Dear Appraisal Institute Professional:

The Appraisal Institute in 2017 maintained its long-held position as the global valuation profession’s leader. AI advocated against appraisal waivers, enhanced its focus on residential appraisers, expanded its international growth, and strengthened its “green” valuation efforts.

- In 2017, Appraisal Institute leaders participated in a meeting with Fannie Mae and Freddie Mac to express concerns about appraisal waivers. AI also joined about three dozen valuation groups in asking Congress to prevent Fannie and Freddie from issuing appraisal waivers.

- To further support its residential professionals, AI formed the Residential Appraiser Project Team, which is comprised of SRA Designated Members and is developing ideas intended to create a meaningful value proposition for residential appraisers.

- Globally, Appraisal Institute leaders were invited to speak at, or attend events in, Serbia, Romania, Germany, Canada, Mexico, France, Uruguay, Singapore and other countries. Additionally, leaders of AI and La Asociación Panameña de Corredores y Promotores de Bienes Raíces (known as ACOBiR) met to plan AI educational offerings in Panama.

- As part of its ongoing leadership in “green” and energy efficiency, the Appraisal Institute released an updated version of its AI Reports® Residential Green and Energy Efficient Addendum, which will assist appraisers and users of appraisal services in understanding market reactions to green and energy efficient homes.

In 2017, the Appraisal Institute enjoyed extended success and remained committed to facing the profession’s opportunities and challenges.

Sincerely,

Jim Amorin, MAI, SRA, AI-GRS
2017 President
Appraisal Institute
Strategic Plan

The Appraisal Institute implemented a three-year strategic plan to address challenges and opportunities facing the organization and the real estate valuation profession. It outlines the organization’s core values and objectives from July 2016 through June 2019.

The strategic plan includes five core values governing the Appraisal Institute’s continued growth and development:

• **Distinctiveness:** Elevate the Appraisal Institute and its members within the valuation profession by virtue of designations, education and the body of knowledge.

• **Innovation:** Continue to be thought leaders by promoting innovation and addressing current developments within the valuation profession via education, information resources, benefits and setting standards for the profession.

• **Professional Responsibility:** Encourage and support the highest level of ethical and professional behavior of all Appraisal Institute professionals.

• **Advocacy:** Represent the interest of the appraisal industry and work toward advancement of Appraisal Institute professionals within it.

• **Leadership:** Advance the interest of AI professionals, the real estate valuation profession and the public with integrity and excellence.

The strategic plan also includes four objectives:

• Operate in ways that valuation professionals recognize as important and that encourage their ongoing affiliation with the Appraisal Institute.

• Continue as the recognized leader of the real property valuation profession, including credentialing, ethics and standards, advocacy, the development and delivery of education and the timely creation of quality programs and publications.

• Operate efficiently to ensure the Appraisal Institute’s financial stability.

• Advance the Appraisal Institute as the leading international source of real property valuation knowledge.
At the end of 2017, the Appraisal Institute had more than 18,000 professionals in nearly 50 countries throughout the world.

Nearly 8,700 Designated Members held the MAI designation, more than 5,300 held the SRA designation, nearly 700 held the AI-GDS designation and nearly 250 held the AI-RRS designation.

A total of 30 Designated Members held all four AI designations, and more than 1,400 Designated Members had been designated for 40 or more years.

In 2017 alone, AI welcomed individuals from all 50 states and from 21 different countries and U.S. territories into the Appraisal Institute.
AI Professionals

AI conferred 565 designations in 2017 (268 MAI, 104 SRA, 134 AI-GRS and 59 AI-RRS) and welcomed 580 new Candidates, 20 percent of whom had never before been affiliated with AI.

The youngest designee in 2017 was 27 years old. Five members designated in 2017 were born in 1990. The oldest designee, who received the AI-GRS designation, was 79 years old. (Note: not all Designated members provide date of birth.)

AI concluded 2017 with more than 2,400 Candidates for Designation, 68 percent of whom are on the general path.
For decades the Appraisal Institute has led the valuation profession by offering high quality education that sets the standard for excellence and thoroughness. AI’s programs are rigorously researched and largely developed by practicing appraisers using their real-world residential and commercial valuation experience.

