

Valuation of Unregistered Land: What's the Problem?

James Kavanagh and Frances Plimmer



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FROM THE PRESIDENT

William "Pete" Rodda, CAE, RES

Dear IAAO Members,

Vision 2020

A major focus in 2016 continues to be the Vision 2020 plan and identifying specific tasks and activities that board members, committee volunteers, and staff members will be working on to make the vision a reality. Some objectives are already being met through the day-to-day efforts of staff and committees.

The purpose statements of each committee and subcommittee, as defined in the IAAO Procedural Rules, already fulfill many of the objectives of the strategic plan. Other objectives are a work in progress that will require realignment and restructuring of staff and committee responsibilities.

Because of the efforts of Executive Director Ron Worth, most staff responsibilities have already been restructured to take advantage of the strengths and abilities of each team member. IAAO headquarters has a strong culture of teamwork and sharing that is driving the efforts there.

As I write this in the middle of January, review of committee responsibilities and goals is planned for Leadership Days on February 5–6, 2016. As part of Vision 2020, volunteers have been organized into seven major committees: Governance, Nominating, Ethics, Research and Standards, Professional Development, Membership, and Conference. Subcommittees with related purposes have been organized under the seven major committees to encourage increased collaboration and sharing of information.

Trusts, special committees, and special representatives to allied organizations will continue much as they have in previous years.

Perhaps the biggest change in committee restructuring is the creation of a combined Marketing, Communications, and Technology Subcommittee in the Membership Committee group. This 9-member committee will focus primarily on redesign of the website and other technology issues. Other responsibilities may be added as the Vision 2020 objectives are considered. The Procedural Rules will be updated to reflect new committee responsibilities as they are developed.

Our Vision and Mission Statements define who we are and what we intend to accomplish. It is now time to *work the plan*. I am honored to begin the Vision 2020 journey with an outstanding Executive Board, extremely knowledgeable and dedicated committee and subcommittee members, and an equally dedicated and focused staff.

Outreach

IAAO is continuing to actively participate in meetings with allied groups and strategic partners. Several trips have already been planned for 2016.

- Larry Clark, CAE, Director of Strategic Initiatives, travelled to Bangkok, Thailand, January 17 to teach Course 331 Mass Appraisal Practices and Procedures.

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James Kavanagh and Frances Plimmer

Editor's Note: This article is adapted from a presentation at the 2015 World Bank Conference on Land and Poverty, The World Bank, Washington, D.C., March 23–27, 2015. The references have been reformatted to conform to the style of Fair & Equitable. Copyright 2015 by author(s). All rights reserved. Readers may make verbatim copies of this document for noncommercial purposes by any means, provided that this copyright notice appears on all such copies. The statements made or opinions expressed by authors in Fair & Equitable do not necessarily represent a policy position of the International Association of Assessing Officers.

There is a perception that the formalization and registration of land title will improve and protect access by local residents to land for food production and investment and provide collateral to secure credit for economic and social development (FAO 2012).

Where land is unregistered in any formal, institutionally controlled register, there is perceived to be a lack of security of tenure because those in occupation have no means to prove their entitlement to use the land or to have any form of recognition of their historic rights. There is therefore perceived to be a very real risk that those occupying unregistered land can be forcibly removed by *authorities* and lack the opportunities to use the economic *value* inherent in their property rights to raise capital to spend on achieving economic and social benefits for themselves, their families, and community.

For centuries, informal or customary land holdings have secured land rights for people in various parts of the world. Alongside these rights, systems of land occupation, inheritance, management, and dispute resolution have developed to ensure peaceful and productive land use, which have become an integral part of the culture of such communities. The idea of *individual* ownership of land is a relatively recent concept even in Western Europe (Linklater 2013) and is sometimes philosophically linked to consensual governance and the protection of private property rights.

However, these land holdings were threatened by the imposition of colonial rule which brought with it a European style of *formal* and registered land rights which were perceived by all but the local population to be *superior* to the indigenous holdings. Currently, it is recognised (UN-HABITAT 2008, 6–7) that customary systems are under pressure from a number of factors, including demographic demands, land scarcity, growing urbanization, and breakdowns in customary authority.

However, regardless of the nature of the tenure, what is of major economic, environmental, and social importance is the ability of land occupiers/owners to use their land rights to improve their livelihoods and living standards.

According to an International Federal of Surveyors (FIG) study, this can be achieved by

... enhanced tenure security [which] generates individual, household and community benefits ... by encouraging savings investments in the improvement of land, homes and neighbourhoods (UN-HABITAT 2008, 7).

However, a widespread shift to formal land registration processes needs to be cheap, speedy, and easy, and owners of land rights need to be persuaded of the benefits which such a system will bring to them. Unfortunately, there is evidence that title registration processes can be prohibitively expensive and time-consuming. Awuah et al. (2013) report that the

cost of land title formalization in Ghana is, on average, 1,289.74 times the daily minimum wage (the bulk of the costs being spent on follow-up visits to expedite action), and involves an average time lag of 373 days. Also, some informal settlement research such as that by Hendriks (2008) found that,

The current debate on urban land markets suggests that the social and economic impacts of land access are higher when land tenure is formalised and integrated in the formal economy. Research in sub-Saharan African cities suggests that informal systems can be a gradual and more equal alternative.

One finding within this research was that the *uplift* in land value following formal registration with *informal* settlements often resulted in clearance as the land became more attractive to commercial development.

With such barriers to land registration, it is unlikely that landowners will be persuaded to register their title, unless registration systems are radically overhauled to provide a cheap, speedy, and easy registration process for everyone.

However, we argue that it is not necessarily the fact of the formal registration of land rights which provides (or should provide) security of tenure and land rights to the occupiers. In too many situations, insecurity of tenure and displacement result from the failure of governments and other institutions to implement the rule of law (national and international) which should protect land occupiers (and owners) (Alemu 2013).

It is not merely secure rights to occupation which are at stake. There is a large amount of *unrealized value* embedded in informal settlements which occupiers cannot access, because,

... existing housing finance systems are not geared to their needs [and] as a result they fall prey to exploitation ... and to the high interest rates

... both of which are linked to the perceived high degree of risk for the lender (FIG, UN-HABITAT, and GLTN 2008, 34).

If the valuation profession can provide reliable *valuations* for land rights on which (enlightened) lending institutions can rely, then those in informal settlements can raise funds to improve their economic and social situations to benefit themselves and their community. (In this paper *valuation* and *appraisal* are used interchangeably, as are *valuer* and *appraiser*.)

In too many situations, insecurity of tenure and displacement result from the failure of governments and other institutions to implement the rule of law (national and international) which should protect land occupiers (and owners) (Alemu 2013).

So just who benefits (Cui Bono?) from the realisation of land rights and the capitalization of land? Is it for social/political reasons of secure tenure and the benefits that accrue? Is it to enable government funding from transactional levies/duty? Is it to encourage institutional and external investment in land and property? Or all of the above?

Regardless of whether title is registered, what really matters is the risk attached to being deprived of that title. As valuers, registration title is not a prerequisite to providing useful and reliable valuations for lender organisations. Instead, it is a combination of the paucity of available market sales data, a limited supply of skilled and experienced professionals, and the failure of the valuation profession to adapt their valuation methodologies to reflect the *risk* attached to informal tenure which is preventing

owners of informal rights from using these rights for the improvement of land, homes, and neighbourhoods.

We therefore see the fundamental problem as one of *risk*. The valuation profession has developed strategies to deal with various kinds of risk—security of title is just one more. However, for the valuation profession to be able to reflect this and most other forms of risk, there needs to be a healthy, active, and transparent property market which generates reliable, accurate, and freely available data to the profession.

This article discusses how the informal and formal dichotomy developed; it then briefly outlines the prerequisites for undertaking a traditional valuation in the built environment or rural land context, before discussing how emerging methods of valuation such as ecosystem valuation and related concepts such as biodiversity offsetting may be of benefit. The article concludes with the need to focus on data requirements for valuation, capacity building in the profession within those countries with a paucity of skills, and a call for national and international agencies to focus on supporting landowners and -occupiers to achieve the economic benefits which their land can generate.

Informal and Formal Dichotomy

The various nature of land holdings, land tenure, and the accompanying rights, restrictions, and responsibilities has evolved over time around the world. Historically, in many countries, land was held as a communal asset.

For example, in England (largely until the seventeenth century in the United Kingdom) each individual and/or family had rights to use the communal land, and the products of the land, in what might now be called subsistence farming (Linklater 2013). There was no individual ownership of specific plots, and, therefore, there was no discernible right to land which could be traded.



For a range of economic, religious, and scientific reasons, arguments were put forward to enclose land so that new (at that time) improved techniques of farming could be introduced which would ensure investment in land, allow for the implementation of innovative methods of husbandry, a more intense use of land, and greater production output. Those whose land had been expropriated (with or without compensation) became a factor of production (labour), to be employed on the land or left to fend for themselves (Buck et al. 2001).

After the community rights had been extinguished, the land physically enclosed, and ownership taken by (a few) individuals, the trade in land rights developed, as a result of which a property market emerged and the valuation profession evolved to service the market and its stakeholders.

The shift from communal asset to tradable commodity was spread from Europe to the then European colonies, including the Americas (Buck et al. 2001). It was this introduction of a fundamentally different concept of land use and rights which was the source of a major conflict between indigenous land occupiers, particularly those who led a nomadic lifestyle, and the so-called colonial settlers.

It is recognised (UN-HABITAT 2008, 6–7) that customary systems are under pressure from a number of factors, including demographic demands, land scarcity, growing urbanisation, and breakdowns in customary authority. In addition, inward investment in large-scale agriculture and industry seeks secure and registered land rights as a prerequisite, which puts governments and land holdings under increased pressure.

To ensure that the registration of land rights provides all the benefits anticipated, it is necessary to have a cheap, effective, and efficient land registration system, data from which are freely available to all. Also, the rights recorded

in the land registration system need to be and to be seen to be upheld by the law of the land—both in theory and in practice. However, there is no intrinsic reason why informal and customary land rights should not be as secure as registered title. In discussing the range of land rights within the continuum of land rights, it is acknowledged that,

... customary systems can meet social and economic needs and, although often not documented, can be very secure (UN-HABITAT 2008, 8).

Where this is case, there is minimal risk associated with a lack of land registration and valuers can arrive at a valuation, provided there is a market in traded property rights from which comparable transactional data can be gleaned.

To ensure that the registration of land rights provides all the benefits anticipated, it is necessary to have a cheap, effective, and efficient land registration system, data from which are freely available to all.

In our view, it is the lack of a market in land rights which is the major problem facing those who need a professional valuation to use the economic value inherent in their land rights.

Compulsory Acquisition

One of the generally recognised advantages of registered land rights includes the protection to the registered landowner against threats of eviction and other restrictions imposed externally. This, sadly, is erroneous. There is widespread evidence that every country reserves to its government the right to take land compulsorily, and the rule of law allows government authorities to expropriate land for a range of purposes

assuming that compensation accompanies such loss (e.g., Denyer-Green 2005). Unfortunately, expropriation does not always follow the statutory requirements, and compensation may be totally inadequate (e.g., see Alemu 2013). Not everywhere are displacements undertaken within the rule of law. A FIG report (FIG, UN-HABITAT, and GLTN 2008, 4) estimates that, globally, five million people are forcibly evicted from their land holdings every year. Even where accompanied by compensation, removal from the land can have devastating personal and communal effects. This is an often *hidden* factor within internally displaced populations.

The assessment of compensation following compulsory acquisition is normally laid down in statute and often defined as *market* value. However, even where compensation is paid, it is generally both inadequate (in amount) and inappropriate (in form) for those displaced to replace their original livelihoods. In such circumstances, the status of title (registered or unregistered) makes very little difference to the future well-being of the (former) occupiers.

Even in fully functioning property markets, where the rule of law is strong, a *market value* basis of compensation may not be sufficient to allow the displaced to replace their expropriated property rights. In the United Kingdom, for example, an acquiring authority is not expected to pay compensation for the value which it has created. Thus, where a house is acquired as part of a widespread residential redevelopment which has increased the value of all residential properties in the area, compensation for land taken must exclude that added value created by the authority's redevelopment. Compensation will therefore be insufficient to allow the dispossessed to purchase one of the dwellings in that locality.

A FIG policy statement (Viitanen, Falkenbach, and Nuuja 2010, para. 23;

see also Viitanen, Vo, Plimmer, and Wallace 2010) advocates that

to maintain the standard of living and the source of livelihood for the affected party:

if a residence or a business is compulsorily purchased, the compensation shall be sufficient for a replacement dwelling or a replacement business establishment which corresponds to compulsorily purchased property in physical conditions as well as economic and location attributes.

As mentioned above, there are situations in which *market value* (see below) will not achieve such an outcome.

In many parts of the world, inadequate compensation forces the displaced into informal settlements in the ever-growing slums of mega cities, and it is estimated that 1.1 billion people are landless and in poverty (Viitanen, Falkenbach, and Nuuja 2010).

Eviction also leads to the creation of new unauthorized settlements elsewhere ... In cities and rural areas, insecure tenure and informal settlements combine with other factors—unplanned, congested development, insecurity and social vulnerability—to reduce public revenues, infrastructure investment, employment and economic growth (UN-HABITAT 2008, 5).

This situation is partly the result of inadequate provision of compensation in existing legislation as well as inequitable land distribution, where large areas of land are controlled by minorities and small land holdings are rendered economically unviable by subdivision on inheritance (UN-HABITAT 2008, 5).

According to the FIG report,

the rights and related obligations of individuals, families and corporate groups are embedded in sets of tenure rules and norms that are sanctioned by formal and informal institutions. ... Claims can be stron-

ger or weaker according to social conventions, the law, enforcement conditions, and length of possession, political support etc. (UN-HABITAT 2008, 5)

It is perhaps no surprise that the issues of *expropriation and compensation* (FAO 2012) were some of the most heavily debated sections during the drafting of the FAO voluntary guidelines, but it is worth reiterating one of the FAO elements:

16.3 States should ensure a fair valuation and prompt compensation in accordance with national law. Among other forms, the compensation may be, for example, in cash, rights to alternative areas, or a combination.

