent by A.M. Best. This is a critical benefit because of its importance to many financial institutions who evaluate the strength and financial quality of the professional liability insurance that service providers carry, as do many other businesses.

FPLICL is the AIC insurance subsidiary structured as a corporate entity domiciled in Barbados. It is 100% owned by AIC, which appoints a Board of Directors to oversee this initiative. FPLICL is managed under contract by Amphora Captive Insurance Managers and continues to be extensively involved in the members' insurance program, however, this is now properly structured for an offshore captive by way of a reinsurance agreement with Travelers Guarantee, which flows a proportion of the risk and premium through to FPLICL.

AIC members have a comprehensive and effective Professional Liability Insurance Program of which to be proud. Roll on the next 20 years! 🌈

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 Todd MacDonald, AACI, P. App
 Gordon Tomiuk, AACI, P. App, Fellow
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insuranceadvisory@aicanada.ca

The three foundation principles of the professional practice process

Now that the Institute has adopted a revised professional practice process, the challenge lays with the professional practice committees to implement it. The first step is to recognize the principles on which the process is founded.

The first and foremost is **fairness**. Fairness means that individuals who register complaints about Institute members will be dealt with in a timely and professional manner. Fairness will also apply to the member involved who will be informed about the complaint, and will have an opportunity to respond to the allegations and to explain himself, if there is a hearing. Fairness is also about consistency in the manner complaints are addressed and sanctions imposed, while taking into consideration the uniqueness of each situation.

The next principle is **focus on education**. Where an error is uncovered, the appraiser will be given the opportunity to undertake education and training. People make mistakes; learning from them is what is important. It is anticipated that, by adopting a professional practice process focused on education, the quality of members' work will improve.

Finally, it is recognized that the Institute has an obligation to protect the public and that members have a professional obligation to ensure they have the knowledge and competence to undertake a valuation assignment. If a member commits serious breaches of the Institute's professional practice standards or its Bylaws and Regulations, then the professional practice process must take appropriate action. Thus, the third principle of the professional practice process encompasses **discipline**.

The volunteers who serve on the committees now have the task of developing



procedures for implementing the revised regulations. Keeping in mind these three principles, over the next year, the Professional Affairs Coordinating Committee will develop the policies and procedures, and conduct training to ensure that consistency and fairness remain the focus in addressing consumer complaints.

In the coming months, members should check the AIC website regularly for new information and a consumer guide that explains the professional practice process. As we build the tools and competency necessary to nurture and affirm that the process is consistent and fair, the Board of AIC and the Professional Practice Committee Chairs are optimistic that consumer complaints can be addressed sooner, thereby increasing consumer confidence in the process.

Our goal over the next year will be to continue to foster an environment which emphasizes professional excellence and respect for our peers, particularly those who volunteer for these committees. It will also be about instilling a

membership culture that honours and respects the obligations that come with membership: to strive for excellence in everything that a professional appraiser stands for. 🏆

Professional Affairs Coordinating Committee

Sheila Young, AACI, P. App, – Chair,
President Elect

Peter Lawrek, AACI, P. App –
Chair Adjudicating Committee

Hal Love, AACI, P. App –
Chair Insurance Advisory Committee

John Hutchinson, AACI, P. App –
Chair Investigating Committee

Leonard Lee, AACI, P. App –
Chair Appeal Committee

Ray Bower, AACI, P. App –
Chair Standards Committee

To contact this committee email:
professionalaffairs@aicanada.ca

Spotlight on continuing professional development

In the previous edition of *Canadian Property Valuation*, I highlighted three of the UBC Real Estate Division's recently developed continuing professional development (CPD) courses (*Volume 52, Book 2, Page 37*). This article introduces three further courses. Again, the goal of the UBC CPD courses is: (1) to refresh AIC members' skills and knowledge; and/or (2) to teach members new techniques and applications for the evolving marketplace. The CPD courses are short, self-paced, and completed online.

CPD 115: Appraisal Review

- 2 lessons; 7 AIC CPD credits; tuition: \$120
- Pre-requisite: recommend *BUSI 330* or a thorough understanding of the theory and application of the three approaches to value

A good appraisal report presents a convincing argument to the client and reader of the report. Accurate and relevant data is the basis for this argument, analyzed objectively in support of the various opinions expressed by the appraiser in applying the appraisal process. A good appraisal report provides a consistent, coherent, and logical analysis convincingly supporting the final value estimate.

Appraisal review is the quality assurance evaluation of the appraisal report, assessing the appraisal report's consistency, coherence, logic, correctness of data, accuracy of calculations, etc. The role of the reviewer is not to substitute his/her opinions for that of the appraiser – to do so is to become the appraiser – but, rather, to objectively analyze the report to ensure that the client and reader of the report will base their decision on a sound appraisal.

In summary,

- an appraisal report provides an estimate of value for the client; and

- an appraisal review evaluates the quality of the appraisal report in fulfilling its purpose and function, consistent with accepted appraisal theory, application, and standards. Appraisal reviews can range from a self-review by the authoring appraiser before the report is passed to the client, to a report formally reviewed by a colleague, or a report scrutinized by the Supreme Court of Canada as a part of litigation.

The function of appraisal review is to assist the decision-making process of the client in determining whether the appraisal under review effectively achieved its stated purpose (one that is appropriate and legitimate), or should be rejected for being incomplete, unreliable, or misleading. Additionally, for appraisal reviews done as compliance audits, the basic function is to assist professional associations and others to determine whether the report is in compliance with defined appraisal standards.

Appraisal review's paramount function is to help the client determine whether the appraisal achieved its stated purpose in a meaningful, ethical, and reasonable manner; whether it should be rejected on grounds of failure to do so; and what weight, if any, should be afforded to the conclusion. Appraisal review is increasingly becoming a valued service that provides this assurance to the clients.

This two-lesson course provides an overview of appraisal review, looking at the purpose, function, and types of appraisal review and distinguishing appraisal review from appraisal itself. Professional standards appropriate to appraisal review are referenced, together with examining the qualities of a reviewer and the reviewer's relationship with the appraiser. The course examines, in detail, the common deficiencies in appraisal reports and the characteristics of a

quality report. It also describes tools for reviewers, such as review templates and formats.

