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T PROPERTY	COMPARABLENO1	COMPARA	
ur Blvd	148 Armour Blvd	110 Armour	
3 / 16	C1392747 / 23	C1886784	
	6/8/2009	9/17/2009	
	126400	121500	
	50x80	50x80	
/ good	1	/ good	1
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David Shum, AACI

## FROM THE PRESIDENT

# Sharing experience is a key for President Shum

**CPV:** *You are employed by Cushman & Wakefield in Calgary. What does your position entail?*

**David Shum:** I am the Managing Director of a team of valuation professionals responsible for Alberta, Saskatchewan and Manitoba. While I continue to do appraisals myself, much of my job involves overseeing staff and client relationships.

**CPV:** *What career path led you to this position?*

**DS:** Prior to joining Cushman & Wakefield this year, I spent the previous five years in a similar position with Colliers International. My actual roots in the appraisal profession go back to 1988-89 when I worked as a summer student with Canada Revenue Agency (CRA). The appraisal career path started by chance as I was the first summer student to show up for work one day and they sent me to the real estate valuation group. That stroke of luck turned into three summers worth of work archiving and reading reports. The appraisers at CRA suggested that I take some real estate valuation courses to gain a better understanding, which I did, and that process

resulted in my obtaining a full-time position in Client Services and then with the Real Estate Valuation Group. I subsequently spent over 15 years with the government as part of an appraisal team responsible for full narrative reports on everything from single-family dwellings to large commercial and special use properties. To say there was incredible variety would be an understatement, and the in-depth nature of the reports due to the tax complexities made it ideal for honing one's appraisal skills.

**CPV:** *At what point did you earn your designation?*

**DS:** I earned my AACI designation in 2001, but it was quite a long process. The courses that I originally took were Appraisal 100, 200 and 300, offered by the Appraisal Institute of Canada (AIC). That was prior to the educational partnership that the AIC now enjoys with the University of British Columbia. Because of the nature of the valuation work I was doing at CRA, where additional time is often required on complex, tax-related appraisals, my applied experience was difficult to quantify and earning educational

credits was not as straightforward as it might otherwise have been. I eventually got there, however, and it gave me a real appreciation of what it takes and what it means to earn a professional designation.

**CPV:** *You obviously made a decision at some point in your career to become engaged in volunteer activities. Why did you make that choice and in what capacities have you volunteered?*

**DS:** As soon as I earned my designation in 2001, I decided to give back to the profession as best I could. I had some excellent mentors in my career and all of them had recommended volunteering as a worthwhile endeavour. Beginning at the Calgary Chapter level, followed by the provincial association and then nationally with the AIC, I have served on committees, boards and executives, ultimately becoming AIC president. Much of my hands-on committee work has been in the area of learning advisory.

**CPV:** *How would you sum up your experiences as a volunteer and what it has meant to you personally?*

*“Not only do you get to meet and associate with a wide array of interesting people who you may not have crossed paths with otherwise, you also get to share other people’s viewpoints and experiences.”*

**DS:** Without question the experience has been a net positive and one that I would highly recommend to all appraisers. Not only do you get to meet and associate with a wide array of interesting people who you may not have crossed paths with otherwise, you also get to share other people's viewpoints and experiences. It gives you a much broader perspective as to how things are done elsewhere and where you want your own career to lead. From a purely career perspective, there is no question that volunteering enhances your professionalism and your profile. As an added bonus, I have met a lot of really good people and made many lifelong friends.

**CPV:** *You are now president of the AIC. What do you see as the biggest challenges in the year ahead for you as an individual, for the AIC, and for appraisers in general?*

**DS:** For me personally, the biggest challenge will be time management. With my growing family, my job responsibilities at Cushman & Wakefield, and my duties as president of AIC, there is no question that time will be a valuable commodity. That is where I will have to force myself to only take on responsibilities I can handle and to be a much better delegator. By delegating, I do not mean shirking my responsibilities, but delegating to be more efficient at getting things done.

For the AIC, there are several challenges ahead. We are a member-driven organization, so whatever affects our members affects the Institute as a whole. For example, our existing insurance program was being challenged in a variety of ways, not the least of which was increasing levies. The costs to members are increasing quite rapidly and the sustainability of the program would be in question if no action was taken. We needed to look at ways to improve the model that would be better for our members now and in the future. As a result, we are currently investigating ways to restructure or retool our insurance program so that it is more cost effective and sustainable. On another front, we are in the midst of

*"There is a wealth of experience and knowledge out there; they (new appraisers) need to reach out, ask questions, and get in touch with that experience."*



*“If we can also say that our marketing and communication efforts have reached out to governments, clients and other organizations in order to bring greater awareness of our profession and the value that we bring to the table, it will have been a good year.”*

redesigning our committee structures so that there is less duplication and more efficiency in accomplishing the objectives put forth by our Board of Directors. We are looking at how our committees should be reconfigured and renamed as well as what their objectives should be in keeping with our strategic plan. This process will take some time to work through, but the picture should be much clearer by early 2013. Finally, the *Canada Not-for-profit Corporations Act* has outlined new regulations for non-profit organizations such as the AIC that will have a direct affect on our bylaws. In order to ensure that our bylaws are crafted accordingly, we need to begin the discussion process with everyone who has a vested interest in the profession. That means meeting and communicating with our provincial presidents, our members, and our stakeholders, as we look for main areas of commonality that take us five, 10, even 15 years down the road. Our challenge for the year ahead is to get a good start on this process.

As for challenges facing appraisers in general, in my opinion, there are two that stand out above all else. First, the marketplace in which we work is changing rapidly. For fee appraisers, the challenge is to assess how that marketplace is changing and what services it requires from valuation professionals. Although it seems to be an ever-moving target, individual appraisers must learn to adjust if they are to flourish. For non-fee appraisers, the challenge

seems to be finding ways to get the job done efficiently and effectively while dealing with significant budget cutbacks at all levels of government and institutions.


The second major challenge is what I refer to as a transition of experience. Real estate valuation is an experience profession. By that I mean, while education programs are extremely important, nothing can substitute for on-the-job experience at dealing with all types of appraisals and the unique characteristics of each. That experience is what makes our services so valuable to the real estate industry. In addition to having an older demographic, as is the case with most professions, we also have an additional challenge facing us because of the downturn in real estate during the 1980s. As the marketplace suffered during those years, there was a seven- to 10-year gap when not many people entered the appraisal profession. That has resulted in a current day experience gap that is greater than it might otherwise be. As a result, whether appraisers are thinking of retiring, looking to advance to higher positions, or wanting to expand their businesses, they need to realize that sharing their experience through mentoring and training is absolutely critical to the future of our profession.

**CPV:** *A year from now, when you reflect back on your term as president, what do you hope will have been the Institute’s biggest accomplishment in that time period?*

**DS:** As I outlined in an earlier question, we have made some solid progress with our insurance program and I am very proud of that. If we can also say that our marketing and communication efforts have reached out to governments, clients and other organizations in order to bring greater awareness of our profession and the value that we bring to the table, it will have been a good year.

**CPV:** *What advice would you give to new members entering the profession and to existing members going forward?*

**DS:** For new appraisers, I would stress that they need to genuinely reflect on what it is that they want to do. They then have to learn as much as they can about that aspect of the profession, and set about doing it. There is a wealth of experience and knowledge out there; they need to reach out, ask questions, and get in touch with that experience. I would also suggest that, for all the reasons I pointed out earlier, getting involved as a volunteer right from the outset of their careers is a wise move. They will meet people, gain different perspectives and enhance their own skill set.

For veteran appraisers, my main piece of advice is to share their experience, both individually and though volunteering on a larger scale. They will be better for it themselves, and they will be contributing immensely to the careers of others, to the Institute, and to the profession as a whole. 





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David Shum, AACI

## MESSAGE DU PRÉSIDENT

# Pour le Président Shum, la clé consiste à partager les expériences

**EIC :** *Vous êtes à l'emploi de Cushman & Wakefield à Calgary. Quelles fonctions y exercez-vous ?*

**David Shum :** Je suis le directeur général d'une équipe d'évaluateurs professionnels responsables de l'Alberta, de la Saskatchewan et du Manitoba. Bien que je continue à faire moi-même des évaluations, le gros de mon travail consiste à superviser le personnel et à traiter avec les clients.

**EIC :** *Comment votre carrière vous a-t-elle amené à ce poste ?*

**DS :** Avant de me joindre à Cushman & Wakefield cette année, j'ai passé les cinq années précédentes à un poste semblable chez Colliers International. J'ai fait mes premières armes dans la profession d'évaluateur en 1988-1989 alors que j'ai eu un emploi d'été comme étudiant à l'Agence du revenu du Canada (ARC). Mon cheminement de carrière a donc commencé par hasard, puisque j'ai été le premier étudiant à me présenter au travail un jour et on a décidé de m'affecter au groupe d'évaluation immobilière. Ce coup de chance a résulté en trois été de travail d'archivage et de lecture de rapports. Les évaluateurs de l'ARC m'ont suggéré de suivre des cours en évaluation immobilière afin d'acquérir une meilleure compréhension du domaine, ce

que j'ai fait et ce qui m'a permis d'obtenir un poste à plein temps en services aux clients puis avec le groupe d'évaluation immobilière. Par la suite, j'ai passé plus de 15 ans au gouvernement au sein d'une équipe d'évaluateurs chargée de préparer des rapports narratifs sur tous les aspects de l'immobilier, depuis les unifamiliales jusqu'aux grands complexes commerciaux et à vocation spéciale. En raison des complexités fiscales on ne saurait exagérer l'incroyable variété de ce travail et la nature approfondie des rapports. Ce fut un emploi idéal pour développer des compétences en évaluation.

**EIC :** *Quand avez-vous obtenu votre titre professionnel ?*

**DS :** J'ai obtenu le titre AACI en 2001, mais ce fut un processus passablement long. Les cours que j'avais d'abord suivis, Évaluation 100, 200 et 300, étaient offerts par l'Institut canadien des évaluateurs (ICE). C'était avant le partenariat éducatif que l'ICE a conclu avec l'Université de la Colombie-Britannique. À cause de la nature du travail d'évaluation que j'effectuais à l'ARC, où il est souvent nécessaire de prolonger les délais portant sur des évaluations complexes ayant des répercussions fiscales, il a été difficile de quantifier mon expérience pratique et l'obtention de mes crédits n'a pas été aussi simple qu'elle

aurait pu l'être autrement. J'y suis quand même arrivé, ce qui m'a permis de vraiment apprécier ce qu'il faut faire et ce que ça signifie que d'obtenir un titre professionnel.

**EIC :** *Il est évident que vous avez pris une décision, à un moment dans votre carrière, de vous engager à faire du bénévolat. Pourquoi avez-vous fait ce choix et à quels titres vous êtes-vous engagé comme bénévole ?*

**DS :** Dès l'obtention de mon titre en 2001, j'ai décidé de remettre à la profession le meilleur de moi-même. J'avais eu d'excellents mentors au cours de ma carrière et tous m'avaient recommandé le bénévolat comme activité valable. J'ai donc commencé dans le chapitre de Calgary, ensuite au niveau de l'association provinciale avant de passer au niveau national au sein de l'ICE. J'ai siégé sur des comités, des conseils et exécutifs avant de devenir président de l'ICE. La majorité de mon travail pratique en comité a été dans le domaine consultatif sur l'apprentissage.

**EIC :** *Comment feriez-vous le bilan de vos expériences comme bénévole et qu'en avez-vous retiré personnellement ?*

**DS :** Il ne fait aucun doute que l'expérience a été positive. C'est pourquoi je la recommande

« Non seulement aurez-vous ainsi l'occasion de rencontrer et de côtoyer toutes sortes de gens intéressants que vous n'auriez pas eu la chance de rencontrer autrement, mais vous pourrez aussi partager les points de vue et les expériences d'autres personnes. »

à tous les évaluateurs. Non seulement aurez-vous ainsi l'occasion de rencontrer et de côtoyer toutes sortes de gens intéressants que vous n'auriez pas eu la chance de rencontrer autrement, mais vous pourrez aussi partager les points de vue et les expériences d'autres personnes. Vous obtenez ainsi une perspective plus large sur d'autres façons de faire et sur la direction que vous voulez donner à votre carrière. Sur le plan purement professionnel, il est évident que le bénévolat rehausse votre professionnalisme et votre profil. Un autre avantage est que j'ai fait connaissance avec beaucoup de bonnes personnes et que je me suis fait des amis pour la vie.

**EIC :** *Vous êtes maintenant président de l'ICE. Quels sont, selon vous, les plus grands défis qui se présenteront au cours de l'année qui vient, à la fois pour vous, l'ICE et les évaluateurs en général ?*

**DS :** Pour moi personnellement, le plus grand défi que j'aurai à surmonter sera la gestion de mon temps. Avec des enfants qui grandissent, mes responsabilités de travail chez Cushman & Wakefield et mes fonctions de président de l'ICE, il va sans dire que mon temps sera une denrée précieuse. C'est pourquoi je devrai m'efforcer d'accepter seulement les responsabilités dont je pourrai m'acquitter et de mieux déléguer. Quand je parle de déléguer, je ne veux pas dire me décharger de mes responsabilités, mais plutôt de déléguer les tâches de manière à ce qu'elles soient accomplies plus efficacement.

L'ICE aura plusieurs défis à affronter. Nous sommes une organisation au service des membres, si bien que ce qui affecte nos membres affecte l'ensemble de l'Institut. Par exemple, notre programme d'assurance actuel subit diverses pressions, notamment l'augmentation des prélèvements. Les coûts aux membres augmentent rapidement et la viabilité du programme pourrait être remise en question si nous ne faisons rien. Il nous a fallu étudier les moyens d'améliorer le modèle qui servirait le mieux nos membres présentement et à l'avenir. Par conséquent, nous sommes à examiner les moyens de restructurer ou de réoutiller notre programme d'assurance de manière à le rendre

*« Il y a une mine d'expériences et de connaissances à leur portée; ils [ nouveaux évaluateurs ] doivent prendre l'initiative, poser des questions et puiser à même cette expérience. »*



*« Si nous pouvions aussi affirmer que nos efforts de marketing et de communication ont atteint nos gouvernements, clients et autres organisations en les sensibilisant à notre profession et à la valeur de ce que nous mettons à contribution, l'année aura été fructueuse. »*

plus rentable et durable. Sur un autre front, nous sommes en train de remanier la structure des comités afin de réduire le chevauchement des tâches et de travailler plus efficacement à atteindre les objectifs fixés par notre Conseil d'administration. Nous cherchons les moyens de reconfigurer nos comités, de leur donner de nouveaux noms et de veiller à ce que leurs objectifs s'inscrivent dans notre plan stratégique. Ce processus prendra du temps à mettre au point, mais nous devrions avoir une vision plus claire dès le début de 2013. Enfin, la *Loi canadienne sur les organisations à but non lucratif* a mis en place de nouveaux règlements pour les organisations à but non lucratif comme l'ICE qui auront des répercussions directes sur nos règlements internes. Pour veiller à ce que nos règlements soient remaniés en conséquence, nous devons entamer des discussions avec toutes les parties ayant des intérêts dans le bon fonctionnement de la profession. C'est donc dire que nous devons rencontrer et communiquer avec nos présidents provinciaux, nos membres et nos intervenants dans la recherche de solutions dans les principaux domaines que nous avons en commun d'ici 5, 10 et même 15 ans. Notre défi pour l'année qui vient consiste à bien entreprendre cette démarche.

