



## Mapping Staff as Equity Judge By Rick Norejko, CMS

The county mapping staff is both judge and jury when it comes to rendering a well-reasoned opinion on the location of property boundaries on the county cadastre. A law dictionary defines cadastre as “a term derived from the French which signifies the official statement of the quantity and value of real property in any district, *made for the purpose of justly apportioning the taxes payable on such property.*” Italics were added for emphasis. That part of the definition sometimes gets lost in the application of legal instruments within the cadastre.

There are mappers across the United States that are afraid to make decisions regarding ambiguous legal descriptions, fearing they are rendering “legal” decisions. They are not. The county mapping staff must think and act for themselves when processing legal instruments regarding interest in land. In the discharge of their duties they combine the character of attorney, jury and judge. Of attorney, in researching evidence from the subject property as well as coincidental property; of jury, in determining the facts and priority of consideration from the evidence; and of judge, in applying the decision to the county’s cadastre.

The mapper is employed and trained to establish the position of property boundaries in which two or more parties are

“[I]t is of utmost importance that [mappers] should act in the same manner as does a judge on the bench rather than blindly following a legal description that is ambiguous or describing ownership interest contrary to other evidence.”

interested. Therefore, it is of utmost importance that they should act in the same manner as does a judge on the bench rather than blindly following a legal description that is ambiguous or describing ownership interest contrary to other evidence.

### **The difference between the law and equity**

America inherited its legal system from England. In Medieval England real property litigations, if the remedy wasn’t written down in law books, it was kicked up to the court system, the Chancery, or even to the King himself. What developed in America was a legal system that over the course of several centuries established rules of equity. Those rules include an order of importance that judges and surveyors follow when there are conflicting elements regarding property ownership. Mapping staffs should make decisions following the same rules.

The only difference between maintaining an accurate cadastre and American property law is something assessment staff has a hard time wrapping their brains around—the difference between the title question and the assessment question. County cadastral mapping

staffs establish boundary lines *for assessment purposes*. It does not determine legal title to the real estate.

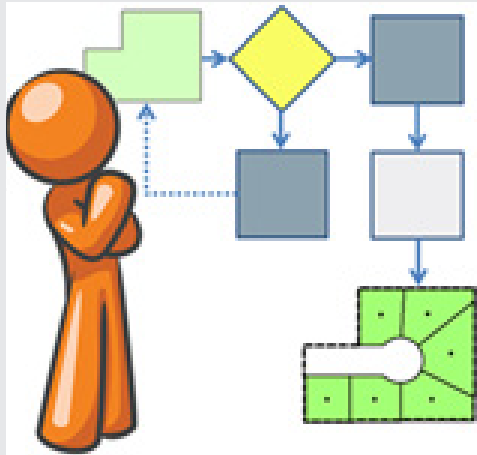
Equity comes into play when there are conflicting elements related to the interest in property. This is evident in non-closing deeds, ambiguous deeds, conflicting deed descriptions, overlapping deeds, etc. Utilizing all the tools available to county staff today—orthophotos, oblique imagery, plotting software, GIS software—we should follow the rules of possession, senior rights, monumentation, and direction/distance in delineating the equity boundaries to be assessed.

The biggest travesty of this act is “area of conflict” between two adjoining properties. In the vast majority of circumstances senior rights *can be determined*; however, assessors are afraid to render a decision regarding equity rights. Instead they assess the conflicting area to both owners, hoping that the adjoining owners don’t find out about the conflict or that someone else other than the assessment department resolves the conflict.

The mapper is fulfilling the assessment function of the county

*continued on page 2*

office by recognizing senior rights and administrating those decisions in the cadastre. They are properly acting as an equity judge. The location of property boundaries in the county cadastre is not a legal question; rather, it is factual and realistic in nature. County staff has no prerogative to pass judgment on title. Their only purview is a well-reasoned opinion on the delineation of boundaries *for assessment purposes*—nothing else. ❖



The past two to three years have seen a major reinvestment by organizations in the proper management and overall quality of the data that drives the decision-making process.

## Data Integrity: Vital to the Growth of GIS

By Tony Pelletiere, Director of Business Development, Sidwell

Technology changes at a rapid pace. This has certainly rang true within the mapping and GIS communities. From desktops to websites; phones to tablets; smartwatches to smartglasses, we are witnessing the evolution of how data and mapping are accessed.