The course focuses on the review of narrative appraisal reports, but is also applicable to form reports. It includes case studies requiring students to review sample narrative appraisal reports and complete a review checklist for each, together with a narrative appraisal review report consistent with the *Canadian Uniform Standards of Professional Appraisal Practice*. Students can self-assess their review against a completed sample report. These case studies illustrate the objective tone and the form of review recommendations and justification promoted in the course.

CPD 121: Valuation of Submerged Land

- 2 lessons; 7 AIC CPD credits; tuition: \$120
- Pre-requisite: recommend *BUSI 330* and *BUSI 331* or a thorough understanding of the theory and application of the three approaches to value

Estimating the market value of submerged lands is one of the most challenging assignments an appraiser will face. Ownership of most submerged land in Canada is largely in the hands of the provincial governments and, to a lesser extent, federal governments (federal ports). Because of the difficulty in finding arm's-length market transactions of water lots, the appraiser's conclusions may often appear to rely heavily on assumptions about value relationships, in other words, subjective analysis. To overcome these valuation limitations, appraisers have developed a number of quantitative and qualitative methodologies. In this course, we explore the more common analytical approaches for the valuation of

“The goal of the UBC CPD courses is: (1) to refresh AIC members’ skills and knowledge; and/or (2) to teach members new techniques and applications for the evolving marketplace.”

water lots, and assess their reliability.

There are no miracle techniques to simplify the problems presented in the appraisal of water lots. To minimize concerns over too much subjectivity in the valuation, and to ensure that the value conclusion is accepted by the marketplace, the appraiser must provide a convincing analysis of all factors affecting the use of the water lot. Moreover, the appraiser must understand some basic terms, characteristics, rights, legislation, and regulations concerning the use, and hence value, of water lots.

To assist appraisers in their analysis and valuation of water lots, this two-lesson course:

- describes the characteristics of a water lot,
- indicates the rights affecting the water lot,
- outlines some typical problems in the appraisal of a water lot, and
- describes and illustrates the basic methods for the valuation of water lots.

Most valuation professionals are not faced with submerged land valuation assignments on a regular basis and the prospect of completing this specialized type of valuation can be daunting. The following points highlight the kinds of issues we will tackle, in attempting to move from theory to practical application of these concepts:

- What questions do I need to ask the client to ensure clarity of the function and scope of the appraisal?
- Are there specific limiting conditions that should be recognized and cited?
- Will my pattern of research be different for a submerged land valuation assignment versus a similar upland assignment?
- How will I determine which method is appropriate for my submerged land assignment?
- Should the upland be valued together with

the submerged land if used in an integrated fashion?

- Where do I find costs for marine improvements?
- How does one arrive at a capitalization rate for water lots, particularly when sales of these properties are uncommon?
- Where does one find market information for water lot rents, expenses, and vacancies?

The course explores the valuation of submerged land, for real estate professionals who want to ‘get their feet wet’ working with water lots.

The goal of the course is to provide a legal and technical understanding of submerged land, and the various valuation methodologies that have emerged over time. The course is intended for anyone involved in valuations of submerged land, including institutional appraisers, assessors, review appraisers, or those who order submerged land appraisals — all of whom may have different perspectives and valuation requirements.

A case study approach is used where possible in order to keep the course as practical as possible. A related goal in each case study is to highlight some of the common traps and pitfalls associated with submerged land valuation. For example, a common error is to automatically assume that the highest and best use of the upland and submerged land are the same.

The course also explores additional complexities encountered in submerged land valuations, such as allocating value between upland and water lot components of value, identifying the components of a commercial water lot income stream as real estate or business-related, and a variety of specialized and unusual submerged land valuation assignments.

CPD 122: Expropriation Valuation

- 1 lesson; 4 AIC CPD credits; tuition: \$60
- Pre-requisite: recommend *BUSI 330* and *BUSI 331*, or a thorough understanding of the three approaches to value

Expropriation is defined as: “The right of government to take private property for public use upon the payment of just compensation. Various provincial and federal statutes establish the expropriation mechanisms, notice periods, approval processes, and compensation adjudication mechanism that might apply.” An expropriation can:

1. take the whole property;
2. take part of the property;
3. take an interest (such as an easement) over the whole or a part; and/or
4. cause a loss in value to lands not taken.

In return, an owner receives compensation. Depending on the nature of the taking, compensation can include the market value of the property, injurious affection, special value, disturbance, interest, and costs.

Expropriation introduces concepts to the appraiser beyond what is found in day-to-day valuation practice. While many appraisals are prepared for the purposes of expropriation, only a few will end up in the spotlight of a hearing, involving a formal challenge through a court, commission, board, or other official setting. Yet, it is this possibility that heightens the expectation of challenge and puts appraisers to their most demanding test, with the author required to give expert evidence as to the loss in value caused by the taking.

This one-lesson course is intended for real estate practitioners wanting a working knowledge of expropriation valuation. The course

focuses on the elements of compensation and case precedents to assist professionals in preparing for expropriation valuation assignments. The course also provides insights into the legislative requirements for expropriation compensation. After completing the course, the reader will have a better understanding of expropriation concepts, the legislation and court precedents governing expropriation, and the techniques appraisers apply when carrying out expropriation assignments.

The course is not intended to provide

everything there is to know on this subject, as there are entire legal textbooks written on expropriation. Similarly, the course will not make the reader an expert in all facets of expropriation valuation. Instead, it points out areas for further learning and research that interested readers can carry out on their own. A difficulty in preparing this course was its national audience in combination with the provincial and local laws that govern expropriation. Given the similarities in expropriation legislation across Canada, we have

focused largely on the federal *Expropriation Act*, in order to provide a general basis for discussion, and then illustrated select local examples to highlight variation from this standard. The local examples illustrate expropriation practices across Canada. However, for the specifics of local laws and practices, readers must carry out their own research beyond this course – this course represents only a starting point.

For information on the UBC's CPD offerings, visit our website: www.realestate.ubc.ca/cpd 

An important message to Candidate members on reporting annual course requirements

In October 2005, the Appraisal Institute of Canada (AIC) Board of Directors approved a policy that now requires Candidate members of the Institute to complete one university credit course annually. These must be university credit courses, either from the designation curriculum or a course required completing a degree. The intent of this policy is to promote the continuous learning that is the hallmark of a professional in any field and to encourage progress to designation in a timely fashion.