En ce qui a trait aux défis que doivent affronter les évaluateurs en général, selon moi, il y en a deux qui dépassent tous les autres. Premièrement, le marché dans lequel nous travaillons évolue très rapidement. Pour les évaluateurs à honoraires, le défi consiste à comprendre les tendances du marché et les services requis des professionnels de

l'évaluation. Bien qu'il leur semble nécessaire de viser une cible sans cesse en mouvement, les évaluateurs devront apprendre à s'adapter s'ils veulent réussir. Pour les évaluateurs salariés, le défi semble plutôt de faire le travail de façon efficace et efficiente tout en faisant face à de fortes compressions budgétaires à tous les niveaux de gouvernements et d'institutions.


Le deuxième grand défi est ce que j'appelle la transition d'expérience. L'évaluation immobilière est une profession fondée sur l'expérience. Ce que je veux dire par là c'est que, bien que les programmes éducatifs soient extrêmement importants, il n'y a pas de substitut à l'expérience pratique acquise en devant traiter avec tous les types d'évaluation et avec les caractéristiques uniques à chacun de ces types. C'est cette expérience qui rend nos services aussi précieuse à l'industrie de l'immobilier. En plus d'avoir des effectifs vieillissants, comme c'est le cas dans la plupart des professions, nous avons aussi un autre défi à surmonter résultant du recul de l'immobilier au cours des années 1980. À cause des déboires du marché de l'immobilier au cours de cette période, on constate un creux de sept à 10 ans au cours duquel très peu de personnes ont embrassé la profession d'évaluateur. Ceci a eu pour effet une lacune d'expérience plus grande que si ce phénomène ne s'était pas produit. Donc, que les évaluateurs songent à prendre leur retraite, à accéder à des postes plus élevés ou à agrandir leur entreprise, ils doivent reconnaître que le partage de leur expérience par mentorat et formation est absolument critique à l'avenir de notre profession.

**EIC :** *Dans un an, quand vous réfléchirez sur votre mandat à la présidence, qu'espérez-vous avoir été la plus grande réalisation au cours de cette période ?*

**DS :** Comme je l'ai dit en réponse à une question antérieure, nous avons fait de grands progrès au plan de notre programme d'assurance et c'est une réalisation dont je suis fier. Si nous pouvions aussi affirmer que nos efforts de marketing et de communication ont atteint nos gouvernements, clients et autres organisations en les sensibilisant à notre profession et à la valeur de ce que nous mettons à contribution, l'année aura été fructueuse.

**EIC :** *Quel conseil donneriez-vous aux nouveaux membres qui se joignent à la profession et à ceux qui la quittent ?*

**DS :** J'insisterais auprès des nouveaux évaluateurs sur la nécessité de réfléchir sérieusement sur ce qu'ils veulent accomplir. Ils doivent ensuite décider d'en apprendre le plus possible sur cet aspect de la profession et donner suite à cette décision. Il y a une mine d'expériences et de connaissances à leur portée; ils doivent prendre l'initiative, poser des questions et puiser à même cette expérience. Je leur suggérerais également, pour toutes les raisons que j'ai mentionnées plus tôt, de faire du bénévolat dès le début de leur carrière. Ils pourront ainsi rencontrer des gens, élargir leur perspective et acquérir de nouvelles compétences.

Je conseillerais aux évaluateurs chevronnés de partager leur expérience, tant individuellement que par le bénévolat. Ils ne s'en porteront que mieux et ils contribueront largement aux carrières des autres, à l'Institut et à l'ensemble de la profession. 

# AIC insurance program to undergo major changes



Keith Lancaster, MBA, CAE  
Chief Executive Officer

For nearly a quarter century, the Appraisal Institute of Canada's (AIC's) Errors and Omissions Insurance Program has been a cornerstone of the Institute. The program was established at a time when many members were unable to secure appropriate coverage – and even those who could get insurance often found themselves facing premium rates that were unaffordable.

The program has served members – and the Institute – extremely well over the years. Members, and their clients, have benefited from a program that provides comprehensive coverage and highly competitive premium rates.

Over the past several years, pressure on the program – both in terms of the number and the cost of claims – has continued to rise. Increased costs have accordingly translated into higher premiums for all members. Rising costs and premiums underscore the need to implement changes in the structure of the program.


In the fall 2011 and into 2012, AIC's Executive – including Michael Mendela, David Shum, Dan Wilson, Scott Wilson, Grant Uba and myself – met with members at affiliate and chapter meetings across the country. The message from the membership was clear – members that have had no claims and present a lower 'risk' to the program should pay lower premiums than those with claims or in a higher risk category.

The Board of Directors has responded to this input and will be implementing the preliminary stages of a risk-based assessment program for the 2013 renewal cycle.

Replacing a 'one size fits all' rating structure is a complex process and will require the engagement of our brokers, actuaries, consultants and insurers. The goal will be to develop a rating structure based on

a few key categories and/or coverage options – not unlike auto or home insurance.

To implement these changes, the Board of Directors has appointed Integro Insurance Brokers – a major national player in professional liability programs – as the program's broker and administrator. Integro will bring a new and fresh approach to the program, both in its capacity as our broker and as the administrator. Members will have their first chance to interact with Integro later this year when renewal information and notices will be distributed to the membership.

The details on the program structure will be refined in the coming weeks and will be communicated to the membership later this fall. In implementing all of these changes, the goal is to ensure that the program is well positioned for the future so that members, and clients, can continue to rely on comprehensive and competitive insurance coverage. 

*"The goal is to ensure that the program is well positioned for the future so that members, and clients, can continue to rely on comprehensive and competitive insurance coverage."*

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Keith Lancaster, MBA, CAE  
chef de la direction

## D'importants changements seront apportés au programme d'assurance de l'ICE

Pendant plus d'un quart de siècle, le Programme d'assurance contre les erreurs et omissions de l'ICE a été la pierre angulaire de l'Institut. Le Programme fut institué à une époque où plusieurs de nos membres n'étaient pas en mesure d'obtenir une couverture adéquate – et lorsque même ceux qui pouvaient obtenir une assurance devaient payer des primes exorbitantes.

Le Programme a servi les membres – et l'Institut – extrêmement bien au cours des années. Les membres, et leurs clients, ont bénéficié d'un programme qui fournissait une bonne couverture à des primes hautement compétitives.

Mais, depuis déjà plusieurs années, les pressions exercées sur le programme – tant en termes de nombres de réclamations que de coûts – ont continué d'augmenter. Cette augmentation des coûts s'est traduite par une augmentation des primes pour tous les membres.

Cette augmentation des coûts et des primes donne lieu au besoin de modifier la structure du Programme.

À l'automne de 2011 et jusqu'en 2012, l'Exécutif de l'ICE – y compris Michael Mendela, David Shum, Dan Wilson, Scott Wilson, Grant Uba et moi-même – a rencontré les membres lors de réunions d'associations affiliées et de chapitres

*« Les membres qui n'ont présenté aucune réclamation et qui présentent un moindre « risque » pour le programme devraient payer moins cher pour leurs primes que ceux qui ont présentés des réclamations ou qui appartiennent à une catégorie de risque plus élevée. »*

à l'échelle du pays. Le message des membres était clair – les membres qui n'ont présenté aucune réclamation et qui présentent un moindre « risque » pour le programme devraient payer moins cher pour leurs primes que ceux qui ont présentés des réclamations ou qui appartiennent à une catégorie de risque plus élevée.


Pour donner suite à ces observations, le Conseil d'administration a décidé de procéder à la mise en œuvre des étapes préliminaires d'un programme d'évaluation fondé sur le risque pour le cycle de renouvellement de 2013.

La structure de prime « omnivalente » cédera sa place à un processus complexe qui exigera l'engagement de nos courtiers, actuaires, consultants et assureurs. Cette démarche aura pour but de mettre au point une structure de primes reposant sur quelques

catégories clés et (ou) options de couverture qui rappelle les programmes d'assurance d'automobile et de résidence.

Pour la mise en œuvre de ces changements, le Conseil d'administration a nommé les courtiers d'assurance Integro – un des principaux intervenants sur la scène nationale des programmes d'assurance responsabilité professionnelle – comme courtier et administrateur du Programme. Integro apportera une nouvelle approche tant en qualité de courtier que d'administrateur. Plus tard cette année, les membres auront l'occasion d'entrer en contact avec Integro pour la première fois lorsque les avis de renouvellement et renseignements connexes seront distribués aux membres.

Les détails de la structure du programme seront définis dans les prochaines semaines et seront communiqués aux membres plus tard cet automne.

La mise en œuvre de tous ces changements vise à assurer un meilleur positionnement du Programme pour l'avenir – de sorte que nos membres et leurs clients puissent continuer de bénéficier d'une couverture d'assurance complète et compétitive. 

*« La mise en œuvre de tous ces changements vise à assurer un meilleur positionnement du Programme pour l'avenir – de sorte que nos membres et leurs clients puissent continuer de bénéficier d'une couverture d'assurance complète et compétitive. »*

# AIC 2012 Annual Conference



The Appraisal Institute of Canada (AIC) extends a very special thank you to the 2012 Conference Chair, Ed Saxe, CRA, and his conference committee, 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.

This year, AIC members from across Canada, along with speakers, sponsors and guests, came together in Ottawa for 'AIC 2012 – The Shape of Things to Come.' It was a busy four days, with non-stop action from start to finish.

The pre-conference activities started on June 6 with a spectacular day for golf at Ottawa's prestigious GreyHawk Golf Club. This was followed by the Wednesday evening Welcome Reception at the Fairmont Chateau Laurier Ballroom, featuring the Chateau chef's renowned cuisine. Thursday's conference kick-off featured keynote speaker Mark Tewksbury, who wowed the crowd with an inspirational recounting of his Gold Medal journey at the 1992 Olympic Games in Barcelona. Throughout the conference, delegates attended a series of education sessions featuring timely, inspirational topics as well as practical business solutions.

The Awards Luncheon was held on Thursday and honored some of AIC's long-time volunteers.



## 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. This year, members Beverley Girvan, AACI, Bridgewater, NS; George Ward, AACI, Penticton, BC; and Past-President Michael Mendela, AACI, Uxbridge, ON were all recognized for their outstanding volunteer commitment and awarded the title of Fellow.

## PRESIDENTIAL CITATION

The Presidential Citation is awarded by the Institute to recognize, in a meaningful way, an individual or organization who has made a significant contribution to the growth and enhancement of the appraisal profession. This year, outgoing President

Michael Mendela recognized the career-long contributions of Peter Lawrek, AACI, Regina, SK and presented him with this Citation.

## AACI (HON)

In 2007, the AIC Board of Directors created the AACI (Hon) membership category. Since then, the Board has bestowed this honorary designation on several individuals who have contributed to the advancement of the profile and respect of the AIC, as well as the advocacy of the valuation profession. These Honorary AACIs are individuals who are ethically above reproach, and publicly recognized as leaders in business, law, academics and other professions. During this year's conference, the Board granted an AACI (Hon) to associate member John Shevchuk of Lex Pacifica Law Corporation in Vancouver, BC in recognition of his ongoing volunteer contributions to the Institute.

The luncheon also provided an opportunity to recognize all who have earned their designation in the past 12 months.

## NEW DESIGNATES

The names of the new AACI and CRA members were highlighted for those in attendance by way of a scrolling PowerPoint presentation. Outgoing President Michael Mendela also



President Michael Mendela, AACI, Fellow presented Beverley Girvan, AACI with her Fellow certificate



President Michael Mendela, AACI, Fellow (R) presented a plaque to outgoing Director Grant Uba, AACI, Fellow



# AIC 2012 Annual Conference

recognized those members in attendance who had recently achieved their designation.

Thursday's Networking Evening was held at the spectacular new Ottawa Convention Centre, a stunning venue where members reconnected, dined in style overlooking the city skyline, and raised over \$1,700 for Habitat for Humanity. An announcement was made on a new initiative between AIC and Habitat: an agreement for a house build in Halifax next year, with support from Halifax AIC members – this will be an enormous opportunity for us to give back to the community and show our commitment to a great cause.

The AGM took place on Friday and was attended by those at the conference as well as many members across the country who participated as online virtual attendees. Presentations were made, reports were tabled, and a full and balanced debate and questions session was held on the motion in favour of Dual-Use of Designations. The session was truly an exercise in democracy in action. The tone was passionate on both sides, but also respectful of different points of view. After all debate, the final decision led to a defeat of this motion and the status quo for use of the AIC designations continues.

On Friday evening, delegates gathered for the President's Banquet, where AIC's new President, David Shum, AACI, from Calgary thanked outgoing Board member, Grant Uba, AACI, Fellow, of Cambridge, ON and announced the new Executive:

- Dan Wilson, AACI, (BC) – President-Elect
- Scott Wilson, AACI, (PE) – Vice-President

- Daniel Doucet, AACI, (NB) – Vice-President
- Michael Mendela, AACI, Fellow (ON) – Past-President

Other Board members for 2012-2013 from across Canada are:

- Greg Bennett, AACI (NL)
- Dan Brewer, AACI (ON)
- Richard Colbourne, AACI (NS)
- John Farmer, AACI (AB)
- Thomas Fox, AACI (SK)
- Anne Helliker, AACI (ON)
- Paula Malcolm Schaller, CRA (ON)
- Surinder Pal, AACI (MB)
- John Peebles, AACI (BC)
- Louis Poirier, AACI (QC)

The conference closed on Saturday with more innovative educational sessions, including 'Dancing with Adjudicating.' These were followed by a Town Hall meeting on the new AIC Insurance Program. The expert panel answered all questions from members on the proposed redesign of the program. This was an opportunity for members to raise issues on all aspects of the insurance program and provide invaluable feedback which AIC has used to guide us in advancing the next steps for the program.

Finally, ACI extends its thanks to all our sponsors – their commitment and contributions helped make this conference the success that it was. Many thanks to:

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## AIC 2013 CALGARY, ALBERTA | JUNE 6-9, 2013

Laurel Edwards, AACI and the AIC 2013 Conference Committee invite you to Calgary for next year's AIC annual conference. You are promised an engaging educational program plus the fun networking events Alberta is famous for. Our venue is Calgary's beautiful Westin Hotel proudly showcasing the results of their \$35 million renovation. Conveniently located downtown, the Westin offers easy access to Calgary's extraordinary outdoor activities, first-class dining, arts and more.

*See you in 2013!*





## Recognizing Excellence

The Appraisal Institute of Canada (AIC) is pleased to announce our award winners for 2011-2012.

These awards recognize academic excellence achieved by students in appraisal programs delivered through AIC's partners in professional education.

### UBC/Appraisal Institute of Canada Bursary

A \$1000 bursary presented by AIC to an undergraduate student specializing in the Real Estate Division of the Faculty of Commerce and Business Administration.

★ **NIK CHENG**

### UBC/Appraisal Institute of Canada Prize

A \$500 annual prize presented to the student receiving the highest standing in BUSI 330 offered by the Real Estate Division, Sauder School of Business at the University of British Columbia.

★ **PHILIPPE CYR**

### Solidifi 'Next Generation' Scholarship – UBC

A \$1000 gift awarded to the student with the highest grade in AIC 399, who is a Candidate member in good standing with the Appraisal Institute of Canada.

★ **SCOTT J. HANSEN**

### Solidifi 'Next Generation' Scholarship – Seneca College

An annual \$1000 scholarship presented to an active AIC member in good standing with the highest grade in RPA 306/AIC 400 over one academic year.

★ **MICHAEL YEO**

### University of Guelph/Appraisal Institute of Canada Scholarship

A \$1000 scholarship presented to a student registered in the Real Estate and Housing major of the B. Comm degree program at the University of Guelph. This scholarship is awarded to a student who has completed at least 9.0 credits, but no more than 12.5 credits with a minimum of 70% in the last two full time semesters.