The Appraisal Institute meets the needs of those who are just entering the valuation field, completing their professional designation coursework, needing continuing education, or who are lifelong learners wanting to reinforce or hone new skills.

With nearly 200 offerings in the Appraisal Institute education catalog, appraisers and students of valuation have many options. AI also offers several education delivery platforms to students. As the profile of the student has changed, to the Appraisal Institute has adapted by expanding its delivery to include classroom, on-demand online, and synchronous (live) online programs.

In 2017, two-thirds of students took education via a combination of on-demand online and synchronous (live) online delivery. One-third of students took education through the chapter network across the United States. Because AI’s national offerings are limited, only 1 percent of students took education through those offerings.

Though the percentage of on-demand and synchronous (live) online offerings exceeded both chapter and national offerings in 2017, the numbers of students in chapter (45 percent) and on-demand/synchronous (live) online (53 percent) were similar.

The Appraisal Institute premiered 18 new on-demand online programs, as well as seven new synchronous (live) online programs in 2017. AI also premiered four new classroom programs.
Professional Services and Resources

The Appraisal Institute's Professional Services and Resources Department is committed to exemplary service of AI professionals. Professional Services and Resources consists of four sub-departments: Admissions and Continuing Education, Professional Resources, Publications and the Y.T. and Louise Lee Lum Library.

Admissions and Continuing Education

Admissions and Continuing Education supports the Candidate for Designation program, the Admissions and Designation Qualifications Committee, all Designated Member and Practicing Affiliate continuing education, and admission/readmission support for all AI professionals.

In addition, Admissions and CE manages AI's master's degree program and the candidate advisor program, as well as demonstration of knowledge, experience screening and comprehensive examination service and support.

Admissions and CE highlights included:

• For the latest CE cycle, ending Dec. 31, 2016, nearly 99 percent of Designated Members successfully completed their cycle.
• 603 Candidate experience submissions were awarded full credit in 2017.
• 864 Candidates signed up for comprehensive examinations in 2017.
• 298 Candidate demonstration submissions were awarded full credit in 2017.

Professional Resources

Professional Resources provides front-line service to all Appraisal Institute professionals and AI's 79 chapters. The department manages many of AI's member benefits, including more than 20 benefit and affinity programs, along with AI's endorsed errors and omissions program through LIA and the insurance programs available only to AI professionals through the Appraisal Institute Insurance Trust.

The Professional Resources team supports the missions of the Appraisal Institute Education Trust and the Appraisal Institute Relief Foundation and manages the AI Group Program, the Chapter Leadership Program and the Leadership Development and Advisory Council.

Highlights from 2017 included:

• Professional Resources staff received 18,150 phone calls and responded to 4,871 emails.
• 161 companies participate in the AI Group Program.
• The Appraisal Institute Insurance Trust rebranded in 2017 from its former name of REAGIT. AIIT provides comprehensive insurance solutions solely to AI professionals.
Professional Services and Resources

- The Find an Appraiser Directory averages 27,000 visitors per month.
- AIRF awarded $79,000 in grant assistance and received $66,366 in donations.
- AIET awarded 42 scholarships totaling $45,100 in 2017 and recognized the following AI professionals:
  - Michael V. Tankersley, MAI, SRA, AI-RRS (Y.T. and Louise Lee Lum Award);
  - Laurence A. Hirsh, MAI (George L. Schmutz Award);
  - Frank E. Harrison, MAI, SRA (Dr. William N. Kinnard, Jr. Award);
  - J. Carl Schultz, Jr., MAI, SRA (James H. Pritchett Award);
- The Chapter Leadership Program conference in October provided training for incoming chapter presidents and other chapter leaders.
  - 76 chapters were represented via 121 participants.
  - 98 percent of respondents rated CLP highly in a post-event survey.
  - Four chapters received awards:
    - Chicago (Government Relations Award);
    - New Hampshire-Vermont (Chapter Newsletter Award);
    - Northern California (Chapter Newsletter Award, Hot Topic/Special Projects Award); and
    - South Carolina (Chapter Newsletter Award);
- AI's Leadership Development and Advisory Council conference fosters the development of new industry leaders and establishes an appraiser presence in Congress.
  - Discussion topics in 2017 were:
    - Branding AI and Appraisers;
    - Appraise or Consult – Are Specializations the Way of the Future?
    - Creating a Framework for the Future; and
    - A New Career – How Do We Connect the Beginner with the Experienced?
  - 102 participants attended, representing 48 chapters.
  - Kelly Yeatts, MAI received the 2017 William T. Anglyn Award, an award presented annually to a first-year participant who exhibits exemplary leadership, integrity and outstanding contributions to the event.