The first reporting period for new annual course requirement for Candidates was established as January 1, 2006 to September 30, 2008, to allow adequate time for members to be admitted to the University of British Columbia (UBC), if not currently in the program, and to plan their time and financial commitments accordingly. Any/all courses completed during that time frame should be reported. Subsequently, Candidates must report one course by September 30 each year.

Candidates should now report courses completed from January 2006 to date, to the AIC office in Ottawa as soon as possible, but no later than September 30, 2008. This will facilitate the audit process.

How to report

Acceptable documentation for course reporting is one of:

- a printout of your student course history, which is comparable to an unofficial transcript, showing what courses you have completed and your grades;
- student 'grade letters,' which show the grade in each individual course;
- for UBC courses, a copy of the unofficial transcript that may be ordered by the Real Estate Division, Sauder School of Business; or
- official transcript, which students order on a fee for service basis.

Documentation may be forwarded to the AIC office as follows;

- by mail to AIC, attention: Diane Arruda, Suite.403, 200 Catherine Street, Ottawa, ON, K2P 2K9
- by fax to (613) 234-7197
- by email to courseaudit@aicanada.ca, attaching the documentation in PDF format

Those who are registered in a current summer course should provide a confirmation of their registration and, upon receipt of



examination results, documentation as noted above. As marking can take several weeks, these Candidates will be allowed additional time to report examination results. This deadline is November 1, 2008. Candidates who fail the summer course examination will be allowed time to rewrite the examination at the December 2008 sitting, and should report the results immediately on receipt.

Candidates should also record course completion in their online member profile using the CPD reporting tool, and a credit total of 40 per course, at: http://www.aicanada.ca/e/members/members_membership_credits.cfm.

Fraud prevention based on best practices

In the last article by the task force, we discussed undue client pressures (*Canadian Property Valuation*, Volume 52, Book 2, page 32). We endeavoured to provide some examples of such pressures and suggested how Appraisal Institute of Canada (AIC) members might avoid succumbing to undue influence. In this article, we would like to follow up with further suggestions for best practices in real estate fraud prevention.

As an AIC member, the most effective practice that you can adopt to prevent becoming an innocent participant to fraud involves your relationship with both new and existing clients. Invest the time to get to know your clients and to maintain those relationships. In so doing, you gain a better understanding of their reporting requirements and this leads to clarity in your scope of work.

The following measures are a guideline for the development of best practices wherever possible in your appraisal practice, and each of these also contributes to the prevention of fraud.

- Take reasonable steps to ensure that appraisals are developed and delivered objectively.
- Develop a process for independent, qualified and adequately trained individuals to review appraisals for quality and compliance on a consistent basis.
- Use written engagement letters that ideally include the following:
 - definition of the problem and an agreed to scope of the appraisal assignment;
 - a target deadline for return of the




- appraisal plus protocol necessary to provide additional time, if needed;
- procedures that allow the appraiser to gain additional information from the lender, or others affiliated with the transaction;
- the appraisal fee, plus provision for prompt payment or payment is contingent upon the delivery of the report;
- a condition that the appraiser abide by the current or applicable version of *CUSPAP*; and
- a review process that outlines the responsibility of each party in case there is any disagreement.

AIC has adopted a professional practice process whereby appraisers who have violated standards should be reported to the

Institute. It is expected that appraisers shall perform their work ethically, expeditiously, and in compliance with the standards. The willingness of all AIC members to uphold this ideal and report suspect incidents will act to strengthen both this process and its contribution to fraud prevention.

While the above suggestions appear to be simple measures, getting to know your client, adopting engagement letters, and reviewing practices will set the stage to avoid any misunderstanding between you, your client and the lender that relies on your reports. In time, adhering to all of these guidelines will pay large dividends during your professional relationship.

In addition, you should contact the Counsellor Professional Practice for advice and guidance when faced with difficult situations. The more that AIC hears about the types of matters you are encountering in your practice, the better prepared our profession can be to prevent fraud. 

Ad Hoc Real Estate Fraud Task Force

Gerald McCombs, AACI, P. App – Chair
 Paula Malcolm-Schaller, CRA
 Kimberly Maber, AACI, P. App
 Ed Saxe, CRA
 George Ward, AACI, P. App
 Bill Balsom, AACI, P. App
 To contact this committee by email:
fraudinfo@aicanada.ca



Robert Patchett
LL.B., CD, AIC Counsellor,
Professional Practice

Top five reasons consumers call AIC

There has been much discussion about the nature and type of enquiries that the Appraisal Institute of Canada (AIC) receives from concerned consumers. Typically, these calls involve the appraisal process and AIC members. While these calls could be analyzed with a view to distilling a list of suggestions for members on best practices, it may be better to just set out the top five reasons for consumer calls. Armed with this information, members can reflect on their own business and appraisal practices to determine if adjustments or enhancements are required.

- Without doubt, the number one inquiry is: **"I paid for the appraisal, why can't I receive a copy?"** The standard reply from the appraiser is that the consumer is not the


client and, therefore, cannot be provided with a copy. While there may be some truth in that, some members have difficulty in understanding who the client is. An appropriate reply would be to refer to clauses in your professional standards and lenders instructions about disclosing the confidential appraisal report to third parties.

- **"There are errors in the report and the appraiser won't discuss them with me."** In this case, the appraiser typically responds that the consumer is not the client and he or she cannot discuss the report with a third party. Notwithstanding this, if you have, in fact, made an error, would you not like to know so that you can amend your report?
- **"I disagree with the selection of a**

comparable property – it is not from my neighbourhood and it is not a similar property." This is always a difficult inquiry to address, since it represents a subjective area of appraisal practice.

- **"Is this appraiser a member in good standing with the Appraisal Institute of Canada?"** Consumers call about your status with AIC to confirm that you are who you said you were when you inspected a property. They also want to confirm your qualifications and competency to appraise certain types of properties.
- Finally, it should be no surprise that consumers frequently phone to inquire: **"How can I file a complaint?"** They are past the breaking point, do not accept the answers they have received from an appraiser, or simply are frustrated with what they perceive to be a lack of professionalism.