★ **LISA LEVERE**

### Seneca College/ Appraisal Institute of Canada Award

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

★ **CHRISTOPHER MASON**

### Langara College

A scholarship for Langara College Continuing Studies students enrolled in courses complying with the credit requirements of the Appraisal Institute of Canada. The award recognizes those students whose academic performance is outstanding. The recipient must be working toward the Real Estate Analysis Certificate and have completed a minimum of three courses. Highest mark in Residential Construction.

★ **EDEN SUPERABLE**

### Jack Warren Scholarship

An annual scholarship presented by AIC-BC and available to individuals from across Canada pursuing careers in real estate appraisal.

★ **DANIEL DWYRE**

★ **LAUREL FADEEF**

★ **ALLAN KOEBEL**



University of Guelph Professor Paul Anglin presented the University of Guelph/AIC Scholarship to University of Guelph student Lisa Levere.



AIC-Ontario Executive Director Signe Holstein presented the Seneca College/AIC Award to Seneca College student Christopher Mason.



Langara College Board member Teresa Lu (R) presented the Langara College Scholarship to Langara College student, Eden Superable.

# PIPEDA

## Privacy and the impact on appraisers

**L**arry Brewer, Senior Appraiser with Appraisers Canada Inc., said that the Appraisal Institute of Canada (AIC) has expressed concern that Canada's appraisers are being asked to perform tasks that do not comply with Canada's privacy laws. Brewer noted that, in a recent letter to one of Canada's major banks, the AIC indicated

that the bank expects appraisers to take pictures of the inside of private dwellings, for which tenant permission is required.

Brewer flagged the letter's importance in his presentation on privacy law at the AIC 2012 national conference. A member of AIC for nearly 40 years, Brewer has had experience appraising a wide range of property types. In his presenta-

tion, he discussed the *Personal Information Protection and Electronic Documents Act (PIPEDA)* and its impact on appraisers.

The AIC's concern stems from *PIPEDA Case # 2006-349*. In this case, the tenant of an apartment building was at home when two insurance inspectors entered his apartment and took photos of his rooms. Brewer said the property management company had informed the tenant of the inspectors' visit, but did not say they would be taking pictures.

The tenant thought this was a violation of his privacy and raised his concerns with the Office of the Privacy Commissioner. The Commissioner ruled that photographing a tenant's apartment constituted a collection of personal information. Tenants must be told in advance that their units will be photographed, and their consent must be obtained.

Appraisers often take pictures of properties they are appraising without asking permission, said Brewer, but just because it is common practice does not make it acceptable. To act in conformity with *PIPEDA*, appraisers must have the consent of those living in the unit.

Brewer said he believes the onus should be on banks and mortgage companies, and not on appraisers, to get this consent prior to the appraisal. "That is part of the application process that has nothing to do with me," he said. "I'm going out to do an appraisal. That is all I am hired to do."

Brewer praised the AIC's efforts to shift the burden of obtaining consent away



from appraisers. "Let's give the AIC some encouragement to keep going," said Brewer, who suggested that AIC members lobby their national representatives in support of this initiative.

Given Royal Assent in the House of Commons on April 13, 2000, *PIPEDA* applies to organizations that collect and handle personal information while engaging in commercial activities. Brewer said *PIPEDA*'s purpose is "to ensure that no personal information of the consumer is being collected, used, or disclosed by various businesses without the informed consent of the individual."

"*PIPEDA* will impact your business in every way," said Brewer. "It is something that has more ramifications than most of us think."

Personal information is "information about an identifiable individual that includes any factual or subjective information, recorded or not, in any form." For example, it may include names, personal identification numbers, income, and blood type. It does not include information that is already publicly available, such as that found on a business card or in the phone book.

Brewer said any organization that collects personal information must establish an internal office program or policy to manage it. Organizations should be open about their privacy policies and make them easily accessible to the public. Employees, associates, and affiliates of the organization must understand the policy and agree to comply with it.

The organization must designate someone responsible for guarding the personal information, and must implement systems to store it safely. It must keep track of who has access to the personal information in its system. It should also ensure that third-party users of this information have taken the necessary precautions to protect it, and it should state in its privacy policy that personal information that it collects could be accessed by third parties.

When an organization no longer needs personal information, *PIPEDA* requires that the information be erased or destroyed. "I think we feel in our daily work that it is just normal information," said Brewer, "but to somebody it is private, so you've got to be careful."

Brewer said his organization requires clients to submit a form when requesting an appraisal. This form states that the company is collecting information in accordance with the organization's privacy policy statement. By submitting the request form, the client agrees implicitly to the collection of personal information.

Failure to protect personal information can damage an organization's reputation, brand, and business relationships. It can lead to charges of deceptive business practices, liability, and regulatory sanctions. "We don't know the full extent of fines, damages, and whatever else might arise as a result of not being in full compliance with *PIPEDA*," said Brewer.

He noted that the business world is cognizant of *PIPEDA*; however, "It is the users and the consumers who do not have a full understanding." Brewer said he hopes that it will eventually be acceptable for appraisers to be more reluctant to release the personal information they collect, and less willing to pass it on to lending institutions without proper authorization. 🇩🇪



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# Partnering for success:

## facilitating education in the workplace through mentoring

**M**ost mentoring relationships focus primarily on training of mentees, but mentors benefit from training too. However, prospective mentors often lack the time for mentoring training and they try to figure it out as they go along.

This can make the mentoring process stressful and daunting, said Karen Luker, a speech-language pathologist and Executive Director of the Canadian Alliance of Audiology and Speech-Language Pathology Regulators. Speaking at the Appraisal Institute of Canada

(AIC)'s 2012 national conference, Luker provided practical tips and tools to help session participants better manage mentoring relationships.

Luker and the participants identified several ways in which mentoring can be beneficial for mentors. Mentoring not only produces better employees and a sense of satisfaction, but it can also help mentors form allies and, in some cases, can even alleviate the mentor's workload.

"It will often bring you some benefits as well in terms of your own stature within the company," said Luker. "You can demonstrate

your ability to collaborate, your ability to supervise. You are seen as someone who has some additional skills that other people may not have."

Luker said mentees are at different stages of learning and have different learning styles. Some, particularly novice learners, require more directive or active supervision, while others are largely self-supervising and benefit from more of a collaborative or peer relationship with their mentors.

"The challenge," said Luker, "is to try to identify your learner when they first come to

"The power of mentoring is that it creates a one-of-a-kind opportunity for collaboration, goal achievement and problem-solving."

— AMANDA STONE

you in terms of what stage they are at, and to then identify which style of mentoring or supervision you are going to provide. That is not always easy to do.”

The more time mentors invest in planning the mentorship relationship, the more successful it will be. To ensure that new mentees get off on the right foot, they should be introduced to their colleagues and the organizational culture when they first arrive. They should also be shown around the workplace and told everything they must know to get started.

Right away, mentors should develop a learning contract with mentees. Luker said this involves more than just filling out a form: “Spend some time having a conversation. You want to get a sense of where your learner thinks they might be.” When developing the contract, mentor and mentee should decide how frequently they will meet and how feedback will be provided.

Luker said both parties should also establish the boundaries of the mentoring relationship up front. “There are some limits and it is okay to set those,” she said. For example, one person may not want to receive calls or emails late at night. As well, a mentor can have multiple roles within an organization, and the mentee may not have access to the mentor in all of those roles. “This doesn’t become a buddying system,” she said.

Mentors provide *formative feedback* to mentees throughout the mentoring process by commenting on the mentee’s professional knowledge, skills, and behaviour. Feedback on professional behaviour is generally more personal than feedback on knowledge and skills and, as a result, is often more difficult.

To help mentors structure and simplify the formative feedback process, Luker presented two strategies. With the ‘stop/start/continue/think about’ strategy, both mentor and mentee can learn from a professional situation by writing down things that the mentee should stop doing, start doing, continue doing, and reflect upon.

Luker said this strategy can help the mentor give more well-rounded feedback



“Mentoring is a brain to pick, an ear to listen, and a push in the right direction.”

– JOHN C. CROSBY

instead of dwelling exclusively on positive or negative points. “This really makes you sit down and give some thought to all of the areas and helps you to start balancing the kind of feedback that you are going to give,” she said.

Luker suggested that mentor and mentee should each apply the strategy to a situation and then compare notes. In this way, the tool becomes a means of encouraging dialogue. “What you are going to find,” she said, “is that the mentee will often pull out a lot of the comments that you yourself will have noticed.”

The ‘What? So What? Now What?’ strategy is quicker than the ‘stop/start/continue/think about’ one. With it, the mentor addresses a professional situation by identifying what happened, why it matters, and what should be done in response.

In addition to formative feedback, appraisers must provide *summative feedback*

when they do a final evaluation of the mentee. “That makes the relationship very different from a mentorship relationship that you tend to hear of in the corporate sector,” said Luker.

Luker identified several pitfalls associated with summative assessments:

- falling under the halo effect, in which the mentee is seen as doing no wrong;
- being too lenient or too harsh on the mentee;
- assessing the mentee as average because this is easy and safe;
- being overly influenced by first or last impressions;
- being influenced by a comparison of the mentee with someone else;
- stereotyping the mentee; and
- allowing conflict in the mentorship relationship to unduly influence the final assessment. 📄



## JURISDICTIONAL EXCEPTION

By David Powell, BA, AACI, MIMA, CEI, OLE.

# Value in exchange vs. value in use

## INTRODUCTION

This article considers the practice of when and where one would invoke the concept of Jurisdictional Exception. In the field of municipal assessment, it is common practice that a qualified appraiser would invoke the Jurisdictional Exception rule. The following examples show how two similarly qualified appraisers would approach the same appraisal assignment from very different perspectives and reach different final conclusions.

Although the legislation in various provinces differs, the same situations are likely to be encountered. The following examples are based on the experience in the Province of Ontario. The examples used are hypothetical, but the concepts are valid. For the fee appraiser, we are only interested in the final value conclusion. For the assessment appraiser, we are more interested in what part or parts of the *Canadian Uniform Standards* are disregarded and the reason why.

## EXAMPLE #1– FARMLANDS

### **Assignment:**

The subject property is a market garden farm comprising a 200-acre parcel of vacant land that grows various vegetables such as tomatoes, squash, onions and cauliflower. The produce grown is sold to the local market as well as to wholesalers throughout the region. The farm itself is located on the fringe of a town and is surrounded by residential development. The farm operation has been in the

## 3.6 *Canadian Uniform Standards of Professional Appraisal Practice*

- 3.6.1 *An assignment condition that voids the force of a part or parts of the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP), when compliance would be contrary to law or public policy applicable to the assignment.*
- 3.6.2 *Jurisdiction relates to the legal authority to legislate. Apply or interpret law at either the federal, provincial or local levels of government. It is misleading not to identify the parts or parts disregarded and the legal authority justifying this action. In every case, it is ultimately the responsibility of the appraiser and not the client or other intended users, to determine whether the use of Jurisdictional Exception is appropriate. It is unethical for a member to complete an assignment that a Reasonable Appraiser could not support.*



Reality

Your Views

family for generations and has been very successful.

The farm owners have been under some political and demographic pressure in recent years to cease the farming operation and have the lands redeveloped. Recently, they have been offered a considerable sum to sell the farm. The owners retained the services of a qualified appraiser to complete a comprehensive narrative appraisal.

While the appraiser is valuing the farm at its highest and best use, the municipal property appraiser (assessor) is conducting a review of assessments, since this is a re-assessment year for the municipality. How will the two appraisers differ in their respective valuations?

### **AACI appraiser #1 – value in exchange**

We will not go into all the appraisal details in the report except to say that it was well done and researched. The appraiser took the position that, since the surrounding neighbourhood lands were residential, the highest and best use of the subject lands would also be residential. The appraiser

also did considerable research into what types of residential use would be permitted. After careful consideration of the facts, the appraiser relied on the direct comparison approach, since there were a number of recent sales of farmland in the municipality to developers.

The appraiser gave reasons for not utilizing the income and cost approaches to value.

The value estimate for the land was \$40,000 per acre for sites in the 100-acre range, and the appraiser added a further 10% to the land value because the site was better located within the town and was twice as large as the comparables. The final estimate of value was for land only at \$44,000 per acre for a total value of \$8,800,000.

### **AACI appraiser #2 – assessor – value in use**

In Ontario, any appraiser working in the assessment field is required to employ the rules dictated by the *Ontario Assessment Act R.S.O. 1990, c. A.31*. For appraising active farmland the relevant section is as follows:

**Section 19. (1) (5) farmlands and buildings.** – Determining the current value of farm lands used only for farm purposes by the owner or used only for farm purposes by a tenant of the owner and buildings thereon used solely for farm purposes, including the residence of the owner or tenant and of their owner's or tenant's employees and their families on the farm lands:

- (a) consideration shall be given to the current value of the lands and buildings for farm purposes only;
- (b) consideration shall not be given to sales of lands and buildings to persons whose principle occupation is other than farming; and
- (c) the Minister may, by regulation, define 'farm lands' and 'farm purposes.' 2000, c. 25, s. 5(1).

As per the legislative authority, the municipal property appraiser is bound to assess the subject lands as from 'farmer to farmer.'

The highest and best use standard is dismissed and a jurisdictional exception must be declared and discussed.

The property appraiser then looked at farm sales in the vicinity between farmers to farmers. The sales must not include any future development potential and any sales that were suspect were not considered. The result of that analysis was that farmland sales between farmers was \$4,500 per acre. Based on the assessor's research and findings, the final conclusion of value for the farmland was \$900,000. There were no buildings on the land, the appraiser's final value or assessment was \$900,000.

In arriving at the assessor's valuation, the Jurisdictional Exception rule was invoked because of imposed directions by the *Ontario Assessment Act* on the assessor for valuation purposes.

The resultant valuation between the two appraisers is significant due to the Jurisdictional Exception rule utilized by the assessment appraiser.

### **Summary**

For municipal tax purposes, the assessment appraiser disregarded the highest and best use of the property because the *Assessment Act* demanded the property be valued as between farmer to farmer.

## EXAMPLE # 2 – HYDRO ELECTRIC GENERATING FACILITIES

### Assignment:

The subject property is a coal-fired power plant generating power to the Province of Ontario. The property contains some 500 acres of rural unserviced industrial land. The main structure on the subject property is a very large generation building containing some 80,000 square feet of ground floor area. The building is multi-storied, containing a total usable floor area of 240,000 square feet. There are a number of periphery buildings that service the main generating facility.

The property owner has been contacted to see if the property is for sale. Both the owner and the purchaser have requested an appraisal be completed. The owner has contacted a reputable appraisal firm and retained its services to complete a narrative appraisal for the property.

At the same time, the assessor is reviewing the assessment on the property, since it is also being reassessed for the next four-year cycle.

### AACI appraiser #1 – value in exchange

As a summary of the 85-page report, the appraiser utilized the cost approach as the best approach for appraising the subject property. There were no known sales of similar facilities to rely on so the market comparison approach was not used. Due to the nature of the ownership, the income approach was not considered as being an approach to value since no data was available.

The appraiser relied mainly on cost manuals, but did utilize recent costs associated with refurbishing part of the plant. The appraiser also relied heavily on historical cost records within the company. The appraiser's final value conclusion was \$160,000,000.

### AACI appraiser #2 – assessor – value in use

In Ontario, the *Assessment Act* dictates how certain properties are to be valued. A generating power plant is one such property.