AI’s 2017 Leadership Development and Advisory Council operated under the direction of (from left) Steve Henry, MAI, discussion leader; Rodman Schley, MAI, SRA vice chair; Melissa Downing, MAI, discussion leader; Julie Battaglia, MAI, AI-GRS, discussion leader; Trevor Hubbard, MAI, SRA, AI-GRS, chair; and Travis Taylor, MAI, discussion leader.
Professional Services and Resources

Publications

AI is the world’s largest publisher of real estate appraisal literature. In addition to a series of general reference books, every year the Appraisal Institute adds to its extensive list of publications, covering contemporary practice issues, advances in methodology and technology, and the valuation of a wide range of special purpose properties.


- Rural Property Valuation
- Appraising Manufactured (Mobile) Home Communities and Recreational Vehicle Parks
- The Valuation of Green Commercial Real Estate
- Subdivision Valuation, second edition

The release of Rural Property Valuation is especially noteworthy as the first text on appraising rural properties in nearly 20 years.

In 2017:

- Textbooks make up approximately 65 percent of AI book sales.
- AI sold over 10,000 publications in 2017.
- Sales and availability of digital publications have grown steadily since digital titles were first made available for sale in 2013.

![Digital Publications as a Percentage of Total Book Revenue](chart)

<table>
<thead>
<tr>
<th>Year</th>
<th>25 titles</th>
<th>33 titles</th>
<th>39 titles</th>
<th>51 titles</th>
<th>55 titles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>11.3 %</td>
<td>15.7 %</td>
<td>19.6 %</td>
<td>27.5 %</td>
<td>29.1 %</td>
</tr>
<tr>
<td>2014</td>
<td>11.3 %</td>
<td>15.7 %</td>
<td>19.6 %</td>
<td>27.5 %</td>
<td>29.1 %</td>
</tr>
<tr>
<td>2015</td>
<td>11.3 %</td>
<td>15.7 %</td>
<td>19.6 %</td>
<td>27.5 %</td>
<td>29.1 %</td>
</tr>
<tr>
<td>2016</td>
<td>11.3 %</td>
<td>15.7 %</td>
<td>19.6 %</td>
<td>27.5 %</td>
<td>29.1 %</td>
</tr>
<tr>
<td>2017</td>
<td>11.3 %</td>
<td>15.7 %</td>
<td>19.6 %</td>
<td>27.5 %</td>
<td>29.1 %</td>
</tr>
</tbody>
</table>
Professional Services and Resources

Y.T. and Louise Lee Lum Library

All AI professionals have access to an extensive collection of books, journals, reference sources and online databases through the Lum Library, which provides support for the research needs of AI valuation professionals. One of the most utilized and valuable Appraisal Institute benefits, the Library contains a significant catalog of online materials and access to an experienced, skilled staff librarian.

| Information Requests Responded to by Librarian: | 915 |
| Catalog documents downloaded by AI professionals: | 39,180 |
| Total searches of EBSCO database: | 33,482 |
| Total searches of the AI online catalog: | 40,735 |
| % of successful searches of the online catalog: | 92% |

Reference requests to the Lum Library by AI Affiliation

2017

- **73%** DESIGNATED
- **12%** OTHERS
- **8%** PRACTICING AFFILIATES
- **6%** CANDIDATES
- **1%** AFFILIATES

Total 915
Professional Practice

In 2017 the Appraisal Institute continued its work of advancing the valuation profession and ensuring public trust through numerous ongoing activities, including:

• providing input to other organizations on professional standards matters, including filing comment letters with — and attending meetings of — the Appraisal Standards Board of The Appraisal Foundation and the International Valuation Standards Council; and

• revising Guide Notes which provide guidance on how standards requirements may apply to specific situations.