AIC, as a professional governing body, has created a dispute resolution program, with processes to address these types of professional practice enquiries. This is a member service that is intended to maintain and enhance the reputation of the profession and the Institute. When AIC members are called by a consumer, or myself, they may be apprehensive, however, how they respond and their willingness to listen and to explain their professional methodologies will do more to reduce and prevent the matter escalating to the formal complaint stage than anything the program can achieve.

Awareness of the types of issues that prompt disgruntled consumers to contact AIC should be helpful to members, as they evaluate their business and communications practices and strive toward improved customer relations. 



Counsellor Clarification

In the last edition of *Canadian Property Valuation*, the article on Reasonable Appraisal Review (Volume 52, Book 2, Page 39) commented on correcting errors in an appraisal report when they are brought to an appraiser's attention. The article may have inadvertently created some confusion in suggesting that a situation of this nature is covered by Appraisal Comment 7.6.4. In fact, this situation is not covered by the *Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP)*. However, the Insurance Advisory Committee has published a *Claims Prevention Bulletin # 25* that provides guidance on discovered errors and appropriate responses.

From a *CUSPAP* compliance perspective, Appraisal Rule 6.2.5 and Comment 7.6.4 are not helpful in providing guidance to an appraiser who amends his or her report without changing the effective date of the opinion of value. Practice Note 12.19 is not specific to this situation, but provides limited guidance.

It is recommended that the above resources be consulted, and that the revised report be issued and clearly labeled as an 'Amended Report' so as not to confuse a reader with an 'Updated Report.' By doing this, an appraiser avoids any confusion that might be created with having two appraisal reports with the same effective date and different conclusions, something which Ethics Comment 5.14 seeks to avoid.

A client request to revisit an existing appraisal, where disclosure or discovery of new information might impact the conclusions or value estimate as of the same date, is a legitimate request that the appraiser should entertain. After revisiting the existing appraisal report, if a change in the conclusion(s) or value estimate is warranted, the appraiser should send an amended report to the client, disclosing the new conclusions, or, if a revised estimate of value, adding a statement to the effect that "as a result of investigating the additional following data, the estimate of value has been changed from 'y' to 'x' as of the effective date of appraisal." Such a statement makes clear the appraiser's reason(s) for the change, including the magnitude of the change in the estimate of value, while eliminating the appearance of any wrongdoing. In this situation, it is recommended that the appraiser retain on file the original report, as well as the amended version and notification to clients and intended users.

CP Bulletin #25 may be found online at: [www.aicanada.ca/private/aic_claims_prevention_bulletin25\(english\).pdf](http://www.aicanada.ca/private/aic_claims_prevention_bulletin25(english).pdf)

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AIC technology upgrades

Keeping pace with dynamic needs of valuation professionals

The Appraisal Institute of Canada (AIC) has been working diligently over the past number of months to revitalize, redevelop and strengthen its online presence. Taking advantage of advances in Internet-based technologies, the Institute is nearing completion of a complete redesign of its web site as well as an upgrade to its membership database and its related Internet components (such as member profile management, secure online dues payment, and, eventually, secure online event registration).

The redeveloped AIC web site is the flagship component of the Institute's new visual identity and corporate messaging. Scheduled to be launched later in the summer, the web site's navigation, structure and content have been completely redeveloped to maximize the user's experience and make finding information much easier and intuitive. Additional features, such as a personal bookshelf and better integration of provincial information are additional enhancements awaiting users.

One element of the Institute's marketing campaign is to better promote the profession and the services of our members. To that end, the new web site includes a redeveloped client resource centre. While similar information is available on the current AIC web site, it has been repurposed to provide information in a more concise and clearer manner. The client resource centre explains why people should retain the services of AIC members, what our members do, and, ultimately, how to find and contact members. To optimize the usefulness of this valuable client resource, it is extremely important that all AIC members keep their personal information as up-to-date as possible. Accurate information ensures that clients, stakeholders or other AIC members find you




quickly and easily.

Simultaneously, the Institute is upgrading its existing membership database to the most current version. This takes advantage of increased functionality and better integration with the Internet, to allow members to edit their profile information and securely pay their dues online. While these functions are currently available on the existing AIC web site, the upgrade allows for direct integration with the database, rather than through third party programming.

During the transitional period and thereafter, the majority of members may continue to log in with their existing username and password for online dues payment, profile updates and access to all member-only information. However, some members may encounter problems if they do not meet the new minimum username and password requirements. These

members will be required to change one or both of their username and password to meet the new minimum system requirements. Members whose existing username and/or password is not at least six characters long, or contains spaces, must change their password. This can be done now in preparation for the transition through the existing members' section of the web site. It is our intention to minimize the impact of these changes to the greatest extent possible, but, with all system upgrades, some minor difficulties are inevitable.

We are excited about these enhancements which give the Institute a much stronger web presence; a more professional look; and a much improved online experience for those interacting with the Institute. We trust you will agree and request your patience with any interruptions that may be caused during these major advancements. 

360° of opportunity

Marshall McLuhan is famous for many quips, but his most insightful advice for entrepreneurs is often overlooked: “I don’t know who invented water, but it wasn’t a fish!” Whether you are in private practice or work in the private sector, it is difficult to see the opportunities bubbling around you simply because the view is too familiar.

Everyone is talking about new business possibilities that extend far beyond traditional point-in-time valuations. But, if you are dipping your toe in new waters, how do you get started? One simple strategy is to reframe your existing services and expertise in a new, more relevant context. That is why AIC created the 360° Property Lifecycle model. It is a simple way of orienting – and extending – what you do in a meaningful, client-friendly way, whether you are specializing in residential, commercial or public property. Here are a few practical tips on how to get started.

You can use the model in several ways. First,

think of it as a kind of checklist of opportunities for yourself. What services are you already providing at each stage of real property ownership: acquisition and development; management; and disposal? Where could you add practical extensions (without over-promising)? Once you have organized your services around these categories, you can also adapt this as a sales or educational tool for your offerings as an easy-to-understand ‘needs assessment’ tool for clients. We have suggested activities in each stage, but not all offerings will be relevant to you. The model is just that – a guide. Adapt it to suit your business environment.