Mapping technology has transformed from a tool to draw lines in a computer program into a platform to make decisions and disseminate information. There is no doubt that GIS technology has helped to increase the efficiencies within the office. Organizations are developing and utilizing solutions to integrate with business systems, field and web applications, and to connect other departments within the enterprise, all with the goal of improving workflows and working smarter. The proliferation of these technologies outside of the traditional GIS community has delivered amazing results and has led to a major reinvestment in the quality of the data that is consumed.

With all of the advancements in technology, one crucial item remains at the core of it all: data. By providing accurate and reliable data to your users and constituents, organizations are able to provide an enhanced GIS user experience.

However, if the underlying data that drives the decision making is unreliable, it will have a negative impact on the experience and detract from further expansion of the GIS.

More and more organizations are bringing the GIS out of the back office and placing it into the hands of decision makers. Breaking down the historic barriers within organizations and sharing information amongst and between offices, organizations, and the public is a growing trend. GIS becomes a powerful tool to analyze trends, make decisions, and integrate offices only if the data is correct. The need to utilize information that exists within another office to make decisions in your office can often best be accomplished through the GIS.

As the public and others within your community become aware of the power of GIS technologies, there is almost always a large increase in the requests for this information.

The past two to three years have seen a major reinvestment by organizations in the proper management and overall quality of the data that drives the decision-making process. As the aerial imagery and GPS information used to derive much of the GIS have become increasingly more accurate,

they have begun to highlight many of the discrepancies that have propagated within the data over time.

Some see this as an opportunity to find and resolve the issues to provide a better quality product to their users. Others are overwhelmed by the constant evolution of technology and options for managing and deploying GIS.

Sidwell and many others in the technology field have been in business for decades to understand the technology and trends and provide solutions to make your jobs easier. Do not let the ever constant flow of technology hinder the development of your GIS. Instead, look to an expert for suggestions and that roadmap to keep you on the path for continued success.

Regardless of where you find yourself in the technology cycle, it is becoming critical to ensure that the data coming out of your office is accurate and reliable. This will allow for the GIS to mature, expand, and truly become an enterprise solution. Even with the fastest hardware or latest gadget, only reliable data can provide the end user with the means to solve a problem, find a pattern, and make decisions. ❖

# First Pot Business License in Washington State Issued to Real Estate Appraiser

By Lynn Gering, TEAM

Sean Green's venture into the marijuana industry wasn't his career goal. A certified residential property appraiser, lack of business and lower fees dried up his decade-long appraisal practice in 2011. He decided it was time for a career change.

He is not alone. The appraiser workforce is notably shrinking, specifically among certified appraisers qualified for FHA-insured loans. The total number of appraisers in the United States has dropped from a high of almost 100,000 in 2007 to 81,000 at the end of last year, according to data compiled by the Appraisal Institute. (See pages 4–5.) An FHA-published roster of certified appraisers lists 46,212 appraisers as of December 12, 2012. Compared with the 64,472 listed in 2009, this illustrates an alarming 28 percent decline in just three years.

Appraisers are leaving the industry for retirement or more profitable pastures, forced out by unexpected consequences due to government attempts to correct abuses from the mortgage meltdown in 2009.

More than half of U.S. appraisers are aged 51 – 65, with over 20 years in the business. Retirements are looming. The poor state of the housing market and lack of refinanced loans has made it challenging. Wider use of alternative valuation technologies has displaced appraisers, especially in the residential sector. Appraiser certification and licensing requirements were made stricter in 2008. In addition, residential appraisers have seen their fees drop as more and more lenders use appraisal management companies as a way to comply with appraiser independence requirements in the 2010 Dodd-Frank Reform Act.

As experienced appraisers are



**Appraisers are leaving the industry for retirement or more profitable pastures...**

leaving the field, there is a distinct lack of new appraisers taking their place. Some say there is simply no incentive for young people to enter the industry, as the profit margin is slim and licensure requires extensive education and training. Indeed, in many states it can take two to five years, depending on the type of license. The apprenticeship, 2,000–3,000 hours with an approved certified supervisor appraiser, is stringent and designed to ensure aspiring appraisers get the education and real-world experience needed to do the job properly.