The development of a vibrant property market in which land rights are freely (although not without cost) traded is vital if valuers are to be able to produce the kind of valuations which twenty-first century communities need to generate economic activities and achieve social development.

We opine that the adequate compensation which is sufficient to replace the livelihood or dwelling which has been lost through compulsory acquisition will be a major policy in the prevention of further growth of the social, economic, and environmental problems associated with the so-called slums in the ever-growing urban areas.

Markets

Those communities and cultures which retain the principle of land as a community asset did not develop the practice of trading their property rights and there-

fore no property market developed. Although attempts were made during the so-called colonial era to change land tenure from customary and informal to what may be called the formal system, in many countries the attempts were incomplete or unsuccessful and both systems may co-exist (UN-HABITAT 2008, 6).

Where land rights are traded, a market emerges. Valuers recognise different markets for different property types. Thus, there may be a market for land, a market for dwelling houses, a market for shops, etc. Each market has its own features with more or fewer transactions over any time period and different participants and stakeholders. Factors which affect one market may not affect the others, although they are generally interconnected in some way.

Some property types do not develop a market either because they are not traded or because they are not traded for the use(s) for which they have been constructed and to which they have been put. In such cases, valuers are not able to use market-based information to fix a *market value* for the current use of the property, and some variation of a cost-based valuation methodology is normally employed. Methods of valuation are discussed further below.

The importance to reliable valuations of an active, healthy property market for all tradable property types cannot be overstated, although the development of markets in some countries faces problems, such as,

... inadequate information, political interference, bureaucratic inefficiencies, corruption, speculation, insecure and unclear land tenure arrangements and the absence of innovative market mechanisms (Kariuki and Nzioki 2011, 1).

The development of a vibrant property market in which land rights are freely (although not without cost) traded is vital if valuers are to be able to produce the kind of *valuations* which



twenty-first century communities need to generate economic activities and achieve social development.

Market Data

In many countries, the activities of the market are recorded and data made available to the public. Official records of transactions may be kept to show changes in land ownership, although it is not unusual for the transacting document to attach a tax-stamp duty. Records of transactions can therefore have both an administrative and income generation function for governments.

For valuers, however, the importance of transactional records is focused on the details of the transaction itself. Specifically, the nature of the rights, responsibilities, and restrictions which have been traded, together with the financial consideration and any other relevant factors, are what a valuer needs to know if the transaction is to be of any use as evidence of *value*.

It is well recognised that the *best* market transactions are those in which the valuer has personally been involved. In such a case, the valuer has first-hand knowledge of all relevant factors, including the details of the property itself (probably as the result of an internal inspection), the motivations and driving forces affecting both parties, the process, and points at issue in the negotiations which resulted in the price paid. These aspects of how valuation data can be used in both a formal and an informal context were again highlighted (RICS Research 2013a) in valuation research carried out in Kenya. Professional valuers were asked their opinions on the relevant factors that underpin consistent valuation, and it was this aspect of *first-hand knowledge* of the property (either land or buildings) and of the parties that was felt to be most important.

Valuers normally keep their own records of such transactions (also confirmed in an informal market scenario

(RICS Research 2013b) which provide a hugely important resource. In addition, however, some countries make available relevant details of officially recorded transactions, either freely or at a cost. Such data need to be investigated by the valuer to ensure that the recorded details are adequate and suitable for use as comparables in any particular valuation, but without such data, assessing *market value* is impossible.

If they could raise funds based on the value of land, social and economic benefits could accrue to informal settlements generating employment, tax revenues, and social and environmental services and, generally, improving the quality of life for the community.

Valuation

It is well recognised (FIG, UN-HABITAT, and GLTN 2008) that there is huge economic potential in land in so-called informal settlements, where land is unregistered and user rights (largely) unacknowledged. The lack of registration of land rights is a major problem because *owners* of such lands are unable to raise collateral from finance lending organisations because of their inability to use title deeds as collateral. If they could raise funds based on the value of land, social and economic benefits could accrue to informal settlements generating employment, tax revenues, and social and environmental services and, generally, improving the quality of life for the community. Such an achievement would require lending institutions to move away from the traditional requirement of title deeds as collateral and to take a more pragmatic view of the issue of loan repayment than at present.

However, such a shift in attitude would be only part of the solution. It would also be necessary for widespread recognition and acceptance of informal and customary rights by all relevant institutions, including governments (at all levels), finance bodies, and the establishment of a fully functioning vibrant property market from which data are made freely available. Where land rights are in dispute, then resolution should be made through the courts, based on the rule of law.

However, regardless of the nature of the tenure, what is of major economic, environmental, and social importance is the ability of landowners and occupiers to be able to use their land rights to improve their livelihoods and living standards. In order to take advantage of many of the opportunities to use land to improve livelihoods and living standards, it is contended that the ability to ascribe a monetary value to the individual bundle of rights, restrictions, and responsibilities which may be held as collateral or traded in a market is of paramount importance. We suggest that it is unnecessary to change the nature of existing tenure, if the rule of law is upheld and if valuation methodologies can be adapted to reflect any risk (real or apparent) in the existing informal tenure system. Under such circumstances, both formal and informal land rights can be traded and valued, based on the sales evidence emerging from the market.

However, it is vital that those users of valuers' expertise have a clear understanding of what *value* means in any and all situations and how *value* is arrived at. *Value* is, after all, a social construction and a *valuation* means to an end. Whatever the *end* or purpose, a valuation will dictate the definition of *value* and generally the method of valuation adopted. However, it is important to understand what a *valuation* is.

Where land is a tradable commodity, rights exchange within the market at a

price which reflects the interaction of supply and demand. Once paid, such a price becomes a historical fact as well as being an important source of data for the valuation profession. *Valuation* is therefore the prediction of a future sale price, under specified conditions, as at a given date, made by a skilled, experienced, and knowledgeable practitioner.

Valuation is therefore an opinion, and different valuers (with different experiences) will arrive at different values. Nor is valuation an exact science because the quantum of *value* varies depending on the title or interest to be valued and the purpose for which the valuation is required. Thus, valuing a dwelling for sale will produce a very different outcome than valuing the same property for rent. Similarly, where a property is rented, valuing the interest of a landlord will produce a different outcome from valuing on behalf of the tenant, because (in both cases) different rights, responsibilities, and restrictions are involved, albeit in the same property.

It is not, therefore, enough to ask, What is the value of that property? A valuer needs to know the purpose for which the valuation is required as well as a range of defining information before the question can be answered. However, where the potential sale price is required, a valuer is expected to produce a *market value*.

Market Value

It is important to bear in mind that the *value* of a real estate asset varies with the purpose for which the valuation is required. According to Millington,

... it is possible to have a whole range of different values for one property at one particular moment in time, dependent on the purpose of the valuation (Millington 2000, 49).

However, valuation is generally assumed to be the assessment or prediction of the price which a particular real

estate asset will fetch in the market at a given point in time (although there are other purposes for which a valuation is required, see below). Such a value in exchange is, therefore, an opinion of the future selling price—the market value—provided by a skilled, knowledgeable, and experienced practitioner based on all information available to that individual at the time.

According to the RICS Valuation and Professional Standards (incorporating the IVSC International Valuation Standards), *market value* is defined as,

... the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion (RICS 2014, 9).

The valuer requires reliable accurate data from a range of property types traded in a healthy, active, and transparent market in order to arrive at a market value.

The valuer requires reliable accurate data from a range of property types traded in a healthy, active, and transparent market in order to arrive at a *market value*. These include facts about the legal and physical aspects of the property itself, its location, economic and social influences which might affect the demand for such an asset, as well as the availability of competing assets—the supply, actual or proposed, of properties with similar utility. In short, details on every material aspect which affects the selling price on the tradable *market* for the real estate asset under consideration.

Thus, in order to make an assessment of the future price which might be paid, it is vital for the valuer to have evidence of the sale prices which similar properties have achieved in the recent past. Such data are more or less available in different jurisdictions where there is a healthy, active, and transparent property market for a full range of property types, although some countries make the data available at a cost.

However, where markets are emerging, inefficient, fragmented, or poorly supported by government institutions (which might gather, record, and make available transactional details), the lack of data availability may be a major hindrance to the valuation process.

Different Values for Different Purposes

Basically, not all valuations require a *market value*, as defined above. In many countries, for example, *value* for certain purposes is laid down in statute, which modifies the familiar *market value* definition. The *value* required for loan purposes contradicts the *market value* definition by assuming the price which will be achieved on a forced sale (i.e., without *proper marketing*).

The assessments on which real estate taxation and compensation following compulsory acquisition are based are common examples where *market value* is modified or ignored by national legislation. Indeed, it can be argued that neither of these purposes has or should have any direct link to *market value*. An assessment for taxation purposes is merely a *value* on which tax is to be paid and provided that there is a high degree of vertical and horizontal equity in the amount paid, the *value* itself is of little importance. (Vertical equity assumes that those taxpayers in different financial positions pay different amounts of tax. Horizontal equity means that those taxpayers in similar financial positions pay similar amounts of tax.) Similarly



(as discussed above), *market value* may have little to do with ensuring that those who are dispossessed of their land receive compensation which is,

... sufficient for a replacement dwelling or a replacement business establishment which corresponds to compulsorily purchased property in physical conditions as well as economic and location attributes (Viitanen, Falkenbach, and Nuuja 2010).

A rebuild *value* for insurance purposes is based on the cost of reconstructing a damaged building (e.g., refer to Millington 2000 and Wyatt 2007) and is not therefore a *value* as recognised within this paper.

Those using *valuations* and commissioning an opinion of *value* for any given asset for any given purpose at any given time must be mindful that a *value* for one purpose will not necessarily be the *value* for another purpose, and that not all *values* rely on market transactional data, because the purpose for which the valuation is required will affect both the process and the quantum provided by a professional.

Valuation Methodology

There is a range of *traditional* methods of valuation available to valuers (e.g., refer to Millington 2000). Three are discussed here because of their relevance to developed and emerging property markets. These are the comparative method, the investment method, and the cost approach. There are also some specific valuation methodologies which have developed in relation to accessing land value (unimproved and development). New emerging areas of valuation may have relevance, such as ecosystem value; these have been integrated in the three main methodologies for clarity.

Comparative Method

Given the need for a *market value*, it is necessary for the valuer to have evi-

dence of market transactions for similar real estate assets. Similarity is assessed based on a range of criteria, including the following:

- a. The legal rights being transacted
- b. The physical similarity of the comparables to the property being valued
- c. The economic and social influences of the *locality*
- d. The time-specific influences of the wider economic, demographic, social, economic, etc. trends and forecasts which influence the minds of actual and potential sellers and buyers.

Ideally, therefore, a valuer is seeking to base a valuation of a particular property on recent transactions of (physically and legal) similar real estate assets, traded within the same *locality*, at or near the date at which the valuer is required to provide the valuation.

Given the need for a market value, it is necessary for the valuer to have evidence of market transactions for similar real estate assets.

The availability of a full range of accurate, reliable, and transparent data relating to such transactions, detailing prices and physical aspects of the traded properties, is, therefore, vital for the valuer to provide a quality service.

Of course, no two real estate units are identical. Location distinguishes all real estate—even in a multi-story block of flats. For example, there can only be one property at the southeast corner of floor 19! The extent to which the floor and/or the aspect materially affect the valuation is for the valuer to decide, based largely on the evidence of previous transactions. Where differences

exist between the sales comparable and the property to be valued, a practitioner makes adjustments to the sales data, quantifying the effect the variations have on value. The more adjustments made, the less reliable (the more risky) the outcome, of course.

Such a method of valuation is known as the comparative method and is relatively simple in concept and relies entirely on the availability of quantities of quality market transactional data. Indeed, all valuation methodologies are based on comparison to a greater or lesser extent. Where sales data of comparable transactions are not available or are inadequate, valuers are required to reflect upon and discuss the level of the risk attached to their stated opinion of value (RICS 2014; RICS 2014, VPGA 9, 2.4; 2.5).

Investment Method of Valuation

Briefly, the investment method of valuation treats the income flow (rent) from real estate as similar to the income flow from any other form of investment and indicates the level of risk attached to the certainty of receipt of that income in the future.

This concept can also be used to determine agricultural land prices. In Ireland (SCSI and Teagasc 2014) the main determination of agricultural land price is based on the present value model (PVM). In this model, the price of an income-earning asset, such as agricultural land, is equal to the discounted expected stream of future net returns or rents to the asset. Of course, differing *grades* or *quality* of agricultural land will have differing values and factors, such as access to water and infrastructure, and markets may also contribute. Interestingly, the Irish land market report also highlights the *emotional* attachment that owners can have to land (a post-colonial issue perhaps) and that this may be in some part responsible for the very slow rate in land ownership changes in the country.

Another example of the *investment* method with relation to land value is *residual* land value as used during the valuation of development land (RICS 2009). Having established the development potential, a residual valuation can be expressed as a simple equation:

$$\begin{aligned} &\text{Value of completed development} \\ &\quad - \text{development costs} \\ &\quad + \text{developer's profit} \\ &= \text{land value} \end{aligned}$$

The residual method requires the input of a large amount of data, which is rarely absolute or precise, coupled with making a large number of assumptions. Small changes in any of the inputs can cumulatively lead to a large change in the land value. This leads to an unacceptable level of risk being transferred into the final land value.

The level of risk reflects both the nature of the property (and its popularity in the market) and the reliability of the tenant, and will vary with different property types, uses, location, and changes in the wider economic and investment markets.

The level of risk is ascertained by the analysis of transactions of similar property types, with greater reliance being placed on greater similarity of material aspects.

In terms of investment, finance theory recognises two types of risk. Systemic risk attaches to real estate (as compared with other investment types) or to a particular class of asset (e.g., retail). Thus, if consumers decide to cut back on spending, retail property is reduced in value as a result. Other forms of systemic risk include the risk of legislation adversely affecting the value of particular property types, through, for example, changes in taxing powers, health and safety requirements, or planning laws. Liquidity risk also attaches to real estate (of all kinds) because it is a particularly illiquid form of investment and a fast sale usually means a reduction in sale price (Baum and Crosby 2008, 39–40).