This can also be a useful way of identifying opportunities to collaborate with professionals in related fields like finance and law. Use topical issues like fraud and *International Financial Reporting Standards* as levers to get attention of key audiences including employers and a broad swath of businesses. According to the *IFRS Readiness in Canada, CFERF Executive Research Report*, conducted by The Canadian Financial Executives Research Foundation, “. . .the vast

majority of Canada’s top financial executives do not believe their staff is prepared for the conversion to *IFRS*. . . most have not briefed their audit committees, few have calculated the costs of conversion, and a majority doesn’t yet know if their systems can handle the job.” Green building valuations are another emerging area of interest.



AIC 360° Property Lifecycle

Use this simple model of the lifecycle of a property to demonstrate to clients and colleagues how your expertise can help reduce risk and optimize value at every stage.

Using the lifecycle model is an effective way of demonstrating the power of your AIC designation. As a ‘Real Property Expert,’ reinforce how AIC valuations are considered **the** benchmark throughout the industry.

Be a ‘champion’ of what you do and why it matters. Spread the word. . . with prospective members about the great career opportunities; with employers about how AIC members are invaluable team players; with other realty-related professionals and the public about the importance of getting expert advice that is backed by proven credentials and up-to-date expertise. Help them see how you can provide 360° of advice.

Why do AIC members matter? **We Value Canada.**

Stage 1: Acquisition and Development	Stage 2: Management	Stage 3: Disposal
<i>Sample activities. . .</i> Feasibility studies Site selection, evaluation Market forecasting Cost-benefit studies Investment advice Cost of renovation analysis Property valuation Green development appraisals Regulations Tax implications Contamination, brown field or impaired property issues	<i>Sample activities. . .</i> Asset valuation (current, future, mortgage and lending) Asset, corporate portfolio management Property management strategic advice Highest and best use studies Insurance and tax estimations Annual reporting (IFRS) Investment optimization Risk management Fraud protection	<i>Sample activities. . .</i> Valuation Tax implications Consulting Due diligence – Litigation – Arbitration – Mediation – Negotiation Expert testimony

AIC CONFERENCE RECAP



The 2008 Appraisal Institute of Canada conference, held at the Delta Hotel in St. John's, Newfoundland & Labrador from June 4-7, was a fantastic success. Close to 450 delegates, companions, speakers, exhibitors and invited guests 'came from away' to take part in a conference full of informative, thought-provoking and educational sessions. Great networking experiences were had by all resulting in the sharing of ideas and strategies to further develop career successes.

The conference launch graced attendees with the beautiful sounds of Shallaway Choir. This internationally renowned school choir won over the hearts of all with their rendition of O Canada and other beautiful local cultural songs.

The conference opened with keynote

speaker, Richard Worzel addressing 'Who Owns the Future' and upcoming trends in property valuation. The spotlight speaker, Kip Beckman from the Conference Board of Canada, spoke of the US housing meltdown and its implications on Canada's property valuation industry.

Some conference speakers have provided copies of their presentations, handouts or other materials which were discussed during their session. The AIC 2008 conference 'eLibrary' is available by visiting www.aicanada.ca/e/aic2008/library.html.

AIC's marketing campaign launched throughout the conference commenced with a half day marketing workshop on Wednesday followed by Jeannette Hanna, from Cundari SFP, on Thursday. Her motivating presentation entitled 'Why Do AIC Members Matter' and

the importance of having strong marketing strategies offered some significant insights for all in attendance. On Friday, the marketing campaign elements were revealed during the AGM. Saturday's last conference session, Marketing Magic, was well received by all participants. Congratulations to members of the Marketing and Communications Committee for their hard work and diligence in marketing Canada's best kept secret – AIC's Real Value Experts.

AIC was also pleased to make a donation of \$1500.00 to Habitat for Humanity in support of that organization's tireless community contribution to affordable housing.

AIC extends a very special thank you to the 2008 Chair, Glen Power, and his conference chairs, as well as to the enthusiastic and energetic group of volunteers who dedicated their time and effort to making this the successful AIC conference that it was.



Above
Beverley Girvan, AACI, P. App addresses the 2008 Annual General Meeting, while Communications Committee Chair Paul Olscamp, AACI, P. App (Fellow) looks on.



Upper Right
Futurist Richard Worzel delivers his keynote address to AIC members at the 2008 AIC Conference.



Right
The new AIC trade show booth on display at the 2008 AIC Conference.



Thank you sponsors

The Appraisal Institute of Canada Conference would not be possible without the generous support of many organizations.

Thank you to the following organizations that supported the St. John's Conference.

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Thank you exhibitors The following companies participated in the trade show at the 2008 AIC Conference:

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The conference is being held at Fairmont Tremblant in Mont-Tremblant, Québec. Please visit our website at: http://www.aicanada.ca/e/aboutaic_events_con2009.cfm which contains some preliminary information regarding accommodations and the Mont-Tremblant environs.

À mesure que la portée de la profession d'évaluateur prend de l'ampleur pour inclure une variété de services d'évaluation et de consultation au delà des évaluations traditionnelles, prenez quelques minutes avec vos collègues pour considérer les fondements d'une pratique multidisciplinaire. Explorez avec eux comment les piliers essentiels de l'éducation, l'expérience et des normes élevées vous placent en excellente position pour relever les défis de l'avenir. Joignez-vous à l'ICE au Mont-Tremblant pour une occasion unique de perfectionnement professionnel et participer à des programmes fondés sur les piliers du professionnalisme qui mettront en vedette la grande variété d'occasions qui vous attendent.

La conférence aura lieu au Fairmont Tremblant à Mont-Tremblant, Québec. N'hésitez pas à visiter notre site Web à l'adresse http://www.aicanada.ca/e/aboutaic_events_con2009.cfm où vous trouverez de l'information préliminaire au sujet de l'hébergement et de la région du Mont-Tremblant en général.

As the scope of the valuation profession expands to include a diverse portfolio of consulting and advisory services beyond traditional appraisal, take time out with your colleagues to consider the foundation for a multidisciplinary practice. Explore with colleagues how the essential pillars of this foundation – education; experience; and high standards – position you for the challenges of the future. Join the Appraisal Institute of Canada (AIC) in Mont-Tremblant for a unique professional development opportunity, with programs that build on the pillars of professionalism to showcase the increasingly diverse opportunities that await.

