

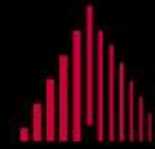
Appraisal Institute[®]

Professionals Providing Real Estate Solutions

Candidate for Designation Program

**San Diego, CA – Live Session
August 3, 2012**



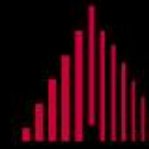


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

Today's Panelists

- **Ken P. Wilson, MAI, SRA**
2012 AI Vice President
- **Ron DeVries, MAI, SRA**
Chair, AI Education Committee
- **David W. Riach, MAI**
Chair, AI Admissions & Designation Qualifications Committee
- **Richard L. Borges II, MAI, SRA**
2012 AI President Elect
- **Carrie Vann**
Senior Manager, AI Admissions & Continuing Education



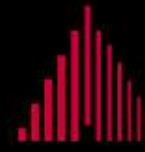
**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

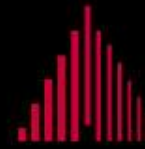
Candidate for Designation

Program Background

Why Create the Program?



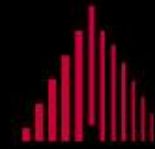
- AI Board of Directors in September 2010 announced a new strategic vision
 - Move AI from professional association business model to professional society business model by 2016
- AI Board in December 2011 approved Candidate for Designation program
 - Consistent with AI's new strategic vision



What Is It?

- Candidate for Designation program to be fully implemented Jan. 1, 2013
 - Designated members
 - Candidates for Designation
 - Practicing Affiliates
 - Affiliates
- Emphasize Designated members and those seeking to become designated

Enrollment

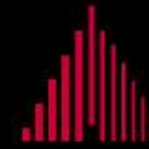


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Current State Certified Associate members (or equivalent) must choose
 - Candidate (pursuing designated membership) or Practicing Affiliate (not pursuing designated membership) category
- Current Non-State Certified Associate members can become Practicing Affiliates (licensed and trainees)
- Signup began June 1

Impact of Enrollment



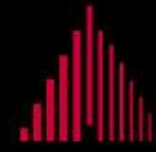
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Dec. 31, 2012: Associate members who become Candidates as of Jan. 1, 2013 and maintain continuous Associate membership/Candidacy:
 - Do not lose credit for designation requirements already fulfilled
 - Are not subject to change in requirements for designation as of 1/1/2013*

* There will be deadlines for completion of remaining requirements and, as always, changes in requirements can occur over the longer term

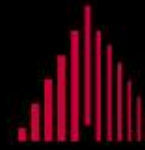
Why Become Designated?



Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

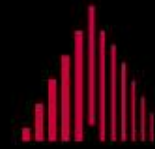
- Enhance your career earnings potential
- Enjoy premium exposure in the “Find an Appraiser” directory
- Elevate your career into the upper echelon of valuation professionals



Why Sign Up?

- Only Candidates will be eligible to take Comp Exam, and complete Demo and Experience requirements
- Advisors to help Candidates on their journey to designation
- Program support from Candidate's chapter
- Structured timelines to help keep Candidates on track

Other Benefits

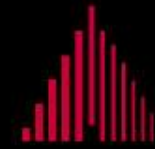


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Directory listing as “Candidate for Designation”
- May use term “Candidate for Designation”
 - Business cards, letterhead, etc.
- Discount on AE that is available only to Designated members and candidates
 - Greater than discount for QE, CE

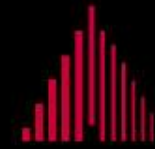
Advisors



Appraisal
Institute®

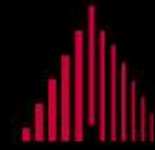
*Professionals Providing
Real Estate Solutions*

- Regular contact with Candidates
- Support and encourage Candidates on journey to designation
- Help Candidates obtain information about designation requirements



- **Advisors:**
 - Will receive technical assistance from staff
 - May receive AI Hours of Service continuing education credit
 - Will complete online Advisor program
 - Will receive tools, such as flow charts, checklists
- **Chapters provide Candidate Guidance Chair**
 - Similar to Associate Member Guidance Chair