**Section 19.0.1 (1) Electricity generating and transformer stations.** *For the purpose of this Act, the assessed value of generating*

*station buildings or structures, transformer station buildings and structures or any buildings or structures prescribed by the Minister that are situated on land owned by a designated utility or municipal electricity utility shall be determined,*

- (a) *On the basis of \$86.11 for each square metre of inside ground floor area of,*
- (i) *Each generating station building or structure housing the generating equipment and machinery and any auxiliary equipment and machinery,*
  - (ii) *Each transformer station building or structure housing the transforming equipment and machinery and any auxiliary equipment and machinery and*
  - (iii) *Any building or structures or portions of buildings or structures prescribed by the Minister;*
- (b) *In the manner prescribed by the Minister for a building or structure or portion of a building or structure prescribed by the Minister; or*
- (c) *By the Minister for a particular building or structure or portion of a building or structure specified by the Minister, as prescribed by the Minister. 2001, c. 23, s. 2(1); 2004, c. 31, Sch. 3, s. 6(1).*
- (1.1) *Same.- Subsection (1) does not apply for the purpose of determining the assessed value of,*
- (a) *The land on which the buildings and structures described in subsection (1) are situated; or*
  - (b) *The buildings or structures on that land other than those described in Subsection (1). 1999, c. 9, s. 12(1).*

As per the *Ontario Assessment Act*, the municipal property appraiser is bound to assess the subject lands as follows. The lands are appraised as they would be by the fee appraiser, but the generating building must be assessed using \$86.11 for each square metre of inside ground floor area. In order to do that the appraiser must invoke the jurisdictional exception rule by disregarding the highest and best use standard of the uniform standards of appraisal practice. The appraiser also had to explain why the cost approach was not followed as recommended by the uniform standards. The following is how the property appraiser valued the property for municipal tax purposes.

The 500 acres were assessed utilizing sales of rural industrial lands in the municipality. The 500 acres were valued at 150 acres @ \$10,500 per acre and the balance at a lower rate of \$1,000 per acre, for a total land assessment of \$1,925,000.

The main generating building was assessed using the equivalent of the \$86.11 per square meter rate of \$8.00 per square foot. The building was assessed at \$640,000 (80,000 square feet x \$8.00 per square foot). The periphery buildings and structures were assessed utilizing a cost manual and garnered a value of \$4,865,000 after applying depreciation. The total value for assessment purposes was \$6,790,000.

The resultant valuation between the two appraisers is significant due to the Jurisdictional Exception rule utilized by the assessment appraiser.


### Summary

For municipal tax purposes, the assessment appraiser disregarded the highest and best use of the property because the *Assessment Act* demands that the main generating building be valued at \$8.00 per square foot. The taxing appraiser also had to describe why the cost approach was altered to conform to the rules under the *Assessment Act*. Both appraisers will also need to discuss why the income approach and market comparison approach were not utilized in their valuations.

There are other examples of where the two appraisers would differ in their approaches to valuing property. Some of them would be encountered when appraising wind turbines, solar panel farms, transformer facilities and others.

Therefore, the Jurisdictional Exception rule is utilized in any appraisal assignment when there is government intervention to the practices normally utilized by appraisers following the uniform standards of professional practice of the Appraisal Institute of Canada.

### ABOUT THE AUTHOR

David Powell, AACI, is a licensed paralegal and senior assessment and tax consultant with MTE Paralegal Professional Corporation located in Halton Hills, Ontario. MTE Paralegal provides expert consultative services on assessment and tax matters to municipal governments. 



# AVOIDING MORTGAGE FRAUD IS EVERYONE'S BUSINESS

BY SUSAN E FOWLER, CFI



Is the two-story house on Sinclair Rd worth \$800,000? Is there actually a house at #17 Woodside Lane? Has the price of the two-bedroom condo really increased by \$100,000 since it was renovated?

By confirming property value and other property characteristics, appraisers play a critical role in loan adjudication. As Canada's national housing agency, Canada Mortgage and Housing Corporation (CMHC) is committed to working with the industry to combat mortgage fraud. The most effective way to reduce fraud is for industry professionals to work cooperatively to stop mortgage fraud before the mortgage is approved.

When borrowers over-inflate property values or misrepresent information about their identity, income, employment, financial situation and the property, they commit mortgage fraud. Mortgage fraud is **any false statement or omission** made with the intention that it will be relied upon to obtain mortgage financing on terms that would not have been granted had accurate information been provided. In order to prevent fraud and misrepresentation, we must work together as an industry.

Mortgage applications require information from a number of sources, including the vendor, buyer, realtor, mortgage broker, lender, appraiser, lawyer and insurer. As industry professionals, we need to be on the lookout for inconsistencies, irregularities, unusual patterns or anything that appears out of the ordinary. Vigilance can go a long way towards identifying and preventing fraud.

For example, is the employment information being reported differently in different documents, such as bank statements, tax filings and mortgage applications? Is the borrower's credit bureau report and credit utilization consistent with his or her occupation and reported earnings? Is the value of the property being purchased above the list price? Industry professionals should ask pointed questions and obtain additional documentation when they notice inconsistencies or unusual information. CMHC values the insight and expertise that appraisers bring to the initiation process through their experience in value assessment, knowledge of the neighbourhood and understanding of market trends.

Applications for CMHC Mortgage Loan Insurance suspected of misrepresentation are carefully reviewed by regional teams of specially trained residential underwriters. CMHC's underwriters work with their fraud prevention counterparts in each of the lending institutions to verify documentation to ensure that the information being disclosed is accurate.


It is important for industry professionals to report all cases of suspected fraud to the appropriate authorities and to share information with industry partners. When fraud occurs, CMHC has an aggressive recovery strategy that is employed in all mortgage fraud claims and includes civil action and/or criminal charges when warranted. This approach is focussed on discouraging fraudsters from future attempts.

As a leader in fraud prevention, CMHC offers national fraud training and awareness initiatives and helps lenders enhance their internal fraud man-

agement programs and initiation procedures. CMHC has also funded and published fraud-related research.

CMHC supports a variety of industry initiatives like Fraud Prevention Month, an annual education and awareness campaign organized in March by a concerned group of private sector firms, consumer and volunteer groups, government agencies and law enforcement organizations who are committed to fighting fraud. Through these types of initiatives, CMHC is able to give homebuyers and homeowners, including newcomers to Canada, access to valuable information on how to protect themselves against mortgage fraud. CMHC offers content in Mandarin/Simplified Chinese, Punjabi, Urdu, Tagalog, Arabic and Spanish, in addition to English and French. This information is readily available on CMHC's website at [www.cmhc.ca](http://www.cmhc.ca) (using the search key words 'mortgage fraud') or [www.cmhc.ca/newcomers](http://www.cmhc.ca/newcomers).

## ABOUT THE AUTHOR

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# What does it mean to be a self-governing regulated profession?



By Robert Schultze, AAAS, AACI, CAE

This is an abridgement of an article that first appeared in the International Association of Assessing Officers' publication *Journal of Property Tax Assessment & Administration*, (Volume 4, Issue 3, 2007). It offers AIC members a general overview of the role and responsibilities of self-regulated professional associations and the inherent advantages and responsibilities for individual members that belong to a self-governing profession. For a copy of the full article, please contact [info@aicanada.ca](mailto:info@aicanada.ca)

The initial intent of this research exercise was to develop a vision and set of objectives for the Saskatchewan Assessment Appraisers' Association (SAAA). However, it soon became apparent that a thorough understanding of a self-governing regulated profession was needed in order to identify direction for the association. This article is a result of this research. It is designed to provide an understanding of self-governing regulated

professions, to develop an appreciation for what professional members have in their association, and to provoke and stimulate meaningful thought and dialogue on the current and future direction of the SAAA. It is not a thorough exploration of these topics, but a brief introduction to the relevant concepts and functions of self-governing regulated professional organizations.

The article begins with a brief history of regulated professions and the primary purpose of a regulated profession. The major stakeholders and the essential aspects of a regulated profession are then identified. The article also focuses on the importance of ethics and professional conduct, continuing professional development, discipline, and the competing roles of regulation and advocacy.

## History of regulated professions

Canadian law, based on English law, adopted the English tradition of self-regulating professions. Among the first to emerge were the military, church, legal, civil service, and medical professions. These professions all reflect a common trait of

placing duty above self-interest. The civil service reflects a unique dual role of duty to the government and duty to the public. By the mid-nineteenth century, the essential characteristics of self-regulating professions were established as featuring:

- a unique combination of knowledge and skills,
- a commitment to duty above self-interest or personal gain, and
- independence from external interference in the affairs of the profession (self-government) (*Reader 2002, 4*).

By the end of the nineteenth century, two additional factors began to overshadow these essential characteristics: the prestige as a learned profession and the market advantage of exclusive use of a professional title and right to practice. These factors soon eclipsed knowledge, duty, and independence as the defining characteristics of a self-regulating profession. Not surprisingly, at the beginning of the twentieth century, professions lobbying for self-regulating status did so with mixed motives.

This led to the eventual question: What is the true intent of self-regulation—professional

benefit or public protection? As the twentieth century progressed, courts examined the statutes of self-regulating professions and alternately focused on professional benefits and public protection as the rationale for granting self-regulated status. In the late 1960s and 1970s, questions were raised as to whether the public interest and rights of individuals were adequately protected in the self-governing model. A number of provinces investigated various self-governing professional organizations (*McRuer 1968–1971, 1163*). These studies generally affirmed the desirability of the self-governing model, but recommended greater emphasis on public accountability and protection of individual rights (*Casey 2005, 1–2*). The courts recently concluded that the rationale for creating self-regulating professions is protection of the public, as noted in the following comments of the Supreme Court of Canada:

*It is difficult to overstate the importance in our society of the proper regulation of our learned professions. (Rocket v. Royal College of Dental Surgeons of Ontario 1990)*

### Attributes of self-governing professions

#### Primary purpose

*In our society, certain professions and occupations perform work activity of such a nature that if it is carried on in a negligent or fraudulent way, it can be dangerous to the public or contrary to the public interest. As a result, it has been the accepted practice to regulate the activities of groups such as doctors and nurses, engineers and lawyers, real estate and insurance brokers, carpenters and electricians. . . .*

*Self-regulation is a privilege delegated to a professional or occupational group by the Legislature only when it is clear that the public can best be served by regulating the profession or occupation. (Provincial Secretary's Department 1990, 1)*

These quotes are taken from a document prepared by Saskatchewan Justice that details the reasoning and criteria for determining whether a profession or occupation should be granted self-regulating status. Two key points are clear: (1) self-regulation is granted in order to serve the public interest, and (2) self-regulation is a privilege.

Saskatchewan Justice measures a group's request for self-regulating status against two

sets of criteria before granting such status: a primary set of 12 criteria that must be met and a secondary set of 10 criteria that are desirable but not fatal to a group's success if not satisfied. The introductory comments to this review contain the following statement:

*The overlying principle in such a review would be the primacy of the public interest over the interest of the membership.*

Further strengthening this view is the first requirement in the primary criteria set:

1. *Whether the group requesting self-regulation will serve to protect the public against incompetence and misconduct that could affect the life, health, welfare, safety or property of the public and whether it is in the public interest that the group be given self-regulation.*

The view of Saskatchewan Justice is echoed in many other sources. Although the professional benefits are real and recognized, the primary purpose of regulating professions is the protection of the public. The Supreme Court of Canada in *Pearlman v. Manitoba Law Society Judicial Committee (1991)* stated that “. . . the self-governing status of the professions . . . was created in the public interest.” In *Regulation of Professions in Canada*, Casey states:

*The protection of the public is achieved in two ways. Firstly, the conduct of individual members of the profession is regulated in order to ensure that the public is properly served. Secondly, it is recognized that it is a valid objective to protect the profession itself, because a vibrant, self-governing profession which has the public's interests at its heart is itself in the best interests of the public. (Casey 2005, 2–11)*

This opinion is recognized by other professional associations in Canada. For example, consider the following statements:

#### Alberta Land Surveyors' Association

*. . . it is obvious that the primary role of a professional body is to regulate the practice of the profession as a public service. . . . The professional association must be very careful to ensure that the public interest always remains paramount . . . in all its various roles the professional association has on overriding objective—the public good. (Allred 2002)*

#### Alberta College of Social Workers

*When a government makes a decision to impose regulation on the practice of a profession, it does so in recognition of the fact that the practitioners being regulated are providing a service that may involve some risk to the public. . . . All RSWs [Registered Social Workers] in Canada are accountable for their practice to the public. . . . It is the role of regulatory bodies to provide consumer protection. . . . Social work regulatory bodies are given a legislated mandate to protect that vulnerable public. (MacDonald and Adachi n.d.)*

#### Saskatchewan Registered Nurses' Association (SRNA)

*The primary purpose of professional self-regulation is protection of the public from harm. . . . Advocacy in the public interest is a core professional responsibility. . . . The primary purpose of the establishment of self-governing (regulating) professions is the protection of the public. (SRNA Council 2004)*

#### Agricultural Institute of Canada

*Professions are regulated to ensure the public is protected. . . . Self-regulation is based on an overarching duty to protecting [sic] the public. . . . Standards are essential for the regulatory bodies to ensure they meet their obligation to protect the public. (Agricultural Institute of Canada 2005)*

Finally, the Law Reform Commission of Saskatchewan (2004) recently stated that:

*Self-governance is acceptable only if it serves the public interest.*

#### Stakeholders

*[Professionals are] those who are willing to accept the honour, status and other benefits of the designation [of professional] in exchange for which they agree to place the welfare of those whom they serve foremost and to avoid any conflicting biases of confounding relationships. (Doherty n.d.)*

Four groups have an interest in the ability of a self-governing profession to fairly and effectively govern itself: the public, the profession, the profession's members, and the members' clients.

## The public

As noted, the Supreme Court of Canada has concluded that it is difficult to overstate the importance to society of the proper regulation of learned professions (Casey 2005, 1-3). Protection of the public interest is ensured by permitting only the qualified and the competent to practice, and by stipulating that these members conform to appropriate standards of professional conduct. The public needs to feel confident that a profession's practitioners are capable and honest and that they have the ability to express complaints should they experience problems in their interaction with these practitioners. Finally, the public must be able to perceive that a profession is governing its members, including qualifying and disciplining, in a competent and reasoned manner. Saskatchewan Justice recommends that "professional associations should consider measures that would enhance public access and understanding" of self-regulating groups (Provincial Secretary's Department 1990, 11).

## The profession

Members of a profession have a vested interest in the proper functioning of their association. A professional group can gain substantial benefits from self-regulation, including professional prestige, greater autonomy to set entry requirements and standards of practice, financial advantages, and potentially greater access to government. These benefits must be protected. The inappropriate acts of one member can have significant negative effects on the entire membership and can diminish the image of the profession as a whole. It is in the profession's best interests that the incompetent and unethical be removed. Not only does the profession have a duty to ensure its proper operation in the public interest, but it also must ensure that the public perceives this to be the case. If the profession is unable to properly self-govern, its self-regulating status can be removed. It is the responsibility of the profession's regulatory body to seek and make available adequate means and opportunities "to strengthen the profession and its members to meet emerging challenges, and to promote understanding and respect from government, business and the public at large." (Wacker 1996, 6)

## Members of a profession

Members of a profession may be subject to disciplinary actions for incompetent and unethical behaviour. This can lead to the loss of an individual's profession, employment, and means of financial support, as well as his or her contributory role in society, sense of identity, and emotional wellbeing. For these reasons and more, the proper functioning of the self-governing process is of crucial interest to a profession's individual members. To ensure the continued viability of the profession and themselves, individual members "have a responsibility to participate in the maintenance and development of the profession to keep it strong and healthy for the future." (Wacker 1996, 6-7)

## Clients

A professional provides services to clients. It is the professional's duty to protect the interests of his or her clients. The best way to do this is to strictly adhere to the standards of professional practice and ethical conduct established by the individual's self-regulating profession. The client has the right to expect that the professional will:

- provide comprehensive advice with respect to all the options and strategies available to the client, and
- follow the client's instructions once the client has made a decision based on the professional's advice (Reader 2002, 16)

In addition, the professional has a duty to follow the client's instructions providing they do not conflict with the professional's overriding responsibility to protect the public interest.

