



North Carolina Chapter of the Appraisal Institute (NCAI)
Q1 Chapter Business Meeting
Wednesday, March 25, 2020 at 2:00 PM
Zoom Meeting

Officers, Directors and Committee Chairs

Officers Chris Johnson, MAI, SRA, AI-GRS, ASA (President) Mike Moody, MAI (President-Elect) Vanessa Hall, MAI (Vice President) Jim Lynch, MAI (Treasurer) Mike Elwell, MAI, SRA (Secretary)	Branch Chapter Chairs Brad White, MAI (Coastal Carolina) Vanessa Hall, MAI (Metrolina) Matt Benyon, MAI (Triangle) Laura Gourlay, MAI (Western)
Directors Christopher W. Mashburn MAI, AI-GRS (2018-2020) Matt Benyon, MAI (2019-2021) Hector Ingram, MAI (2019-2021) Kelli Mayhew (2019-2021) Rocky McElhannon, MAI, SRA, AI-GRS (2019-2021) Brian Crowder, MAI (2020-2022) Immediate Past President Sheri Colvin, MAI Executive Director Sandy Hower	Committee Chairs Hector Ingram, MAI (Bylaws) Matt Benyon, MAI (Candidate Guidance) Erica Butler (Candidates/Practicing Affiliate) Vanessa Hall, MAI (Education Co-Chair) Jim Lynch, MAI (Education Co-Chair) Jim Lynch, MAI (Finance) Mike Elwell, MAI, SRA (Government Relations) Scott Robinson, MAI, SRA, AI-GRS (International Issues) Christopher W. Mashburn MAI, AI-GRS (LDAC) Mike Moody, MAI (Personnel) Greyson Morgan, MAI (Public Relations) Kelli Mayhew, MAI (Scholarship Chair) Rocky McElhannon, MAI, SRA, AI-GRS (REVC)
Ex-Officio Claire Aufrance, MAI, SRA	Guests



**NCAI Q1 Chapter Business Meeting
Wednesday, March 25, 2020 at 2:00 PM**

AGENDA

Call to Order & Welcome	Chris Johnson, MAI, SRA, AI-GRS, ASA, President
President's Report & Approval of Minutes	Chris Johnson, MAI, SRA, AI-GRS, ASA, President
President-Elect's Report	Mike Moody, MAI, President-Elect
Committee Reports	
Education	Vanessa Hall, MAI, Vice President
Finance	Jim Lynch, MAI, Treasurer
Government Relations	Mike Elwell, MAI, SRA, Chair & David Ferrell, Nexsen Pruet
Scholarship	Kelli Mayhew, MAI, Chair
Announcement of New Designations	Chris Johnson, MAI, SRA, AI-GRS, ASA, President & Mike Moody, MAI, President-Elect
<u>AI-GRS Designation</u>	
Chris Johnson, MAI, SRA, AI-GRS	
<u>AI-RRS Designation</u>	
Elizabeth H. Derrick, AI-RRS	
<u>MAI Designation</u>	
Michelle R. Theyken, MAI	
Nominating Committee's 2021 Slate	Sheri Colvin, MAI, Immediate Past President & Nominating Committee Chair
Closing Remarks	Chris Johnson, MAI, SRA, AI-GRS, ASA, President
Adjourn	Chris Johnson, MAI, SRA, AI-GRS, ASA, President



Upcoming Chapter, Regional, and National Meetings

As of 3/24/20

2020 Chapter Education Courses & Events

- May 11 – 15 | Advanced Market Analysis and Highest & Best Use | Charlotte, NC
- July 14 – 17 | General Appraiser Income Approach – Part I | Charlotte, NC
- July 21 – 25 | Quantitative Analysis | Greensboro, NC
- August 11 – 14 | General Appraiser Income Approach – Part II | Charlotte, NC
- September 10 | Chapter Business Meeting | Wilmington, NC
- October 1 – 2 | The Appraiser as an Expert Witness: Preparation and Testimony | Greensboro, NC
- October 9 | Business Practice & Ethics | Charlotte, NC

2020 National Meetings*

- May 18 – 20 | LDAC | Washington, DC
- August 3 – 5 | Appraisal Institute Annual Conference | Orlando, FL