Systematic or specific risks affect an individual property and can include future costs of repair and refurbishment, and taxation on particular property types (e.g., development land, taxes on occupation/ownership). A relevant aspect of specific risk (legal or title risk) is discussed later in this paper.

Cost Approach (Contractor's Test)

However, in jurisdictions where there is no market or where such data are unavailable, valuers have resorted to (or been required to adopt) a cost-based method of valuation. The cost approach may also be known as the contractor's test (when used for taxation purposes) and the depreciated replacement cost (DRC) approach when used to value financial assets (refer to RICS 2007 for details of the DRC approach).

A very large percentage of state-owned land (mostly unregistered) might well benefit from some assessment of the value of its ecosystem and the implications of land use change.

The cost approach is based on the assumption that the cost of a real estate asset equates to its value, which is a fallacy, of course. Nevertheless, in order to arrive at some surrogate of *value*, the valuer uses costs, as being at least reliable facts, relating to the building to be valued.

The cost approach involves calculating the cost of reconstruction of a new building of similar utility, using published construction cost data. This sum is then reduced by an estimated amount to reflect the depreciating effects of the actual building's age and obsolescence to establish an estimated capital cost of the building. To this is added the cost of purchasing the land based on the

sales of comparable sites in the locality reflecting the actual use of the building (RICS 2007). These are likely to be scarce in urban areas, particularly for specialist properties.

When used for tax purposes, as the contractor's test, case law has introduced the end stage at which the valuers *stand back and look* at the outcome of the calculation and use experience, skill, and expertise to assess the reasonableness of resulting *value* for the purpose. This is seen as an important opportunity for the valuer to ensure the reasonableness of the resulting *value*.

However, in the light of the many unreliable factors and data required for a cost approach and given the lack of market evidence to support the final figure (the valuer would have been relying on market data had there been any), this method is well recognised as being both highly subjective and hugely unreliable. It tends to be used in the absence of more reliable valuation information, for example, in the *valuation* for tax or balance sheet purpose of *specialist properties* or uses, which rarely if ever come onto the market and which tend to be owner-occupied and purpose built (such as a functioning hospital).

More appropriately it is used in assessing a *value* for insurance purposes, where it is necessary to establish, not the value in exchange, but the cost of replacing a building. It is, therefore, not a true *valuation*, being cost-based, and also differs from a *market value* in that any benefit of the land is ignored, on the basis that land cannot be destroyed.

Ecosystem or Natural Value

An emerging and increasingly important area of valuation methodology is starting to form around ecosystem or natural value. To again quote the FAO guidelines,

18.2 Policies and laws related to valuation should strive to ensure that valuation systems take into



account non-market values, such as social, cultural, religious, spiritual and environmental values where applicable (FAO 2012).

The potential application of natural value concepts on land valuation could be significant (see figure 1). A very large percentage of state-owned land (mostly unregistered) might well benefit from some assessment of the value of its ecosystem and the implications of land use change. Developing concepts such as biodiversity offsetting (which involves offsetting environmental impacts in one area with beneficial work in another), carbon sequestration (RICS 2009), and Payments for Ecosystem Services (PES) may well add to the valuation of large areas of state land, forestry, wetlands, savannah, and other areas that would be outside of the usual agricultural land use matrix. Nothing is worth nothing and no land is worthless; the issue has always been seeing its true worth in an economic context. For example, the wholesale destruction of mangrove wetland areas leads to increased coastal flooding? Loss of biodiversity? Loss of tourist income? Increased flood damage to the urban environment? Loss of livelihood to local people? Just how much was the previously worthless mangrove

actually worth in terms of natural value? Again, the issue of risk is paramount but in a different scenario (RICS 2012).

Natural value needs to be understood by land professionals, policy makers, and valuers; the Foresight Land Use Futures Report (Government Office for Science 2010) states that,

How we value land, and the services it provides, is at the heart of decisions on land use change. However as priorities for land use and land management shift (for example, to reflect long-term challenges identified in this report), these need to be reflected in how we govern land use today.

The report goes on to call for,

A more sophisticated approach to valuing land ... to be embedded into policy cycles and into the governance mechanisms, including future incentives and regulation.

The appropriate concept of value is seen as a broad one, encompassing the full range of ecosystem services, whether or not they are marketed.

Risk

Valuation methodologies exist to deal with a variety of property types and to

reflect a variety of relevant factors, including risk. Risk affects real estate in a variety of ways. There is the risk that income generated from property will not be received in the future; the risk that previously undiscovered physical faults will become evident; and the risk that external agencies will take actions or refuse to take actions which result in depreciation in the value of real estate.

When assessing the market value of rights in real estate using comparable transactional data, it is anticipated that some or all of these risks will be reflected in the sale prices paid. But this is not always the case, and valuers are mindful of risks which attach to the property they are valuing but which may not be reflected in the comparables they are using.

Legal or Title Risk

Risk associated with the title to rights in real estate is just one specific risk which Baum and Crosby identify as legal risk. They define this as,

... the chance that the title to an investment is unsatisfactory or that it is discovered that a right exists over the subject land which affects its value (Baum and Crosby 2008, 43).

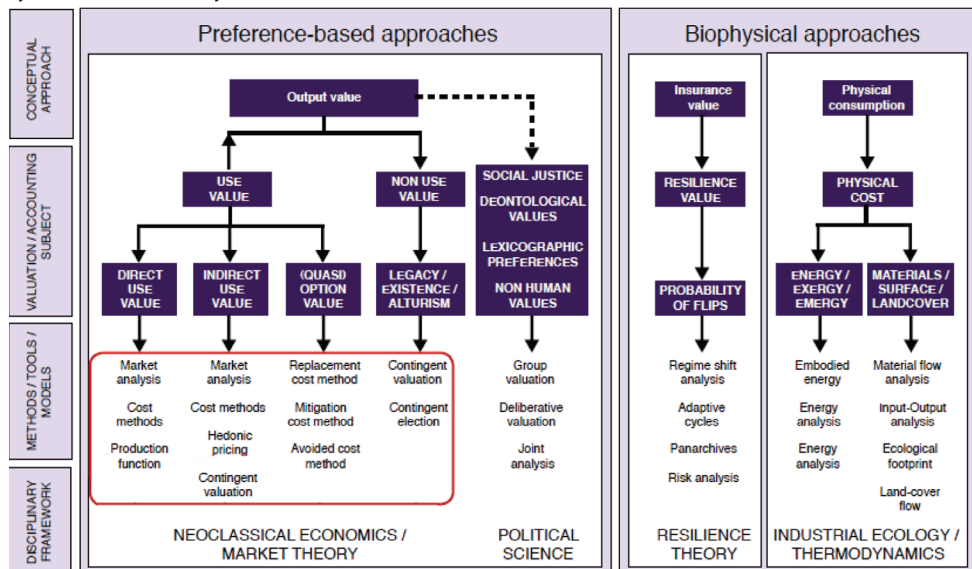
They conclude that it is necessary for the valuers in their analysis,

... to identify the most likely purchaser, the relevant conception of risk and its effect upon the likely selling price or return to that purchaser (Baum and Crosby 2008, 55).

Thus, when acting for a prospective purchaser, a valuer is in a position to discuss the nature and degree of legal risk and establish to what extent the prospective purchaser will reduce an offer to buy specifically because title is unregistered or unsecured for whatever reason. Such evidence will find its way into the marketplace and inform valuers in the analysis of future transactions.

The extent of the impact of such a legal risk on value may affect the solution, and in some countries, legal risk is an es-

Figure 1. Approaches to the estimation of nature's value TEEB (the economics of ecosystems and biodiversity)—the red box indicates where traditional land and property valuation activity is focused



established part of real estate transactions in the market. In such situations, one solution is to insure against that risk.

Title insurance developed largely in the United States, as a response to the *comparative deficiency of U.S. land record laws* (Gendron and Bourdeau-Brien (2012, 377)). It is designed to protect the owner or lender's interest in real estate from loss because of title defects, liens, etc. Title insurance has spread to Canada, Australia, Japan, China, Korea, and parts of Europe (Gendron and Bourdeau-Brien 2012, 377).

Gendron and Bourdeau-Brien investigate the benefits of title insurance to protect from *title risk* which they define as including

... legal claims, circumstances or other conditions making it difficult to identify the true owner of real property, the improper registration of ownership; and secondary liens that were not removed after obligations were paid (Gendron and Bourdeau-Brien 2014, 376).

They discuss title insurance as a measure to finance risk resulting from

... the growing disparity over time between the actual characteristics of a property and what is written on the title (Gendron and Bourdeau-Brien 2014, 385)

Its use in countries where informal tenure systems are widely recognised as *secure* land rights might be a relatively simple and reliable way to protect purchasers and lenders, particularly if backed by government financial compensation.

As they observe,

Property systems ... rest on efficient real estate transactions and trust in the conveyance process (Gendron and Bourdeau-Brien 2014, 376).

It is vital that emerging and developing markets engender trust by securing efficient real estate transactions and a secure and reliable documented conveyance process, all at a reasonable cost.

We contend that it is in developing national systems of title insurance and by investigating and analyzing impacts on market transactions and the strategies of market buyers and sellers to reflect the risks attached to informal tenure (which may or may not be substantial), and which will in turn encourage the emergence of active, healthy, and transparent property markets, will best serve the needs of those who are currently unable to use their land for economic benefits.

Whether or not the profession in any particular country is regulated, professional organisations should ensure a professional membership structure which provides all the services and at all the levels required by the community which they serve.

However, in tandem, it is necessary to ensure the further development of the valuation profession in countries currently struggling to provide professional services to potential clients.

Valuation Profession

The need for valuation services developed over time to reflect the economically ascribed *value in exchange* of ownership rights in real estate assets. As might be expected, valuers emerged to serve their community, whether that was local, national, or international. In addition, some valuers specialize in specific property types across a large geographical area. In all cases, it is the valuer's skill, knowledge, and familiarity with the *market* for the property being valued, together with a high level of professionalism, which ensures the quality of the service delivered.

Today, there are academic and professional courses as well as *on-the-job* training programmes available worldwide. In some countries, however, there

is evidence of a mismatch of educational achievement and the needs of practice (Kakulu and Plimmer 2009) based on the failure of academic education to reflect the needs of the local employment market when developing the curriculum.

The profession may be government- or self-regulated, and issues of regulation, standards of performance, and ethical behaviour are fundamental to the reputation of valuers. Whether or not the profession in any particular country is regulated, professional organisations should ensure a professional membership structure which provides all the services and at all the levels required by the community which they serve. Failure to provide a full range of professional services to meet demand, at reasonable costs, risks the emergence of unregulated service providers who may bring the profession into disrepute by providing unprofessional and substandard service. This will have major long-term negative effects on individuals, the market, public confidence, professional reputations, as well as wider local and national economic activities.

Conclusion

The issue which is seen as a major barrier to security of land tenure and to the development of real estate markets is the lack of formal land registration. A FIG report (Lemmon 2010) has adopted an innovative approach to *scale up* land rights from informal to formal, and it is anticipated that this will increasingly improve the security of tenure where it is being introduced. Similarly, the FAO guidelines (FAO 2012) promote secure tenure rights and equitable access to land and other basic resources. However, in all cases, it is necessary that "political will and commitment to good governance is observed by governments at all levels" (Lemmon 2010, 15).

With political will, cheap and easy systems of land registration can be introduced and, alongside these, records kept and made available of transactions in land rights. With such available data, valuers



are able to undertake their valuations with more data and with greater certainty. Risks are reduced, and valuations become more reliable. It is an iterative process and one of education for valuers, land professionals, investment institutions, and policy makers. Fitness-for-purpose in land administration and connected geographical and cadastral information is key; a property could be quite adequately identified by *crowdsourcing* methods (an acceptable additional variable to the overall *risk* profile) and the appropriate use of land measurement.

With wider acceptance of innovative methods of financing for those in informal settlements, there is a real opportunity for individuals to raise capital based on valuations of their land rights, which they can spend on developing economic, social, and environmental improvements. In such a situation, the wealth generated can fund taxes to pay for additional, wealth-creating services to further improve their communities.

Basically, with “political will and commitment to good governance ... observed by governments at all levels,” informal communities can be improved. Services can be provided and standards of living raised. Failure to achieve these goals risks global social unrest as the disadvantaged become increasingly frustrated with the lack of improvements in their situation.

We need to act now to avoid this very real threat to what global stability we have now. We simply cannot afford not to.

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James Kavanagh, MRICS, C.Geog, is currently global Director of Land & Resources within The Royal Institution of Chartered Surveyors (RICS). He is a Chartered Surveyor and Chartered Geographer. He studied at DIT Dublin, Ireland, and the University of East London. He worked on some of the largest civil engineering projects in Europe, including Canary Wharf and Broadgate, London, before spending several years working on formal and informal land rights issues (and mapping) within Palestinian refugee camps in the Middle East for the United Nations (UNRWA). Kavanagh is the author of numerous surveying and mapping journal articles, has presented professional and technical papers at global conferences (World Bank 2015, FIG 2015, RICS Americas 2015), and regularly lectures on professional practice. He is also the coauthor of several survey and property industry standards, professional guidance notes, and specifications. Kavanagh is part of the International Land Standard coalition and is working on further research and output on issues of valuation within informal settlements and customary land and as part of the process of land and property rights formalisation (World Bank 2016). He is a member of the Land Technologists Group, USAID, Cloudburst Group, Devex, Land Registry, and Thomson Reuters.