In the area of peer review, the Appraisal Institute opened 82 new files. Peer review actions taken in 2017 included educational alternatives, notices of improper references to membership or status, and disciplinary actions.

New initiatives included:

• work on the development of alternative guidance formats which will deliver guidance in a format different than a Guide Note; and

• creating a Subject Matter Expert Panel that will be able to provide, subject matter expertise, ideas and other assistance to Appraisal Institute national committees and the national Board of Directors. Areas that members of the Subject Matter Expert Panel will be able to assist include:
  o the development of Appraisal Institute education;
  o the development of general guidance and formal Guide Notes on specific appraisal practice issues, as well as in other matters relating to standards, ethics and guidance; and,
  o the maintenance of the Appraisal Institute Body of Knowledge, as well as in other matters relating to the Body of Knowledge

AI professionals made more than 2,600 inquiries to the Professional Practice staff concerning a broad range of professional practice and valuation standards and ethics issues in 2017.
Communications

The AI Communications Department’s mission is to enhance the reputation, increase awareness, promote understanding and communicate value of the Appraisal Institute, its professionals and the real estate valuation profession.

In 2017, the Appraisal Institute achieved several highlights:

Media Relations

<table>
<thead>
<tr>
<th>Stories</th>
<th>Unique Outlets</th>
<th>Impressions</th>
<th>Publicity Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Coverage including AI or its professionals)</td>
<td>(Media outlets that ran AI stories)</td>
<td>(Number of times a story was potentially read, seen or heard)</td>
<td>(According to vendor’s proprietary formula)</td>
</tr>
<tr>
<td>1,327</td>
<td>2,589</td>
<td>578</td>
<td>688</td>
</tr>
<tr>
<td>+95% from 2016</td>
<td>+19% from 2016</td>
<td>+27% from 2016</td>
<td>+142% from 2016</td>
</tr>
</tbody>
</table>

Other Appraisal Institute media coverage highlights in 2017:

• AI showed increases in all four measured areas – stories, outlets, impressions and publicity value – over 2016.
• 2017 marked the first time in five years AI showed improvements in all four areas.
• AI’s publicity value was the second highest in the eight years AI has measured it.

Social Media

The Appraisal Institute achieved all-time highs in 2017 in social media:

- Facebook “likes” 5,910 (+7%)
- Twitter followers 4,600 (+9%)
- LinkedIn followers 7,397 (+11%)
- YouTube video views 25,644 (+124%)
- “Opinions of Value” blog subscribers 390 (+.01%)

INCREASES OVER 2016
Communications

Other Highlights

Communications staff prepared AI leaders to speak at major events around the world in 2017, including:

- Environmental Bankers Association (EBA) Winter Conference
- Residential Energy Services Network (RESNET) Building Performance Conference
- American Real Estate Society (ARES) Annual Conference
- The European Group of Valuers’ Associations (TEGoVA) Valuation Conference
- National Association of Realtors (NAR) May Conference Valuation Forum
- National Association of Romanian Valuers (ANEVAR) Valuation Conference
- International Association of Assessing Officers (IAAO) International Conference on Assessment Administration
- Association of Appraisal Regulatory Officials (AARO) Fall Conference

The Appraisal Institute continued in 2017 to publish five news publications:

- Appraiser News Online (weekly e-newsletter)
- Residential Update (monthly e-newsletter)
- Washington Report and State News (quarterly e-newsletter)
- Valuation (quarterly magazine)
- The Appraisal Journal (quarterly journal)

Since 2011, the Appraisal Institute has won 33 awards in 20 contests for six different AI communications products: “Opinions of Value” blog, YouTube videos, Appraiser News Online, Residential Update, Valuation magazine and The Appraisal Journal.
In 2017 the Appraisal Institute continued to build the brand and its presence within the real estate valuation profession. Highlights included the continuation of the successful RAISE campaign and its extension to the new review designations as presented in the GAIN campaign. In 2017, AI also launched a new email platform that improved the look of AI messaging and fostered more precise targeting of messages to the most interested recipients.