2020 NORTH CAROLINA APPRAISAL INSTITUTE								
BOARD OF DIRECTORS & REGIONAL REP & ALTERNATE DIRECTORY								
Position	AI Professionals	Voting Eligibility		City/State	A/C	Bus. Phone	Cell	Email
		Yes	No					
OFFICERS								
President	Chris Johnson, MAI, SRA	X		Charlotte	704	409-2374	704-299-8250	Christopher.Johnson@colliers.com
President-Elect	Mike Moody, MAI	X		New Bern	252	633-6484, x224	252-633-3382	mike.moody@realtyservicesec.com
Vice President	Vanessa Hall, MAI	X		Charlotte	704	409-2377	773-315-3155	vanessa.hall@colliers.com
Treasurer	Jim Lynch, MAI	X		Charlotte	704	916-4452	704-701-2059	Jim.Lynch@cushwake.com
Secretary	Mike Elwell, MAI, SRA	X		Greensboro	336	274-5050	336-722-3503	michael@jmaappraisals.com
IMMEDIATE PAST PRESIDENT								
Immediate Past President	Sheri Colvin, MAI	X		Greensboro	336	852-2004	336-707-0318	sheri@cswappraisals.com
DIRECTORS								
2018 - 2020	Christopher W. Mashburn, MAI, AI-GRS	X		Morehead City	252	247-0404, x237	252-241-8740	chris@mashburnappraisal.com
2019-2021	Rocky McElhannon, MAI, SRA, AI-GRS	X		Charlotte	704	973-7201	704-962-0478	rocky.mcelhannon@colliers.com
	Kelli Mayhew, MAI	X		Charlotte	803	407-6446	803-603-4567	kelli@mayhewgrp.com
	Hector Ingram, MAI	X		Wilmington	910	763-9096		ingram@ncappraiser.com
	Matt Benyon, MAI	X		Raleigh	919	805-6613	919-805-6613	mbenyon@bbgres.com
2020-2022	Brian Crowder, MAI	X		High Point	336	888-0131	336-442-8288	bcrowder@hyltoncrowder.com
BRANCH CHAPTER CHAIRS								
Coastal Carolina	Brad White, MAI	X		Wilmington	910	859-7299	910-859-7299	bwhite@gbwvaluations.com
Metrolina	Vanessa Hall, MAI	X		Charlotte	704	409-2377	773-315-3155	vanessa.hall@colliers.com
Triangle	Matt Benyon, MAI	X		Raleigh	919	805-6613	919-805-6613	mbenyon@bbgres.com
Western	Laura Gourlay, MAI	X		Asheville	828	712-8517		gourlayla@gmail.com
COMMITTEE CHAIRS								
Bylaws	Hector Ingram, MAI			Wilmington	910	763-9096		ingram@ncappraiser.com
Candidate Guidance	Matt Benyon, MAI			Raleigh	919	805-6613	919-805-6613	mbenyon@bbgres.com
Candidates/Practicing Affiliate	Erica Butler			Charlotte	980	215-8548		ebutler@bbgres.com
Education Co-Chair (lead)	Vanessa Hall, MAI			Charlotte	704	409-2377	773-315-3155	vanessa.hall@colliers.com
Education Co-Chair	Jim Lynch, MAI			Charlotte	704	916-4452	704-701-2059	Jim.Lynch@cushwake.com
Finance	Jim Lynch, MAI			Charlotte	704	916-4452	704-701-2059	Jim.Lynch@cushwake.com
Government Relations	Mike Elwell, MAI, SRA			Greensboro	336	274-5050	336-722-3503	michael@jmaappraisals.com
International Issues	Scott Robinson, MAI, SRA, AI-GRS, AI-RRS			Salisbury	704	636-4151	704-798-7063	arobinsonassoci@carolina.rr.com
LDAC	Christopher W. Mashburn, MAI, AI-GRS			Morehead City	252	247-0404, x237	252-241-8740	chris@mashburnappraisal.com
Nominating	Sheri Colvin, MAI			Greensboro	336	852-2004	336-707-0318	sheri@cswappraisals.com
Personnel	Mike Moody, MAI			New Bern	252	633-6484, x224	252-633-3382	mike.moody@realtyservicesec.com
Public Relations Chair	Greyson Morgan, MAI			Greenville	919	222-7467	919-222-7467	gsm0304@gmail.com
Scholarship Chair	Kelli Mayhew, MAI			Charlotte	803	407-6446	803-603-4567	kelli@mayhewgrp.com
SUB COMMITTEE CHAIRS								
REVC	Rocky McElhannon, MAI, SRA, AI-GRS	X		Charlotte	704	973-7201	704-962-0478	rocky.mcelhannon@colliers.com
EX-OFFICIO								
Nat'l Board Mbr, AI Past Pres.	Claire Aufrance, MAI			Greensboro	336	430-9610	336-430-9160	claire.aufrance@gmail.com
REGIONAL REPRESENTATIVES								
President	Chris Johnson, MAI, SRA			Charlotte	704	409-2374	704-299-8250	Christopher.Johnson@colliers.com
2019-2020	Carol Lomax Fortenberry, MAI			Charlotte	704	375-1032	704-641-1916	carol@fortenberrylambert.com
	Scott Robinson, MAI, SRA, AI-GRS, AI-RRS			Salisbury	704	636-4151	704-798-7063	arobinsonassoci@carolina.rr.com
2020-2021	Rocky Shiplett, MAI			Charlotte	704	376.6212	704-236-9274	rshiplett@rwshiplett.com
	John Grant, MAI			Charlotte	704	247-5443	704-516-0758	jgrant@bbgres.com
	Cody Jetton, MAI			Raleigh	919	803-5638 x100	919-413-0155	cjetton@mearstonegroup.com