Information on Advisors

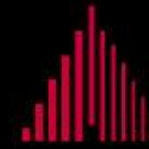


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- You can find three helpful Advisors documents on the Candidate page of our website;
 - Advisors: Information for Designated Members (potential Advisors)
 - Advisors: Information for Candidates
 - Advisors: Information for Chapters

Program Fees

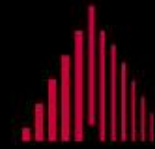


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- The 2013 annual fee for the Candidate program is \$450.
 - Current Associate members who enroll in the Candidate program by Aug. 31, 2012 will receive a special introductory Candidate program fee of \$395, a \$55 discount.

Program Fees



Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- The 2013 annual fee for Practicing Affiliates will be \$330, the same as 2012 Associate member dues.
- The 2013 annual fee for Affiliates will be \$210, the same as 2012 dues.

Common Misconceptions

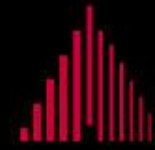


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- As the Appraisal Institute moves through the Candidate for Designation program enrollment process, some members have expressed misconceptions about the program.

Common Misconceptions

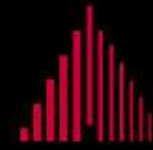


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- No payment of any kind is due when an Associate member enrolls in the Candidate program. The 2013 annual program fee will be billed in November (and due Jan. 1, 2013) as usual. The Candidate program fee and the Practicing Affiliate fee will replace current Associate membership dues.

Common Misconceptions



Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Even if an Associate member has only one designation requirement remaining, he/she must enroll in the Candidate for Designation program. Any Associate member who does not enroll may be subject to different designation requirements and may lose credit for requirements previously completed as of Jan. 1, 2013.

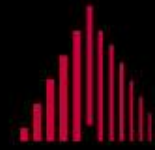
Common Misconceptions



Appraisal
Institute®

Professionals Providing
Real Estate Solutions

- Current Associate members **must** complete the form and choose to either a) opt to enroll in the Candidate program or b) opt *not* to enroll in the Candidate program and become Practicing Affiliates effective Jan. 1, 2013. By *not* electing to become a Candidate for Designation by Jan. 1, 2013, individuals may be subject to different designation requirements and may lose credit for requirements previously completed if they later apply for and are accepted into candidacy.



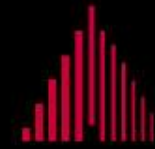
**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

Candidate Pursuing MAI Designation

Program Information

Core Requirements



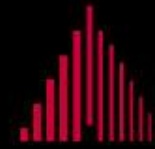
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Level I education/General State certification (or equivalent)
 - **KEY PREREQUISITE TO ENTER PROGRAM**
- Standards & Ethics education
- College Degree or alternative
- Level II education/Advanced Education (AE)
- General Comprehensive Examination
- Demonstration of Knowledge
- Experience
- Good Moral Character
- Final Membership application

Note: Minimum progress required each year.

Deadlines

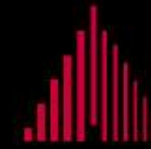


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- 4 years to complete all requirements
- Minimum Progress required
 - Year 1 - must have completed 3 requirements
 - Year 2 - must have completed 6 requirements
 - Year 3 - must have completed 8 requirements
 - highly recommend Comp Exam (if eligible)
 - Year 4 - must have completed 11 requirements

Recommended Order

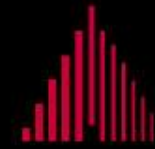


Appraisal
Institute®

Professionals Providing
Real Estate Solutions

- Year 1 recommended completion
 - College degree (bachelor's or higher) or alternative
 - Standards & Ethics requirement (must be completed in first year)
 - *General Appraiser Report Writing* (course/exam)
- Year 2 recommended completion
 - Select 3 advanced exams to complete: *Advanced Income* (exam), *Advanced Market Analysis H&BU* (exam), and *Advanced Concepts and Case Studies* (exam)