## Essential aspects of a regulated profession

There are two essential aspects granted to self-governing organizations: the authority to license and the ability to discipline licensees. As noted by Casey,

*The licensing power is essentially the authority to decide who shall be permitted to earn their living by the pursuit of a particular calling. This means that professional organizations act as gatekeepers to the professions in their assessment of the qualifications of prospective members. Once an individual becomes a member of a profession, the professional organization has the power to regulate the conduct*

*of the licensee by establishing rules of practice and standards of conduct enforceable through the discipline process. (Casey 2005, 1-1)*

The self-governing profession is charged with deciding who is qualified to practice and in what areas. The profession also sets the standards of technical competence and ethical and professional conduct to be followed by members. The *McRuer Report (1968-1971, 1163)* noted the public's "very real interest" concerning the admission of candidates into a profession:

*Those professions or occupations that have been granted self-governing status are charged with a responsibility not only to see that persons licensed are qualified, but that all qualified applicants are licensed. The public has a genuine and very real interest in knowing that the members of the self-governing bodies are properly trained and have good ethical standards. ... That being so, the responsible and experienced members of a profession or occupation on whom the power of self-government is conferred should be in the best position to set the standards to be met and the qualifications of anyone who aspires to enter the profession or occupation. (Casey 2005, 16-1)*

Taking the public's interest to heart and considering that the paramount duty of a self-governing profession is to protect the public interest, it is essential to ensure that admittance into a profession is guarded by strict standards and that members, once admitted, are governed by high standards of competence and conduct. A profession should set these standards at a level sufficiently high to ensure good service to the public and a broad range of technical and professional qualifications.

These standards also should be periodically reviewed to ensure the public interest is properly served with current skills, knowledge, and conduct.

Finally, the profession is charged with the responsibility of monitoring its members' adherence to these standards and to discipline those who demonstrate technical incompetence or exhibit unprofessional conduct.

In summary, a self-governing profession established by the legislature is fully empowered to:

- act in the public interest,
- exercise delegated law-making powers (rules

Table 1. Common terms of professional regulation

Status	What is it?	Purpose	Focus	Key Words
<b>Registered</b>	Issuance of a certificate of registration by a public or private governing body	List of people meeting a specified set of objective criteria or qualifications Identification of members for public	Identification of those who are qualified	Identification
<b>Accredited</b>	Certification of educational programs	Appropriate standard of education for professionals Establishment of educational standard	Educational standards for members	Educational standard
<b>Certified</b>	Issuance of certification by a public or private governing body	Individual's attainment of knowledge and skill Protection of the profession and establishment of public respect for it	Credentials of members	Credentials and eligibility to practice
<b>Licensed</b>	Issuance of a licence by a publicly mandated governing body granting right to engage in activities of a given occupation  Attests to a person's attainment of a degree of competency required to ensure protection of the public's health, welfare, or safety	Individual's competency and accountability Protection of public through regulation System available and transparent to the public	Protection of public interest	Accountability

or bylaws enacted by the profession's governing body have similar status as public laws), and

- exercise "public law" powers of enforcement over its members (*Reader 2002, 12*).

The specific mandate of a self-governing profession can include one or all of the following roles:

- determining entrance requirements.
- providing a system of registration to determine required applicant qualifications,
- licensing professional practitioners,
- establishing and maintaining levels of competency,
- establishing and maintaining codes of conduct (ethics and standards),
- receiving, investigating, and adjudicating complaints, and
- administering a disciplinary process to sanction members who fail to maintain established standards and practices (*Allred 2002, 6*).

### Common terms

Professional regulation uses the common terms registration, accreditation, certification, and licensure.

It is important to understand the definitions of these terms and their meaning and usage in regulatory documents. Table 1 presents a tabular summary of these common terms.

### Summary

Self-governing professions exhibit three essential characteristics: a unique combination of knowledge and skills, a commitment to duty above self-interest or personal gain, and self-governance free from external interference. Self-regulating status is a privilege granted to a profession in order to serve the public interest and comprises two essential aspects: the authority to license and the ability to discipline licensees. As such, it is the role and responsibility of the self-governing profession to ensure that admittance into the profession is guarded by strict standards of qualification and that members, once admitted, are governed by high standards of competence and conduct. It is also the responsibility of the self-governing profession to establish a program of continuing professional development to ensure that members maintain a

high level of technical competence and professional conduct. The responsibility then falls to each member to continuously improve his or her skills to remain proficient in the profession.

A key expectation of members of self-governing professions is that they accept legal and ethical responsibility for their work and hold the interest of the public and society as paramount. Individual members also have the responsibility to participate in the maintenance and development of the profession to keep it strong and healthy for the future. In this way, they ensure the continued viability of the profession and themselves as professional practitioners.

### About the author

Robert Schultze, AACI, is Manager of Commercial Assessment with the City of Regina Assessment Division. He is the current President of the Saskatchewan Assessment Appraisers' Association and has been appointed as a member of the 2008 IAAO Ethics Committee. He holds a master of business administration (MBA) from the University of Regina. 

# Are you up to Standards?



By **Iain Hyslop**, AACI, Chair of the Standards Sub-committee; **Brian Varner**, AACI, Professional Practice Seminar Instructor; and **Nathalie Roy-Patenaude**, AACI, Director-Counsellor, Professional Practice

Core to virtually everything we do as members of the Appraisal Institute of Canada (AIC), our professional standards are the 'rules of the road,' providing solid, well-respected guidelines for the quality of work our clientele expects.

No one is perfect and we can sometimes overlook things in the rush to get work done on time and to meet the

demands of our clients. Compliance with the *Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP)* is not difficult, nor is it intended to be a burden, but it is mandatory.

Recognizing that *CUSPAP* is presently a hot topic, in light of the rapidly approaching end to the current five-year CPD cycle (December 31, 2012), this article provides

members with an opportunity to test their knowledge of key and current standards issues. If you have yet to successfully complete the Professional Practice Seminar, go to <http://www.aicanada.ca/cmsPage.aspx?id=50> on the AIC website for details on upcoming classroom sessions or the distance education format.

## Take the challenge

(Answers can be found on page 36).

### 1. Which of the following statements is true?

- CRA members must include their designation wherever signatures appear.
- An AACI cannot co-sign a report with student or associate members.
- A fee appraiser may co-sign for non-fee institutional appraisal services.
- All of the above are true.

2. A lender requests you to complete an appraisal of a single-family residence for mortgage lending purposes and indicates that the homeowner will provide you with the payment. The owner insists you also provide him/her with a copy when it is completed. Which of the following is correct?

- The homeowner is entitled to a copy because he/she has paid for it.
- The client is the bank and the homeowner is an intended user.
- The client is generally the party ordering the appraisal and it does not matter who pays for the work.
- All of the above are correct.

### 3. With respect to the *Personal Information Protection and Electronic Documents Act (PIPEDA)*, is the following statement true or false?

The Office of the Privacy Commissioner of Canada has ruled that an appraisal document and taking a photograph of a property might constitute personal information.

4. You are a CRA holding a commercial appraisal designation from another association. Any appraisal outside the scope of a CRA designation can be signed by omitting the CRA designation. True or false?

5. Signing an appraisal report that refers to compliance with USPAP provides the same Professional Liability Insurance coverage as referencing CUSPAP. True or false?

6. Students providing technical assistance may:

- Co-sign an appraisal report with an AIC designated member.
- Inspect the property on their own and collect property data.

- c. Prepare the report from beginning to end, including interpreting and analyzing the data.
- d. None of the above

**7. Candidates and their co-signors are covered under the Professional Liability Program, even if they are not registered in the Candidate Registry. True or False?**

**8. A client orders an appraisal for mortgage financing for Intended User A. A week later, the client calls the appraiser to advise that the borrower is negotiating with another intended user, and asks that the original report be modified to replace the original intended user with Intended User B. Under CUSPAP:**

- a. The appraiser can make the change and no authorization is required from anyone except the client.

- b. A letter of authorization is required from Intended User A to replace their name for Intended User B.
- c. A new appraisal report is required for Intended User B, and can only be done if the intended use of the original appraisal assignment with Intended User A has been completed.
- d. The appraiser cannot complete the request because the borrower paid for the appraisal.

**9. A client asks an appraiser to review another appraiser's report and comment. Under CUSPAP, the appraiser:**

- a. Does not sign/co-sign the appraisal report that is under review.
- b. Must treat this as an Appraisal Review Assignment and ensure that his/her opinions and conclusions comply with the Appraisal Review Rules and Comments.

- c. Could be subjected to a complaint if he/she knowingly engages in a conduct that will prejudice the reputation of another member.
- d. All of the above are correct.

**10. If a member does not successfully complete the mandatory Professional Practice Seminar by December 31, 2012 (the end of the current five-year cycle) he/she will:**

- a. Be required to pay a \$500 fine, but not complete the seminar.
- b. Have a 30-day extension to complete the seminar.
- c. Be subject to a \$500 fine and suspension of his/her designation until he/she successfully completes the seminar and accompanying examination.
- d. Have the option of completing the seminar twice in the next five-year cycle.

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# Professional practice really does matter



By Nathalie Roy-Patenaude, AACI  
Director-Counsellor, Professional Practice

**A**s the Director-Counsellor of Professional Practice (AIC national office), I am the first point of contact with the Institute for all member and consumer enquiries relating to professional practice. A good proportion of the emails and calls I receive are from members seeking advice on professional practice matters such as:

- general enquiries,
- interpretation or clarification of the *Standards*,
- assessing a client's request and ensuring compliance with the *Standards*,
- specialized appraisal issues, and
- understanding and working through the complaint resolution process.

**Professional Practice Matters** is a new regular column of *CPV* magazine that will focus on key issues arising from day-to-day in the areas of the complaint resolution process and insurance claims. Its purpose is to raise member awareness on key professional practice matters, to improve appraisal and business practices, and to help avoid complaints and/or insurance claims.

The following have been the most common enquiries since I took on this role in March 2012.

## 1. USPAP or CUSPAP, are you compliant?

The AIC adheres to the *Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP)*, yet a common error in the appraisal reports is the reference to the *Uniform Standards of Professional Appraisal Practice (USPAP)*. In the event of complaint or a claim, the review will look to determine if the appraiser has complied to the first ethical rule:

*Ethics Standard Rule 4.2.1: It is unethical for a member to knowingly fail to comply with Bylaws, Regulations and Standards, and the Professional Liability Insurance Program of the Institute.*

AIC members must first ensure that their appraisal work is compliant with *CUSPAP*. If other standards also apply to a particular appraisal assignment, then, generally, the higher standard prevails. If an appraisal assignment is subject to more than *CUSPAP*, the member must ensure that it complies first with AIC's *Standards*, then to all other applicable standards. This may involve *USPAP* if dealing with a US-based entity, or *International Valuation Standards (IVS)* if doing work for IFRS purposes. Deliberately setting aside *CUSPAP* requirements may put a member's professional liability insurance coverage at risk, as well as inviting an investigation under the provisions of the AIC *Standards*. There are narrow circumstances where it may be appropriate to introduce a Jurisdictional Exception in order to complete the work; however, these must still comply with *CUSPAP*.

The 2012 edition and all previous editions of *CUSPAP* can be found on the AIC website at <http://www.aicanada.ca/cmsPage.aspx?id=69>. Save a copy on your desktop, it is a handy resource to have around.

## 2. AIC designation or membership and other professional designations

Regardless of the number of professional designations a member has with various organizations or associations, every report that

the member signs must include his/her AIC designation or disclose his/her membership status with the Institute.

*Ethics Standard Comment 5.4.7.viii: Any AIC member who signs **any report** must identify their designation or membership status (AACI, CRA or AIC Candidate member).*

Members cannot set aside their AIC designation (e.g., AIC Candidate member, CRA) and use another organization's designation for one type of appraisal assignment (e.g., commercial) and use the AIC designation for assignments that are within the scope of the designation.

If the appraisal assignment is outside the scope of the member's AIC designation (i.e., CRA), he/she must sign the report with their AIC designation **and** have it co-signed by an AACI member; regardless of whether a designation under a different professional organization allows for a broader scope of work than what is permitted under the AIC designation.

## 3. Reserve fund studies, land valuation for ecological gifts, appraising residential dwellings – can I or can't I?

In accordance with *Ethics Standard Comment 5.12* on competence, prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or alternatively:

- 5.12.1.i. disclose the lack of knowledge and/or experience to the client **before** accepting the assignment; and



- 5.12.1.ii. take all steps necessary or appropriate to complete the assignment competently; and
- 5.12.1.iii. if the appraiser lacks experience and/or knowledge to undertake an assignment, the appraiser must describe steps taken to complete the assignment competently, in the report.

Provincial legislation also dictates the recognized competency and sets out who is permitted to undertake certain types of assignments. Members are reminded to look into their provincial requirements before undertaking any assignment.

Competence is key, regardless of your professional status!

#### 4. Client, intended user, property owner: Who gets a copy of the appraisal report?

The client is generally the party or parties ordering the appraisal report. **It does not matter who pays for the work.** The client/appraiser relationship lasts at least until the completion of the intended use of the original appraisal or release from client. When in doubt, seek the opinions of your co-workers or colleagues on the issue of whether a potential conflict exists, before accepting instructions from another client to re-appraise a property that you have recently done for a different client.

It is important to note that a party receiving a report copy from the client does not, as a consequence, become a party to the client relationship, nor does it become an intended user, unless authorized by the appraiser and clearly identified in the report as the intended user. (*Appraisal Standard Comment 7.2: Client and Intended Users*)

An appraiser must identify the client, and to the extent possible other intended users by communication with the client, **prior to accepting the assignment. Identification of the intended use of the report is one of the essential steps** in defining the consultation problem **to ensure the use of the report is not misleading.** (*Practice Note 12.15.2*)

Members must uphold the confidential nature of the appraiser/client relationship and not

disclose the analyses, opinions, or conclusions in an assignment to anyone other than:

- 5.10.2.i. **the client and those persons specifically authorized by the client to receive such information;**
- 5.10.2.ii. *third parties, when the member is legally required to do so by due process of law; or*
- 5.10.2.iii. *an authorized committee of the Institute.*

Interestingly, on its website, the Financial Consumer Agency of Canada (Government of Canada) has the following question and answer:

Can my financial institution refuse to provide me with a copy of my mortgage appraisal, even though I have paid for it? Answer: yes. The financial institution can refuse to provide you with a copy of your mortgage appraisal. The financial institution obtains the appraisal report for the purposes of underwriting the mortgage. It is meant for its own internal use.

A good *Professional Excellence Bulletin*, written by David Hildebrand (AACI), answers the key questions on this issue. You can find it on the AIC website at: [http://www.aicanada.ca/images/content/file/who\\_is\\_my\\_client\(v49bk1p36\).pdf](http://www.aicanada.ca/images/content/file/who_is_my_client(v49bk1p36).pdf)

#### 5. Estate planning

Under *Ethics Standard Comment 5.2* on records, a member must retain the workfile for a period of:

- at least seven (7) years after preparation;
- or at least two (2) years after final disposition of any judicial proceeding in which testimony was given;
- or any First Professional Liability Insurance Corporation (FPLIC) proceeding, whichever period expires last.

The member must have custody of the workfile, or make appropriate workfile retention, access, and retrieval arrangements with the party having custody of the workfile. When a member passes away, his/her estate is usually advised by the provincial association or affiliate of the record keeping requirements. As part of

the member's estate planning, it is important to make provisions to ensure that the workfiles are accessible for the stated periods, in the event of an insurance claim or a complaint.

Downsizing or selling of the appraisal business by the spouse are common decisions resulting from the passing of a member, yet few are aware that arrangements must be made to keep the workfiles for the stated periods.


**Note:** Estates do not have to purchase tail coverage. The professional liability insurance is automatically extended to the member's estate, provided the member was properly registered and in good standing with the AIC, and all insurance payments are up to date.