Alternates	Miles L. Hamrick, Sr., MAI, AI-GRS	Gastonia	704	864-4166		miles@mileshamrick.com
	Mike Moody, MAI	New Bern	252	633-6484, x224	252-633-3382	mike.moody@realtyservicesec.com
	Matt Benyon, MAI	Raleigh	919	805-6613	919-805-6613	mbenyon@bbgres.com
	Benjamin H. Curran, MAI	Charlotte	704	334-4686		bhc@tbharrisjr.com
	Mike Elwell, MAI, SRA	Greensboro	336	274-5050	336-722-3503	michael@jmaappraisals.com
	Laura Gourlay, MAI	Asheville	828	712-8517		gourlayla@gmail.com
	Ken Foltz, MAI, SRA	Wilmington	813	205-6000	813-205-6000	kgfoltz@gmail.com
	Alexander Keith	Fayetteville	910	323-3222		atk@keithvaluation.com
	Kevin M. Shiplett, MAI	Charlotte	704	376-6212	415-722-5892	kshiplett@rwshiplett.com
	Alan W. "Ty" Sutton, Jr. MAI, SRA	Greensboro	336	852-2004		ty@cswappraisals.com
REGION OFFICERS						
Chair	Steve Noble, MAI, SRA, AI-GRS, AI-RRS	Roanoke, VA	540	772-7268	540-772-7268	steve@noblevaluations.com
Vice Chair	Claire Aufrance, MAI	Greensboro, NC	336	430-9610	336-430-9160	claire.aufrance@gmail.com
Third Director	Heather Placer, MAI, SRA	Richmond, VA	804	638-3330		hplacer@placerrealtyadvisors.com
Immediate Past Chair	Rocky Shiplett, MAI	Charlotte, NC	704	376.6212	704-236-9274	rshiplett@rwshiplett.com
Executive Director	Ruth Kelton	Dallas, TX	972	233-2244	972-233-2244	ainorthtexas@sbcglobal.net
NCAI EXECUTIVE DIRECTOR						
Executive Director	Sandy Hower	Charlotte	704	719-2644	571-239-3969	executive.director@ncappraisalinstitute.org
TOTAL			17*			*Vanessa/Matt have 2 votes

President's Report

The North Carolina Chapter of the Appraisal Institute is continuing to closely monitor the developments surrounding COVID-19 (Coronavirus), and we are continuing to follow the advice given by the [Centers for Disease Control and Prevention](#) (CDC), the [World Health Organization](#) (WHO). As well, we continue adhering to restrictions imposed by our trusted elected leaders. We recognize that these restrictions are important in keeping the community safe, and in limiting the long-term effects of this outbreak.

In keeping with these guidelines and restrictions, we have cancelled all in classroom educational offerings and all scheduled chapter and branch events through to April 30, 2020.

Our focus now is on limiting the disruption to our 2020 agenda, and to that end, we are working diligently to implement the framework necessary to conduct future educational offerings online. We're in the process of upgrading our online meeting software and we will be providing further information to our members about the use of online meeting technology. We realize this transition will require a period of adjustment, and we're happy to address any questions related to the use of online meeting platforms during these unprecedented times.

Once we have the framework in place, we believe it will not only meet our immediate needs to conduct educational offerings, but it will provide a viable tool that can supplement conferencing options well into the future. Using online technology for group conferencing is highly effective in removing geographic barriers, and eliminating the costs associated with hosting in-person events.

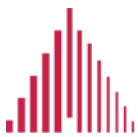
As your chapter leader, I recognize that every person and every business is affected by the current circumstances in some way. Our members are greatly concerned about how this will impact their livelihood, and our industry as a whole. The board and I share those concerns, and we're doing everything we can to minimize the impact. We are in close daily contact with the National Chapter in an effort to fully understand the extent to which our industry may be affected so that we can work together and respond with measures to address those challenges.

Additionally, I've contacted our Governor's office and made the case that we should be included among the list of essential services, so that we can continue performing our services. We will report promptly on the outcome of this request.

We will make every effort to keep you up to date on any and all matters related to the current situation as it evolves daily. Please check our homepage regarding cancellations or rescheduled events, as well as any other changes taking place.

For refunds on cancelled events, please contact the Sandy Hower 704-719-8644 X 102. Please remember our local and national scholarship and relief funds for those in our community ([link](#)). We thank you for your support and will work through this unprecedented time together.

Chris Johnson MAI, SRA, ASA
2020 NCAI President



Mr. Chris Johnson, MAI, SRA, AI-GRS
President, North Carolina Chapter of the Appraisal Institute
1300 Baxter Street, Suite 360
Charlotte, NC 28204

The Honorable Roy Cooper
North Carolina State Capitol

March 24, 2020

Dear Governor Cooper:

I am writing on behalf of the North Carolina Chapter of the Appraisal Institute (NCAI) and its 500+ members in the state of North Carolina to extend our sincere appreciation for the rapid response and unwavering attention to the COVID-19 pandemic that has upended our state. The dedication and commitment of you and your staff to the protection of the public has been commendable. We stand in support of the guidelines for protecting the health and safety of our citizens and our members.