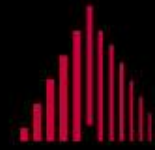
Recommended Order



Appraisal
Institute®

Professionals Providing
Real Estate Solutions

- Year 3 recommended completion
 - Complete *Quantitative Analysis* (exam)
 - Comp Exam
- Year 4 recommended completion
 - Demonstration of Knowledge
 - Experience requirement
 - Final application for Designated membership



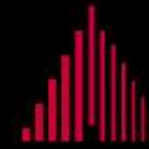
**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

Candidate Pursuing SRA Designation

Program Information

Core Requirements



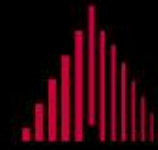
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- General or Residential State certification (or equivalent)
 - **KEY PREREQUISITE TO BECOME CANDIDATE**
- Standards & Ethics education
- College degree or alternative
- Education
- Demonstration of Knowledge
- Experience
- Good moral character
- Final membership application

Note: Minimum progress required each year.

Deadlines



Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- 3 years to complete all requirements
- Minimum progress required
 - Year 1: must have completed 3 requirements
 - Year 2: must have completed 6 requirements
 - Year 3: must have completed 9 requirements

Recommended Order

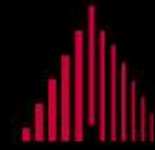


Appraisal
Institute®

Professionals Providing
Real Estate Solutions

- Year 1 recommended completion
 - College degree (associate's or higher) or alternative
 - Standards & Ethics education
 - *Residential Equivalency Exam* (satisfies 3 exams)
- Year 2 recommended completion
 - *Residential Market Analysis H&BU* (exam)
 - *RE Finance Statistics and Valuation Modeling* (exam)
 - *Adv. Residential Applications and Case Studies, Part I* (course/exam)

Recommended Order



Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Year 3 recommended completion
 - Demonstration of Knowledge
 - Residential Experience
 - Final application for Designated membership

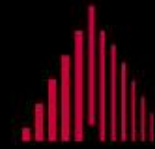


**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

Additional Information Regarding Designation Requirements

Three Requirements or Less

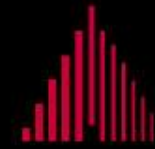


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Current Associate members with three (specific) requirements or less will be given 1 – 3.5 years to complete remaining requirements as of 1/1/2013
- Extensions may be granted for good cause as determined by ADQC.

Standards and Ethics Education

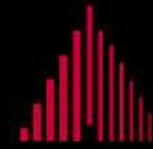


Appraisal
Institute®

Professionals Providing
Real Estate Solutions

- In year 1 of Candidacy or within 4 years prior to Candidacy
 - Provide proof of USPAP
 - Complete AI's *Business Practices and Ethics*
- Many Associate members who become Candidates will have met requirement when the program begins

College Degree

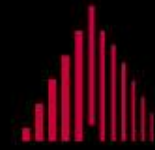


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Candidates pursuing MAI Designation
 - 4-year undergraduate degree from an accredited degree-granting educational institution (or ADQC approved equivalent)
- Candidates pursuing SRA Designation
 - At least an Associate's Degree from an accredited degree-granting education institution (or ADQC approved equivalent)

Education for SRA Designated Membership

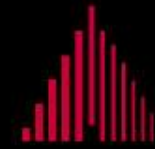


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Advanced Residential Applications and Case Studies/Part 1 (course and exam)
- Residential Equivalency Examination (exam)
- Residential Market Analysis and Highest & Best Use (exam)
- Real Estate Finance, Statistics, Valuation Modeling (exam)

Education for MAI Designated Membership

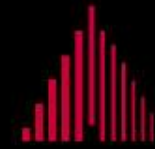


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- General Appraiser Report Writing & Case Studies (course and exam)
- Advanced Income Capitalization (exam)
- Advanced Market Analysis and Highest and Best Use (exam)
- Advanced Concepts & Case Studies (exam)
- Quantitative Analysis (exam, required for individuals admitted on or after 1/1/12)