The reality is there are few certified appraisers willing to take on a trainee. This is especially true for independent appraisers who comprise up to 80 percent of the workforce. There is no real benefit to the supervising appraiser as they are not compensated and must share their clients and fees. On top of that, they must find time to inspect the

trainee's work and manage their own workload. Some students give up their valuation studies because they are not able to find internships.

So, how will this bizarre dilemma the appraisal industry is faced with be resolved?

The Appraisal Foundation has increased qualification requirements for certification and trainees, beginning January 2015. Certified residential and general appraisers now require a college degree; licensed residential applicants at least 30 semester hours or an Associate college degree. The Appraisal Institute recently voted to adopt a new business model for the organization, moving from a professional association of appraisers to a professional society, with higher requirements for membership.

It appears the future looks like a smaller, older, more highly qualified shrinking group of members in the appraisal industry. It's good to know there are other new careers for would-be appraisers, at least in Washington and Colorado. ❖

**See Appraisal Institute's findings on pages 4–5.**



## Superior Delivery

Neither rain nor, in this case, snow and cold kept Lexur from completing data verification on 90,000 properties during the worst winter in over 20 years.

One of the benefits of virtual data verification is the ability to do desktop data collection without the effects of harsh weather. When temperatures hit -10 degrees with a -30 degree wind chill and a foot of snow on the ground, Lexur appraisers were able to complete two projects (Allen and Sandusky Counties, Ohio) on time and on schedule. Both counties are in the middle of a six-year reappraisal project.

You can contact Lexur at <http://www.lexurappraisal.com/asp/index.asp>. ❖

# U.S. VALUATION PROFESSION FACT SHEET – December 2013

Appraisal Institute Research Department



## Real Estate Appraiser Population Trends

As of December 31, 2013, the number of active real estate appraisers in the U.S. stood at 81,050. The number of appraisers decreased at an average rate of 3.0 percent per year over the past five years. A broader analysis suggests the rate of decrease could rise sharply over the next 5 to 10 years due to retirements, reduced numbers of new people entering the appraisal profession, economic factors, and greater use of data analysis technologies.

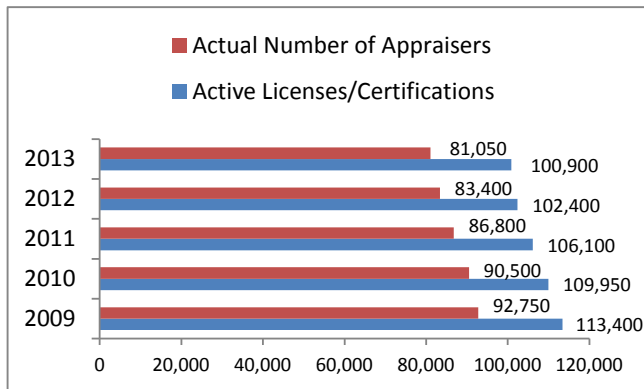


Figure 1 Total licenses/certifications and appraisers

As of December 31, 2013, 18.2 percent of U.S. real estate appraisers held a license or certification in one or more states outside their home state. The proportion has increased slightly since 2008.

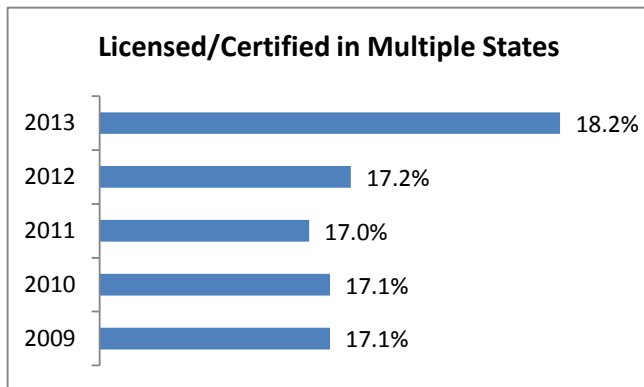


Figure 2 Licenses/certifications held in other states

The proportion of licensed real estate appraisers continues to decrease while the proportions of Certified

General and Residential appraisers continue to increase slightly.