Frances Plimmer, Ph.D., is a Fellow of the Royal Institution of Chartered Surveyors and has been an academic for almost her entire professional career. She was awarded an M.Phil. and a Ph.D. while at the University of Glamorgan (now the University of South Wales) where she was appointed Reader in Applied Valuation, and she was appointed Research Professor at Kingston University. She has been Chair of Commission 9 (Valuation and Real Estate Management) for the International Federation of Surveyors (2010–2014) and Editor of the peer-reviewed journal *Property Management* for 15 years. Dr. Plimmer is a member of the Editorial Advisory Board for several peer-reviewed journals, and has lectured and published on the subjects of appraisal, real estate taxation, sustainability, eminent domain, and the mutual recognition of professional qualifications. She is a member of IAAO and a Fellow of the Institute of Continuing Professional Development, and in 2002, she was a co-winner of the John C. Donehoo Essay Award for a paper published in the *The Assessment Journal*. She is currently involved in research into the valuation of unregistered land, real estate taxation reform, and aspects of compensation awarded following eminent domain.



- Pete Rodda, CAE, RES, and Ron Worth will attend RICS (Royal Institute of Chartered Surveyors) Summit Americas 2016 in Washington, D.C. April 3–5.
- President-Elect Randy Ripperger, CAE, will attend the Alberta Assessors Conference in Edmonton, Canada.
- Ron Worth will attend the Annual Conference of the South Dakota Association of Assessing Officers in Spearfish, South Dakota.

I will be attending and giving a presentation at the 20th Anniversary GIS/CAMA Technologies Conference February 22–25 in Savannah, Georgia. The original GIS/CAMA conference was held in Savannah, and the tenth anniversary was there as well. The conference is jointly presented by URISA (the Urban and Regional Information Systems Association) and IAAO.

A special panel session is planned by those who started it all at the grass-roots GIS/CAMA conference in 1996. They will reflect on how the GIS/CAMA conference evolved to become what it is today.

I hope many of you will attend and learn about the latest products, technologies, and innovations that are available today. We have come a long way in 20 years, and there is no greater reflection of that than the content of this conference.

Sincerely,

William "Pete" Rodda, CAE, RES

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20th Anniversary GIS/CAMA Technologies Conference	Savannah, Georgia	February 22–25, 2016
Executive Board Meeting	Charlotte, North Carolina	April 15–16, 2016
IAAO 82nd Annual International Conference on Assessment Administration	Tampa Bay, Florida	August 28–31, 2016
Fall Leadership Days	Kansas City, Missouri	October 14–15, 2016
Spring Leadership Days	Kansas City, Missouri	February 10–11, 2017
21st Anniversary GIS/CAMA Technologies Conference	Chattanooga, Tennessee	March 6–9, 2017
IAAO 83rd Annual International Conference on Assessment Administration	Las Vegas, Nevada	September 24–27, 2017
Spring Leadership Days	Kansas City, Missouri	February 9–10, 2018
IAAO 84th Annual International Conference on Assessment Administration	Minneapolis, Minnesota	September 23–26, 2018
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WORLD NEWS—CANADA

Property assessment values fairly stable: City of Calgary sent out more than 500,000 notices
(published January 9, 2016)

by Mike Thomas, *Calgary Sun*

Report on the property tax in the City of Calgary, Canada, highlights the revenue-neutral policies in practice.

For more information, go to: <http://www.calgarysun.com/2016/01/08/property-assessment-values-fairly-stable>.

Fairer property taxes would help address Toronto's revenue problem

(published January 12, 2016)

by Myer Siemiatycki, *theStar.com*

Opinion letter by Myer Siemiatycki, a professor in the Department of Politics and Public Administration at Ryerson University in Toronto, advocates for a variable rate property tax system in Toronto. The proposed bracketed rate structure would tax owners with higher value properties at a higher rate. The proposed system is intended to address issues with raising sufficient revenue to support infrastructure requirements.

For more information, go to: <http://www.thestar.com/opinion/commentary/2016/01/12/fairer-property-taxes-would-help-address-torontos-revenue-problem.html>.

KANSAS

Kansas to consider tightening limits on local property taxes
(published January 11, 2016)

by Associated Press, *Lawrence Journal-World*

Article discusses a proposal to implement previously enacted local property tax restrictions sooner than 2018 when they are scheduled to take effect. The article presents two points of view about local control versus state control of revenue-generating resources.

For more information, go to: <http://www2.ljworld.com/news/2016/jan/11/kansas-consider-tightening-limits-local-property-t/>.

DISASTER RESPONSE

County offers property tax relief for San Diegans impacted by flooding
(published January 8, 2016)

by City News Service, *KPBS*

Brief notice that lower assessments are available for San Diego residents with more than \$10,000 flood damage from January storms and flooding.

For more information, go to: <http://www.kpbs.org/news/2016/jan/08/county-offers-property-tax-relief-for-san-diegans/>.

Tornadoes' timing could mean a year of lower property taxes
(published January 6, 2016)

by Melissa Repko, *The Dallas Morning News*

Article reports that Texans affected by a tornado disaster will receive lower tax assessments automatically because the disaster happened six days before January 1. Revised assessments were made based on property condition without the need to request a special appraisal.

For more information, go to: <http://www.dallasnews.com/news/metro/20160109-north-texas-tornadoes-timing-could-mean-a-year-of-lower-property-taxes.ece>.

NEBRASKA

Ricketts endorses more roads funding; property tax idea questioned

(published January 7, 2016)

by Fred Knapp, *NET News*

Article provides an overview of Nebraska state policy issues including a proposal to limit increases in assessment value of properties. An expert consultant questioned the value of a policy that redistributes the property tax burden to those who can afford it less.

For more information, go to: <http://netnebraska.org/article/news/1006702/ricketts-endorses-more-roads-funding-property-tax-idea-questioned>.

Editorial, 1/6: Focus on property tax relief

(published January 5, 2016)

by Editorial Board, *Journal Star*

Editorial advocates in favor of property tax reform in Nebraska over adjustments to sales and income tax. The property tax is the biggest tax revenue source in the state. A rapid increase in the value of rural agricultural property and a projected state budget shortfall are factors affecting property tax relief initiatives.

For more information, go to: http://journalstar.com/news/opinion/editorial/editorial-focus-on-property-tax-relief/article_1dbe1dfb-35da-5f4f-84d5-b0ddbcd5227f.html.

PROPERTY TAX SHAME LISTS

Property tax post: County "shame lists" aim to increase on-time payments
(published January 6, 2016)

by Cynthia N. Wells, Salt Talk Blog, *Bloomberg BNA*

Blog identifies counties in the United States that publish lists of delinquent taxpayers to pressure them into paying.

For more information, go to: <http://www.bna.com/property-tax-post-b57982065830/>.



Comparables from Online Databases

The New Hampshire Supreme Court has ruled that a popular online real estate database is not a reliable source for comparable home sale prices. In a case that involved the division of marital assets, the supreme court further ruled that the trial court judge could not use his own internet research to supplement the evidence of the couple's home value submitted during the divorce proceedings.

As evidence of the value of the marital home, the husband had provided comparables gathered from tax records of similar homes on the same street. The trial judge consulted the real estate website, Zillow.com, and used its reported sale prices and its sale price predictions, known as Zestimates, for his analysis of the comparables in evidence.

The supreme court questioned the reliability of the Zillow data. According to the record, Zillow compiles its database from sale price submissions from realtors, homeowners, and other sources. Zillow then uses these data to calculate its Zestimate value for each house applying a "secret algorithm." The company does not conduct its own appraisals on individual properties and it does not verify the data it collects, the court noted.

The supreme court further chastised the trial judge for providing his own evidence in the proceedings. After checking the supplied comparables against the Zestimates and sale prices listed on the Zillow website, the trial judge surmised that the property market appeared to be reviving in the surrounding neighborhood. He therefore chose to base the home value for the property

division on what he determined was the value in 2014 when the divorce was finalized rather than on the evidence of the value in 2011 when the divorce was filed.

Even though divorce proceedings are not strictly bound by the rules of evidence, the supreme court declared, a judge should not go outside the record unless a fact the judge presents is generally well known within the court's jurisdiction or can be gleaned from a known, reliable source. In this instance, the supreme court stated, "Zillow's Zestimate is not capable of accurate and ready determination by resort to sources whose accuracy cannot be reasonably questioned."

(In the Matter of Tammy Rokowski and Shane Rokowski, Supreme Court of New Hampshire, No. 2014-617, July 23, 2015)

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Beginning January 1, 2016, IAAO is offering an e-member pricing category. Members who renew using this option will no longer receive the print edition of *Fair & Equitable (F&E)* and *Journal of Property Tax Assessment & Administration (JPTAA)*.

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[Resources->Publications->F&E Digital Edition](#)

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FEEL THE GREEN!

CASC Donates Toys to Beaufort Child Abuse Prevention Association

Randy Roberts and Amelia Ruple

In October 2015, the County Assessors of South Carolina (CASC) helped to *give back* in a big way by donating toys to the Beaufort County Child Abuse Prevention Association (CAPA).



CASC volunteers Earl Alexander, Christina Wilson, and Doretta Elliott display toys collected for the Child Abuse Prevention Association.

For over 10 years, the County Assessors organization has held its annual meeting in the beautiful historic town of Beaufort, South Carolina, in October. During the meeting, attendees participate in the annual downtown Beaufort Trick or Treat for the children of Beaufort County, many of whose parents are stationed at Marine Corps Air Station Beaufort. CASC enjoys participating in the Downtown Trick or Treat so much that it plans the conference to coincide with the Trick or Treat event.

As fun as it is to see these children and their parents in creative costumes trick or treating down picturesque Bay Street in Beaufort, CASC wanted to do something for those children who may not be able to participate in trick or treating or other family activities. CASC was aware that many children in Beaufort County and throughout the state face the holidays in homes that may not be as safe and nurturing as others.

This year, in addition to bringing candy and distributing it to children during the downtown trick-or-treat event, the



CASC volunteers participate in the Beaufort Trick or Treat event.



Collecting toys for charity is an annual event for CASC members.

(photos courtesy of Eric Rowell)







county assessors purchased new toys to distribute to abused or neglected children being served by the Beaufort County CAPA. More than 60 toys, games, and stuffed animals were collected from 46 county assessors and donated to CAPA to aid in providing for the needs of abused and neglected children in the county.

CAPA Executive Director Christina Wilson and staff member Tracy Evans were thrilled with the car overloaded with toys to help fulfill the association's mission that, "all children deserve to be loved, nurtured and kept safe from intentional and unintentional harm." Likewise, the County Assessors were delighted to be able to *give back* and provide a toy or game for a child in need.



Randy Roberts, Brian Threatt, Brad Carnes, and Lisa Stokes read Fair & Equitable at the Henry C. Chambers Waterfront Park in downtown Beaufort, South Carolina.

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If facing an appeals hearing before a judge is in the future, this is the seminar to attend!

Held every two years, this two-day training seminar is for attorneys, assessors, and appraisal personnel who want to be better prepared for appeals that progress to court hearings. Topics focus on trial ethics, use of technology at trial, analyzing appraisal reports, working with review appraisers and rebuttal witnesses, and the mechanics of real-world court proceedings.

In addition to attending a mock trial concerning a contested hotel property appraisal, attendees will participate in deliberations and hear panel discussions from working experts covering multiple perspectives.

Experts include practicing trial attorneys, an Honorable Judge for proceedings oversight, and experienced representatives from tax assessment offices.

Registration

Registration Includes materials, continental breakfasts, lunches, and reception.

IAAO Member	\$400
Nonmember	\$500
Member On-site (received after April 30 and on-site).....	\$425
Nonmember On-site (received after April 30 and on-site)	\$550

Accommodations

Room Rate at The Carolina Inn in Chapel Hill: \$174 plus tax, single/double.

(The special IAAO rate is offered on a space availability basis, through Saturday, April 30, 2016.)



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For detailed registration information, please visit:

www.iaao.org/prepandtrial2016

(photo courtesy of Chapel Hill/Orange County Visitors Bureau)

IAAO 37th Annual Legal Seminar Call for Papers

The Legal Subcommittee is seeking qualified professionals to present on topics of interest to attorneys and assessors. Topics will be considered from the following categories: unique valuation problems, effective representation, national trends and legal issues in valuation, public policy and ethics. The submission deadline for a 200-word abstract is March 31, 2016. The submission form can be downloaded from the web menu Events>Legal Seminar at www.iaao.org.

Due to Mandatory Continuing Legal Education (MCLE) requirements, speakers must submit a com-

pleted written paper by October 1, 2016, which will be reviewed by various state MCLE commissions and provided to attendees in a bound spiral notebook at the seminar. PowerPoint slides cannot be accepted for the MCLE review process, although PowerPoint slides are welcome at the seminar itself. Speakers who cannot meet this deadline will not be considered.

IAAO 37th Annual Legal Seminar
Chicago, Illinois
December 8–9, 2016

For more information, contact Legal Subcommittee Chair, Stephen Pelfrey (spelfrey@dconc.gov) or staff liaison, Mary Odom (odom@iaao.org).



AWARDS PROGRAM 2016

CALL FOR NOMINATIONS

IAAO takes pride in acknowledging significant achievements by individuals and organizations in the valuation profession. Through the prestigious IAAO Awards Program, both members and nonmembers can receive international recognition on an annual basis for excellence in property appraisal, assessment administration, property tax policy and related disciplines.

IAAO Awards are highly visible and respected. The IAAO Member Recognition Subcommittee encourages all IAAO members and affiliated organizations from around the world to submit nominations. For organizational awards, nominations are welcome from jurisdictions and associations of any size.

RECOGNITION

All award recipients are honored with a trophy or plaque presented at the Awards Ceremony during the IAAO Annual Conference. The names of all award recipients are published in *Fair & Equitable*, on IAAO's website and on signage at the IAAO Annual Conference. IAAO can provide winners with a press release, photo and assistance promoting their award to local media.

Recipients of the Clifford B. Allen Most Valuable Member Award, the Rosalyn Johnston Award and the Member of the Year Award receive one complimentary registration for an IAAO conference or seminar in the year following the acceptance of the award. Recipients of the Instructor of Excellence Award and the Professional Development Lifetime Achievement Award receive one complimentary registration to the IAAO Annual Conference for the year immediately following receipt of the award.