Comp Exam

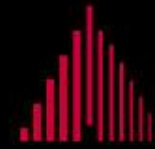


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Only Candidates will be eligible to take Comp Exam
- Candidates pursuing MAI designation must pass comprehensive examination
- New format beginning Jan. 1, 2013
 - 1-month testing period twice a year
 - Candidates must take all modules not previously passed – may take each module only once within that 1 month

Comp Exam



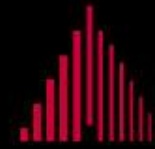
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Candidates can schedule modules in any order, at any time with Pearson Vue, during the 1-month testing period
- Administered by Pearson VUE Professional Testing Centers – high level of security
- Pearson Vue information and locations:
www.pearsonvue.com/ai/

More information from AI staff: comp@appraisalinstitute.org

Comp Exam – Resources

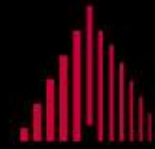


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Please visit AI website at:
 - www.appraisalinstitute.org/membership/guides_comp.aspx
- For additional resources, such as:
 - Comp Exam Guidebook (including 2012 & 2013) (sample questions, tips)
- More info: comp@appraisalinstitute.org

Demonstration of Knowledge



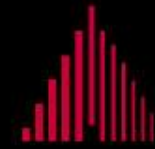
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

Candidates pursuing SRA designation must satisfy Demonstration of Knowledge requirement through one of the following:

- 45-hour package (classroom)
- Research project
- Traditional narrative demonstration appraisal report
- Thesis/dissertation
- Peer reviewed publications
- Defense of reports
- Modular demonstration appraisal report

Demonstration of Knowledge



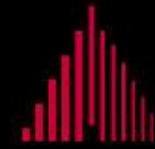
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

Candidates pursuing MAI Designation must satisfy Demonstration of Knowledge requirement through one of the following:

- Capstone Program (classroom)
- Traditional Demonstration Appraisal Report
- Research project
- E-Demo (online option)
- Defense of reports
- Thesis/dissertation
- Peer Reviewed Publications
- Three Appraisal Reports

Demonstration of Knowledge - Resources



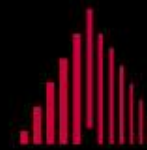
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Please visit website:
 - www.appraisal institute.org/membership/guides_demo.aspx
- For additional resources:
 - Demo Panel Contact list (for technical questions)
 - Demo Seminar (online)
 - Official Guide to the Demonstration of Knowledge Requirement
 - Demo Grading Sheets for each option

Questions? demo@appraisal institute.org

Experience

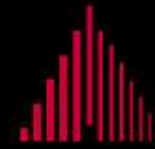


Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Candidates must receive credit for specified number of hours:
 - Specialized experience (general Candidates pursuing MAI designated membership)
 - Residential experience (residential Candidates pursuing SRA designated membership)
- Work submitted for credit:
 - Must cover minimum time period
 - Must include most recent work

Experience – Resources



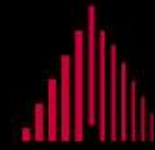
Appraisal
Institute®

*Professionals Providing
Real Estate Solutions*

- Please visit website:
 - www.appraisalinstitute.org/membership/guides_experience.aspx
- For additional resources:
 - Common Errors & Issues of Experience Submissions
 - Advisory Guidance (free experience screening)
 - Experience Credit Guidance Tips for Candidates
 - Appraisal Institute Certification Statements
 - Mass Appraisal Guidelines
 - Experience submission instructions and guidelines for submission

Questions? experience@appraisalinstitute.org

Questions?



**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions*

Contact the AI Admissions Dept.