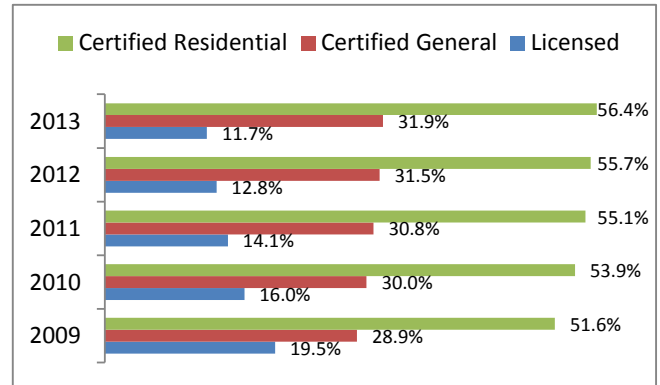


Figure 3 Proportions of licensed and certified appraisers

## U.S. Valuation Profession Demographics

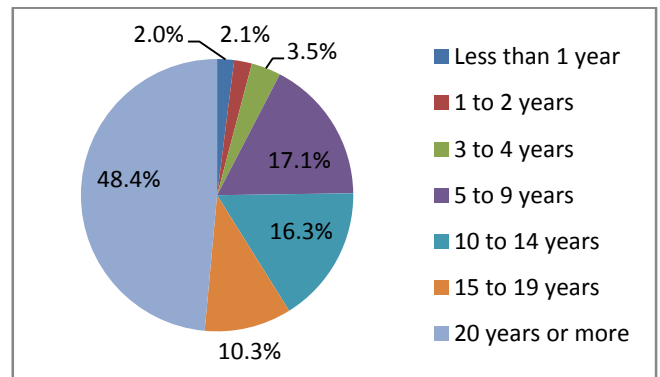


Figure 4 Time in the valuation profession

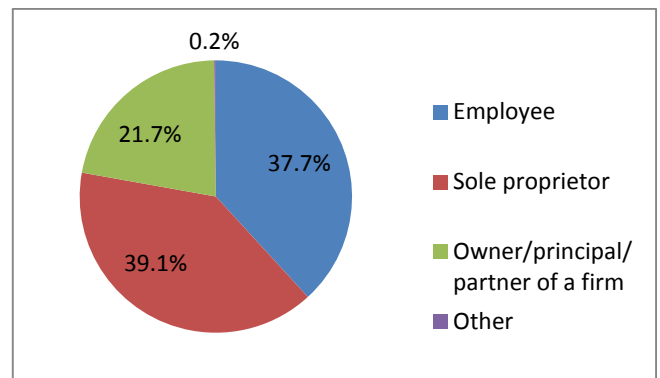


Figure 5 Employment status

Sources: U.S. appraiser population statistics derived from the ASC National Registry as of December 31, 2013. Demographic statistics derived from Appraisal Institute studies conducted in 2012 comprised of randomly selected AI members and nonmember valuation professionals. Survey sample 1,576 individuals, sampling error +/- 2.5 percent points at the 95 percent confidence level.