Marketing Initiatives

The Appraisal Institute had a significant presence in more than 28 print and digital publications and exhibited at 15 trade shows/conferences serving valuation, banking and legal professions. Contemporized trade show booth materials included newly updated banners in a more welcoming space that offered relevant information to each trade show audience.

Also in 2017, AI’s marketing team consistently communicated with as many as 35,000 valuation professionals via digital media and email providing industry news and information regarding Appraisal Institute events, publications and education. Emails were more personalized to the audience, and 60 chapters took advantage of our chapter email program.

GAIN Campaign

GAIN advertising encouraged appraisers and those who review appraisals to enhance their career skills by pursuing an Appraisal Institute general (AI-GRS) or residential (AI-RRS) review designation. GAIN appeared in numerous valuation, banking, law, accounting and real estate publications. Within the first six months, the campaign generated over 300 email addresses/leads from interested individuals captured on AI’s website.

In December, marketing staff “piloted” a new digital program aimed at more assertively promoting AI education to a broadened audience. Initial results were promising. That program is expanding in 2018.

The Appraisal Institute’s website enjoyed almost more than 1 million sessions in 2017. The popular “Find an Appraiser” database received almost 28,000 unique visits per month during the year.
International

The Appraisal Institute continued its global leadership in 2017 via its international activities and relationship-building. Most notably, AI continued its commitment to its programs in China, Mexico and Panama.

Education

Successful courses held in Beijing and Shanghai, China, included:

- Advanced Income Capitalization;
- Advanced Market Analysis and Highest & Best Use; and
- Advanced Concepts & Case Studies.

In Mexico, the Appraisal Institute offered the General Appraiser Market Analysis and Highest & Best Use course, which was well-received and successfully completed in the following locations:

- Mexico City;
- Hermosillo; and
- Villahermosa.

Also, the Appraisal Institute conducted an initial program in Panama that resulted in the drafting of a collaboration agreement for ongoing course work in 2018 and beyond. Additionally, AI is evaluating opportunities for educational programming in the Dominican Republic and Costa Rica.

Programs in Mexico and Panama generated positive revenue and programs in China were break-even. In 2018, AI’s goal is to continue to generate neutral to positive revenue for all international education programs going forward.

The Appraisal Institute in 2017 also launched a large scale international research study. AI’s International research vendor conducted “desktop” research to assist in determining the top 10 markets to investigate for future education programs and relationship development. This will be followed with qualitative and quantitative research in 2018. Results due in 2018 should help further shape AI’s future international educational activities.

Membership

AI designated 12 new international members in 2017, two of whom hold the SRA designation. International designations were conferred to professionals in six countries outside the U.S.: Canada, Colombia, Germany (2 new SRA), Japan, Mexico and Turkey.
Government Relations

The Appraisal Institute is the only appraisal professional association with an office in Washington, D.C., where a team of advocates represent the interests of AI professionals before Congress and federal and state agencies.

In 2017, AI stood strongly against proposed regulatory increases to appraisal threshold levels, appraisal waivers from government sponsored enterprises, legislative exemptions, and temporary waiver requests from appraiser credentialing requirements. This advocacy resulted in turning back requests, tempering proposals, and moderating impacts that would negatively impact the appraisal profession.

A total of 30 AI professionals in 2017 joined the Appraisal Institute Political Action Committee’s Presidential Club, a recognition program for AI professionals who contribute a minimum of $500 to AI PAC during a two-year Congressional cycle. AI PAC funds are used to support the election of pro-appraiser and pro-real estate members of Congress.