Recognizing excellence

The Appraisal Institute of Canada (AIC) Annual Conference, held in St. John's, Newfoundland and Labrador, from June 4-7, provided the occasion for the AIC to recognize a number of individuals and organizations for contributions to the Institute, in particular, and to the valuation profession, in general.

Fellows

The title of Fellow is granted to designated members who have distinguished themselves by their exemplary contributions to the profession. This is demonstrated by a high level of excellence and achievement that has contributed to the advancement of the profession. **Wayne Crawford, AACI, P. App**, Toronto, Ontario, was awarded the title of Fellow in recognition of his numerous contributions to AIC initiatives at the chapter, provincial and national levels. In presenting Wayne with his Certificate of Fellowship, President Gordon J. Tomiuk, AACI, P. App spoke of his numerous contributions as a leader in the Toronto Chapter, the Ontario Association, and as a past member of the National Board. "Despite the demands of his busy practice, over the years, he has devoted countless hours to Institute business, and demonstrated deep commitment to the continuous improvement of appraisal education. Most recently, he served as chair of the Steering Committee of a major research

initiative, the multi-year study on Best Practices in Valuation of Specialized Federal Properties. An articulate and impassioned spokesperson, this individual has been an effective spokesperson for the Institute and the profession in media interviews. Very recently, he undertook an interview with Global television showcasing the *AIC RENOVA survey*," said Mr. Tomiuk.

David Babineau, AACI, P. App, of Fredericton, New Brunswick, who was awarded the title of Fellow in 2007, was presented with his Certificate at the 2008 Annual General Meeting. David was nominated last year for this honour by the New Brunswick Association of Real Estate Appraisers, for his significant contribution at both the national and provincial level, over 25 years of membership in AIC.

Past-President **Gordon J. Tomiuk, AACI, P. App**, was also named a Fellow of the Institute, at the June 6 meeting of the AIC Board of Directors.

Retiring Board members

The following retiring Board members were presented with plaques recognizing their contributions during their tenure on the Board of Directors:

Robert Robson, AACI, P. App

Robert Tipple, AACI, P. App

President Gordon J. Tomiuk, AACI, P. App, also received a commemorative gavel and plaque recognizing his accomplishments during his Presidential term.

New Designates

A new tradition at the Annual Conference is recognition of all who have earned their designation in the past 12 months, and a ceremonial presentation of the designation to those attending the conference. At the conference luncheon on Saturday, June 7, the names of the 97 new CRA and 40 new AACI members were presented to attendees in a scrolling PowerPoint presentation. President Gordon J. Tomiuk then presented those in attendance with the new designation certificates that have been redesigned to modernize the certificate and incorporate the newly-adopted AIC logo.

Those recognized at the conference were:

Tony Adams, CRA

Marie Garbens, CRA

Travis Hoffe, CRA

Klaas Wolfe, CRA

Kevin Richardson, AACI, P. App

This luncheon also featured a volunteer recognition component, in which the names of 121 volunteers who serve on AIC committees were presented to the members. President Tomiuk asked that members join him in saluting the contributions of these individuals, noting the Institute's debt to the dedication of the many volunteers who devote countless hours to assisting the Institute reach its ambitious goals.



AIC President Gordon J. Tomiuk, AACI, P.App with Wayne Crawford, AACI, P.App (L) and David Babineau, AACI, P.App (R) who were granted Fellowships at the 2008 AIC Conference.



Recent AIC designates who were recognized at the 2008 AIC Conference. From L-R: Marie Garbens, CRA; Tony Adams, CRA; Travis Hoffe, CRA; Klaas Wolfe, CRA and Kevin Richardson, AACI, P. App.

Photos by Shane Kelly

2007-2008 bursaries and awards

Over the last several years, the Appraisal Institute of Canada (AIC) has introduced a series of academic awards that recognize the achievements of students undertaking appraisal studies in programs delivered through AIC's partners in professional education.

Université du Québec à Montréal

Bourse de l'Institut canadien des évaluateurs

Une Bourse d'un montant de 1000 \$ est présentée chaque année à l'étudiant(e) qui reçoit la note la plus élevée dans les « cours approfondis d'évaluation » offerts par la Chaire SITQ d'immobilier de l'UQAM.

La récipiendaire 2007 était **Lyne Cyrenne**, Sainte Julie, Québec.

Seneca College, Toronto

The Appraisal Institute of Canada Award

An annual award in the amount of \$500 is presented to a graduating student in the Real Property Administration Program (RPA), who has, in the opinion of a Seneca faculty panel, demonstrated academic excellence in *RPA 112* and one or more of the additional AIC curriculum courses at the College, taken an active interest in the field of real property as a career, and made valuable contributions to the classroom environment.



The 2008 award was presented to Brian Rudolph, of Toronto, Ontario (R), by George Maurice, AAI, P. App, AIC President.

University of British Columbia

Appraisal Institute of Canada Bursary

A bursary of \$1,000 is offered by the Appraisal Institute of Canada to an undergraduate student specializing in the Real Estate Division of the Faculty of Commerce and Business Administration.

The recipient for 2007-2008 was **Shawn Anderson**, Vancouver, BC.

Appraisal Institute of Canada Prize

A \$500 prize is awarded annually to the student receiving the highest standing in *BUSI 330* offered by the Real Estate Division, Sauder School of Business.

The 2008 winner was AIC Candidate, **Michael Crook**, Vancouver, BC.

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AIC designations granted / Désignations obtenues de l'ICE

The Appraisal Institute of Canada (AIC), together with the provincial associations and the provincial bodies affiliated with the AIC, commend the following members who completed the rigorous requirements for accreditation as a designated member of the AIC during the period April 9, 2008 to July 11, 2008:

L'Institut canadien des évaluateurs (ICE), en collaboration avec les associations provinciales et les organismes provinciaux affiliés à l'ICE, félicitent les membres suivants qui ont complété le programme rigoureux d'accréditation à titre de membre désigné de l'ICE durant la période du 9 avril au 11 juillet 2008:

AACI, P. App

Accredited Appraiser Canadian Institute

We welcome and congratulate these individuals as fully accredited members of the Institute through the granting of their AACI, P. App designation.

Accueillons et félicitons comme membres pleinement accrédités de l'Institut et leur accordons avec fierté la désignation AACI, P. App.