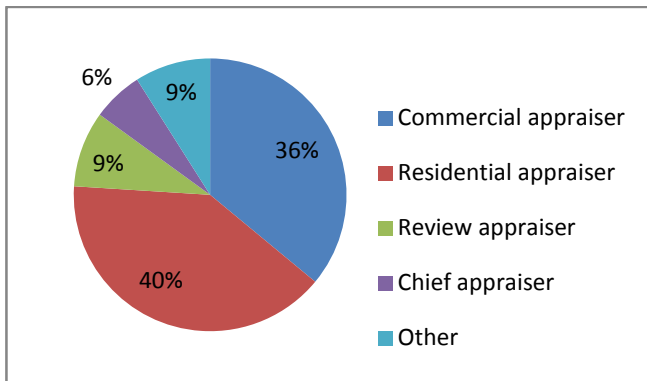


Figure 6 Primary occupation/job functions

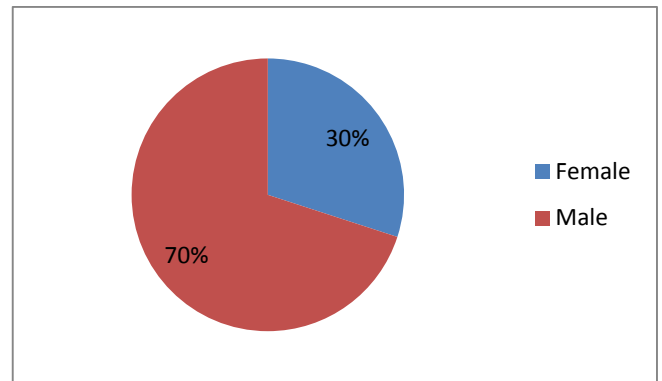


Figure 10 Gender

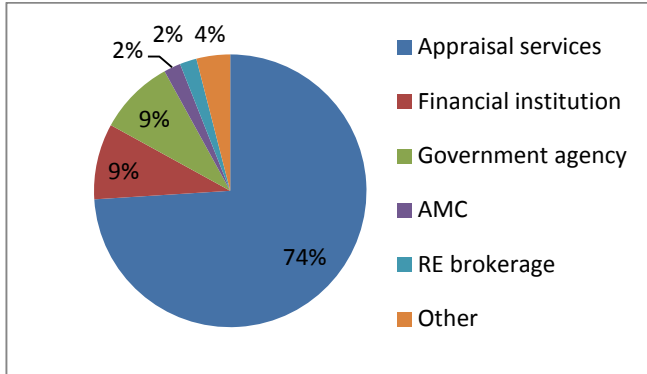


Figure 7 Types of companies or organizations

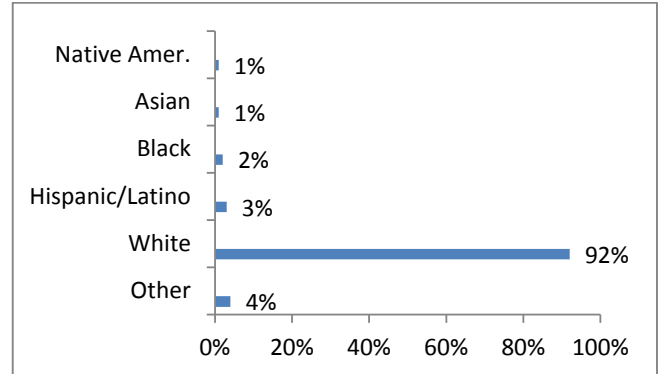


Figure 11 Ethnicity

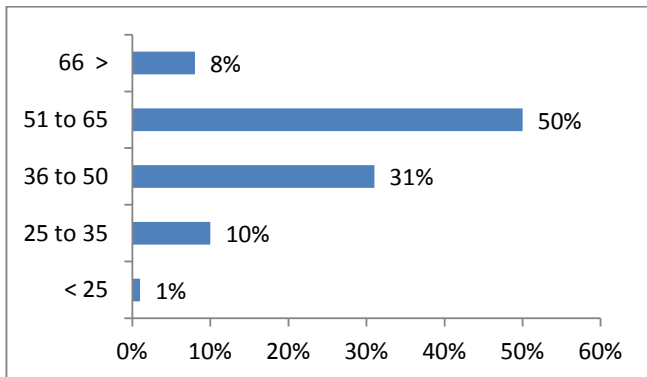


Figure 8 Age

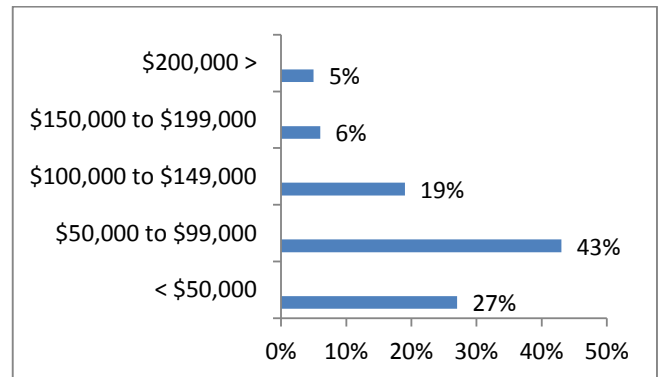


Figure 12 Annual incomes all valuation professionals

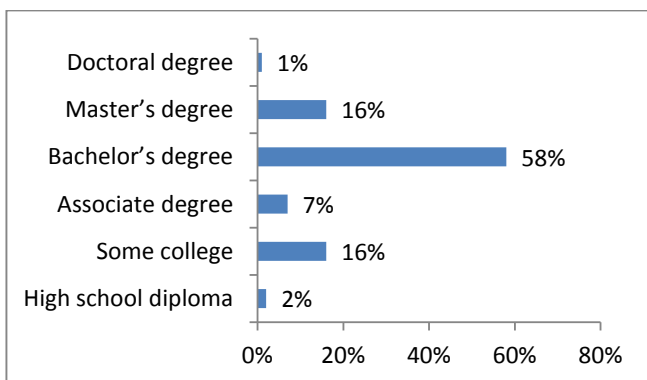


Figure 9 Education level

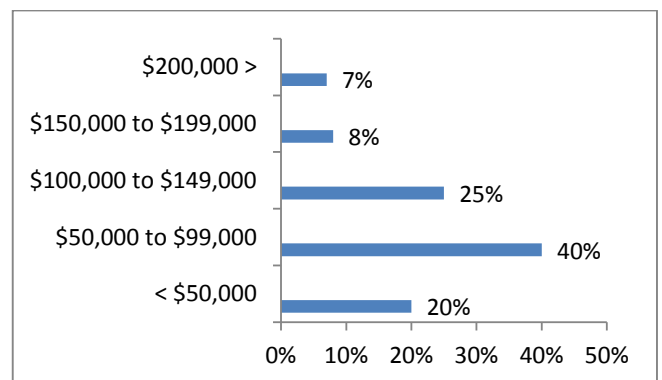


Figure 13 Annual incomes Appraisal Institute members

*The Appraisal Institute is a global professional association of real estate appraisers, with nearly 22,000 individuals in nearly 60 countries. Its mission is to advance professionalism and ethics, global standards, methodologies, and practices through the professional development of property economics worldwide.*



**Award Presentation (l-r):** Brent South, TAAD president; Rick Stuart, CAE, TEAM; and Rick Kuhler, TAAD Conference chair.

## Stuart Honored at Texas Conference

The TAAD (Texas Association of Appraisal Districts) Annual Conference was held February 9–12, 2014, in Fort Worth. Rick Stuart, CAE, made a presentation titled “Managing your Public Relations and Customer Service Program.” At the conclusion of Rick’s presentation, he was presented with the James A. Goodwin Award.

“The James Goodwin Excellence in Education Award is one of TAAD’s newest, and it recognizes an individual who is noteworthy in his or her contributions to professional ad valorem education.”

“The award is named for the late Jim Goodwin, who served for nearly two decades as the chief appraiser of Ector County Appraisal District. Jim was a frequent instructor for TAAD, and was planning on continuing as an active part of the education process after his retirement. TAAD continues to honor Jim’s memory and commitment with this award.”

This award was first given in 1998 and according to the TAAD website, Rick is the first non-Texan to receive the award. ❖