#### 6. Assumptions, Limiting Conditions and Exceptions are *not* one size fits all

While the *Standards* define Assumptions, Limiting Conditions and Exceptions, and the residential form report provides a comprehensive list, and narrative report writers have boiler plates, members must be mindful that each appraisal assignment is unique and as such, must be customized to reflect the particularities of the subject property and the assignment.

Often, as part of the review of appraisal reports submitted with complaints, issues arise, other than those noted in the complaint, due to irrelevant, misuse or lack of Assumptions, Limiting Conditions and/or Exceptions. Any inconsistencies raise questions regarding the appraiser's competence and on whether the appraisal report is misleading.

Members are encouraged to review *Definitions 2.12* (Assumption), *2.25* (Extraordinary Assumption), *2.26* (Extraordinary Limiting Condition) and *2.38* (Jurisdictional Exception), as well as *Appraisal Standard Comment 7.11* (Assumptions and Limiting Conditions) and to familiarize themselves as to how and when they must be used.

**Members looking for clarification on the *Standards* or with enquiries on professional practice matters can contact me at [directorprofessionalpractice@aicanaca.ca](mailto:directorprofessionalpractice@aicanaca.ca) or directly at (toll free) (866) 726-5996. Professional Practice Matters!** 

# La pratique professionnelle compte vraiment pour beaucoup



Par Nathalie Roy-Patenaude, AACI  
Directrice-conseillère en pratique professionnelle

Comme directrice-conseillère en pratique professionnelle au bureau national de l'ICE, je suis le premier point de liaison avec l'Institut pour toutes les demandes de renseignements provenant des membres et des consommateurs en matière de pratique professionnelle. Une grande partie des courriels et des appels que je reçois viennent de membres qui cherchent des conseils sur des questions de pratique professionnelle comme celles-ci :

- demande de renseignements généraux
- interprétation ou clarification des normes
- analyse de la demande d'un client et vérification de la conformité aux normes
- questions spécialisées en matière d'évaluation
- comprendre et utiliser le processus de résolution des plaintes.

**Parlons pratique professionnelle** est une nouvelle chronique qui reviendra régulièrement dans la revue EIC et qui traitera les grandes questions venant du quotidien, du processus de résolution des plaintes et des réclamations d'assurance. L'objectif est de mieux faire connaître aux membres les principaux enjeux liés à la pratique professionnelle, améliorer les pratiques d'affaires et d'évaluation, en plus de contribuer à éviter les plaintes et(ou) les réclamations d'assurance.

Voici les demandes de renseignements reçues le plus souvent depuis mon arrivée en mars 2012.

## 1. USPAP ou NUPPEC, êtes-vous conforme?

L'ICE adhère aux Normes uniformes de pratique professionnelle en matière d'évaluation au Canada (NUPPEC - CUSPAP en anglais), mais les rapports d'évaluation font souvent erreur en évoquant les Uniform Standards of Professional Appraisal Practice (USPAP), soit les normes en vigueur aux États-Unis. En cas de plainte ou de réclamation,

l'étude du dossier tentera de déterminer si l'évaluateur s'est conformé au premier principe d'éthique :

*Norme relative aux questions d'éthique - Règle 4.2.1 : Il est contraire à l'éthique professionnelle pour un membre de ne pas sciemment se conformer aux statuts, règlements, normes et au programme d'assurance responsabilité professionnelle de l'Institut.*

Les membres de l'ICE doivent d'abord veiller à ce que le travail d'évaluation soit conforme aux NUPPEC. Si d'autres normes s'appliquent également à un contrat de service d'évaluation spécifique, c'est habituellement la norme la plus stricte qui prévaut. Si un contrat de service d'évaluation est sujet à plus que les NUPPEC, le membre doit s'assurer qu'il respecte tout d'abord les normes de l'ICE, puis toutes les autres qui s'appliquent. Ce peut être les normes de l'USPAP si l'on traite avec une organisation située aux États-Unis ou celles de l'International Valuation Standards Council (IVSC) si l'on travaille dans le cadre des NIF. Ignorer délibérément les exigences des NUPPEC pourrait mettre en danger la protection de responsabilité professionnelle du membre, en plus de nécessiter une enquête en vertu des normes de l'ICE. Il existe des situations particulières où l'on peut invoquer une exception juridictionnelle afin de compléter le travail. Toutefois, les NUPPEC doivent être respectées.

L'édition 2012 et toutes les éditions antérieures des NUPPEC sont disponibles sur le site Web de l'ICE, à l'adresse <http://www.aicanada.ca/cmsPage.aspx?id=69>. Je vous suggère d'en conserver un exemplaire sur votre bureau, car c'est une ressource très utile que vous pourrez consulter en tout temps.

## 2. Titre ou statut de membre de l'ICE et autres titres professionnels

Peu importe le nombre de titres professionnels qu'un membre détient de diverses organisations ou associations, chaque rapport qu'il signe doit refléter son titre de l'ICE ou indiquer son statut de membre auprès de l'Institut.

*Norme relative aux questions d'éthique - Commentaire 5.4.7.viii : Tous les membres de l'ICE qui signent un rapport doivent préciser leur titre ou leur statut de membre (AACI, CRA ou membre stagiaire de l'ICE).*

Les membres ne peuvent passer sous silence leur titre de l'ICE (p. ex. membre stagiaire de l'ICE, CRA) et utiliser le titre d'une autre organisation pour un type de contrat de service d'évaluation (p. ex. commercial) et utiliser son titre de l'ICE pour des contrats relevant du champ d'application du titre.

Dans le cas où le contrat de service d'évaluation dépasse le champ d'application de son titre de l'ICE (soit CRA), le membre doit signer le rapport avec son titre de l'ICE **et** le faire cosigner par un membre AACI, peu importe si le titre d'une autre organisation professionnelle permet un travail plus diversifié que celui permis par le titre de l'ICE.

## 3. Étude sur les réserves de fonds, évaluation foncière pour dons écologiques, évaluation d'habitation résidentielle, puis-je les faire ou non?

En vertu du Commentaire 5.12 – Compétence dans la Norme relative aux questions d'éthique : Avant d'accepter de se charger d'une affectation ou de signer un contrat de service, l'évaluateur doit bien identifier le problème à régler et posséder les connaissances et l'expérience pour réaliser ledit contrat de façon compétente. Sinon, il doit :

- 5.12.1.i. révéler au client, **avant** d'accepter le contrat de service, qu'il manque de connaissances et(ou) d'expérience; et

- 5.12.1.ii. prendre toutes les mesures nécessaires ou appropriées pour exécuter le contrat de service de manière compétente; et
- 5.12.1.iii. si l'évaluateur manque d'expérience et/ou de connaissances pour s'acquitter d'un contrat de service, il doit, dans son rapport, décrire les étapes suivies pour compléter ledit contrat de service de façon compétente.

La législation provinciale dicte également la compétence reconnue et établit qui peut exécuter certains types d'affectations. Je rappelle aux membres de consulter leurs exigences provinciales avant d'accepter une affectation.

La compétence est la clé, quel que soit votre statut professionnel!

#### 4. Client, utilisateur prévu, propriétaire : Qui reçoit un exemplaire du rapport d'évaluation?

Le client est généralement l'entité ou le groupe d'entités qui a commandé le rapport d'évaluation, **peu importe qui en défraie les coûts**. La relation client-évaluateur dure au moins jusqu'à l'achèvement de l'utilisation prévue de l'évaluation ou jusqu'à ce que le client accorde une libération. Dans le doute, demandez à vos collègues s'ils croient qu'il peut y avoir un conflit avant d'accepter les instructions d'un autre client de réévaluer une propriété que vous avez évaluée récemment pour un client différent.

Il est important de noter qu'un tiers qui reçoit un exemplaire du rapport produit pour le client ne devient pas, par le fait même, l'une des entités clientes, pas plus qu'il ne devient un utilisateur prévu, sauf si l'évaluateur l'a clairement autorisé et identifié à ce titre. (*Norme relative aux questions d'éthique – Commentaire 7.2 : Client et utilisateurs prévus*)

L'évaluateur doit identifier le client et, dans la mesure du possible, les autres utilisateurs prévus en communiquant avec le client **avant d'accepter l'affectation. L'identification de l'utilisation prévue du rapport est l'une des étapes essentielles** dans la définition du problème qui fait l'objet de la consultation et **assure que l'utilisation du rapport ne soit pas trompeuse.** (*Note 12.15.2 relative à la pratique*)

Les membres sont tenus de protéger la nature confidentielle de la relation client-évaluateur et de ne pas révéler le contenu des analyses, opinions et con-

clusions de leur affectation à d'autres personnes que :

- 5.10.2.i. **le client et les personnes spécifiquement mentionnées par lui** au contrat de service;
- 5.10.2.ii. les tiers auxquels les membres sont légalement tenus de fournir cette information; ou
- 5.10.2.iii. un comité dûment autorisé de l'Institut.

Fait intéressant, l'Agence de la consommation en matière financière du Canada (gouvernement du Canada) affiche la question et la réponse suivantes sur son site Web :

Mon institution financière peut-elle refuser de me fournir un exemplaire de l'évaluation hypothécaire même si j'en ai assumé les frais ? Réponse : Oui. L'institution financière peut refuser de vous fournir un exemplaire de l'évaluation hypothécaire. L'institution financière obtient le rapport d'évaluation aux fins de souscription hypothécaire et il demeure à son usage exclusif.

Un bon bulletin d'expérience professionnelle, rédigé en anglais par David Hildebrand (AACI, P.App), répond aux principales questions à ce sujet. Vous pouvez consulter ce bulletin sur le site Web de l'ICE, à l'adresse [http://www.aicanada.ca/images/content/file/who\\_is\\_my\\_client\(v49bk1p36\).pdf](http://www.aicanada.ca/images/content/file/who_is_my_client(v49bk1p36).pdf).

#### 5. Planification successorale

En vertu du Commentaire 5.9 – Dossiers dans la Norme relative aux questions d'éthique : Les membres doivent conserver ces dossiers

- pendant une période minimale de sept (7) ans après la rédaction
- ou au moins deux (2) ans après qu'une décision finale ait été prise concernant toute procédure judiciaire au cours de laquelle un témoignage a été rendu
- ou toute réclamation dans le cadre du PARP, selon le dernier terme atteint.

Le membre doit avoir la garde des dossiers ou prendre avec le tiers qui en a la garde les arrangements nécessaires pour les conserver, y accéder et les extraire. Lorsqu'un membre décède, l'association provinciale ou son affiliée informe habituellement ses héritiers des exigences en matière de conservation des dossiers. Il est important d'inclure des dispositions dans la planification successorale du membre pour assurer que les dossiers sont accessibles durant les périodes indiquées, en cas de réclamation d'assurance ou de plainte.

La rationalisation ou la vente de l'entreprise d'évaluation par le(la) conjoint(e) est une décision courante résultant du décès d'un membre. Pourtant, peu de gens savent qu'il faut prendre des arrangements pour conserver les dossiers visant les périodes indiquées.


**Remarque :** Les héritiers ne sont pas tenus d'acheter une protection subséquente. L'assurance responsabilité professionnelle s'étend automatiquement à la succession du membre, en autant que celui-ci était inscrit en bonne et due forme et membre en règle de l'ICE, et que tous ses paiements d'assurance sont à jour.

#### 6. Les hypothèses, conditions limitatives et exceptions ne sont pas omnivalentes

En dépit du fait que les normes définissent les hypothèses, conditions limitatives et exceptions, que le rapport sur formulaire résidentiel fournit une liste exhaustive et que les rédacteurs de rapports narratifs utilisent des paragraphes passe-partout, les membres doivent garder à l'esprit que chaque mandat d'évaluation est unique et qu'à ce titre, il doit être personnalisé pour refléter les particularités de la propriété visée et de l'affectation dont elle est l'objet.

À l'examen des rapports d'évaluation accompagnés de plaintes, il arrive très souvent que des problèmes autres que ceux indiqués dans la plainte se posent, car les hypothèses, conditions limitatives et/ou exceptions ne sont pas pertinentes, sont utilisées abusivement ou sont simplement absentes. Toute incohérence jette le doute sur la compétence de l'évaluateur ainsi que sur le rapport d'évaluation, qui pourrait être trompeur.

J'invite les membres à lire les Définitions 2.12 (Hypothèse), 2.25 (Hypothèse extraordinaire), 2.26 (Condition limitative exceptionnelle) et 2.38 (Exception juridictionnelle), de même que le Commentaire 7.11 dans la Norme relative aux questions d'éthique (Hypothèses et conditions limitatives) pour savoir comment et quand ils doivent y recourir.

**Les membres qui veulent obtenir des précisions sur les Normes ou des renseignements sur des questions de pratique professionnelle peuvent me contacter à [directorprofessionalpractice@aicanada.ca](mailto:directorprofessionalpractice@aicanada.ca) ou directement au 866-726-5996 (sans frais). Parlons pratique!** 

# Answers to the *Standards* challenge



(These are the answers to the challenge questions on page 30)

**Note:** The 2012 edition of *CUSPAP* is available on the AIC website at <http://www.aicanada.ca/cmsPage.aspx?id=69>

## Q1. Answer: (d)

*Ethics Standard Comment 5.5* on qualifications contains this information.

## Q2. Answer: (c)

*Definition 2.15* Client: The party or parties who engage the appraiser in a specific assignment. *Appraisal Standard Comment 7.2.1* goes on to clarify that it “does not matter who pays for the work.” Typically, the lender contacts your office, orders the appraisal and tells you to collect the fee from the applicant. The Standards are clear in this instance: the lender is the client. The best practice is to inform the applicant, before the assignment is commenced, that the report will be addressed to the lender and is confidential between that party and you.

## Q3. Answer: True

*Professional Practice Bulletin 27-E* references *Practice Notes 12.21.1* regarding the requirement to respect information that may be contained within an appraisal report such as photographs. The insurance policy contains an Exclusion for any intentional or wilful violation of any statute or regulation. Refer to the July 13, 2012 communiqué for details.

## Q4. Answer: False

*Ethics Standard Comment 5.5.3* includes the statement that “CRA members must include their designation wherever signatures appear in an appraisal report.” *Practice Note 12.35.2* goes on

to explain that where members have multiple appraisal designations “the intent of 5.5 is that the Member must use their AIC designation pertaining to the Member’s scope of professional services.”

## Q5. Answer: False

*Ethics Standard Rule 4.2.1* states that it is unethical for a member “to unknowingly fail to comply with Bylaws, Regulations and Standards, and the Professional Liability Insurance Program, of the Institute.

Members of the AIC must first ensure their work is compliant with *CUSPAP*. If other standards also apply to the appraisal assignment then, generally, the higher standard prevails (Refer to the Professional Practice Matters column in this issue for details).

## Q6. Answer: (d)

Technical assistance involves support to the member in the preparation of a report, such as collecting property data and other factual information, but does not in itself include interpretation or analysis. A member may rely on technical assistance from Student members of the Institute or others, keeping in mind that the responsibility for the finished product rests with the member signing the report. (*Definition 2.56*)

## Q7. Answer: False

As AIC members, candidates and their co-signors must be properly registered in the Candidate Registry to have professional liability insurance

coverage. In the event of a claim, there would be no insurance coverage for the appraisal assignments co-signed and in the event of a complaint, both parties would be subject to disciplinary sanctions. Refer to *Ethics Standard Comment 5.8* for the requirements on Liability Insurance.