While we understand the need to protect our citizens and our medical system from the overwhelming conditions brought about by the rapidly expanding COVID-19 pandemic, we are also concerned about the ramifications and unintended consequences to the real estate service industry if future restrictions are deemed necessary. Our members are performing critical and timely real estate appraisal functions for transactions that are occurring in the state during this crisis. To the extent that they must protect themselves and our citizens, they have made every effort to minimize all physical interactions with clients and property owners while still appraising properties for purchase transactions. Already, many client groups have changed their policies to allow for the use of exterior-only or drive-by appraisals where the appraiser remains inside their vehicle or performs the inspection without coming into contact with anyone. We want to respectfully encourage you and your staff to consider allowing these essential functions to continue without interference, even with the implementation of the most stringent restrictions on personal movement in the public space.

We believe our goal is similar to yours; to not only protect the health and wellbeing of the citizens of North Carolina, but also protect and preserve the very fabric of our community and the economic underpinnings that will be vital to our recovery when the worst of this pandemic passes. To that end, we humbly request that you and your staff work to minimize the potential interruptions to the real estate industry in general, and appraisal services specifically, by declaring real estate services as "essential services" under any emergency powers declaration. We further ask that all activities you deem "essential services" be exempt from additional or stricter local restrictions. Many other states and local communities have already acknowledged this essential service and made provision for its continued activity.

The North Carolina Chapter of the Appraisal Institute understands this pandemic will have an impact on the real estate industry and the economy. If we can keep processes running as smoothly and safely as possible, we can work together to limit the negative economic effects on our State and its citizens.

Sincerely,

Mr. Chris Johnson, MAI, SRA, AI-GRS,
President NCAI

Minutes of the North Carolina Chapter of the Appraisal Institute
Q4 Chapter Business Meeting

Date: December 12, 2019

Location: Myers Park Country Club, Charlotte, NC

Call to Order/Welcome

Sheri Colvin called this meeting to order at 7:52pm.

REPORTS

President's Report: Sheri Colvin reported on membership, upcoming education offerings and having two members appointed to the NC Appraisal Board.

Education Report: Mike Moody reported on upcoming QE and CE as well as the 2020 REVC.

Treasurer's Report: Venessa Hall reported on state of NCAI finances.

Governmental Relations Report: Mike Elwell reported on Appraiser Act changes and NCAI members on NCAB.

Scholarship Committee Report: Kelly Mayhew reported on scholarship winners and plans for 2020.

Approval of Minutes

- MOTION: (McElhannon/Sutton) To approve the minutes of the August 21, 2019 meeting of the North Carolina Chapter of the Appraisal Institute as written.

Presidents Outgoing Remarks: Sheri Colvin

President Elect's Remarks: Chris Johnson

Designation Presentations: Chris Johnson/Mike Moody.

Adjournment

(Moody/Sutton) There being no further business, the meeting was adjourned at 9:20pm.

Respectfully Submitted,

Jim Lynch

President Elect Report

The 2020 chapter business meeting schedule is summarized below:

Quarter	Date	City	Location
1	3/26/2020	Greensboro	Proximity
2	6/11/2020	None	None
3	9/10/2020	Wilmington	Cape Fear CC
4	12/10/2020	Raleigh	Centennial Campus*

The June meetings will take place via conference call with the board of directors meeting also held on a call three days prior to the meeting.

The 3rd quarter Wilmington meeting will be a one day event with CE at Cape Fear community college followed by a dinner business meeting at the Cape Fear Club. Board of directors meeting will be by conference call several days prior to meeting. A homegrown seminar is being developed for this meeting. Details to follow.

Fourth quarter installation banquet is tentatively scheduled for December 10th on NC States Centennial Campus in Raleigh. Details will be announced once meeting is finalized.

Respectfully submitted,

Mike Moody

2020 President Elect

2020 Education Report

UPDATE: March 19th and 26th classes were cancelled and refunds were issued. We are going to release a USPAP virtual class to be taught by John Bosworth on Thursday, 4/2 using Zoom and we are working to ensure it will meet the new standards identified in the NCAB Emergency Rule Making meeting held the morning of March 24th. Furthermore, as all in person education is discontinued through the end of May, we are working to have the Advanced Market Analysis and HBU course to be held 5/11-5/15 taught in a virtual capacity as well.