2017 Washington Club
(Minimum contribution of $1,500)

- Jim Amorin, MAI, SRA, AI-GRS
- Paula K. Konikoff, JD, MAI, AI-GRS
- B. LaVonne Borges, SRA
- Richard L. Borges, MAI, SRA, AI-GRS, AI-RRS
- Charles R. Mills, Jr., MAI, SRA, AI-GRS
- Robert L. Moorman, MAI, SRA, AI-GRS
- James L. Murrett, MAI, SRA
- Eric Schwartz, MAI, SRA, AI-GRS
- Justin D. Slack, MAI, SRA, AI-GRS, AI-RRS
- Craig Steinley, SRA, AI-RRS
- R. Scott Hartman, SRA
- Stephen S. Wagner, MAI, SRA, AI-GRS
- Ken E. Simpson, MAI, SRA
- John A. Kilpatrick, Ph.D., MAI
- Michael V. Tankersley, MAI, SRA, AI RRS
- Rodman Schley, MAI, SRA

2017 Adams Club
(Minimum contribution of $1,000)

- Anthony C. Iaccio, MAI
- Jefferson L. Sherman, MAI, AI-GRS
- Dane R. Anderson, MAI
- Eric P. Haims, MAI, AI-GRS
- Shelly H. Tanaka, MAI, AI-GRS
- Robert B. Lynch, SRA
- Robert R. Elliott, Jr., MAI, SRA

2017 Jefferson Club
(Minimum contribution of $500)

- Ryan M. Hlubb, MAI, SRA
- Michael C. McCall, MAI
- Michael J. Maglocci, MAI
- Douglas A. Potts Sr., MAI, AI-GRS
- Robert L. Crook II, MAI
- Gregory P. Eidson, MAI
- Lee Stringfellow, Practicing Affiliate
Government Relations

More than 100 AI professionals gathered in Washington in May at the Leadership Development and Advisory Council meeting, calling on Congress to modernize the appraisal regulatory structure.

AI professionals from across Florida gathered in Tallahassee in February to update state legislators on the appraisal profession and to urge the passage of the organization’s high-priority legislation on appraisal standards and evaluations. AI chapters in several other states organized similar events.

AI 2017 Vice President Stephen S. Wagner, MAI, SRA, AI-GRS, testified before the House Committee on Veterans Affairs in support of appraiser independence with the VA Fee Panel. AI staffers Bill Garber (left) and Brian Rodgers (right) accompanied him to Capitol Hill.
Meeting Services

The Appraisal Institute in 2017 planned and executed a variety of meetings, allowing AI professionals and others in the real estate industry the opportunity to network and to learn.

**Leadership Development and Advisory Council Conference**

More than 100 LDAC attendees spent two and a half days in Washington, D.C., developing leadership strategies and lobbying on Capitol Hill for various issues of concern to the appraisal profession. Held at the Hyatt Regency Capitol Hill hotel in May, this annual event helped to identify and encourage Appraisal Institute future leaders.

**Annual Conference**

The Appraisal Institute and the Appraisal Institute of Canada jointly hosted the 2017 International Valuation Conference, June 8-11, in Ottawa, Canada. The event attracted valuation and other real estate professionals from around the world who:

- networked with their peers;
- attended dozens of educational sessions;
- earned state and AI continuing education credit;
- saw exhibits of the latest cutting-edge valuation products and services; and
- attended the AI/AIC Presidents’ Gala Reception and Dinner.

In the opening general session, attendees took a deep dive into leadership and teamwork with keynote speaker Dr. Joe MacInnis. A physician, scientist, author and deep-sea explorer, MacInnis spoke to attendees about how team genius was used to inform his work on deep-sea dives, Special Forces operation teams and walks on the International Space Station. He outlined the ways in which deep empathy, deep eloquence and deep endurance can be used for valuation beyond borders.

During the Presidents’ Gala Reception and Dinner, William T. (Ted) Anglyn, MAI, and Donald S. (Don) Boucher Sr., SRA, were honored with the AI Lifetime Achievement Award and Woody R. Fincham, SRA, AI-RRS, was honored with the AI Outstanding Service Award.

