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COLORADO CHAPTER OF THE APPRAISAL INSTITUTE

SEPTEMBER 25,
2023

Q3 Newsletter



**Appraisal
Institute®**

*Professionals Providing
Real Estate Solutions®*

**Colorado
Chapter**



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Playing the Odds

BY R. Scott Woods, MAI, AI-GRS
Guest Editor



Finding a resale home can be very frustrating for today's home buyers as existing home owners stay put with their ultra-low rate mortgages. In fact, the National Association of Realtors (NAR) reports that June 2023 resale volume hasn't been this low since 2009.

NAR also states that the resale gap is so large it could take more than a decade to get inventory levels to a healthy balance.

New construction homes are becoming the only choice for many home shoppers. The National Association of Home Builders (NAHB) provides that: "Buyers are purchasing new homes so they can start investing in homeownership now instead of waiting for an existing home to come on the market."

Homebuilders are responding by somewhat ramping up production and rolling out mortgage buy down incentives and selective pricing discounts.

But, as we all know, 2023 is not a "hot market" by any means. New home building permits are still down 13%

from a year ago. Over 25% of new home builders reduced some of their home prices in 2023.

DR Horton specializes in sub \$400 thousand home pricing. Close to 70% of its homes sell with a price tag of less than \$400 thousand. This strong focus on affordability boosted its new home market share to almost 14% in 2023. It was only 6% in 2011. They just started a rent to own program to help achieve more market share.

DR Horton's focus on affordable homes is paying off with sales revenue for the first nine months of fiscal 2023 increasing 2% as compared to the same period of fiscal 2022. Also, their pending contract cancellation rate for the third quarter of fiscal 2023 was 18% compared to 24% in the prior year quarter.

Berkshire Hathaway took notice of DR Horton's uptick and bought \$700 million of their stock in August 2023. Hathaway also bought \$100 million of stock in Lennar Homes and NVR (Ryan Homes) at the same time.

Playing the Odds Cont.

The bet is that the severe shortage is a great opportunity for those builders who aggressively pursue providing affordable homes in a market with limited options. Also, a few analysts are forecasting mortgage rates may be at their peak with some relief by 2024. Who really knows?

It's rough to see so many frustrated buyers just seeking an affordable place they can call home. And we appraisers certainly can stand to be a lot busier.

Let's hope that this \$800 million bet is well timed and better times are coming for all of us sooner than later.

On a whole different subject - "Face Value" is the official podcast for the Appraisal Institute. Our own Colorado Chapter member Warren Boizot, SRA, AI-RRS is one of the two hosts.

For me, the most interesting episode is titled "A Year of Opportunity: Behind the Scenes with AI Leadership".

That episode includes a segment where our 2023 Appraisal Institute President discusses how the recent Colorado Chapter's Installation "banquet" is such a great example of how our chapter has created such a welcoming and non-intimidating environment for all involved.

Give it a listen.

Scott Woods is a recently retired MAI, AI-GRS and remembers looking in awe at the first appraisal order that came over a newly acquired FAX machine in days long ago. He focused on commercial appraisals and spent his last decade as a chief appraiser in the crazy bank merger times. Of note, Scott graduated from Glenwood Springs High School - which is also where Bret Poole, MAI, AI-GRS graduated from a quite a few years later. No other GSHS graduates are known to have followed their paths.

Thank You to Our 2023 Sponsors!



**2022 BOARD
OF DIRECTORS**

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Professionals Preserving
Real Estate Value™

Colorado
Chapter

Congratulations!

New Designations

**-Rob Stilo, SRA
Received 8/29**

Presidents Remarks

What's Happening with AI and the Chapter?

Hi Colorado Chapter, by Scott McHenry, MAI, AI-RRS

We have had a busy year and have quite a few new things upcoming.

Past Events:

In July we held our first Comprehensive Exam Study Session. We had 7 attendees and had helps for both the Residential and General Exams. Thank you Harold McCloud, Megan Larson, Doug Szafranowski, JP Nisley and Bonnie Roerig for your help pulling this together.