ALBERTA

Ryan D. Archer

NEWFOUNDLAND

Joanne F. Hayes

NOVA SCOTIA

Charlene MacNeil
Nigel Turner

ONTARIO

Marie L. Casista
Barry W Freud

QUEBEC

Jean-Francois Rioux

CRA

Canadian Residential Appraiser

These members are congratulated on the successful completion of the CRA designation requirements.

Nous félicitons ces membres pour avoir complété avec succès le programme menant à la désignation CRA.

ALBERTA

Johnnie A. Anderson
Jeff Burt
Laura Beth Harrison
Tommy Mak
Kira Penner
Donna Marie Rawson
Donald E. Steinwandt
Nathalie J. Thibeault
Jennifer Anne Tomaszewski
Klaas B. Wolfe

BRITISH COLUMBIA

Kari Benum
Matt M. Cherrille

Kathleen M. Conway
Annette Marie Gramm
William Charles Hampton
Julian R. Mason
Colin Pettingale
Jason Richard Small
Warren M. Wurzer

MANITOBA

Brandon A. Burley

ONTARIO

JoAnn Bailey
Britta I. Comeau
Christopher J. Corey

Tapan K. Dan
Joseph R. Danford
Alinda A. Dekker
Wendy J. Frost
Hilary R. Garbens
Mohammed Koussarnia
Robert T Norton
Jayne M. Patterson
Pat G Quinn
Tracy A. Russell
Robert Stuerm
Adrianna D. Warnica
David S. Watson

PRINCE EDWARD ISLAND

Ronnie J. McCabe

QUEBEC

Alain Jacob

SASKATCHEWAN

Joan M Adacsi

Candidates / Stagiaires

AIC welcomed the following new Candidate members during the period April 9, 2008 to July 11, 2008:

L'ICE souhaite la bienvenue aux personnes suivantes qui ont joint les rangs des membres stagiaires durant la période du 9 avril au 11 juillet 2008:

ALBERTA

Ioannis N. Andreou
David Grant Bendfeld
Simon Cormier
Drew Michael Doerksen
Grace L. Ha
Ming Woei Leong
Kristopher Riddell
Kyle T. Sande
Joseph Edward Schreiner
Leo Zh.x. Su
Qinghua Zhou

BRITISH COLUMBIA

John Christopher Cade
Taylor JW Dedora
Jan Lynn Egge
Lucie Fortier
Denis J. Kielly
Mars Y. Koo
Yohan Lee
Andy N. Pham
Lindsay Sukkau

MANITOBA

Kelly L. Clement
Nelson F. Karpa
Kevin G. Olfert
Kassy J. Phillips

NEW BRUNSWICK

Earl Bovenizer

ONTARIO

Richard Roger Béliveau
Sevan Boyrazian
Matthew John Bruchkowsky

Domenic Bruno Donatelli
Robert J. Doyle
Victoria Farrugia
W. David Holland
Leslie D. Lee
Katherine E. Lee
Stacey J. McKnight
Marcello Milani
Brent Paul Moreau
Peter J. Padalec
Mary Francis Pareta
Rick A. Van Andel
Jinbo Wang

Kevin Chi Wai Yeung
Jason Yoo

QUEBEC

Jonathan McDonald

SASKATCHEWAN

Cory J. Borsa

INTERNATIONAL

Michael Thomas Cartwright

Students / Étudiants

This new category of membership was implemented January 1, 2007 and now serves as the first step on the path to designation for those completing their requirements for Candidate membership. Students considering the appraisal profession as a career option are also welcomed to this new category of membership.

Cette nouvelle catégorie de membre entrait en vigueur le 1er janvier 2007 et constitue la première étape sur la voie de la désignation pour ceux qui s'affairent à compléter les exigences de la catégorie de membre stagiaire. Les étudiants qui contemplant une carrière comme évaluateur professionnel sont bienvenus à joindre cette nouvelle catégorie de membre.

BRITISH COLUMBIA

Evan L. Allegretto Courtney Brooke Eyre Ahmad Jazayeri Thomas R. Kaczmariski

QUEBEC

Jean-Pierre Raymond

ATTENTION STUDENTS & CANDIDATES

THE JACK WARREN EDUCATIONAL TRUST

The Jack Warren Educational Trust Committee would like to bring to your attention the availability of a \$500.00 scholarship.

The annual scholarship is available to individuals from across Canada pursuing a career in real estate appraisal.

For more information or to obtain an official application form, please contact the Appraisal Institute of Canada – British Columbia, #845 – 1200 West 73rd Avenue, Vancouver, BC, (604) 266-8287, or visit the Appraisal Institute of Canada – British Columbia website www.appraisal.bc.ca, click on publications, brochures and the Jack Warren Educational Trust.

This scholarship is an annual award available to all Canadian students in the real estate appraisal field.

Applications are available by contacting the Appraisal Institute of Canada – British Columbia or by visiting
<http://www.appraisal.bc.ca/publications/index.php/listings?c=6>



DEADLINE FOR APPLICATION IS AUGUST 31 ANNUALLY.

DON'T DELAY—APPLY TODAY!

CRITICAL DATES

The following dates are provided as a reminder to Appraisal Institute of Canada (AIC) members of critical dates throughout the year:

September 30, 2008 – Final deadline for Candidates to report annual course completion.

September 30, 2008 – Membership Dues payment due date

December 31, 2008 – CPD reporting deadline (minimum annual requirement is 6 credits)

January 1, 2009 – Professional Liability Insurance Levy payment due date

January 1, 2009 – Deadline to complete We Value Canada

IN MEMORIAM

The following members of the Appraisal Institute of Canada have passed away. On behalf of everyone connected with the Institute and the profession, we extend our sincerest sympathies to the families, friends and associates.

Les membres suivant de l'Institut canadien des évaluateurs sont décédés. Au nom de tous ceux qui oeuvrent de près ou de loin au sein de l'Institut et de la profession, nous exprimons nos plus sincères condoléances à les familles, amis et associés.

Geoffrey Biddulph, Candidate
St. Albert, AB

Bob Leblanc, AAI, P. App
Toronto, ON

Kevin Hicks, AAI, P. App
Toronto, ON

Mary Mallette, Candidate
Sudbury, ON

Wayne D. Ingram, CRA
Queensville, ON

RESEARCH AND DEVELOPMENT FUND OF THE AIC

Research and development (R&D) is the lifeblood of the economy and provides the innovation that is needed to ensure steady growth. For professions, R&D is a vital component that helps to ensure the currency of the body of knowledge and advance the profession with leading edge technologies to expand the body of knowledge.