*To learn more about the Texas Association of Appraisal Districts, visit their website at [www.taad.org](http://www.taad.org).*

# TEAM Projects



TEAM Consulting, LLC recently signed a contract with the Grayson Central Appraisal District in Sherman, Texas,

that consists of three projects.

Project A consists of:

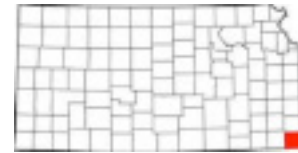
- Residential cost development and application
- Residential comparable sale grid and application
- Residential equity grid and application
- Review of valuation process on hotels/motels
- Other requested reviews as time allows

Project B is:

- Drive by field review of hotel/motel properties and assignment of industry and investment class ratings
- Development of valuation models and processes
- Determine value of hotel/motel properties and comparison of values for equity
- Write-up of documentation for model development

Project C is:

- Conduct protest hearings for the hotel/motels
- Post appeal report with any recommendations and suggestions for modification or improvement



A contract was signed with the Cherokee County Appraiser in Columbus, Kan. This was an extensive contract assisting the county in the following areas for valuation as of January 1, 2015.

This contract would include:

- Residential & Commercial Index Study & List New Construction
- Residential & Commercial Depreciation Study
- Neighborhood Analysis
- Land Value Modeling
- Residential Market Modeling
- Commercial/Industrial/Apartment Income Analysis & Modeling
- Training on Residential & Commercial Modeling
- Rural Residential Quality & Condition Review
- House Style Review and Analysis — Guidebook
- Farmstead Site Improvement Analysis
- Manufactured Home Cost and Depreciation
- Office Process & Procedure Review ❖

## Travel Squad

TEAM associates continue to move about the country. In the first quarter of 2014, we have been in Georgia, Idaho, Illinois, Indiana, Kansas, Missouri, Ohio, Texas, Washington and Wisconsin.