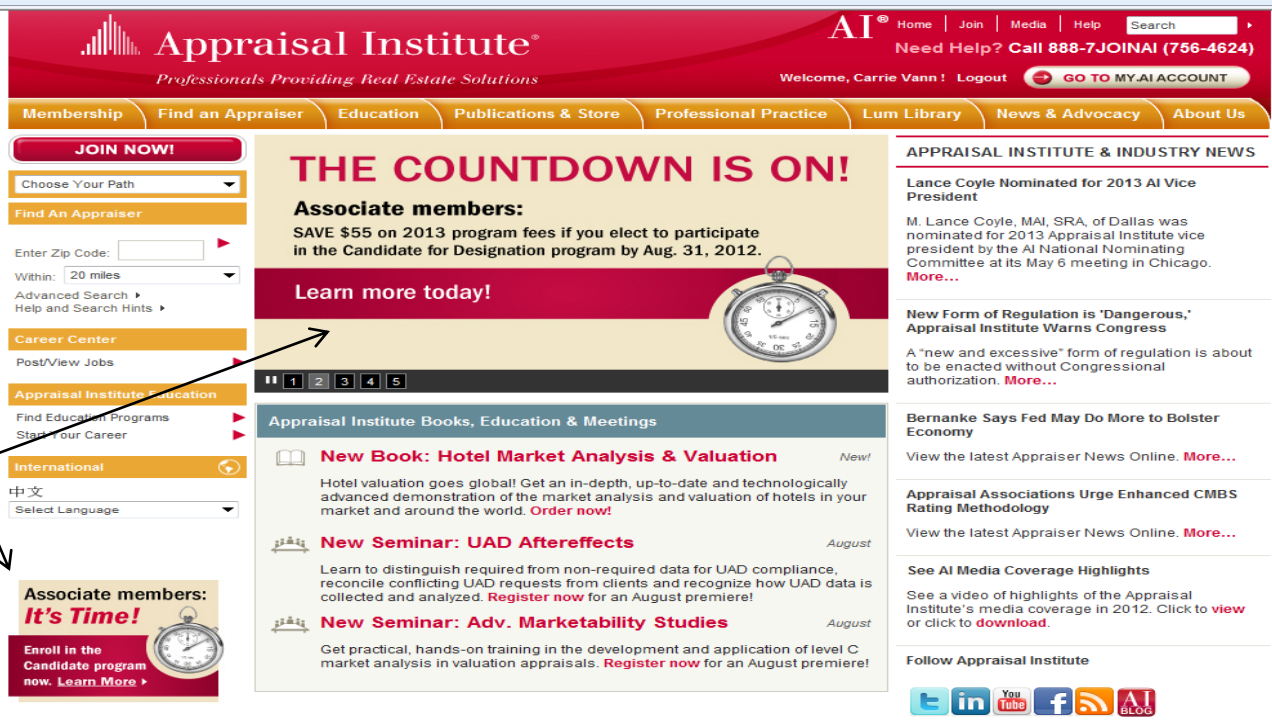
312-335-4111

admissions@appraisalinstitute.org

The Bylaws and Regulations of the Appraisal Institute govern the Candidate for Designation program. In the event of a conflict between the Bylaws and Regulations and any statements or representations made or contained in any materials, documents, emails, or in any other form whether written or otherwise regarding the Candidate for Designation program, the Bylaws and Regulations shall prevail.

Questions?

<http://www.appraisalinstitute.org>



The screenshot shows the Appraisal Institute website homepage. At the top, there is a navigation bar with the Appraisal Institute logo and tagline, a search bar, and a welcome message for Carrie Vann. Below the navigation bar are several menu items: Membership, Find an Appraiser, Education, Publications & Store, Professional Practice, Lum Library, News & Advocacy, and About Us. The main content area features a large banner for 'THE COUNTDOWN IS ON!' for Associate members, with a stopwatch icon and a 'Learn more today!' button. To the left of the banner is a sidebar with a 'JOIN NOW!' button and a 'Find An Appraiser' form. Below the banner is a section for 'Appraisal Institute Books, Education & Meetings' with three items: a new book on hotel market analysis, a seminar on UAD aftereffects, and a seminar on advanced marketability studies. To the right of the banner is a section for 'APPRAISAL INSTITUTE & INDUSTRY NEWS' with three news items: Lance Coyle nominated for 2013 AI Vice President, a new form of regulation is 'dangerous', and Bernanke says Fed may do more to bolster economy. At the bottom of the page, there are social media icons for Twitter, LinkedIn, YouTube, Facebook, RSS, and AI eBlog.