## Q8. Answer (c)

Under *Definition 2.35*, the Intended User is the client and any other party as **identified, by name or type**, as users of the appraisal, consulting, or review report, by the appraiser based on communication with the client **at the time of the assignment**. The client/appraiser relationship lasts at least until the completion of the intended use **of the original appraisal or release from client**. *Appraisal Standard Comment 7.2.2*

Essentially, there are no 2-for-1 appraisal reports. Unless Intended User A is willing to consent to the release of a copy of the appraisal report to Intended User B, a new appraisal report is required for Intended User B. The original copy was prepared for Intended User A’s mortgage financing requirements and terms and reference, which may differ from those of Intended User B.

## Q9. Answer (d)

Refer to *Ethics Standard Rule 4.4.2* and *Appraisal Review Standards 8.1*.

## Q10. Answer (c)

# Representing member interests

Since the creation of the Advocacy and Government Relations Committee in June 2011, the committee members' have been proactive in representing Appraisal Institute of Canada (AIC) members' interests on a number of key public policy and advocacy initiatives.

On May 1, 2012, the AIC responded to the call for comments by the Office of the Superintendent of Financial Institutions Canada (OSFI) on the proposed *Residential Mortgage Underwriting Policies and Procedures (RMUPP) Guideline*. The *Guideline*, that set out OSFI's expectations for prudent residential mortgage underwriting, apply to all "federally-regulated financial institutions (FRFIs) that are engaged in residential mortgage underwriting and/or the acquisition of residential mortgage loan assets in Canada."

The call for comments provided an excellent opportunity to reinforce AIC's position as the premier real property valuation association in Canada, with over 4,700 members across the country.

In its review of the proposed OSFI *Guideline*, the AIC focused comments on the implications of the proposed business practices as they related to Principle 4 on the appraisal and collateral components of the mortgage process. Principle 4 of the *Guideline* states that "FRFIs should have sound collateral management and appraisal processes for the underlying mortgage properties." Put another way, the *Guideline* suggests that FRFIs must have clear and transparent valuation policies and procedures, and should not rely on any single method of property valuation. Rather, the *Guideline* directs FRFIs to utilize a combination of valuation tools and appraisal processes,

including on-site inspections, third-party appraisals and/or automated valuation tools, in assessing the value of a property.

The AIC expressed its full support for the *Guideline* and also strongly recommended that the same expectations apply not only to FRFIs, but to all organizations that provide mortgage financing to Canadian borrowers.

The AIC's comments were intended, in principle, to ensure that the market value of the collateral required to support a mortgage application is provided by independent designated or licensed appraisal experts who are impartial to the process and can provide a fair market value assessment for mortgage lending and/or mortgage insurance purposes.

At the AIC conference this past June in Ottawa, members had the pleasure of hearing Vlasios Melessanakis, Director of Policy Development at OSFI, who talked about the five guiding principles of the *RMUPP* and OSFI's expectations regarding the appraisal and collateral components. The presentation coincided with the release of the final *Guideline* and, in his comments, Mr. Melessanakis spoke of the relevance and value of AIC's perspectives on the *Guideline*.

The conference also provided an opportunity for the AIC Board of Directors and senior management to meet with the AIC's provincial affiliates to discuss collaboration on key public policy issues. The discussions provided a foundation for ongoing dialogue throughout the year, through regular meetings and conference calls.

In May, concerns from members regarding lender requests for the taking of interior photos and the issue of protection of personal information were raised with the Director of Professional Practice. Concerned with the requirements under the *Personal Information Protection*

and *Electronic Documents Act (PIPEDA)*, since photographs are a key element of an appraisal report, the AIC wrote to the Royal Bank of Canada (RBC), the lender referred to in the concerns. What ensued was an opportunity for good dialogue and cooperation between the AIC and the RBC, whereby RBC's requirements and expectations, as outlined in RBC's appraisal guidelines to appraisers, were clarified.

While the concerns at the time referred to RBC, members are reminded that interior photos and the requirement to obtain consent are not specific to or dictated by the AIC or RBC. The fundamental premise of *PIPEDA*, which has been in effect since 2000, is that the personal information of an occupant must be protected. *PIPEDA* applies to everyone collecting personal information (i.e., appraisers, lending institutions, private sector businesses, public sectors departments and agencies).

The communication pieces sent to the membership in July on the requirements for consent for the taking of interior photos can be found in the Members Section, under Forms and Templates.

The new AIC Strategic Plan includes a strong focus on promoting AIC members as the leading valuation professionals, and on advocating for the appraisal profession and our members' interests on national and international public policy issues. 

## End notes

<sup>1</sup> 2011-12 Advocacy and Government Relations Committee was chaired by President-Elect Dan Wilson (BC) and included Directors Surinder Pal (MB), Anne Helliher (ON), Keith Lancaster, CEO and Nathalie Roy-Patenaude, Director of Professional Practice.

<sup>2</sup> OSFI *Guideline B-20*, June 2012

# Steffen Hagen, AACI

## Going the distance

In the first few decades of his life, Steffen Hagen, AACI, never envisioned he would become an appraiser or an Ironman triathlete. Today, he is both.

Three years ago, he started cycling as a way to improve his level of fitness. That activity eventually led to running, then swimming. “A friend told me ‘if you are going to ride a bicycle and you are going to run, you might as well jump into the pool and do triathlons,’” recalls Hagen. “So I did.”

Interestingly, in his journey to becoming an appraiser, there are many parallels to his evolution as a triathlete. For instance, several building blocks were in place by the time he made the transition to a career in valuation. Hagen started his working life as a journeyman carpenter, earning his Trades Qualification and Inter Provincial Certification in 1985. Working mostly in commercial and heavy construction, he ended his carpentry career in a manufacturing plant, where he had been involved in multi-million dollar capital projects.

In the early 1990s, when work was becoming scarce, Hagen decided it was time to move on. “I saw the writing on the wall and thought it was time to make a change,” he explains. “I had the opportunity to return to school, so I took it.”

Hagen started his studies in an accounting program, but quickly found the content too dry. Once he was back in the school system, he began to realize what other options were available. “I had always had a passion for real estate,” he notes, adding that, when he learned about the real estate appraisal program at Vancouver’s Langara College, he decided to enroll. Being able to apply certain credits from the accounting program made for a smooth transition. In the end, he completed the Diploma option program at Langara in one year instead of two.

With the economy still in recession, Hagen was advised to temporarily forgo his preference for commercial valuation work and to start his career as a residential appraiser. “In 1996, I went to work for a



residential appraisal firm and, a year later, obtained my CRA,” he explains. “I was very fortunate to connect with and be trained by one of the best residential appraisers in the industry, although I told them all along that I would not be stopping there. It was always my intention to obtain my AACI.”

Hagen goes on to say that, “in hindsight, obtaining my CRA in advance of the AACI designation was hugely beneficial, as it enhanced other practical skills that are necessary to fully encompass all aspects of being an accredited appraiser. I am still of the opinion that becoming a CRA should be a prerequisite to obtaining the AACI designation and I find it interesting that the Appraisal Institute does not share a similar view.”

In 1999, he became an employee at Victoria-based D.R. Coell and Associates Inc. and started working towards his AACI. “This company was always number one on my list of places I wanted to work,” notes Hagen. “It took some perseverance, but I have always been a firm believer of quality training and I thought this was one of the few places for me to obtain it.” Founded in 1974, D.R. Coell is one of the larger valuation firms on

Vancouver Island, covering all areas of expertise. The firm has established a solid reputation for providing real estate appraisal and consulting for a wide variety of purposes, including purchase, sale, rental review, expropriation, litigation, financing, right-of-way acquisition, negotiation, assessment review, development cost, asset transfers and insurance.

Today, Hagen contracts his services as an independent appraiser and consultant. His work includes general commercial, industrial, multi-family and institutional valuations, in a geographical area that encompasses Greater Victoria, the Gulf Islands and various other Vancouver Island locations. Some of these properties – especially those in remote areas – can be quite challenging, given the unique nature of the properties and the lack of market data. Nonetheless, Hagen enjoys working on these projects. “I have the opportunity to see some very beautiful large acreage lands and waterfront holdings, while at the same time honing in on my research skills, which are critical in this profession,” he notes.

On the other hand, Hagen’s passion within the profession is more related to planned *new* construction than existing buildings. “Thanks to my construc-

tion background, I do a fair bit of work for development projects,” he explains. Just like cycling was able to give Hagen the endurance to undertake running, swimming and, eventually, triathlons, Hagen’s knowledge and experience in the construction industry are transferable to his appraisal work. His background provides many advantages, from being able to fully comprehend building plans to understanding construction techniques and project management.

These are important skills, especially when doing an appraisal from plans. “When you are doing a prospective market value of a proposed condominium or commercial building, it is critical to be able to envision something before it is finished,” explains Hagen, adding that he can also engage in dialogue at the same level as the client. “It instils confidence in the client that the appraiser understands the process. In most cases, the client is more appreciative of the appraiser’s opinion as it relates to the efficiency, marketability, gross retail value, and profit, of any given development proposal.”

Hagen adds that he enjoys being associated with people in the real estate business such as brokers, property managers, builders and developers. He also appreciates the freedom and independence – the ability to establish his own hours.

It is that flexibility which allowed him to become involved with the Appraisal Institute of Canada’s Victoria Chapter as a member of the Public Relations Committee and later as treasurer. Lately, being able to manage his own time has meant being able to schedule the training that comes with becoming a triathlete.

Hagen’s first triathlon was an in-house event held by the Victoria YMCA, shortly after he took out a membership in 2009. Inspired by his fellow athletes, some of whom had already competed in the renowned Ironman triathlon, he entered six more races that same year.

He was hooked. In 2010, he completed another seven triathlons and, by the end of that racing year, he felt confident enough to register for the ultimate event, Ironman Canada – a 3.8 km swim, a 180 km cycle, and a 42.2 km run. During the training for this event, Hagen went to the Hawaiian island of Kona, which also hosts the Lava Man Triathlon, with shorter Olympic distances for each segment. He completed that race in April 2011.

At the peak of his training, Hagen was devoting 26 hours a week to preparing for the main event. He logged more than 500 hours of training for the entire year. “This is where I was fortunate that I had the flexibility with my work,” he notes.

*“To be able to envision something before it is finished...instils confidence in the client that the appraiser understands the process.”*

On August 28, 2011, in Penticton, BC, Steffen Hagen completed his first Ironman race in a time of 12 hours and 43 minutes.

“We all reach a point in our careers – whatever they may be – when we feel it is time to take some time out to recharge,” says Hagen. “Training for Ironman was a personal challenge that required a lot of my time, and it provided me with the break I needed from my career. Although I did not leave work completely, I was not as career-focused as I had been in the past.”

Since then, he has been redirecting that time and energy back into the real estate industry, albeit in a broader way, using the same self-disci-

pline and determination with which he prepared for and completed the Ironman competition. “There is no question that a career in all facets of real estate it is a major commitment,” says Hagen, acknowledging that there are similarities between the career and the sport he loves.

He points out that, every year, there are people who sign up for Ironman, but, despite having a year to prepare for it, do not commit to the training. “When race day arrives, they are practically overwhelmed by the distances of each element and, in many cases, are not able to finish,” says Hagen. “It is not something you should go into without being properly prepared. It is like that in our business too. When people are committed to their work, it shows. The opposite is also true, and, unfortunately, that is something that tarnishes the reputation of our profession as a whole.”

Proper training in the appraisal profession is still more important than ever, he adds. As the population of our membership ages, more appraisers will be retiring. “Because of that, along with continual changes in technology and the industry in general, there are opportunities in this business,” notes Hagen. But, with these changes comes an increasing need for highly effective training and mentorship – something Hagen would like to see as a priority within the organization. That, says the Ironman triathlete and seasoned appraiser, is what it will take to go the distance. 🏁



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# BUSI 499 Guided Case Study: tips and tricks

**A**n old adage goes – FAIL TO PLAN – PLAN TO FAIL. A *BUSI 499 Guided Case Study* must meet university rigor and Appraisal Institute of Canada (AIC) *Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP)*. Hence, it is a comprehensive blend of demonstrating detailed market analysis, research and current theory. *Guided Case Study* courses extend over months, requiring organization and dedicated work space. Therefore, if your only personal space is the dining room with files on the table, maps on the wall and papers on the floor, do not plan a dinner party until you are finished.

Often, Candidates select the wrong subject, picked for expediency and without researching the availability of data. The requirements of the *Guided Case Study* provide much flexibility.

The Candidate can pick any effective date up to five years prior to the date he or she registers their property. Plan ahead. Before registration: (1) search land and improved sales to find the best sales; (2) pick sales requiring the least amount of adjustment and a time frame with sufficient market data to support the approaches to value, as well as required adjustment information; and (3) pick the subject and effective date.

Step 2 is to prepare file folders, labeled to coincide with the lesson assignments. This is in the interests of organization and planning ahead. Step 3 is to familiarize yourself with the requirements of each lesson assignment. Throughout the workbook there are numerous alerts in blocks and titled *Planning Ahead, Hints for Success, WARNINGS!* An effective technique is to photocopy those alert pages and put them in the appropriate file folder, so they are front and centre before you begin that lesson assignment.

Another old adage is the KISS rule (Keep It Simple Stupid). Scan the lesson assignments and start collecting data for each assignment on a day-to-day basis including maps, plans, re-sales, rental and expenses, etc. During your daily activities, be conscious of opportunities to speak with contractors, assessors, municipal staff, vendors, and purchasers or to obtain maps and documents. When working on another project and the opportunity to ask questions about your subject is there, what better time to ask a question or obtain market data for your subject? Put it in the folder.

The grader's role is not to agree or disagree with your conclusions. A grader's role is to look at the support data you provide and rationale applies. There must be sufficient information, analysis and explanation for a reader to come to a reasonably similar conclusion. Neither is it a grader's role to substitute as a mentor or teacher.

At this point, it is presumed that the Candidate has had both. The grader will assist with suggestions, comments and guidance. Hence, if there are any misunderstandings, the onus is on the Candidate to ask for clarification.

The *Guided Case Study* report is, for most, one of the most comprehensive appraisal reports he or she will complete. There is no room for opinion of the Candidate that is not market supported.

On a final note, for those not used to writing reports, it is an absolute must that the principles of clarity, theory, persuasiveness, as well as being grammatically correct are demonstrated. Many times, a writer can better convey logic and process by including charts and tables, rather than a long, rambling narration. Every market and individual's style are different and that is understood.

The standards and expectation are universal. 🏡



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# Spotlight on Continuing Professional Development

## FEED YOUR FUTURE with CPD FRIDAYS



### Reserve Fund Studies

Several Canadian provinces, most recently British Columbia, now require Condominium/Strata Corporations to periodically produce Reserve Fund Studies. These studies, also called Depreciation Reports, serve as a planning tool for condos and stratas to help ensure that owners have adequate financial coverage for the repair and replacement of 'common property.' When properly executed, these studies can identify problem areas that require closer examination and provide assurance that the annual contributions by owners will be sufficient to cover anticipated expenses – avoiding overwhelming special assessments.

With a properly completed and well-executed Reserve Fund Study in place, condo owners can take comfort in knowing the long-term integrity of their real estate investment is protected. Furthermore, this plan can also reassure prospective buyers that the strata is healthy, with potential problems anticipated and a 'war chest' in place to deal with them as they arise. Ultimately, the Reserve Fund Study can become a marketing tool – or perhaps more to the point, the *absence* of a solid study and plan could and should be a red flag to potential buyers.

The qualifications for producing Reserve Fund Studies vary by province, but they generally tend to be completed by engineers, architects, building technologists, and valuation

professionals. Appraisal Institute of Canada (AIC) members may be uniquely qualified for these studies, having not only education and experience in property inspection and cost estimating, but also in detailed financial analysis. The cash flow analysis is the key to these studies and it is here that valuation professionals stand out from other qualified individuals. Furthermore, beyond the specific requirements for Reserve Fund Studies, AIC members may, at the same time, be able to advise stratas/condos regarding appropriate insurable values and highest and best use considerations for the project – adding to the value proposition for AIC members completing these studies.