SUBMISSION GUIDELINES

- **Nominations must be submitted via e-mail to Kate Smith at smith@iaao.org by May 1, 2016.** Nominations will not be accepted after that date. A completed nomination form (available at www.iaao.org) and all supporting documentation must be included in the e-mail. Faxed or mailed items will not be accepted.
- Nomination documentation must be formatted as a PDF file that is 10 pages or less in length or a maximum of 2MB in size. A Microsoft Word file will be accepted if the nominator cannot submit a PDF file. No exceptions will be made to accept other file formats or larger file sizes.
- If the nomination references a website, the subcommittee will consider only those portions of the site they can access. If a website requires a login or passcode, that information must be provided along with the documents submitted in order for the site to be reviewed.
- Any material submitted becomes the property of IAAO.
- The submitted material can be entered for nomination in only one award category.
- Unless otherwise noted, award nominees must be members of IAAO. Nominations must be made by members of IAAO.
- Each award has its own criteria. Please read the award category descriptions carefully. Submit the pertinent information required to show how the nominee meets the stated criteria and be sure to include any information requested on the nomination form.
- Only nominations that meet the submission guidelines will be considered eligible for review.



AWARD CATEGORY DESCRIPTIONS

INDIVIDUAL MEMBER AWARDS

Clifford B. Allen Most Valuable Member Award

Named after Clifford B. Allen, IAAO's thirty-fifth president, this award is presented to a member who has made a significant contribution to IAAO for a period of years by participating in its activities and working toward the realization of the IAAO mission. A nominee must have 10 or more consecutive years of IAAO membership. Previous winners are not eligible. Criteria considered for the nominee includes, but is not limited to:

- Has served in an elected position of IAAO, as a committee member or chair, an IAAO instructor, a speaker at IAAO programs, a grader, an IAAO Representative or advisor
- Has actively promoted IAAO
- Has a record of distinguished publications
- Has been in other assessment and professional organizations
- Has served in other public service organizations

Member of the Year Award

This award is presented to an IAAO member who has made a significant contribution to the association in the previous calendar year through active participation in its activities and who has made an outstanding contribution to the realization of the IAAO mission in his or her career. Previous winners are not eligible.

Emerging Professional Award

This award is presented to an IAAO member who has, comparatively early in his or her career, made a significant contribution to IAAO by demonstrating leadership in the organization, participating in various IAAO activities, assisting other members and working toward the realization of IAAO's mission. A nominee must have a minimum of two years of IAAO membership, but not more than 10 years. Previous winners of this award are not eligible. A successful nominee may have involvement within any of the spectrum of activities IAAO encompasses. These activities may include, but are not limited to:

- Has been involved in an IAAO Chapter or Affiliate organization
- Has earned an IAAO professional designation and/or assisted other members with completing their designations
- Has demonstrated leadership within his or her jurisdiction on

projects that have improved the assessment process for the benefit of the taxpayers and general public

- Has published articles, newsletters or other communication items that help the industry
- Has participated in technical research related to the assessment profession
- Has served on IAAO committees or other work groups
- Has developed technical tools or solutions to improve the assessment process through improved software applications, new methods of technical analysis, or use of new technology

International Award

This award is presented to an IAAO member whose efforts have improved the development of valuation professionals around the world and encouraged the advancement of the assessment community in a global environment. Nominations may be submitted for published articles, global activities and programs presented at an international level. Previous winners and IAAO officers are not eligible.

Professional Development Lifetime Achievement Award

This award is presented to an IAAO member who has dedicated him or herself to the organization and its members through education, instruction and the Professional Designation Program over a long period of time. The recipient will have spent a significant portion of his or her career in the assessment administration, appraisal or property tax fields and distinguished him or herself as a recognized leader in the area of professional development at the local, national or international level. Nominees must have 25 or more years of IAAO membership and served IAAO for 15 or more years through committee work in the professional development areas, as an instructor, course coordinator, curriculum developer or reviewer, demonstration appraisal grader or professional designation advisor. Previous winners are not eligible.

Instructor of Excellence Award

This award is presented to an IAAO instructor who has gone beyond basic textbook instruction and motivated students to learn professional skills that will positively influence their careers. The instructor will have made significant contributions toward promoting the IAAO educational program and demonstrated involvement



AWARD CATEGORY DESCRIPTIONS

with IAAO at the state, regional and national levels. Current IAAO instructors are eligible for nomination.

Verne W. Pottorff, CAE, Professional Designee of the Year Award

Named after Verne W. Pottorff, CAE, a former member of the IAAO Executive Board, this award is presented to the IAAO professional designee who has most effectively promoted the interests and mission of the IAAO Professional Designation Program. Contributions may have been in the area of enrolling, advising and encouraging candidates; developing programs to assist candidates; and in other ways promoting the goals of the program.

Kenneth J. McCarren Award

Named after Kenneth J. McCarren, IAAO's second president, this award is presented to the IAAO member who has recruited the most new IAAO members during the current award year.

Stacey Ford Award

Named after Stacey Ford, a former IAAO membership manager who was a great booster and supporter of IAAO programs and outreach, this award recognizes the "IAAO Representative of the Year" who has made an outstanding effort to promote IAAO during the award period. The award recipient is chosen based on his or her overall activities and achievements. Currently serving IAAO Representatives are eligible for this award.

Harry Galkin Award

Named after Harry Galkin, a long-time Associate member, this award is presented to the IAAO Associate member whose contributions during the past year(s) have been so worthwhile as to demand recognition. Contributions may have been in the area of writing or speaking on equalization, assessment, assessment administration or taxation. The individual also may have distinguished him or herself by advancing the IAAO mission through fundraising or the contribution of time, effort, talent and resources. Only IAAO Associate members are eligible for this award.

JURISDICTION/CHAPTER/AFFILIATE AWARDS

Distinguished Assessment Jurisdiction Award

This award is presented to a national, state/provincial, regional or

local assessment agency that has instituted a technical, procedural or administrative program which is an improvement over prior programs in that jurisdiction and is generally recognized as a component of a model assessment system and a contributing factor to equity in property taxation. Government assessment or revenue agencies that have implemented such a program in the two years prior to nomination with successful results are eligible for nomination. Jurisdictions of all sizes are encouraged to submit nominations.

Public Information Program Award

This award is presented to an assessment jurisdiction that has developed and implemented an effective system for distributing information to taxpayers and other stakeholders. Government assessment or revenue agencies that have implemented such a program in the two years prior to nomination with successful results are eligible for nomination. Jurisdictions of all sizes, especially those with high quality websites and social media resources, are encouraged to submit nominations.

Outstanding Chapter/Affiliate Award

This award is presented to an IAAO Chapter or Affiliate organization that has made an outstanding contribution to the realization of the IAAO mission through educational events, member programs or other distinguishing activities. IAAO Chapters or Affiliates that are in compliance with current IAAO regulations are eligible for nomination.

WRITTEN COMMUNICATION AWARDS

Bernard L. Barnard Outstanding Technical Essay Award

Named after Dr. Bernard L. Barnard, a former IAAO director of research, this award is presented to the author(s) of an outstanding article or essay on technical innovations in assessment or property tax administration. All articles published in IAAO periodicals and IAAO joint publications are automatically eligible provided the author or at least one of multiple authors is an IAAO member. Unpublished essays or articles published in non-IAAO periodicals or books in the previous year may also be nominated if the author or at least one of multiple authors is an IAAO member.



AWARD CATEGORY DESCRIPTIONS

John C. Donehoo Essay Award

Named after John C. Donehoo, IAAO's first president, this award is presented to the author(s) of an outstanding nontechnical essay on assessment, property tax administration or tax policy. All articles published in IAAO periodicals and IAAO joint publications are automatically eligible provided the author or at least one of multiple authors is an IAAO member. Unpublished essays or articles published in non-IAAO periodicals or books in the previous year may also be nominated if the author or at least one of multiple authors is an IAAO member and if the essay can be printed in *Fair & Equitable*.

IAAO Journalism Award

This award is presented to individuals or organizations in the news media that have produced an original work in the previous year which contributes to a better understanding of valuation and assessment administration and encourages high quality media coverage of assessment and property tax concerns. To be eligible for nomination, news media must be a community or metropolitan newspaper, magazine/periodical, news website, television broadcast or radio program.

John A. Zangerle Award

Named after John A. Zangerle, IAAO's third president, this award is presented to an outstanding publication produced by an assessors' association, IAAO Chapter or other similar organization. All publications submitted as nominees must promote the IAAO mission. Any periodical devoted wholly to the concerns of assessors is eligible for nomination.

ACHIEVEMENT AWARDS

Distinguished Research and Development Award

This award is presented to a nonprofit organization, education agency, private-sector firm, public agency or individual(s) for original research in property assess-

ment, taxation or mass appraisal techniques. Any of the above-described organizations or an individual who has provided unique assistance to the valuation profession may be eligible for nomination.

Property Tax Achievement Award

This award is presented to a public official or agency that has made an outstanding contribution to the improvement of property tax administration and the realization of the IAAO mission through an executive, legislative or judicial action. The action cited in the nomination must represent an affirmation of IAAO goals and/or Technical Standards and must have taken place in the two years prior to nomination. Any public official who is not an assessment administrator or any public agencies that are not assessing jurisdictions or revenue agencies may be eligible for nomination.

Rosalyn Johnston Award

Named after Rosalyn Johnston for her years of service and dedication to IAAO, this award is presented to a person, regardless of membership type or status, who has contributed to fundraising and other public relations activities of IAAO over the years. The award recognizes those who have advanced the IAAO mission through the contribution of time, effort, talent and resources.

Virginia Cup

In 1990, the Virginia Association of Assessing Officers challenged other states and provinces to increase the number of people who have earned an IAAO Professional Designation. The goal of this challenge is ultimately to increase professionalism in the assessing field. The symbol of this achievement is the Virginia Cup which is awarded annually to the state or province with the most new designees during the award period.

SUBMIT YOUR NOMINATIONS

Get the nomination form at

www.iaao.org/AwardsForm2016 and email your award submission by **May 1, 2016**.

Nominations must be submitted via email to Kate Smith at smith@iaao.org.

GIS Speeds Parcel Editing and Map Deployment in Osceola County, Florida

Katrina S. Scarborough

The statements made or opinions expressed by authors in Fair & Equitable do not necessarily represent a policy position of the International Association of Assessing Officers.

Osceola County, Florida, is in a unique position, both figuratively and literally. Neighboring the tourist mecca Orlando, the county collects much of its revenue from property-owning residents who immigrated for the attractions and strong economy. The property taxes that homeowners pay are critical revenue because Florida does not collect a personal income tax (Florida is one of the few states that don't).

With a growth of 40,000 additional residents projected over the next five years, the Osceola County Property Appraiser's Office must squeeze every dollar out of that revenue it can. To prepare for an increase in parcel edits and quickly create appraisal maps for current and future homeowners, the office transformed its core GIS into a location-based platform, halving parcel editing time and saving money.

Looming Problem

Last year, the office realized its eight-year-old GIS platform would soon experience performance difficulties that would threaten the accuracy of its appraisal work. With a budget largely dependent on a 6 percent property tax revenue, the state expected accurate redrawing of parcels for correctly calculating property taxes for the county. But because its parcel data management tools consisted of fragments of software, the Osceola County Property Appraiser's Office could not meet that expectation. The county's lots, survey framework, subdivisions, and parcels were too disorganized and could not

be cleanly maintained. Staff members were also still using and manually updating static paper and PDF maps when residents made map requests. Unable to serve taxpayers with information or share data with other county agencies and offices, the Appraiser's Office needed a location-based platform that connected all its systems and efficiently converted its appraisal information into live maps.

By migrating its paper and PDF maps to live interactive maps, county staff now have to make applications only once; the maps update themselves and render on any device.

The office's inability to publish data wasn't for lack of trying. Some GIS staff attempted to create apps from scratch with Osceola County's legacy system—a truly Sisyphean task given the advancements in web map publishing since 2008 (when the county's GIS was established). More often than not, staff ended up with buggy, duplicate *solutions* that literally solved nothing.

Consultation Sought

Exhausted from duplication of effort, Osceola County Property Appraiser Katrina Scarborough and her team contacted Esri and GIS consultant Bruce Harris and Associates for a resolution to these issues. They conducted a needs assessment that, unsurprisingly, dis-

covered that the county's parcel data needed a cleaning, including full data standardization.

"Fragmented, unstandardized parcel data is a common problem in many appraisal offices," says Harris. "Updating all parcel data and then converting it to Esri's standard Local Government Information Model (LGIM) makes that data easily sharable and consumable."

Conditioning the data for cartographic expression would prove to be the key for more precise parcel editing at the county.

A recommendation was also made for a full implementation of the commercial off-the-shelf software ArcGIS for Local Government land records solutions—specialized, preconfigured web maps available in ArcGIS Online that would display the clean LGIM data as feature layers.

"Ready-made apps requiring little configuration eliminated the need to code solutions," says Harris. "These maps would be the access points for visitors to obtain county property information."

Gallery of Apps

A new website was created for the appraiser's office that included a scrollable map gallery. The gallery gives users access to a variety of fast-performing, focused web maps. Because property value transparency is a critical service in any county, the consultant and county staff first created the Residential Property Value Changes map. As shown in figure 1, this dashboard map viewer visualizes the impact of sales,

foreclosures, and assessment appeals on property values in a neighborhood or tax district. The dashboard juxtaposes three property value maps from three consecutive years for easy comparison.

“That’s the most useful tool we have—it’s easy for citizens to compare the differences in property value that way,” says Scarborough. “If a picture is worth a thousand words, imagine three pictures side by side. That tells a big story about the dynamics of the home market.”

Soon, web maps at Osceola County were being created in a matter of hours rather than weeks. By migrating its paper and PDF maps to live interactive maps, county staff now have to make applications only once; the maps update themselves and render on any device. Figure 2 is an example of easily accessible property sale information in pop-up map windows.