Looking for a workshop, series of workshops or professional assistance for your location? Visit our website at <http://www.teamconsulting.cc/>.



# Good Ratings, Compliments for TEAM Workshops

Two TEAM Workshops were presented in Boise, Idaho, in January and the student ratings and some of their comments are shown below.

## ■ Unique Appraisal Problems:

Authors: Marion Johnson, CAE & Rick Stuart, CAE

This one-day workshop deals with unique appraisal problems, and by use of case studies using actual market data, steps participants through the appraisal process of measuring value and/or value loss. Topics include contamination, mold, mercury, meth labs, snakes, out-of-town buyers, metal-sided dwellings, valuation using limited sales and Chinese drywall. Available as a self-study program

**Ratings:** This workshop received a rating of 4.6 out of 5. Some student comments were:

- Examples from other areas & perspectives — training about issues I haven't had any previous experience with & great examples
- Learning about unique issues & stigmas that can arise with them
- Real-life examples

## ■ Appraising After a Disaster or During Traumatic Events

Authors: Marion Johnson, CAE & Rick Stuart, CAE

Stuff happens! Assessment officials are constantly faced with appraising property after a disaster—whether natural or man-made. Disasters discussed in this workshop will help you make some preparations in advance and possibly provide a blueprint in case your jurisdiction becomes affected by a disaster.

Disasters are traumatic events, but for the assessor, not all traumatic events are disasters. In this workshop we will also provide some examples of extreme growth or economic changes and some steps

that an assessor/appraiser can use to help make these extreme changes manageable. These traumatic events are a separate issue from disasters. Available as a self-study program.

**Ratings:** This workshop received a rating of 4.6 out of 5. Some student comments were:

- Interesting topic, well presented
- Great information on how to deal with events & using resources
- I felt I learned a lot and thought of things I knew in a different light
- Examples presented — up-to-date events — good class — enjoyed conversations
- Stimulate ideals about planning & preparedness — very informative

Two TEAM Workshops were presented in Dupont, WA in February and the student ratings and some comments were shared with us and are shown below.

## ■ Valuation of Green Buildings:

Authors: Marion Johnson, CAE & Rick Stuart, CAE

Purpose of this workshop is to provide some guidance and suggestions on the process of analysis and valuation of green buildings. Information from various areas of the U.S. will be used to help estab-

lish some processes and procedures. Images and property characteristics of sold properties will be used. Topics discussed include: USPAP review, general information, appraisal concepts, three approaches to value and articles of interest.

**Ratings:** Comments were limited, but 95% of the students rated the material as good to excellent.

## ■ Unique Appraisal Problems:

Authors: Marion Johnson, CAE & Rick Stuart, CAE (see previous description).

**Ratings:** 97 percent of the students rated the material as good to excellent. Some comments were:

- Provided me with another opinion on methods of using sales/cost to cure to establish values for unique or problem property.
- Very interesting. Thank you. Could easily have been a 2 day course.
- Very interesting subject matter.

**Let us help you with your educational needs.** View all of TEAM's workshops at <http://bit.ly/1gCkskG>. Direct your questions to Fred Chmura, AAS, at [fchmura@teamconsulting.cc](mailto:fchmura@teamconsulting.cc), phone 860.974.1354; or Rick Stuart, CAE, at [rstuart17@cox.net](mailto:rstuart17@cox.net), phone 785.259.1379. ❖



## TEAM booth at the 2014 TAAD Conference in Fort Worth, Texas

This was the first time that TEAM participated as an exhibitor. We are normally associated with education and wanted conference participants to also be aware of the contractual services we can provide.

Photo (l-r): Rick Kuehler, Dallas Central Appraisal District and TAAD conference chair; Marianne Lawson and Kelly Kemp, TAAD staff; Rick Stuart, CAE, TEAM Consulting.

# Praise for Barndominium Workshop



Hey Rick, I've been meaning to send this to you for some time now. Attached should be a photo very similar to the barndominiums that you described so well in your class and that I didn't think existed here in Russell County. Actually they still don't. This owner couldn't afford the Morton residential pole package, so it's frame construction made to very much resemble the Morton package.

Kenton Lyon, RMA, Russell County, Kansas, Appraiser

P.S. I really enjoyed the class and highly recommend it.