After fruitful discussions at AIC's Learning Advisory Committee, UBC is now developing a CPD course on Reserve Fund Studies. This three-lesson course will provide a comprehensive overview of the legislative and market context for these studies, as well as an in-depth study of component identification, lifespan and replacement cost estimating, as well as cash flow projecting. There have also been preliminary discussions of developing a Reserve Fund Study 'Guided Case Study' developed specifically for AIC members who want to build on the knowledge provided by their designation and become active in the field of Reserve Fund Studies.

The Reserve Fund Studies CPD course is expected to be offered in late 2012. Stay tuned!


### CPD Friday Webinars

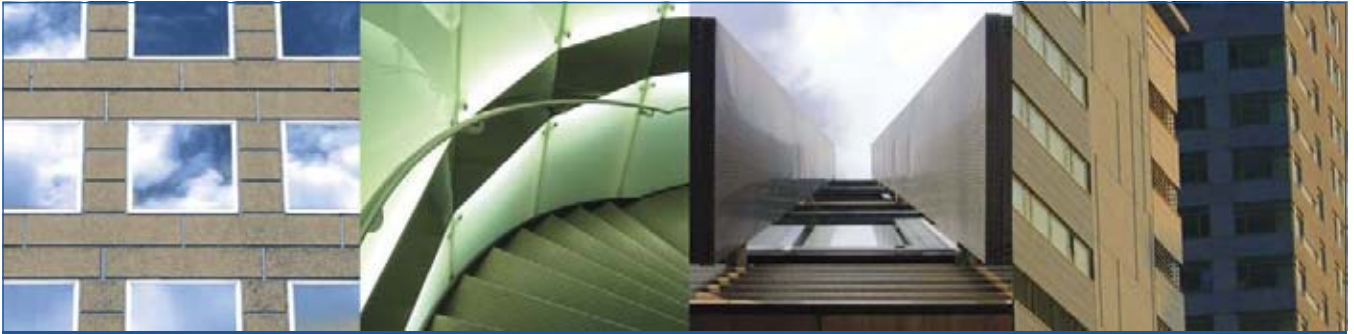
The UBC Real Estate Division continues its series of live online *webinars* on Friday, June 1 from 9 am–11 am Pacific time (12 pm–2 pm Eastern time). The webinars are two-hour presentations by expert instructors in an interactive, online classroom environment. By attending the session and completing two hours of pre-reading on your own, you will receive four AIC CPD credit hours. There is no quiz or exam required to receive these credits.

#### Upcoming CPD Friday webinars:

- Friday, September 7, 2012:
  - CPD 108: Seniors Facilities Valuation
- Friday, October 5, 2012:
  - CPD 112: Real Estate Consulting – Forecasting
  - CPD 128 Retail Property Valuation
- Friday, November 2, 2012:
  - CPD 143: Automated Valuation Models (AVMs)
  - CPD 122: Expropriation Valuation
- Friday, December 7, 2012:
  - CPD 113: Request for Proposals (RFPs)
  - CPD 129: Industrial Property Valuation

For more information on these and other UBC CPD offerings, please visit our website at [www.realestate.ubc.ca/webinar](http://www.realestate.ubc.ca/webinar) or [www.realestate.ubc.ca/cpd](http://www.realestate.ubc.ca/cpd)

See you online! 



UBC Real Estate Division

## Professional Development Courses

[www.realestate.ubc.ca](http://www.realestate.ubc.ca)

Today's successful real estate professional is creative, analytical, adaptable, and committed to lifelong learning. The Real Estate Division at UBC's Sauder School of Business offers a series of short online professional development courses aimed at real estate practitioners' continuing education needs.

All UBC Real Estate Division continuing professional development (CPD) courses are offered through distance education in **self-study** format or as a **live online webinar**. Completion of a CPD course will earn you a UBC award of completion, plus **guaranteed credits** towards the Appraisal Institute of Canada's Continuing Professional Development (AIC CPD) requirements.

### Topics offered include:

- Valuing Green Properties: Residential and Commercial
- Financial Reporting: Real Property Appraisal and IFRS
- Requests for Proposals (RFPs) – Winning Strategies
- Exposure & Marketing Time: Valuation Impacts
- Adjustment Support in the Direct Comparison Approach
- Residential Appraisal Basics / Commercial Appraisal Basics
- Valuation of Property Impairments and Contamination
- Speciality Valuation: Agricultural, Multi-Family, Business Enterprise, Submerged Land, Hotel, Office, Seniors Facilities, Machinery and Equipment Valuation
- Creative Critical Thinking
- Decision Analysis
- Highest and Best Use Analysis
- Appraisal Review
- Lease Analysis
- Urban Infrastructure
- Expropriation Valuation

*Coming soon!*

- Reserve Fund Study

To find out more, visit [www.realestate.ubc.ca/cpd](http://www.realestate.ubc.ca/cpd)



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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 13, 2012 to July 18, 2012:

*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 13 avril, 2012 au 18 juillet, 2012 :*

### AACI

#### Accredited Appraiser Canadian Institute

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

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

#### ALBERTA

Trevor R. Hanson

#### BRITISH COLUMBIA

Angus S. Heaps  
Scott Humphreys  
Tracy L. Shymko

#### NOVA SCOTIA

Robert H. Santilli

#### ONTARIO

Christine E. Fay  
Jason T. Fletcher  
Christine M. Gorman  
Shanna L. James  
Gord J. Jones  
Stephen Koo  
William James LePage  
Heather LM Payne

#### PRINCE EDWARD ISLAND

Jan Wicherek

#### QUEBEC

Cynthia Villeneuve  
Philip Williamson

### 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

Eldon Banack

#### BRITISH COLUMBIA

John S. Allan  
Gilles LeBlanc  
Mitchell Josef Rabiner

#### NEW BRUNSWICK

Katherine Edith Landry

#### ONTARIO

Donna L. Bain  
Thomas R. Jack  
Steven J. McFarlane  
William Andrew Pollock  
Robert C. Steele  
Andrew M. Wieland  
Candice Lee-Angela Zimmerman

#### PRINCE EDWARD ISLAND

Bobby J. Douglas

## Candidates / Stagiaires

AIC welcomed the following new Candidate members during the period April 13, 2012 to July 18, 2012:

*L'ICE souhaite la bienvenue aux personnes suivantes qui ont joint les rangs des membres stagiaires durant la période du 13 avril, 2012 au 18 juillet, 2012 :*

#### ALBERTA

Rahul Kapoor  
Joanne Lombard  
Cassidy Jill Macdonald  
Darrell Roger Muzichuk  
Ryan B. Pattison  
Jesse D. Robertson

#### BRITISH COLUMBIA

Julie Chu  
Lucas Froese  
Mark Hardinge  
Tony Chung Yin Kwan  
Katrina Lum  
Johannes Saufferer  
Scott Sutherland

#### MANITOBA

Steve Derksen  
Myron Dyck  
Brent J. Kosack  
James Merlevede  
Tyler Odell  
Tammy D. Ziolkoski

#### NEW BRUNSWICK

Robert Arseneau  
Normand Thebeau

#### NEWFOUNDLAND

Kenneth K. Kelly

#### NOVA SCOTIA

Cathy Doucette  
Mark Farrow  
Matthew Smith

#### ONTARIO

Roman Agranat  
Jeff M. Allen  
Hyunwoo Choi  
Yi-Min Chun  
Stefania D'Antonio  
Euan Darling  
Harrison Diamond

Amarjeet Gill  
Sanjeev Gogna  
Muhammad Hamid  
Ryan T. Harnden  
Cornell Keith Haynes  
Qinghai Hou  
Lemma Ibrahim  
Roham Izadi  
Keval Kantawala  
Kiwon Kim  
Moshe B. Kopstick  
Neil Lacey  
Hanz Lorenzen

Michael McFarlane  
Victoria McPherson  
Justin McWatters  
Andra Mihaiu  
Daniel Moore  
Adam Occhipinti  
Peter Omorogbe  
Juan Santos  
Cody Scott  
Sean Sobottka  
Matthew D. Thrift  
Mark Verok  
Kyle E.P. Yutronkie

#### PRINCE EDWARD ISLAND

Rebecca McQuaid  
Stephanie Murray

#### QUEBEC

Caiti Morgan

#### SASKATCHEWAN

Rachel Hellings  
Alexandra Scheidt

## Students / Étudiants

This category of membership 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 category of membership.

*Cette catégorie de membre 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 catégorie de membre.*

#### BRITISH COLUMBIA

Gloria Leung  
Timothy Rodomar  
Lawrence Tang

#### MANITOBA

Darrell Grantham  
Cory Hoes

#### NEWFOUNDLAND

Susan Shaw

#### NOVA SCOTIA

Daniel L. Belliveau  
Sean A. Reddick

#### ONTARIO

Benjamin W. Clarke  
Christopher A. Contino  
Melissa K. Iglesias  
Daniella Mellissa Olivito

## AIC CONTINUES SUPPORT FOR HABITAT FOR HUMANITY

Since 2009, AIC has been supporting Habitat for Humanity as our charity of choice. Over \$30,000 has been donated since that time and we are devoted to continuing our support in 2012 and beyond.

A silent auction held at AIC 2012's networking night generated \$1,700 for Habitat for Humanity and support to fund a Habitat for Humanity build in Halifax, NS was also announced. AIC national will be funding 15 of our members from Nova Scotia to spend a day on a build. With the help

of Nova Scotia Real Estate Appraisers Association (NSREAA), we had no problems finding members eager to donate their time to such a worthy cause. The build took place on August 23, 2012 and AIC hopes to announce another build later this fall.

### THE NEED FOR SUPPORT

Four million Canadians are in need of decent, affordable housing. When individuals and organizations choose to get involved with Habitat for Humanity they

are offered a number of high impact ways to remedy this situation. They can donate funds, product or land, participate by volunteering at a local build, join a Global Village trip, or offer professional expertise.

For more information about Habitat, visit their web site at [www.habitat.ca](http://www.habitat.ca).

To learn more about AIC national, provincial and chapter fundraising events being organized to support this venture contact Kevin Collins at [kevinc@aicanada.ca](mailto:kevinc@aicanada.ca)

## CRITICAL DATES

The AIC would like to remind members that they have until December 31, 2012, the end of the current five-year Continuing Professional Development (CPD) cycle, to complete the mandatory Professional Practice Seminar. Designated members earn 14 CPD credits upon successful completion of the seminar.

Multiple two-day classroom sessions are being offered across the country, between now and the end of the year, by the provincial associations and affiliated provincial organizations. The AIC national office also offers members the option to complete the seminar through distance education. Please visit the Conference & Events section of the AIC website for more details and to register.

**September 30, 2012** - Member dues payable

**September 30, 2012** - Candidates must report their successfully completed university courses taken between October 1, 2011 and September 30, 2012, using the online CPY reporting tool.

**December 31, 2012** - Deadline for meeting your minimum requirement of six CPD credits per year

**December 31, 2012** - Final date for completion of 60 credits for current five-year CPD cycle. This includes 14 CPD credits for the mandatory Professional Practice Seminar.

## 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 their 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.*

**Brian Conroy, AACI**, Comox, BC

**Garry Bresee, AACI**, Red Deer, AB

**Irene Wong, CRA**, Ottawa, ON

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## Calendar of Events

<b>AIC</b>	<b>2013 Annual AIC Conference</b> <b>Theme: Harnessing the Energy</b> June 6 -9, 2013 The Westin Calgary, Calgary, Alberta
<b>Allied Associations</b>	<b>RICS SUMMIT OF THE AMERICAS</b> Miami, Florida October 18-19, 2012 <b>26TH PAN PACIFIC CONGRESS</b> Melbourne, Australia October 1-4, 2012
<b>BC</b>	<b>Professional Practice Seminar</b> September 14 & 15, 2012 Prince George October 26 & 27, 2012 Lower Mainland November 23 & 24, 2012 Okanagan December 7 & 8, 2012 Lower Mainland For information contact <a href="mailto:info@appraisal.bc.ca">info@appraisal.bc.ca</a> or (604) 284-5515 or check <a href="http://www.appraisal.bc.ca">www.appraisal.bc.ca</a>
<b>AB</b>	<b>Professional Practice Seminar</b> November 23 & 24 2011 Calgary November 30 & December 1 2012 Edmonton For registration or further information, go to the Events section of our website: <a href="http://ab.aicanada.ca">http://ab.aicanada.ca</a> or email us at <a href="mailto:aic.alberta@shawlink.ca">aic.alberta@shawlink.ca</a> or (403) 207-7892
<b>SK</b>	For information contact Marilyn Steranka at <a href="mailto:skaic@sasktel.net">skaic@sasktel.net</a> or (306) 352-4195 or check <a href="http://saskatchewan.aicanada.ca">http://saskatchewan.aicanada.ca</a>
<b>MB</b>	<b>Commercial Division of Winnipeg REALTORS® and Appraisal Institute of Canada, Manitoba</b> <b>6th Annual Joint Golf Tournament</b> Wednesday, September 5, 2012 Rossmere Golf Courses Time: Lunch 11:00 a.m. Tee Off 12:00 noon Dinner 5:30 p.m. Open to all Winnipeg REALTORS® (and clients), Appraisal Institute of Canada, Manitoba Members (and clients), Winnipeg REALTORS® Business Partners, Affiliates, Commercial Division Partners and Associates. <b>Appraisal Institute of Canada, Manitoba Annual Meeting and Conference</b> Wednesday, October 24, 2012 Norwood Hotel, 112 Marion Street, Winnipeg <b>AIC Professional Practice Seminar</b> November 23 and 24, 2012 Winnipeg Real Estate Board Classroom, 1240 Portage Avenue Schedule: 8:30 a.m. to 4:30 p.m. both days Fee: \$400 Members, \$500 Non-Members, plus GST. For information contact Pamela Wylie at <a href="mailto:mbaic@mts.net">mbaic@mts.net</a> or (204) 771-2982 or <a href="http://manitoba.aicanada.ca">http://manitoba.aicanada.ca</a>
<b>ON</b>	<b>Professional Practice Seminars</b> September 14 & 15 Renfrew September 28 & 29 Owen Sound October 12 & 13 Barrie October 19 & 20 Mississauga November 2 & 3 Peterborough November 16 & 17 Mississauga November 30 & December 1 London December 7 & 8 Mississauga December 14 & 15 Toronto For information or to register please log onto <a href="http://www.aicanada.ca">www.aicanada.ca</a> under Provincial Site Click Ontario – Events, or contact Lorraine Azzopardi at <a href="mailto:lorraine@oaaic.on.ca">lorraine@oaaic.on.ca</a> or (416) 695-9333 Ext 222
<b>QC</b>	<b>Professional Practice Seminar</b> Instructor: Laurent Brosseau October 26 & 27 (French) Montreal For further information contact <a href="mailto:aqice@aicanada.ca">aqice@aicanada.ca</a> or (866) 726-6916 or (613) 234-6533 or <a href="http://qc.aicanada.ca">http://qc.aicanada.ca</a>
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<b>NS</b>	<b>Professional Practice Seminar</b> September 27 & 28 Park Place Hotel & Conference Centre, Dartmouth Seminar Facilitator: David Babineau, AACI, Fellow CPD credits = 14 <b>One-Day Educational Seminar</b> BOMA Standard Methods of Measurement Conservation Easements Marijuana Grow-Ops and their Effect on Valuation Friday, November 2, 2012 Park Place Hotel & Conference Centre, Dartmouth CPD credits = 6 For information contact Davida Mackay at <a href="mailto:nsreaa@nsappraisal.ns.ca">nsreaa@nsappraisal.ns.ca</a> or (902) 422-4077 or check <a href="http://nsreaa.ca/">http://nsreaa.ca/</a>
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