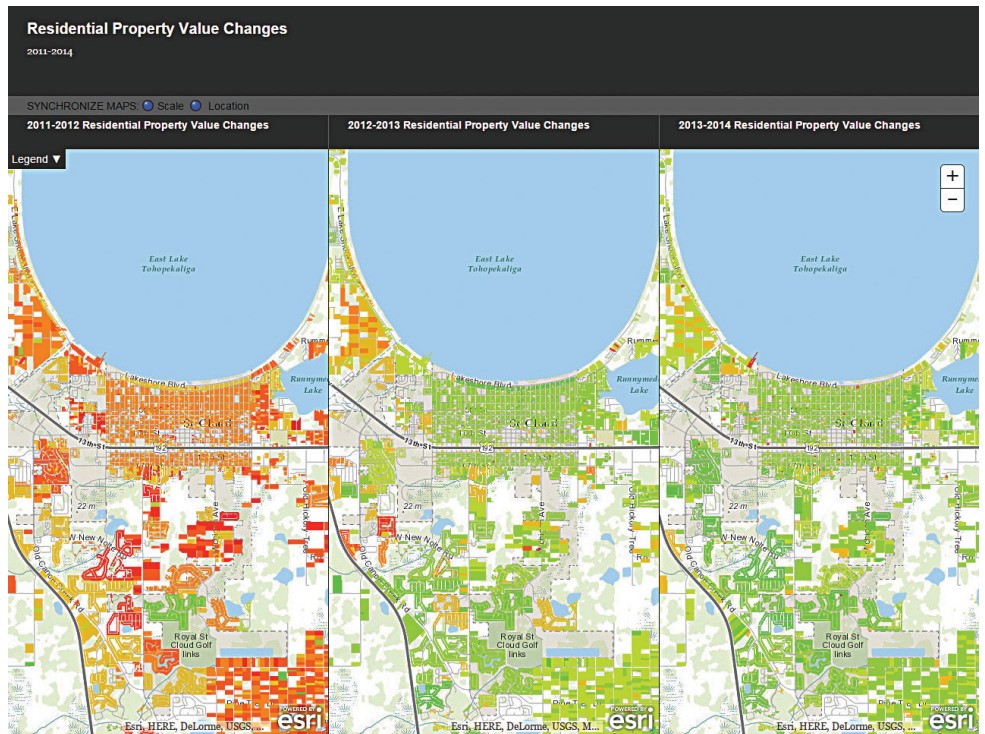


Figure 1. The Osceola County Residential Property Value Changes map juxtaposes maps from three consecutive years for easy comparison.

Fifty Percent Faster

Within a few weeks of implementation, Osceola County transformed its core mapping system into an enterprise location-based platform. The county experienced a 50 percent increase in parcel throughput and reduced counter traffic as citizens opted to view web maps instead of calling or visiting the office. By building a more connected and transparent system, the county earned renewed trust and confidence from Osceola County taxpayers.

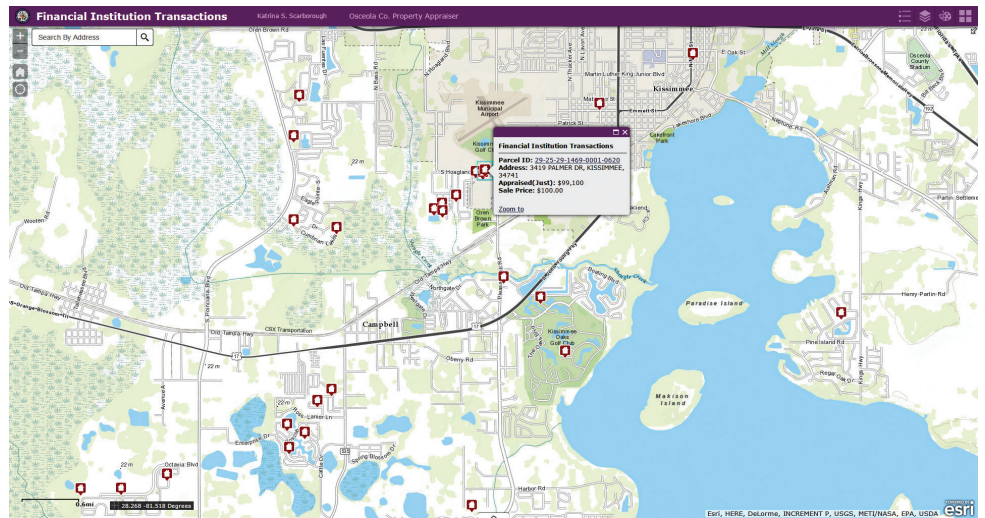


Figure 2. Pop-ups in the Osceola County Financial Institution Transactions app show details of individual property sales in the county.

Katrina Scarborough was elected Property Appraiser of Osceola County, Florida, in 2008 and re-elected in 2012. A 25+ year veteran in the property appraisal field, Katrina has worked in almost every area of the Appraiser’s Office. She briefly left the Appraiser’s Office to work on the senior management staff for Tax Collector Patsy Heffner and in 2006 returned to the office to serve as Chief of Staff.



Katrina is a Certified Florida Appraiser, Certified Cadastralist of Florida, and Master Cadastralist of Florida. She is a member of AAO, the Florida Chapter of IAAO, the Property Appraisers’ Association of Florida, and the Florida Association of Cadastral Mappers. She also is Vice President of the Property Appraisers’ Association of Florida.

Osceola County earned a 2015 Esri Special Achievement in GIS Award for its success in saving time and money with GIS.

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- General Assessment Administration—personnel requirements, systems, internal controls and management procedures, determining resource availability, development of RFPs
- Mapping—compliance with standards, contractor selection, integration of digital mapping technology
- Reappraisal Program—determination of need, method of implementation, determining whether an outside appraisal firm is required, program supervision, remote sensing technology and quality control
- Personnel—standards for selection, compensation, training and certification, candidate testing, examination development
- Public Relations—outreach programs, satisfaction surveys, streamlining of public access to assessment data
- Quality Assurance—assessment standards, ratio studies, jurisdictional revaluation, review of income-producing properties, appeals
- Record Maintenance—assessment and tax roll management, transition to a digital environment, quality control
- Audit—staffing levels and resources, environmental contamination policies, valuation applications, best practices
- Tax Policy—drafting state legislation, defining exemptions and credits, evaluating property tax burden

IAAO does not undertake technical assistance projects in the following areas: reassessment or mass appraisal projects; individual appraisals or assessments; or studies not approved by responsible assessment officials. For those seeking help with an individual appraisal project, IAAO may be able to provide referrals.

IAAO provides technical assistance services only at the request of the head of the agency involved. For further information on the scope and cost of such services, please contact IAAO Headquarters. All inquiries are confidential and without obligation.

E-mail: technicalassistance@iaao.org

Has your career hit a brick wall?

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For more information on the IAAO Professional Designation Program contact Jarron Paronto at Paronto@iaao.org.



Writing a Demo Report?



New Writing Guides Now Available

Residential • Income-Producing • Mass Appraisal

The *Guide to Real Property Demonstration Appraisal Report Writing* is provided by IAAO to aid designation candidates with the most challenging, time-consuming, yet deeply rewarding requirement for attaining an IAAO professional designation. The *Guide* supplies the prerequisites and guidelines essential for the successful completion of a demonstration narrative appraisal report. It provides the requirements of form and content necessary for the preparation of an acceptable real property demonstration report.

There are now three *Guides*, each tailored to the type of report to be prepared: residential, income-producing, and mass appraisal. Each *Guide* has a writing template to assist in organizing the report.

Download at www.iaao.org

New Guides Effective March 1, 2016

5 Years

Michael J. Batko, Union Pacific Railroad, Omaha, NE
Tony Belinoski, Montgomery Central Appraisal District, Conroe, TX
Richard Booth, Benton County, Bentonville, AR
Paul Boylan, Land & Property Services, Lisburn, N. Ireland, United Kingdom
Patrick Bradley, Land & Property Services, Londonderry, N. Ireland, United Kingdom
Laura Breslin, Town of Woodbury, Highland Mills, NY
Sally A. Brown, Multnomah County Assessment & Taxation, Portland, OR
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Bill Caughman, Osage County Assessor's Office, Pawhuska, OK
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Raymond Flammer, Nassau County Dept of Assessment, Mineola, NY
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Susan Henderson, Land & Property Services, Belfast, N. Ireland, United Kingdom
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Robin L. Johnson, Ontario County, Clifton Springs, NY
Heather B. Judy, KSM (Katz, Sapper & Miller), Indianapolis, IN
W. Randy Kelly, Utah State Tax Commission, Salt Lake City, UT
Crawford Kelso, Land & Property Services, Craigavon, N. Ireland, United Kingdom
Lexi J. Kessler, Eddy County, Carlsbad, NM
Bart D. Lee, Ouachita Parish Assessor's Office, Monroe, LA
Barry Lindenman, Mecklenburg County, Mint Hill, NC
Yan Liu, Union Pacific Railroad, Omaha, NE
Sharon Magee, Land & Property Services, Ballymena, N. Ireland, United Kingdom
Lisa M. Manning, Davis County Assessor's Office, Layton, UT
Shirley Matson, Nye County Assessor's Office, Pahrump, NV
Mark Maxfield, Utah State Tax Commission, Salt Lake City, UT
Scott Maytubby, Yamhill County Assessment & Taxation Office, McMinnville, OR
Shannon M. McLaughlin, New Kent County, New Kent, VA
Linda McSpadden, Mitchell County Appraisal District, Colorado City, TX
Patrick J. Meyer, Park County, Cody, WY
Gino Mitrione, City of Whittlesea, Melbourne, VIC, Australia
Thomas D. Monchak, Shelby Township Assessing Department, Livonia, MI
Cindy Peaker, Ouachita Parish Assessor's Office, Monroe, LA

Michael J. Pietraskiewicz, Town of Hudson Assessing Department, Derry, NH
Tim Radloff, Lubbock Central Appraisal District, Lubbock, TX
Phillip E. Raskosky, II, AAS, Marion County, Indianapolis, IN
Terry Lee Roesch, Jefferson County, Hillsboro, MO
Pam Scates, Lipscomb CAD, Darrrouzett, TX
Sheila M. Schnepfer, Edwards County, Albion, IL
Michael R. Schultz, La Porte County, La Porte, IN
Stephanie A. Sohn, Dickinson County Assessor's Office, Spirit Lake, IA
David A. Swanson, Story County Assessor's Office, Nevada, IA
Richard F. Teague, Multnomah County Assessment & Taxation, Portland, OR
Lisa Traylor, Osage County Assessor's Office, Pawhuska, OK
Joseph W. Udermann, Meeker County, Litchfield, MN
Peter Van Nortwick, Clark County Assessor's Office, Vancouver, WA
David L. Wallis, CMS, Cowlitz County IT/GIS, Kelso, WA
Kay Wilson, Osage County Assessor's Office, Pawhuska, OK
Sharon L. Worley, Payette County, Payette, ID

10 Years

Michelle Babson, Cumberland County, Fayetteville, NC
Laura F. Glover, Snohomish County Assessor's Office, Everett, WA
JoAnn Groff, Colorado Division of Property Tax, Denver, CO
Patrick T. Harmeyer, Polk County Assessor's Office, Des Moines, IA
Sheryl A Hurst, Boone County, Boone, IA
Judy M. Klopmeier, Edwardsville Township, Edwardsville, IL
Kimberly A. LeGrand, Lee County Property Appraiser's Office, Ft. Myers, FL
Jacquelyn Mabry, Lee County Property Appraiser's Office, Fort Myers, FL
Tomas Pokorny, Lee County Property Appraiser's Office, Ft. Myers, FL
Debra Prins, King County Department of Assessments, Seattle, WA
Gary R. Smith, Wapello County, Ottumwa, IA
Charles E. Watkins, Lee County Property Appraiser's Office, Ft. Myers, FL
Gerry L. White, Union Pacific Railroad, Omaha, NE

15 Years

Heather Drake, CAE, RES, Maricopa County Assessor's Office, Phoenix, AZ
Henry Emeric Dupuy, Avoyelles Parish, Marksville, LA
Sharon L Johnson, Mesa County Assessor's Office, Grand Junction, CO
Farrah E. Matthews, CAE, Lawrence County, Walnut Ridge, AR
Harry Neumann, CAE, RES, City of Calgary, Assessment Department, Calgary, AB, Canada
Heath J. Pastor, Avoyelles Parish, Marksville, LA
Rae Ann Walcott, Town of Plymouth, Village of Terryville & Pequabuck, Terryville, CT
Julia L. Ziegler, Tulsa County Assessor's Office, Tulsa, OK

20 Years

James A. Adams, Tyler Technologies, Inc., Plano, TX
John A. Allison, Forsyth County Assessor's Office, Winston-Salem, NC
Michael A Amezquita, Bexar Appraisal District, San Antonio, TX
Priscilla S. Bele, City of Newport News, Newport News, VA
William P. Bresnahan, Hollinshead, Mendelson, Bresnahan & Nixon, P.C., Pittsburgh, PA
Lawrence D. Buchart, CAE, City of Calgary, Calgary, AB, Canada
John T. Burgiss, RES, Forsyth County Tax Administration, Winston-Salem, NC
Diane W. Julian, CMS, Forsyth County Assessor's Office, Winston Salem, NC

Elliott B. Pollack, Pullman & Comley, LLC, Hartford, CT
Wanda Jean Shrewsbury, Augusta County Assessor's Office, Verona, VA
W. Glenn West, CMS, Forsyth County Assessor's Office, Winston Salem, NC

25 Years

Mark T. Kenney, American Valuation Group, Inc, Lansdale, PA
Jerry L Mentzer, Woodson County, Yates Center, KS
Larry Shouse, Douglas County Assessor's Office, Castle Rock, CO
Michael J. York, Iredell County, Statesville, NC
John Ellis Zimmerman, ValueWest, Inc, Littleton, CO

30 Years

Debra J. Asbury, Sherwood, AR
Neal D. Carpenter, CMS, The Sidwell Company, St Charles, IL
Robert L. Courter, R L Courter Company/City of Verona, Madison, WI
James H. Hildreth, Escambia County Tax Assessor's Office, Brewton, AL

Jeffery D. Johnson, Stearns County, St Cloud, MN
Marian A. Robinson, City of Rockland, Thomaston, ME

35 Years

Mr. Terrence G. Ennes, Ennes & Associates, Inc, Arlington Heights, IL
Eddie G. Gatlin, Jackson Parish, Jonesboro, LA
Nancy J. Hyde, Boulder County Assessor's Office, Boulder, CO
John R. Parker, CAE, Acworth, GA

40 Years

North Central Regional Association of Assessing Officers, Bison, SD
Robert A. Estey, CAE, Rochester, NH
Victor R. Racicot, Latah County Assessor's Office, Moscow, ID

60 Years

South Dakota Association of Assessing Officers, Flandreau, SD

Interested in volunteering with IAAO?