In August, we had our Annual Potpourri Event. We had a great turnout with 60 people attending. We are really trying to get our Residential members involved and the afternoon was geared toward the Residential appraisers.

In September, we had the annual fall event in Breckenridge, CO. The board made the decision to move it away from Oktober Fest this year to give everyone a chance to socialize and find places for dinner together.

AI-PAREA is now available! This opened up in early September. We had 5 people in Colorado join AI-PAREA. Welcome to the Chapter!

The Appraisal Institute has started a University Relations program to help get college students involved in the Appraisal Institute. There is now a College Corner on the website that you can refer anyone wanting information on the Appraisal Institute. appraisalinstitute.org/collegecorner

Upcoming Events:

The Appraisal Institute will be getting a new user friendly website. It is currently in testing stages and will roll out in October. Watch for the new website and some exciting things happening in October!

The new version of USPAP will be available in December. Take this class via zoom with the Colorado Chapter on December 6th.

The Valuation Bias Seminar will be available through the Appraisal Institute later this year. While we don't have an exact date yet, we do know that this will be required for QE and CE going forward. Look for a class in 2024!

We will be hosting a Residential Class and Social hour on November 9th. It will be at the Left Hand Brewery in Denver, CO from 5pm-8pm. For \$10 you can get 2 hours of CE, talk to experienced SRA's, do some networking, and get a free drink. Food and other drinks will be available for purchase. Space is limited so sign up today!

It's almost the end of the year. Make sure to check out the class schedule and get all of the classes you need before it's too late. Upcoming classes include, Business Practices and Ethics, USPAP 7 hour Update - New Version, Appraising Health Care CE, and Residential CE.



The Colorado Chapter regrets the passing of the following members during the last quarter.

Scott M. Bowie, MAI, SRA, RM from Aspen, CO Passed in June

The Appraisal Institute Education & Relief Foundation offers a variety of scholarships: Please share this with anyone that may be interested.

Name	Who Should Apply	Deadlines
AIERF Minorities and Women AI Course Scholarship	Minorities and women Candidates for Designation who are active in appraising and need financial assistance to take Appraisal Institute courses leading to the MAI, SRA, AI-GRS or AI-RRS designations.	Jan. 1 April 1 July 1 Oct. 1
AIERF Candidate for Designation Course Scholarship	Candidates for Designation who are active in appraising and need financial assistance to take Appraisal Institute courses leading to the MAI, SRA, AI-GRS or AI-RRS designations.	Jan. 1 April 1 July 1 Oct. 1
AIERF Practicing Affiliate Course Scholarship	Practicing Affiliates who are active in appraising and need financial assistance to take Appraisal Institute courses leading to the state certification.	Jan. 1 April 1 July 1 Oct. 1
AIERF College Scholarship	Awarded on the basis of academic excellence, this scholarship helps finance the educational endeavors of undergraduate or graduate students concentrating, or with demonstrated interest, in real estate appraisal and/or valuation.	April 1
AIERF Minorities and Women College Scholarship	Minorities and women students pursuing academic degrees, or with demonstrated interest, in real estate appraisal and/or valuation.	April 1

These scholarships are funded by the Appraisal Institute Education and Relief Foundation (AIERF). Please email AIERF@appraisalinstitute.org for application, terms and conditions.

**VOLUNTEERS
NEEDED**

Looking to Volunteer? Our Education Committee Needs Volunteers! Help put a class on! Reach out to the chapter office for more details.

FIND AN APPRAISER

COLORADO CHAPTER MEMBERS OF THE APPRAISAL INSTITUTE

Please be advised that the Colorado Chapter of the Appraisal Institute may NOT specifically Recommend an appraiser.

When the chapter offices receives a phone call requesting the services of an appraiser we may only direct that caller to the website and recommend they click on "FIND AN APPRAISER"

This policy is an association best practice and is mandated by the Appraisal Institute.