We are in the midst of the 2020 USPAP update and these are our numbers to date:

1. 12-13-2019 in Charlotte, Joyce Pusey instructor, 46 in attendance.
2. 1-9-2020 in Raleigh, Ron Loftis instructor, 40 in attendance.
3. 2-6-2020 in Wilmington, Joyce Pusey instructor, 27 in attendance.
4. 3-5-2020 in Asheville, Steve Maher instructor (subbing for Ron), 17 in attendance.
5. 3-12-2020 in Durham, Joyce Pusey instructor, 13 in attendance.
6. 3-19-2020 in Charlotte, John Bosworth instructor, 55 signed up – potentially virtual.
7. 3-26-2020 in Greensboro, John Bosworth instructor, 34 signed up – potentially virtual.
8. 4-17-2020 in Charlotte, John Bosworth instructor, potential later date.

Additional courses currently open and available for registration:

1. Advanced Market Analysis and HBU
 - 5-11-2020 to 5-15-2020 in Charlotte, Larry Wright instructor, 4 signed up.
2. Income I (QE)
 - 7-14-2020 to 7-17-2020 in Charlotte, Gary Taylor instructor, 1 signed up.
3. Income II (QE)
 - 8-11-2020 to 8-14-2020 in Charlotte, Gary Taylor instructor, 1 signed up.
4. The Appraiser as an Expert Witness: Preparation and Testimony (CE)
 - 10-1-2020 to 10-2-2020 in Greensboro, Steven Roach instructor, 0 signed up.
5. Business Practices and Ethics (CE)
 - 10-9-2020 in Charlotte, John Bosworth instructor, 2 signed up.

Pending Education:

1. Quantitative Analysis – July date with Larry Wright as instructor.
2. Sales Comparison Approach (QE) Q4 date possibly with Gary Taylor as instructor.

Homegrown courses:

1. *REVC* – 9-2-2020 in Charlotte.
2. *Cost Approach Relevance* (panel) Wilmington Q3 Fall Meeting education, late October, early November Charlotte.
3. *Eval/Bifurcated* (4 hour) seminar Raleigh Q4 Winter Meeting education 12-3 or 12-10 date. To be combined with 4-hour related Doug Potts seminar to follow.

On February 4, we had an education planning call with the following in attendance – Kelli Mayhew, Roger Webb, Jim Lynch, Mike Moody, Chris Johnson, Rocky McElhannon, Erica Butler, Lynn Carmichael, Grayson Morgan, Matt Benyon, and myself. We discussed the upcoming education including the homegrowns. We allocated people to work on the various homegrowns including Lynn Carmichael, Rich Earley, and myself for the eval/bifurcated seminar; Chris Johnson, Grayson Morgan, Mike Moody, Roger Webb and myself to work on the Cost Approach seminar; Rocky McElhannon, Matt Benyon, and myself to work on the REVC. I've held conference calls with the Cost Approach and Eval/Bifurcated groups in February and will be sending an outline of these calls to the groups as we work on planning and forming these homegrown seminars.

I've formed an Education Committee that consists of Mike Moody, Jim Lynch, Matt Benyon and Rich Earley. We had one call on February 7 to discuss the homegrowns and other education for the year.

In 2019, Education was profitable with \$114,749 in income and \$100,108 in expenses. From a budget perspective, income was 70% of the budgeted \$150,000, while the expenses were right on budget. Income was up 54% from 2017 and down 35% from 2018 which was a USPAP year. Education expenses reflect an 87% increase from 2017 and a 54% decrease from 2018 (USPAP year).

We expect education to perform closer to a 75% OER this year with using less expensive community college and non-profit venues. We will be working on a list of "go to" venues as well as secondary venues in each market to assist in future planning. Our budget was determined based on this and we need to make money in education. As we stand YTD in 2020, Education income is \$11,765 and Expenses are \$11,733. I would prefer we were higher on education and if we can hold the homegrown seminars, those are where we should be able to make money.

With regard to the Covid-19 pandemic, we are considering holding the two upcoming USPAP courses virtually and there is no education currently planned for April. We will need various approvals from the NCAB and are waiting for guidance from The Appraisal Foundation to make a decision in this regard.

Respectfully,

Vanessa M. Hall, MAI

2020 Education Chair

Treasurer's Report

The Chapter's Balance Sheet as of March 13, 2020 is summarized as follows:

	Current Year to Date	Prior Year to Date	Variance
Description			
Assets			
Cash	103,788	144,032	(40,244)
0000.0000 Suspense	0	0	0
0010.0000 Cash - Operating	103,788	144,032	(40,244)
0011.0000 Cash - Operating - General Checking	0	0	0
0012.0000 Cash - Operating - Metrolina BC Checking	0	0	0
0013.0000 Cash - Operating - Western BC Checking	0	0	0
Cash - Restricted	4,340	3,268	1,072
0015.0000 Cash - Restr Gov Relations	0	0	0
0016.0000 Cash - Restricted Gov Rel - NCAI PAC Checking	0	0	0
0017.0000 Cash - Restricted Gov Rel - First Citizens PAC	4,340	3,268	1,072
0020.0000 Cash - Restricted Scholarship	0	0	0
0021.0000 Cash - Restricted - Scholarship Checking	0	0	0
0022.0000 Cash - Restricted - Scholarship CD	0	0	0
0023.0000 Cash - Restricted - Scholarship Annuity	0	0	0
Reserve Fund Investments	90,423	87,376	3,046
0120.0000 Investments	90,423	87,376	3,046
0121.0000 Investments - Investment Acct	0	0	0
0122.0000 Investments - Bus Premium Market Rate	0	0	0
0123.0000 Investments - High Yield Savings	0	0	0
0130.0000 Investments - CD	0	0	0
Accounts Receivable	40,473	(534)	41,007
0200.0000 Accounts Receivable	0	0	0
0230.0000 Accounts Receivable netForum	0	0	0
0250.0000 Other Receivables	0	0	0
0270.0000 Due from National	40,473	(534)	41,007
0290.0000 Allowance for Bad Debt	0	0	0
Prepaid Expenses	0	3,750	(3,750)
0400.0000 Prepaid Expenses	0	3,750	(3,750)
Total Assets	\$239,024	\$237,893	\$1,131
Liabilities			
Deferred AI Professional Dues	57,269	0	(57,269)
1400.0000 Deferred AI Professionals Dues/Fees	61,509	0	(61,509)
1401.0000 Dues Accounts Receivable	(4,240)	0	4,240
Deferred Registration Fees	26,526	17,015	(9,511)
1220.0000 Deferred Education Reg Fee	26,526	17,015	(9,511)
1250.0000 Deferred Revenue - Other	0	0	0
Total Liabilities	83,795	17,015	66,780
Net Assets			
Unrestricted Net Assets	65,020	133,942	(68,921)
Board Designated Net Assets	90,208	86,936	(3,272)
2010.0000 Board Designated Net Assets	0	0	0
2011.0000 Board Designated Net Assets - Scholarship Fund	85,846	74,365	(11,481)
2012.0000 Board Designated Net Assets - PAC	4,363	3,268	(1,094)
2013.0000 Board Designated Net Assets - Scholarship Checking	0	9,303	9,303
Total Net Assets	155,229	220,878	(65,649)
Total Liabilities and Net Assets	\$239,024	\$237,893	\$1,131

We are anticipating an increase in education as this is a USPAP year; however, due to COVID-19 this may be reduced. The education committee along with the guidance of the Executive Committee are working

to be able to offer some of these classes via a virtual format or other means as we, first and foremost, strive to protect the health and safety of our members. Given the pace at which events are unfolding and the myriad unforeseen issues which will undoubtedly arise going forward, we will update our membership on future offerings.

Our reserves are included in the unrestricted net assets line item. Unrestricted net assets of \$65,020 declined from \$133,942 in March 2019 as a result of the losses in the previous two years.

Presented below are the 2018, 2019 actuals and the 2020 Budget:

	2018 Actual	2019 Actual	2020 YTD	2020 Budget
Description				
Revenue				
AI Professional Dues and Fees	87,309	85,314	14,081	90,300
Education Revenue	177,128	114,749	11,765	120,000
Conference Revenue	3,470	675	0	0
Chapter Events Non CE Revenue	1,475	15,235	0	0
Other Revenue	12,824	3,604	54	5,500
Investment Income	4,008	8,048	(1,829)	0
Total Revenue	286,213	227,625	24,071	215,800
Expenses				
Education Expenses	217,812	100,108	11,733	90,000
Conference Expenses	6,208	7,600	0	2,150
Chapter Events Non CE Expenses	10,614	2,569	249	2,000
Governance Expenses	29,248	38,281	0	36,200
Government Relations Expenses	27,369	12,252	3,504	12,000
Promotional Expenses	0	12	0	0
Chapter Operating Expenses	56,617	74,501	11,957	72,853
Total Expenses	347,867	235,323	27,442	215,203
Net Surplus/(Deficit)	(\$61,654)	(\$7,698)	(\$3,371)	\$597

We have projected a 5.84 percent increase in dues for 2020, which is based on the actual member count. We have projected a 10 percent reduction in education expenses, due in large part to the education committees changes in venue selections. Overall, we anticipate a decrease in expenses of 8.55 percent from the 2019 actuals. This is due to the change in venues for not only education, but the quarterly meetings as well. The executive committee is working diligently to provide the best service to our members and to make the North Carolina Chapter profitable going forward.

Respectfully Submitted,

Jim Lynch, MAI

Chapter Treasurer

Government Relations Committee
Chairperson: Mike Elwell

Spring 2020 update:

1. On January 8, 2020 we were asked to attend a round table discussion hosted by the NC Appraisal Board (NCAB) to discuss the topic of Hybrid Appraisals. NCAI sent Mike Moody, President-Elect, and Mike Elwell, Secretary, to the meeting to represent the chapter. NCAB also invited Scott Dibiasio, Manager of State and Industry Affairs with AI national, who attended in person. Also, in attendance, were members of various appraisal, banking and appraisal management advocacy organizations. The meeting centered around two main topics. 1) Can hybrid appraisals be legally performed by licensed real estate appraisers under the laws of North Carolina? 2) If they are legal, what are the proper standards to apply when and if NCAB needs to address a complaint related to a hybrid appraisal? Several advocacy groups are of the opinion that the current regulations for licensed appraisers in NC do not allow for hybrid appraisals, mainly due to the lack of supervision over the providers of significant appraisal specific information, like building condition and size. All of the groups, including NCAI/AI agreed that USPAP does not prohibit hybrid appraisals. NCAI/AI stressed that forms of this type of appraisal product are utilized often in the commercial appraisal business, so any new rules or regulations would need to avoid unintended consequences. The advocacy groups for residential appraisals are very suspicious of hybrid appraisals and they are working to create a ban or at least significant restrictions to make the use of these products very limited. NCAI/AI has adopted a wait and see approach regarding new rules/regulations at the state level as the national banking regulators have recently decided to wait on fully implementing hybrid appraisal products for residential appraisals. NCAB is currently processing the insights from the meeting to decide if they need to develop new rules, new legislation or simply write a newsletter article to address how they will enforce/interpret current legislation regarding hybrid appraisals for all licensed appraiser in NC.
2. Hybrid Appraisals - Based on the January meeting and other meetings on this topic, the NC Appraisal Board published a discussion in their latest newsletter regarding the boards

position/opinion on Hybrid appraisals and offered suggestions to appraisers who are considering doing these types of appraisals or who are already doing them. The link to the newsletter is here: <http://www.ncappraisalboard.org/bulletins/Winter2020.pdf>

3. Sunsetting NCAB Frivolous Complaints - GRC is continuing the process to survey NC professional licensing boards to determine their policies regarding dismissed complaints against licensed professionals. This task will help NCAI generate a plan to address NCAB regarding frivolous complaints against appraisers, with the hope that these types of complaints can be expunged from the appraiser's record with the state. The new proposed rules for NCAB include adding a process for NCAB staff to determine more quickly if a complaint is frivolous or if it has merit (57C.0101). Complaints without merit will be dismissed. While the intent is to dismiss the frivolous complaint, NCAB must still keep this allegation in the file of the appraiser involved and report such allegations to any inquiring agency or person.
4. Raleigh Updates - The legislative updates/reports created and sent to NCAI by David Ferrell (NCAI lobbyist) will now be posted on our website. THM will send an email blast to members when the report is posted on the website.
5. Lobbyist - David Ferrell will continue to be our lobbyist in Raleigh this year.
6. NCAI PAC news...

The current PAC balance is just over \$4,300. Our raffle at the December meeting generated over \$1,000. Thank you to all of you who participated. Another raffle will be held at the March meeting.

The PAC is building funds for the 2020 election, which includes the Governor's race. We can make a splash with candidates running for office if the PAC has the resources.

PLEASE DONATE! Please consider giving, so that we can continue to broaden our outreach and influence in Raleigh for your benefit!!!

NCAI Scholarship Committee Report – 1Q2020

March 17, 2020

Scholarship Fund Balance & Management

NCAI Scholarship Fund							
Quarter	1Q2019	2Q2019	3Q2019	4Q2019	2019 Annual	1Q2020	2020 Projections
Beginning Balance	\$83,656.00	\$86,828.00	\$86,234.00	\$85,774.00	\$83,656.00	\$87,165.00	\$87,227.00
Deposits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Earned	\$3,172.00	\$1,346.00	\$1,609.00	\$1,921.00	\$8,048.00	\$62.00	\$0.00
Sub-Total	\$86,828.00	\$88,174.00	\$87,843.00	\$87,695.00	\$91,704.00	\$87,227.00	\$87,227.00
Scholarships Paid	\$0.00	\$1,940.00	\$2,069.00	\$530.00	\$4,539.00	\$0.00	\$3,109.00
Group Scholarships	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,758.25
Other Deductions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ending Balance*	\$86,828.00	\$86,234.00	\$85,774.00	\$87,165.00	\$87,165.00	\$87,227.00	\$79,359.75

Note: 1Q2020 includes January 2020 investment dividends and gain/(loss) only. Deposit and interest in 2020 is TBD.

2020 Scholarship Fund Investment	
January 1, 2020 Fund Balance	\$87,165.00
Available Funds (5%)	\$4,358.25
Individual Scholarships (Pending Approval)	\$3,109.00
Group Scholarships (Pending Approval)	\$1,249.25
Remaining Funds Available	\$0.00
Additional Funds Request (Pending Approval)	\$3,509.00
Total Scholarship Investment	\$7,867.25
% of January 1, 2020 Balance	9.03%

Investment Growth Strategy

The Scholarship Committee plans to implement a fundraising program beginning in the second half of 2020. The program involves an automatic payment donation plan that NCAI members can setup through their bank accounts, and a potential donation portal on the NCAI website. The committee welcomes your questions, insight and feedback as we prepare the growth plan over the next few months.