Opportunities are available in these areas:

- Journal and newsletter reviewers
- Annual conference development
- Technology and social media development
- IAAO committee service
- IAAO course development

- Fundraising
- IAAO representative
- Membership drives
- Special committees



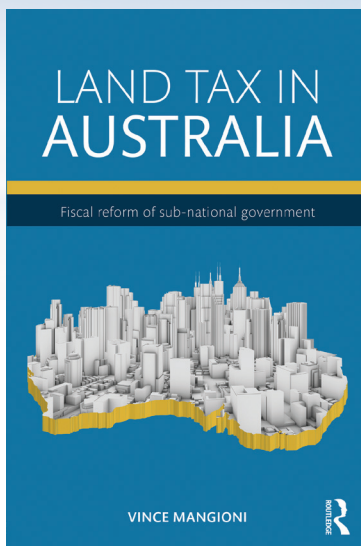
For more information go to http://docs.iaao.org/Media/forms/IAAO_Volunteer_Application.pdf

New research by academic and economist Vince Mangioni, Ph.D., offers a critique of Australia's current land tax system, how it is currently administered, its contribution to Australia's tax effort, and the methods used to assess this tax.

An overview of the book content appears in *Journal of Property Tax Assessment & Administration*, Volume 12, Issue 2, 2015, in the article, "A Review of the Practices of Valuers in the Assessment of Land Value for Taxation in Australia."

The book is also available through the IAAO Research library.

Land Tax in Australia defines how land tax operates and is administered across state and local government in Australia. The author reviews the current status and emerging trends in these taxes in Australia and compares them with the



United Kingdom, United States, Canada, Denmark, and New Zealand. Using substantial original research, the author sets out what Australia must do through practice and policy to reform and bring this tax into the twenty-first century.

The need for fiscal reform and strengthening the funding of Australia's subnational government is long overdue and is key in reforming Australia's federation. These reforms aim to minimise the taxpayer revolts encountered in previous attempts at land tax reform, while improving tax effort in line with other advanced OECD countries.

This book provides an essential resource for all property professionals working in development, valuation, law, investment, as well as accountants, tax economists, and government administrators. It is highly recommended for students studying property, taxation, legal, and social science courses.

Vince Mangioni, Ph.D., is a senior lecturer in property economics and development in the School of Built Environment at the University of Technology, Sydney, New South Wales, Australia. He also participates as an associate researcher at the UTS Centre for Local Government, which provides consultancy services and research to local governments both in Australia and internationally. He is a statutory valuer registered in the state of New South Wales.

BY LOCATION
ALABAMA
552—Personal Property Auditing: Basic

Auburn, June 6–8, 2016

553—Personal Property Auditing: Advanced

Auburn, June 8–10, 2016

101—Fundamentals of Real Property Appraisal

Auburn, September 26–30, 2016

The Center for Governmental Services sponsor the offerings listed above. For more details, contact Leslie Hamby 334/844-4782 or register at www.auburn.edu/propertytax.

ARIZONA
201—Appraisal of Land

Phoenix, February 29–March 4, 2016

The Arizona Chapter of IAAO sponsors the offerings listed above. For more details, contact Tim Grogan 602/372-9218.

ARKANSAS
500—Assessment of Personal Property

Little Rock, March 28–April 1, 2016

101—Fundamentals of Real Property Appraisal

Little Rock, April 11–15, 2016

201—Appraisal of Land

Little Rock, April 18–22, 2016

102—Income Approach to Valuation

Little Rock, August 1–5, 2016

300—Fundamentals of Mass Appraisal

Little Rock, September 19–23, 2016

The Assessment Coordination Department (ACD) sponsors the offerings listed above. For more details, contact Clea Sample Hardy 501/324-9104.

FLORIDA
300—Fundamentals of Mass Appraisal

West Palm Beach, March 28–April 1, 2016

The Palm Beach County Property Appraiser sponsors the offerings listed above. For more details, contact Mike Pratt (561) 355-4021.

102—Income Approach to Valuation

Tallahassee, March 7–11, 2016

201—Appraisal of Land

Tallahassee, March 7–11, 2016

312—Commercial/Industrial Modeling Concepts

Tallahassee, March 7–11, 2016

400—Assessment Administration

Tallahassee, March 7–11, 2016

The FL DOR Tax Oversight Program sponsor the offerings listed above. For more details, contact Meghan Miller (727) 588-6856

ILLINOIS
158—Highest and Best Use

Normal, March 21–22, 2016

Peoria, August 15–16, 2016

601—Cadastral Mapping: Methods and Applications

Libertyville, April 18–22, 2016

The Illinois Property Assessment Institute (IPAI) sponsors the offerings listed above. For more details, contact Kelli Chambers 309/862-0300.

KANSAS
101—Fundamentals of Real Property Appraisal

Olathe, February 22–26, 2016

102—Income Approach to Valuation

Olathe, June 20–24, 2016

The Kansas City Chapter of IAAO sponsors the offering listed above. For more details, contact Michelle Clark 913/715-0058.

112—Income Approach to Valuation II

Wichita, September 26–30, 2016

The South Central Kansas Regional Chapter of IAAO sponsors the offering listed above. For more details, contact Jennifer Archer 316/660-5486.

LOUISIANA
102—Income Approach to Valuation

Baton Rouge, April 11–15, 2016

500—Assessment of Personal Property

Baton Rouge, April 11–15, 2016

112—Income Approach to Valuation II

Baton Rouge, May 16–20, 2016

400—Assessment Administration

Baton Rouge, May 16–20, 2016

601—Cadastral Mapping, Methods and Applications

Baton Rouge, May 16–20, 2016

151—National USPAP

Baton Rouge, June 13–15, 2016

151—National USPAP

Baton Rouge, June 15–17, 2016

552—Personal Property Auditing: Basic

Baton Rouge, June 13–15, 2016

553—Personal Property Auditing: Advanced

Baton Rouge, June 15–17, 2016

The Louisiana Assessor's Association sponsors the offerings listed above. For more details, contact Charles Henington 318/226-6711

MASSACHUSETTS
917—How to Critique an Appraisal

Wellesley, March 16, 2016

102—Income Approach to Valuation

Plymouth, May 16–20, 2016

The MA Chapter of IAAO sponsors the offering listed above. For more details, contact Gary McCabe 617/733-4165

MINNESOTA
102—Income Approach to Valuation

Plymouth, September 19–23, 2016

102—Income Approach to Valuation

Plymouth, October 10–14, 2016

The MN Association of Assessing Officers sponsor the offerings listed above. For more details, contact Bob Wilson 763/826-0426

MISSISSIPPI
101—Fundamentals of Real Property Appraisal

Starkville, March 7–11, 2016

The Mississippi State University Extension Center sponsors the offerings listed above. For more details, contact Jason Camp 662/325-3141

400—Assessment Administration

Flowood, June 6–10, 2016

The Mississippi State University Extension Center sponsors the offerings listed above. For more details, contact Terrence Norwood 601/857-2284.

NEW HAMPSHIRE
102—Income Approach to Valuation

Concord, February 29–March 4, 2016

400—Assessment Administration

Concord, February 29–March 4, 2016

The NH Association of Assessing Officials sponsor the offerings listed above. For more details, contact James Rice 603/868-8064.

TENNESSEE
151—National USPAP

Mount Juliet, February 29–March 2, 2016

101—Fundamentals of Real Property Appraisal

Mount Juliet, April 11–15, 2016

300—Fundamentals of Mass Appraisal

Mount Juliet, May 9–13, 2016

601—Cadastral Mapping: Methods and Applications

Mount Juliet, June 13–17, 2016

102—Income Approach to Valuation

Mount Juliet, June 27–July 1, 2016

400—Assessment Administration

Mount Juliet, July 18–22, 2016

311—Residential Modeling Concepts

Mount Juliet, August 8–12, 2016

112—Income Approach to Valuation II
Mount Juliet, October 31–November 4, 2016

553—Personal Property Auditing Advanced
Mount Juliet, November 14–16, 2016
The State of TN, Comptroller of the Treasury sponsor the offerings listed above. For more details, contact Cristi Moore 615/401-7774.

UTAH

102—Income Approach to Valuation
Salt Lake City, June 6–10, 2016
Utah Chapter of the IAAO sponsors the offerings listed above. For more details, contact Tiffany Opheikens 801/399-8136.

WYOMING

300—Fundamentals of Mass Appraisal
Lander, August 15–19, 2016

163—Marshall and Swift Commercial
Cheyenne, September 12–14, 2016

162—Marshall and Swift Residential
Cheyenne, September 14–16, 2016

402—Property Tax Policy
Cheyenne, September 19–23, 2016

101—Fundamentals of Real Property Appraisal
Casper, October 3–7, 2016

600—Principles and Techniques of Cadastral Mapping
Casper, October 17–21, 2016
The Wyoming Department of Revenue sponsor the offerings listed above. For more details, contact Alan Lemaster 307/777-3450 or Alan.lemaster@wyo.gov

BY COURSE

Course 101—Fundamentals of Real Property Appraisal

February 22–26, 2016, Kansas (Olathe)
March 7–11, 2016, Mississippi (Starkville)
April 11–15, 2016, Tennessee (Mount Juliet)
April 11–15, 2016, Arkansas (Little Rock)
September 26–30, 2016, Alabama (Auburn)
October 3–7, 2016, Wyoming (Casper)

Course 102—Income Approach to Valuation

February 29–March 4, 2016, New Hampshire (Concord)
March 7–11, 2016, Florida (Tallahassee)
April 11–15, 2016, Louisiana (Baton Rouge)
May 16–20, 2016, Massachusetts (Plymouth)
June 6–10, 2016, Utah (Salt Lake City)
June 20–24, 2016, Kansas (Olathe)
June 27–July 1, 2016, Tennessee (Mount Juliet)
August 1–5, 2016, Arkansas (Little Rock)

September 19–23, 2016, Minnesota (Plymouth)
October 10–14, 2016, Minnesota (Plymouth)

Course 112—Income Approach to Valuation II
May 16–20, 2016, Louisiana (Baton Rouge)
September 26–30, 2016, Kansas (Wichita)
October 31–November 4, 2016, Tennessee (Mount Juliet)

Workshop 151—National USPAP
February 29–March 2, 2016, Tennessee (Mount Juliet)
June 13–15, 2016, Louisiana (Baton Rouge)
June 15–17, 2016, Louisiana (Baton Rouge)

Workshop 158—Highest and Best Use
March 21–22, 2016, Illinois (Normal)
August 15–16, 2016, Illinois (Peoria)

Workshop 162—Marshall and Swift Residential
September 14–16, 2016, Wyoming (Cheyenne)

Workshop 163—Marshall and Swift Commercial
September 12–14, 2016, Wyoming (Cheyenne)

Course 201—Appraisal of Land
February 29–March 4, 2016, Arizona (Phoenix)
March 7–11, 2016, Florida (Tallahassee)
April 18–22, 2016, Arkansas (Little Rock)

Course 300—Fundamentals of Mass Appraisal
March 28–April 1, 2016, Florida (West Palm Beach)
May 9–13, 2016, Tennessee (Mount Juliet)
August 15–19, 2016, Wyoming (Lander)
September 19–23, 2016, Arkansas (Little Rock)

Course 311—Residential Modeling Concepts
August 8–12, 2016, Tennessee (Mount Juliet)

Course 312—Commercial/Industrial Modeling Concepts
March 7–11, 2016, Florida (Tallahassee)

Course 400—Assessment Administration
February 29–March 4, 2016, New Hampshire (Concord)
March 7–11, 2016, Florida (Tallahassee)

May 16–20, 2016, Louisiana (Baton Rouge)
June 6–10, 2016, Mississippi (Flowood)
July 18–22, 2016, Tennessee (Mount Juliet)

Course 402—Property Tax Policy
September 19–23, 2016, Wyoming (Cheyenne)

Course 500—Assessment of Personal Property
March 28–April 1, 2016, Arkansas (Little Rock)
April 11–15, 2016, Louisiana (Baton Rouge)

Workshop 552—Personal Property Auditing, Basic
June 6–8, 2016, Alabama (Auburn)
June 13–15, 2016, Louisiana (Baton Rouge)

Workshop 553—Personal Property Auditing: Advanced
June 8–10, 2016, Alabama (Auburn)
June 15–17, 2016, Louisiana (Baton Rouge)
November 14–16, 2016, Tennessee (Mount Juliet)

Course 600—Principles and Techniques of Cadastral Mapping
October 17–21, 2016, Wyoming (Casper)

Course 601—Cadastral Mapping: Methods and Applications
April 18–22, 2016, Illinois (Libertyville)
May 16–20, 2016, Louisiana (Baton Rouge)
June 13–17, 2016, Tennessee (Mount Juliet)

One-Day Forum 917—How to Critique an Appraisal
March 16, 2016, Massachusetts (Wellesley)

For more information about sponsoring IAAO classes contact Professional Development Operations Manager Jean Spiegel, spiegel@iaao.org. Please contact the individual coordinator listed for each state's offerings for enrollment/registration information.

IAAO IS LOOKING FOR ARTICLES

- Mentoring the next generation
- Automated valuation models
- Hospitals/surgical centers
- Burden of proof
- Safety in the field
- Data sharing initiatives
- Contaminated property
- Contributory value of public infrastructure
- Public relations
- Green buildings & systems
- Equity appeals
- Open records requests
- Historical property
- Disaster response
- TIF Districts

To submit articles or to find out more, contact Chris Bennett, bennett@iaao.org.

Correction Notice: In *Fair & Equitable* December 2015 there was an error on page 18 under Committee Reports. The Research Subcommittee report incorrectly indicated that Pat Alesandrini, CAE, was not present. He was in attendance for the meeting. IAAO regrets the error.