**Chapter Leadership Program**

Approximately 120 incoming chapter presidents, other chapter officers and chapter executive directors spent a day and a half in Chicago in October gaining information on chapter operations, including finance, governance and reporting. The annual event provides important training for chapter officers and staff.
Human Resources

The Appraisal Institute strives to attract skilled, capable employees. Keeping them is essential to AI’s success. In fact, the Appraisal Institute’s average employee tenure in 2017 was 14.1 years.

The Appraisal Institute’s vitality depends in large part on the quality of its staff. AI seeks to attract talented, qualified professionals and provide them with opportunities for advancement in all aspects of their professional lives.

Individually, employees are given the opportunity to make a difference. Collectively, AI’s employees work together to make a difference on a global level.

As an organization, AI is taking steps to ensure it remains innovative and competitive within the marketplace to continue being successful.
# Consolidated Statement of Financial Position

Dec. 31, 2017 and 2016

## Assets

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$4,415,347</td>
<td>$5,136,565</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>200,000</td>
<td>400,000</td>
</tr>
<tr>
<td>Reserve fund investments</td>
<td>13,900,257</td>
<td>12,867,682</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>85,469</td>
<td>72,161</td>
</tr>
<tr>
<td>Inventory, net</td>
<td>101,761</td>
<td>113,005</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>367,639</td>
<td>313,980</td>
</tr>
<tr>
<td>Fixed assets, net</td>
<td>1,470,579</td>
<td>1,543,019</td>
</tr>
<tr>
<td>Other assets</td>
<td>620,782</td>
<td>493,928</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$21,161,834</strong></td>
<td><strong>$20,940,340</strong></td>
</tr>
</tbody>
</table>

## Liabilities and net assets

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$1,671,738</td>
<td>$1,449,407</td>
</tr>
<tr>
<td>Deferred professional dues and fees</td>
<td>4,320,034</td>
<td>4,064,212</td>
</tr>
<tr>
<td>Deferred education registrations</td>
<td>757,470</td>
<td>615,457</td>
</tr>
<tr>
<td>Due to chapters and regions</td>
<td>644,912</td>
<td>1,097,562</td>
</tr>
<tr>
<td>Deferred rent credit</td>
<td>1,047,203</td>
<td>1,090,940</td>
</tr>
<tr>
<td>Tenant improvement allowance</td>
<td>904,651</td>
<td>1,007,064</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>817,048</td>
<td>784,383</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$10,163,056</strong></td>
<td><strong>$10,159,025</strong></td>
</tr>
</tbody>
</table>

## Net assets

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>$10,990,416</td>
<td>$10,772,953</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>8,362</td>
<td>8,362</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>10,998,778</strong></td>
<td><strong>10,781,315</strong></td>
</tr>
</tbody>
</table>

## Total liabilities and net assets

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$21,161,834</strong></td>
<td><strong>$20,940,340</strong></td>
</tr>
</tbody>
</table>
## Consolidated Statement of Activities

Dec. 31, 2017 and 2016

### Changes in unrestricted net assets

<table>
<thead>
<tr>
<th>Unrestricted revenues</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional dues and fees</td>
<td>$11,365,187</td>
<td>$11,522,467</td>
</tr>
<tr>
<td>Education</td>
<td>5,307,182</td>
<td>5,569,744</td>
</tr>
<tr>
<td>Publications</td>
<td>708,517</td>
<td>787,012</td>
</tr>
<tr>
<td>Professional resources</td>
<td>911,296</td>
<td>999,437</td>
</tr>
<tr>
<td>Meetings and conferences</td>
<td>101,327</td>
<td>416,160</td>
</tr>
<tr>
<td>Communications</td>
<td>84,011</td>
<td>84,985</td>
</tr>
<tr>
<td>Investments income, net</td>
<td>590,559</td>
<td>351,681</td>
</tr>
<tr>
<td>Other</td>
<td>357,986</td>
<td>559,180</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>19,426,065</td>
<td>20,290,666</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>77,285</td>
<td>73,663</td>
</tr>
<tr>
<td><strong>Total unrestricted revenues</strong></td>
<td><strong>$19,503,350</strong></td>
<td><strong>$20,364,329</strong></td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Programs</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional resources and services</td>
<td>$3,247,961</td>
<td>$3,102,334</td>
</tr>
<tr>
<td>Education</td>
<td>4,712,159</td>
<td>4,970,507</td>
</tr>
<tr>
<td>Publications</td>
<td>628,320</td>
<td>683,188</td>
</tr>
<tr>
<td>Marketing and Communications</td>
<td>1,958,503</td>
<td>1,911,156</td>
</tr>
<tr>
<td>Meetings and conferences</td>
<td>101,321</td>
<td>405,179</td>
</tr>
<tr>
<td>External relations</td>
<td>1,722,027</td>
<td>1,351,981</td>
</tr>
<tr>
<td>Governance</td>
<td>1,281,215</td>
<td>1,281,931</td>
</tr>
<tr>
<td>General and administrative</td>
<td>4,269,848</td>
<td>4,047,473</td>
</tr>
<tr>
<td>General overhead</td>
<td>1,384,533</td>
<td>1,386,624</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>19,285,887</strong></td>
<td><strong>19,140,373</strong></td>
</tr>
<tr>
<td><strong>Increase in unrestricted net assets</strong></td>
<td>217,463</td>
<td>1,223,956</td>
</tr>
</tbody>
</table>