The Appraisal Institute of Canada (AIC) encourages research that supports its mission to protect the public interest and support members by ensuring high standards of professional real estate and related property advisory services. In this respect, the AIC's Research and Development Fund was established to conduct research studies in the field of real property valuation techniques and procedures, with particular emphasis on the effects of current economic development and real property value.

The program identifies high priority research topics on an annual

basis and issues requests for proposals to undertake appropriate research and address them. The appraisal community, including Institute members and interested researchers, is encouraged to respond to the Requests for Proposals (RFPs). A limited number of such proposals will be considered and funded annually on the recommendation of the Research and Development Committee and with the approval of the AIC Board.

The research must extend the knowledge of those in the appraisal discipline and must be relevant to the practice of real estate appraisal. The reports resulting from approved research projects will be published by the Institute and disseminated nationally and internationally.

The Research and Development Fund of the AIC is a registered Canadian charitable organization under the Canada Revenue Agency. Donations are accepted from members and non-members alike and are tax deductible.

LETTER TO THE EDITOR

AIC member, Robert Livingston responds to AIC's attempt to garner member support for RENOVA and the Renovation Survey 2008:

I have already completed the survey . . . I find it absolutely disgusting that those designated members carrying the CRA or AACI designations, as well as Candidates, cannot be bothered to respond to a survey that most certainly will impact their future. It is this type of apathy that creates problems in organizations and associations such as the Appraisal Institute of Canada (AIC). I am proud to be an AIC member and to hold the CRA designation. It holds great distinction in the real estate industry

and is recognized as a symbol of excellence. You may pass along these sentiments to fellow CRAs and Candidate members of the AIC. As someone who has been involved in the property assessment field of the real estate industry for the past 20 years, I know the weight and regard that AIC designations carry in the field. They are worth their weight in gold and will become even more valuable in the future.

Robert L. Livingstone, BA, CRA, A.A.M., DULE



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With print and electronic communication operating hand-in-hand more than ever before, we are more than happy to advise you that *Canadian Property Valuation* magazine is available online in a highly interactive format.

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Calendar of Events

AIC	Board of Directors Meeting Saturday, October 18, 2008 – Ottawa For further information contact: info@aicanada.ca	NS	For information contact: Davida Mackay nsreaa@nsappraisal.ns.ca or (902) 422-4077 or check our website www.nsappraisal.ns.ca/
BC	2008 AGM September 29, 2008 – The Listel Hotel, Vancouver 2008 Provincial Conference At Sea Vancouver, BC to San Diego, California September 30, 2008 to October 4, 2008 Professional Practice Seminar (formerly the Standards Seminar) October 24-25 - Kamloops – Instructor: Larry Dybvig November 28-29 Coquitlam – Instructor: Allan Beatty For information contact: Jane Anne Dunning info@appraisal.bc.ca or (604) 266-8287 or check our website www.appraisal.bc.ca/	ON	Professional Practice Seminars (formerly the Standards Seminar) September 12-13, 2008 – Thunder Bay September 26-27, 2008 – Toronto November 21-22, 2008 – London Everyday Business Negotiations/Environmental Awareness September 19, 2008 – Toronto Real Estate Fraud/Pro-Active Practice Protection October 10, 2008 – Ottawa Preparation and Participation in Examinations for Discovery and Cross-Examination for Appraisers/Update on the Law for Appraisers October 24 – Toronto 4TH Annual Fee Appraisers Symposium February 21-22, 2009 – Toronto OA-AIC Conference and AGM April 24-25, 2009 – London For further information contact: Lorraine Rigas lrigas@oaaic.on.ca or (416) 695-9333 or check our website www.oaaic.on.ca
AB	For information contact: AB AIC at info@appraisal.ab.ca or (403) 207-7892 or check our website www.appraisal.ab.ca	QC	For information contact: Ginette St-Jean aqice@qc.aira.com or (450) 454-0377 or check our website www.aqice.ca
SK	Professional Practice Seminar (formerly the Standards Seminar) September 12-13, 2008 – Radisson Hotel, Saskatoon Fall Professional Development Conference October 24, 2008 – Radisson Hotel, Saskatoon For further information contact: Marilyn Steranka skaic@sasktel.net or (306) 352-4195 or check our website www.skaic.org/	PEI	Professional Practice Seminar November 14-15, 2008 – Rodd Charlottetown Hotel, Charlottetown For information contact: Suzanne Pater peiaic@xplornet.com or (902) 368-3355
MB	For information contact: Lynne Smith Dark mbaic@mts.net or (204) 943-1177 or check our website www.aimanitoba.ca	NL	For information contact: Sherry House naaic@nf.aibn.com or (709) 753-7644
NB	Professional Practice Seminar (formerly the Standards Seminar) September 26-27 – Saint John, NB – Instructor: Daniel Babineau Social Evening September 26 – Saint John, NB For information contact: Kelly Tole nbarea@nb.aibn.com or (506) 450-2016 or check our website www.nbarea.org/main.asp		

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The screenshot shows a software window titled 'ACI Sketch™ [Untitled 1 *]' with a menu bar (File, Edit, View, Insert, Format, Tools, Help) and a toolbar. The main workspace displays a floorplan of a 'First Floor' with rooms: Guest House (Area: 250 sq ft), In-ground Pool, Laundry, Bath, Family, Kitchen, Dining, Living, and 2 Car Attached (Area: 400 sq ft). Dimensions are shown for various walls and distances. A 'Symbols' panel on the right lists door types (13' Opening, Efold - Double, Efold - Single, Door - Left 45, Door - Left 90, Door - Right 45, Door - Right 90) and garage door types (Garage Door 1, Garage Door 2, Sliding - 5 Foot, Sliding - 6 Foot, Sliding - 8 Foot). The status bar at the bottom indicates 'Ready', 'Measurement: Standard (feet/inches)', 'Precision: Feet', 'Angle Snap: Off', and 'Grid: Hide'.

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Jay Delich, President of Arizona Appraisal, LLC

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