Visit IAAO.org to find out about membership opportunities.

Manitoba, Canada

Blaine Fallis
Farrah Lea Anderson

Ontario, Canada

Jason Holmes
Benedict Lorriman

Alabama

Ginger L. Lindsey

Arizona

Alejandro Mendez
Allen M. Zingg
Amy J. Schorman
Casey McFarland
Conan C. Dunham
Courtney Meiners
Diana Khano
James Fleming
James Robertson
Jason Horn
Kelly McCrea
Madison Benson
Michael MacDonald
Rocio Iniguez

Arkansas

Becky Holder
Kelly Beaty
Kim A. Hollowell
Rebecca E. Cozart
Vickie L. Slusser

California

Maria Christine Almoguera
Susan Dunn

Connecticut

Elaine Carvalho
Kenneth David Delohery

Florida

Steven McDonald

Georgia

Angela Brooks
Lynne Brown

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Christopher M. Crowley
Matthew Tully
Susan T. Rolens

Indiana

Benjamin L. Jecker
Julio S. Preciado
Nicole Lawson

Iowa

Alyssa R. Sutherland

Kansas

Darquel W. Brown
Donna A. Spillane
Jeffrey E. Ball
Melanie Berry

Kentucky

Cyndi G. Abrams
Melissa R. Klink

Louisiana

Joseph P. Otilio

Maryland

M Edward Heilman

Massachusetts

Meaghan C. Kramer

Michigan

Elizabeth Tobias
Lisa D. Verburg

Minnesota

Frank Baxter
Garrett D. Bing
Matt D. Sandell

Mississippi

Delbert Dearman

New Jersey

Frank J. Mazzola
Marc Freda

New Mexico

Jonathan Cole Ortiz

North Carolina

Bernadette Sobkowiak
Doug Dula
Emily Lackey
Josh Hartsoe
Kenneth N. Hayes
Robert L. Klawonn
Thomas A. Reading

North Dakota

Elizabeth Black
Heather Kippen
Jackie Dwyer
Jennifer Hartze-goehring

Ohio

Nicholas Ray, Esq

Oregon

Greg Little
Jeffrey L. Marks
Karl Acker
Lance Hacopian
Tara Smith
Tracie McClements

Pennsylvania

Gary L. Martin
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South Carolina

Adam Summerford
William Ryon

South Dakota

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Tennessee

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Texas

Alfred I. Puente, Jr
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Joseph Jannise, Jr

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Utah

Allen F. Luke
Andrew W. Hansen
David Mortimer
Holly Punjabi
Michael D. Child
Paul R. Wood
Rex Porter
Rich E Fresques
Stephanie Larson
Tyler Andrus

Vermont

Karen Galayda
Kitty Diggins
Listers Office
Lynn C. Forrest

Virginia

Brenda P. Powell
Carey Missy Scott
Charles Eric Marston
Kirt William Dale
Nicholas Garrett Plessinger
Patricia Griffith Hamlet
Randall K. Horne

FOUNDATION NEWS

- The 2016–2017 *USPAP* is now in effect and includes revisions to the Record Keeping Rule, Standard 3, Reporting Standards, and the Confidentiality section of the Ethics Rule. The new edition also includes revisions to several Advisory Opinions and 319 Frequently Asked Questions.
- ASB Public Meeting: The Appraisal Standards Board (ASB) is meeting February 19, 2016, in Tampa, Florida.

Potential topics under consideration include:

- Communications: report, drafts, assignment results;
- Consideration of dividing STANDARD 3: Appraisal Review, Development and Reporting into two Standards (STANDARD 3: Appraisal Review, De-

velopment, and STANDARD 4: Appraisal Review, Reporting);

- Changes to selected DEFINITIONS; and selected Advisory Opinions
- Review and possible revisions to STANDARD 6: Mass Appraisal, Development and Reporting. This includes consideration of splitting into two Standards (STANDARD 5: Mass Appraisal, Development, and STANDARD 6, Mass Appraisal, Reporting);

The Board seeks feedback from government regulators, educators, appraiser organizations, practitioners, and users of appraisal services.

? WHERE DO YOU READ **FAIR?**
of **EQUITABLE**



Cheryl Williams reads *Fair & Equitable* with her good friend Vicki Goodman on the Goodyear blimp! Both Cheryl and Vicki are recent officers of the Los Angeles County Chapter of IAAO. As organizer of Cheryl's retirement party last June, Vicki was well aware of Cheryl's fondest wish—to ride the blimp! Not to mention Cheryl's general fascination with airplanes, especially the F-18s that occasionally fly in and out of Long Beach Airport. According to Cheryl, "When the Marines had eight F-18s at Long Beach Airport last Memorial Day, I visited and got to meet three of the pilots. It was so

cool! But I have been in love with the Goodyear blimp since I was young. I could often see it from my office window when it flew over Long Beach and the ocean."

Vicki recalls, "It wasn't easy, but I just had to get that blimp ride for Cheryl's retirement. It wouldn't have been complete without it." We are glad to see your dream come true, Cheryl.

IAAO accepts photos for "Where Do You Read F&E?" and local jurisdiction activities and meetings. Send to bennett@iaao.org and provide contact information.



Perfect Alibi: 139 Attendees Confirmed at Legal Seminar in Boston

Mary Odom, MLS

IAAO hosted 139 attorneys and assessment professionals at the 36th Annual Legal Seminar on December 10–11, 2015. Attendees from 30 states and Canada gathered at the Hyatt Regency Hotel in Boston; 19 attendees each came from Illinois and Massachusetts —unusual because the host state usually has the most attendees. Four attorneys came from the County of Maui, Hawaii, to experience the beautiful city of Boston. The weather was perfect for exploring the Freedom Trail and viewing the unique architectural environment along the quaint red brick sidewalks.

The seminar was organized by the IAAO Legal Subcommittee, chaired by Gaylord “Jay” Wood, with members Michele Crepeau, Wayne Tenenbaum, Thomas Jaconetty, Edye McCarthy, and Steve Pelfrey.

The seminar featured sessions on property tax case law updates, assessment of high-tech equipment and embedded software, separation of real estate from business enterprise value, fair market value and the hypothetical sale, contaminated properties, tax increment financing, PILOTs, the inequality debate, limited scope representation, complex property tax disputes, and representation of clients in the legislative process.

Special Awards

Two special awards were presented this year. The Legal Subcommittee honored Greg Lafakis, who passed away on Febru-



Ellen Berkshire and Andrea Raila accepted an in memoriam resolution and plaque to honor Greg Lafakis for his contributions during 42 years of IAAO membership.



The Legal Subcommittee honored LILP for its long history of support of IAAO legal education events. Accepting the plaque are several institute representatives.

ary 11, 2015. His long-time law partner, Ellen Berkshire, was presented with a resolution that detailed many of Lafakis’s accomplishments, and his good friend, Andrea Raila, was presented with a plaque to honor Lafakis’s leadership at 20 legal events during his 42 years of IAAO membership. Both the resolution and the plaque will be given to Lafakis’s family.

The other special award was presented to the Lincoln Institute of Land Policy (LILP) of Cambridge, Massachusetts, for its participation in 17 IAAO legal seminars over the past 36 years. Jane Malme, retired Senior Fellow, along with several other institute attendees, accepted the plaque. Malme has been the strongest link between IAAO and the institute for many years, and helped to plan IAAO legal events prior to becoming a Fellow.

Highlights

This year Joan Youngman, current Senior Fellow, spoke on “Defending the Property Tax in a Time of Economic Change: The Inequality Debate,” and Dr. David Merriman, Visiting Fellow, spoke on “When Is Tax Increment Financing Useful?” Other LILP attendees were Semida Munteanu, Research and Management Coordinator, and Daphne Kenyon, Visiting Fellow.

Following the first day’s educational programs, a reception was hosted by the Massachusetts Chapter of IAAO, the Massachusetts Association of Assessing Officers, Anthony Ambriano, and John F. Ryan, CAE. The four sponsors provided an amazing array of local fare at a nearby restaurant in the Theater District and extended gracious hospitality to all attendees.

On the second day, a presentation on embedded software by Lawrence Stone, Assessor of Santa Clara County, California, and Dr. Marilyn Wolf of the Georgia Institute of Technology

served up an insider's perspective on assessing high-tech equipment. Using *geek* humor, Stone explained that it's not simply a Silicon Valley issue. He has been assessing the major tech companies, such as Google, Apple, Intel, Facebook, Adobe, and e-Bay, all of which are headquartered in Silicon Valley. However, embedded software is ubiquitous in the United States, and many states assess it. Who knew that modern automobiles have 20 to 100 microprocessors, all connected by a network? California's journey to fair and equitable assessment involved hiring an academician to research the issue objectively without influence from assessors or tech companies. Dr. Wolf was selected to produce a white paper on the issue for the Board of Equalization, and she presented her findings at the seminar.

At the end of the seminar, IAAO held a drawing for a certificate for two live lobsters to be shipped to a lucky winner. Bradley Johnson from Utah was randomly selected as the recipient.

Attendees earned between 12.25 and 14.7 hours of continuing legal education (depending on state regulations) including 2.5 hours of ethics credit.

Abstracts for 2016 Seminar

The 2016 seminar will be in Chicago, Illinois, December 8–9. Abstracts for consideration by the Legal Subcommittee as presentations should be submitted by March 31, 2016. Send a 200-word abstract to staff liaison Mary Odom at odom@iaao.org.



The lucky winner of a certificate for two live lobsters was Bradley Johnson from Utah.

Calendar of Events

Local • Regional • International

Royal Institute of Chartered Surveyors

RICS Summit Americas 2016

April 3–5, 2016

Washington, D.C., United States

<http://www.rics.org/us/training-events/conferences-seminars/rics-summit-of-the-americas-dc2016/washington-dc/>

Alberta Assessors' Association

2016 Annual Conference

April 27–29, 2016

Enoch, Alberta, Canada

<http://www.assessor.ab.ca/content/1/WelcomeToAlbertaAssessors>

South Dakota Association of Assessing Officers

2016 Annual Conference

May 24–27, 2016

Spearfish, South Dakota, United States

http://www.sdaao.org/Future_Conferences.html

Minnesota Association of Assessing Officers

Summer Seminars

May 25–26, 2016

Minnesota, United States

http://www.mnmaao.org/index.php?option=com_mc&view=mc&mcid=9

North Central Regional Association of Assessing Officers

2016 Annual Conference

June 19–22, 2016

Des Moines, Iowa, United States

<http://www.ncraao.org/2016ConfLocation.htm>

Minnesota Association of Assessing Officers

2016 Fall Conference

September 25–28, 2016

St. Paul, Minnesota, United States

http://www.mnmaao.org/index.php?option=com_mc&view=mc&mcid=9

Kansas Association of Mappers

2016 Annual Conference

October 5–7, 2016

Manhattan, Kansas, United States

<http://kansasmappers.org/Conference>

Submit event information with name, date, place, and contact information to bennett@iaao.org.



Change—The New Steady State

“Change is the law of life. And those who look only to the past or present are certain to miss the future.”

“Things do not happen. Things are made to happen.”

—John F. Kennedy

Things at IAAO have been changing over the past year, not by chance, but because people made them happen. And changes will continue over the coming months and years. The association has a new executive director and several new staff members, and some staff members have been assigned new and/or different responsibilities. All these changes will better prepare IAAO for the future.

Management of the Professional Development Department has been turned over to Jean Spiegel, and I have new responsibilities in the areas of body of knowledge development, technical assistance, and international outreach.

Body of Knowledge

The body of knowledge project began last fall with the development of a fundamental framework. Development will continue through the efforts of a team of consultants and dedicated members who will flesh out that framework. The goal is a document that will form the foundation for future education and professional designation requirements.

Instead of the courses defining designations, the body of knowledge will define the skills needed to succeed at each level of mass appraisal expertise, eventually leading to designation. Educational content will then be refined to support assessors and appraisers at every level from apprenticeship through professional designation.

Technical Assistance

The technical assistance program of IAAO has been helpful to many jurisdictions, but the program will benefit in the future from a refined focus. I consider this program a form of networking on steroids; that is, the skills of select members are matched with the specific needs of others.

IAAO can provide support by developing and maintaining a pool of members who are able and willing to offer assistance when and where it's needed. Headquarters staff can handle the administrative aspects of technical assistance, freeing qualified members to apply their skills to specific projects. Members who have expressed a need for help will benefit from the availability of those skills.

International Outreach

Finally, if IAAO is to live up to its name, it must become more active internationally. This requires that efforts be expanded in several directions, both figuratively and literally. It is not enough for members or staff to travel abroad; there must be a purpose for these trips and a follow-up to ensure there is value added for the international members of the professional assessment community.

The Executive Board has begun the integration process by encouraging increased development and use of online education products. The Professional Designations Subcommittee is considering a new Mass Appraisal Specialist designation and new testing approaches beyond the current demonstration appraisal report to prove that knowledge. Both of these initiatives are directed toward emphasizing the unique mass appraisal niche that IAAO occupies in the appraisal world.

The designation program combined with increased availability of online education will encourage more involvement by international members. An international symposium being planned for the fall is intended to lead to additional involvement by the international community and more partnership opportunities with the International Valuation Standards Council and similar organizations.

Larry Clark, CAE

Director of Strategic Initiatives

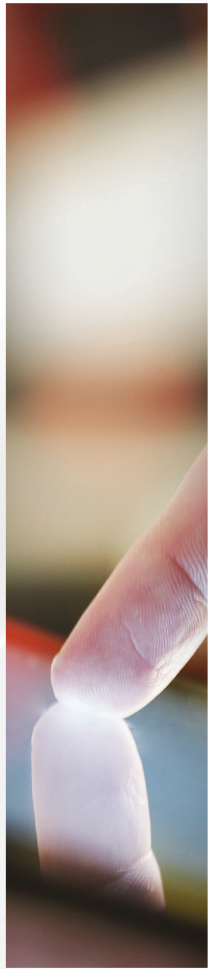




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