2023 Officers and Directors

PRESIDENT

Scott A. McHenry, MAI, AI-RRS

VICE PRESIDENT

JP Nisley, MAI

SECRETARY/TREASURER

Brett J. Wilkerson, MAI

PAST PRESIDENT

Justin J. Atwell, MAI

DIRECTORS

1 Year

Nikell M Close, MAI, AI-GRS

Jeovani Gaytan, SRA, AI-RRS

William Bush, MAI

2 Year

Ann Thurman, SRA

Matthew W. Awsumb

James Westman, SRA, AI-RRS

3 Year

Megan Larson, MAI

Kelly Hyde, MAI

Lisa Roberts, SRA

Please reach out to cochap@colo-ai.org for board members emails.

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[ONLINE EDUCATION](#)

2023 Region II Representatives

ONE YEAR TERM

JP Nisley, MAI

Michael A. Smith, MAI

Ryan Kane, MAI

Ron Throupe, MAI

TWO YEAR TERM

Valerie Bartell, AI-GRS

Jason Letman, MAI, AI-GRS

Kevin Sawyer

ALTERNATES

Charles Nelson, MAI

Robert O. Stevens, MAI, SRA

Susan McDonald, SRA

Adam Dembowitz, MAI

Richard Roorda, SRA

2023 Chapter Committee Chairs

Candidate Guidance Advisors

Bonnie Roerig, MAI, AI-GRS

Jeovani Gayton, SRA, AI-RRS.

Candidate Guidance Committee

R. Scott Woods, MAI, AI-GRS

Ann Thurman, SRA

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Mike Smith, MAI

Education CO-Chair

Mike Rinner, MAI, AI-GRS

Government Relations

Brett Wilkerson, MAI

Bylawys Chair

Rick Mosier, MAI

Sponsorship Committee

Brett Wilkerson, MAI

Kelly Hyde, MAI

Mike Smith, MAI

Residential Topics and Solutions Committee

Brent Henry, SRA, AI-RRS

Matthew George, SRA

UPCOMING CLASSES AND EVENTS

COLORADO CHAPTER

OCTOBER

27

8AM - 12PM

Critical Issues in Appraising
Senior Housing, Nursing Homes
and Hospitals



NOVEMBER

9

5 PM-8PM

Back to the Basics - The Appraisal
Inspection - CE and Social Hour -
Left Hand Brewery

NOVEMBER

13

8:30AM - 3:30PM

Business Practices and Ethics -
Zoom



NOVEMBER

15

5:30PM - 7:30PM

Social Event at Reed's Tavern -
Taco Bar and Golf Simulator

DECEMBER

6

8:30AM - 4:30PM

USPAP 7 hour Update - NEW
VERSION! Zoom



JANUARY

TBD

TBD

Education and Installation
Banquet- Details Coming Soon!

APRIL

8-10

8:00AM - 4:00PM

Condemnation Appraising:
Principles and Applications





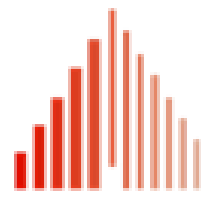
Photos From the Potpourri in Denver, CO



Photos From Breckenridge, CO



2023 Sponsorship OPPORTUNITIES



Appraisal Institute
Colorado Chapter



Become a AI-CO sponsor Today!

The AI-Co Annual Sponsorship Program was created to support and enrich our chapter while offering appraisal professionals and organizations an opportunity to participate in, and get more out of our chapter activities and services. The program is an excellent way to gain year-round visibility while championing the industry in Colorado. All sponsorships run the entire 2023 calendar year (January 1 through December 31).

INCREASE COMPANY VISIBILITY
BUILD & STRENGTHEN RELATIONSHIPS
SUPPORT THE VALUATION INDUSTRY



ANNUAL SPONSORSHIPS

Recognition on the CO-AI website
Recognition on event & educational promotions at each in-person event & educational offering
Recognition on quarterly newsletters
E-blast Promotions
Social media posts on Chapter's LinkedIn and Facebook
Complimentary registration to chapter generated programs
Distribution of company literature and/or promotional items at 3 chapter generated programs

Gold \$2000	Silver \$1000	Supporter \$500	Friends of AI \$250
Logo	Logo	Logo	
Logo	Logo	Logo	
Logo	Logo	Logo	Logo
4 per year	2 per year	1 per year	
2 per year	1 per year		
2 per year	1 per year		
✓			