## Mark Your Calendar

### May 18 – 21

NRAAO Annual Conference  
(Northeastern Regional  
Association of Assessing Officers)  
Atlantic City, NJ  
<http://www.nraao.org/>

### June 8 – 11

NCRAAO Annual Conference  
(North Central Regional  
Association of Assessing Officers)  
Rapid City, SD  
<http://www.ncraao.org/>

### June 22 – 25

KCAA Annual Conference  
(Kansas County Appraiser's  
Association)  
Lawrence, KS  
<http://www.kscaa.net/>

### August 24 – 27

IAAO Annual Conference,  
Sacramento, CA  
<http://conference.iaao.org/>

## Don't sweat the math!

Refresh your math skills *before* taking IAAO courses

TEAM Consulting, LLC, offers a series of math tutorials for those who want to refresh their math skills *before* taking the core courses of the International Association of Assessing Officers (IAAO).

Choose from five math tutorials, each corresponding to a specific IAAO course: IAAO 101, 102, 201, 300 or 112.

- ✓ Tutorials are emailed as pdfs that you can print or study on your computer—and at your own pace
- ✓ Easy-to-follow “everyday math” is applied to the IAAO course material
- ✓ Includes lots of examples and practice problems, plus helpful tips and memory tools

*“After experiencing one course without using the math tutorial guide and two with, I would recommend taking advantage of the tutorial.”*

—Tracy Miller,  
Barton County, Kansas

### Questions?

Email tutorial author and instructor Rick Stuart, CAE, at [rstuart17@cox.net](mailto:rstuart17@cox.net), [www.teamconsulting.cc/rickstuart.html](http://www.teamconsulting.cc/rickstuart.html)

**Don't stress, refresh! Order your tutorials today!**

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See TEAM's website for more workshops and study guides, including the popular AAS Case Study Review.

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# AAS Case Study Review

## June 25 – 27, 2014 • Alliance, Ohio

### Review of materials necessary for success:

- ✓ USPAP overview
- ✓ Definitions and principles
- ✓ Tax rates and levies
- ✓ Cost Approach
- ✓ Sales Comparison Approach
- ✓ Income Approach
- ✓ Role of the Assessor
- ✓ Effective Assessment System
- ✓ Ratio Study refresher
- ✓ Practice Exam

### *There is a final examination*

**Instructor:** Robert Graham, AAS, IAAO Senior Specialty Instructor. Retired Stark County Chief Appraiser (25 years). Member IAAO Talent Pool and IAAO Ohio State Representative.

**Workshop Fee & Enrollment:** The workshop fee is \$600, which includes all necessary materials needed for the class. Materials will be mailed as soon as payment is received. To register for this 3-day workshop, complete and return the enrollment form along with your payment in full.

- Each student is required by IAAO to apply for the Case Study EXAM and Proctor Form (\$275)
- Necessary forms will be sent upon enrollment

**Email Enrollment:** Attach this completed form to an email to [OhioAdValorem@neo.rr.com](mailto:OhioAdValorem@neo.rr.com). A seat will be held for you pending the payment of your registration fee.

Name \_\_\_\_\_

County/Title \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

**Registration Fee:** \$600  
Make check payable to: Ohio Ad Valorem School

### Recommended Prior Courses

Most of following courses should be complete: 101, 102, 300, 400, 402,

**Statistical Calculator Recommended.** HP10bii will be featured, but any brand /model is acceptable. Understand its use!

### Cancellation Policy

Cancellations after the delivery of workshop materials will receive a refund minus \$100. If the class is cancelled for any other reason, the full registration fee will be refunded.

### Education Credit

This workshop is designed to prepare an AAS candidate for the required Case Study Exam. It does NOT earn Qualifying or CE credit in any form

### Location & Time

The workshop will be held 9:00 a.m. – 5:00 p.m daily at the Aldergate United Methodist Church, 11394 Edison St NE, Alliance OH 44601

### Hotels

*There are several nearby listed on the web*

### Questions

Contact: [OhioAdValorem@neo.rr.com](mailto:OhioAdValorem@neo.rr.com)  
Robert Graham, AAS: 330-935-2997

### Mail your registration form & check to:

Ohio Ad Valorem School  
Robert P Graham II, Coordinator  
12762 Osborne Ave NE  
Alliance, OH 44601-9731