### Changes in temporarily restricted net assets

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>77,285</td>
<td>73,663</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>(77,285)</td>
<td>(73,663)</td>
</tr>
</tbody>
</table>

### Changes in temporarily restricted net assets

<table>
<thead>
<tr>
<th></th>
<th><strong>2017</strong></th>
<th><strong>2016</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase in net assets</strong></td>
<td>217,463</td>
<td>1,223,956</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net assets at beginning of the year</strong></td>
<td>10,781,315</td>
<td>9,557,359</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td><strong>$10,998,778</strong></td>
<td><strong>$10,781,315</strong></td>
</tr>
</tbody>
</table>
Consolidated Statement of Activities

PRESIDENT AND ACTING CEO
Jim Amorin, MAI, SRA, AI-GRS

PRESIDENT ELECT
James L. Murrett, MAI, SRA

VICE PRESIDENT
Stephen S. Wagner, MAI, SRA, AI-GRS

IMMEDIATE PAST PRESIDENT
Scott Robinson, MAI, SRA, AI-GRS

REGION I CHAIR
Jeffrey S. Enright, MAI, SRA, AI-GRS

REGION I VICE CHAIR
Mary E. Campos, MAI, SRA, AI-GRS, AI-RRS

REGION II CHAIR
Craig Stanley, SRA, AI-RRS

REGION II VICE CHAIR
Rodman Schley, MAI

REGION III CHAIR
Mark J. Krouse, MAI

REGION III VICE CHAIR
Steven C. Silvestri, MAI

REGION IV CHAIR
Robert B. Lynch, SRA

REGION IV VICE CHAIR
Eric P. Haims, MAI, AI-GRS

REGION V CHAIR
L. Steven Noble, MAI, SRA, AI-GRS, AI-RRS

REGION V VICE CHAIR
Charles R. Milks, Jr, MAI, SRA, AI-GRS

REGION VI CHAIR
Ryan M. Walsh, MAI, SRA

REGION VI VICE CHAIR
Michael J. Mignogna, MAI, AI-GRS

REGION VII CHAIR
Roger P. Bush, MAI, SRA

REGION VII VICE CHAIR
Stevie H. Tasaka, MAI, AI-GRS

REGION VIII CHAIR
Eric K. Schwartz, MAI, SRA, AI-GRS

REGION VIII VICE CHAIR
Robert L. Moorman, MAI, SRA, AI-GRS

REGION IX CHAIR
Pledger M. Bishop, III, MAI, SRA

REGION IX VICE CHAIR
Michael K. Temponesi, MAI, SRA, AI-RRS

REGION X CHAIR
Val K. Chiasson, MAI, SRA

REGION X VICE CHAIR
Nicholas D. Pli, MAI, SRA, AI-RRS

INTERNATIONAL MEMBER
Oscar Servando-Costa Martinez, MAI, SRA

Appraisal Institute®

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