As of January 1, 2020, the Scholarship Fund had a balance of \$87,165, which means that we have \$4,358.25 available for scholarship distribution in 2020. The available balance reflects the 5% base allocation each year. This year, Scholarship Committee plans to award both individual and group scholarships to NCAI members.

In 2019, the Scholarship, Education and Candidates Guidance Committees began working on a joint initiative to offer a group scholarship that would benefit NCAI candidates taking an eligible course offered through NCAI in 2020. The selected course is Advanced Market Analysis & Highest and Best Use, which will be offered on May 11 - 15, 2020 in Charlotte, NC. Registration is currently open. Tuition for AI members is \$900.

In order to determine the allocation of funds for individual and group awards, we recognized that the course selected for the group scholarship would primarily benefit candidates who were nearing the end of their course requirements. Therefore, we intend to focus individual scholarship awards on candidates at the beginning and end of the spectrum to ensure our candidate needs are served equitably.

In the first quarter of 2020, we received eleven (11) applications for scholarship; ten (10) of which were eligible for funds. In comparison, we received eight (8) applications in all of 2019. Our outreach to candidates with scholarship resources has been successful!

Among the ten (10) eligible candidates in 1Q2020, six (6) are relatively early in their respective careers, two (2) were seeking funds for Advanced Market Analysis & Highest and Best Use (which will benefit from our group scholarship program), and two (2) were seeking funds for the 2020 General Demo Capstone Workshop (which will be offered by AI National in North Carolina in September of 2020). Both of the advanced applicants could qualify for designation within twelve (12) months or less of taking the capstone course.

The Scholarship Committee recommends that we provide funds to all of these candidates. In order to do so, we are requesting an affirmative vote from the Board of Directors to release the excess earnings from 2019, which totaled \$3,509. In short, the Scholarship Fund earned more interest in 2019 than was spent on scholarships. We would like to use the excess earnings to fund a total of \$7,867.25 in

scholarships in 2020, which would reflect an investment of 9.03% based on the fund balance of \$87,165 on January 1, 2020. The funds would be allocated as follows.

2020 Scholarship Fund Allocation	
Available Funds	\$7,867
Individual Scholarships (6 Candidates)	\$3,109
Group Scholarship (Advanced Market Analysis & Highest and Best Use)	\$2,500
Group or Individual Scholarship (Capstone Course in NC)	\$2,258
Total Scholarship Investment	\$7,867
2020 Allocated Funds Investment	100.00%

The recommended strategy would fully deplete the 2020 funds, which meets our mission objective to facilitate and maximize the use of the available funds each year.

- The funding allocated for 2020 would provide full tuition scholarships for six members of the North Carolina chapter, and partial scholarships for a minimum of four or more members. Even if we only serve the ten applicants from 1Q2020, we will have exceeded the seven awards given in 2019. The total number of members served will depend on how many candidates sign up for Advanced Market Analysis & Highest and Best Use and the Capstone workshop.
- Of the ten courses taken by scholarship recipients, three courses will be offered through NCAI, two would be provided online and three would be provided by other AI chapters.
- The Scholarship Fund would help five chapter members pursue a certification in North Carolina, and five more pursue the MAI designation specifically. There were no applications for review designation candidates. There were no eligible applications for SRA designation candidates; however, one of those seeking NC certification intends to pursue the SRA.

Required Action: Affirmative vote from the Board of Directors permitting the release of an additional \$3,509 from the Scholarship Fund, which would allow for a total scholarship investment of \$7,867.25 or 9.03% in 2020. Any funds not used in the group scholarship offering due to inadequate demand would remain in the Scholarship Fund. The additional funding will not be used to offer individual scholarships.

Kelli K. Mayhew, MAI – Chair

Miles L. Hamrick, Sr., MAI, AI-GRS

Alan W. (Ty) Sutton, Jr., MAI, SRA, AI-GRS



Appraisal
Institute®

North Carolina
Chapter

NCAI Newly Designated Members

AI-GRS Designation

Chris Johnson, MAI, SRA, AI-GRS
Charlotte, NC

AI-RRS Designation

Elizabeth H. Derrick, AI-RRS
Salisbury, NC

MAI Designation

Michelle R. Theyken, MAI
Denver, NC

2021 Slate of NCAI Officers, Directors, Regional Representatives, and Alternate Regional Representatives

This slate is presented by the North Carolina Chapter's 2020 Nominating Committee comprised of: Sheri Colvin, MAI (Chair); Joel Tate, SRA; Don Read, MAI; Chesney Baker, MAI, AI-GRS; and David Pope, MAI, SRA.

The underlined below denotes the members selected to fill the positions as listed. This slate will be on the agenda to be approved at the 2nd Quarter 2020 Chapter Business Meeting to be held on June 11, 2020.

Officers:

President	<u>Mike Moody, MAI</u>
President-Elect	<u>Vanessa Hall, MAI</u>
Vice President	<u>Jim Lynch, MAI</u>
Treasurer	<u>Mike Elwell, MAI, SRA</u>
Secretary	<u>Kelli Mayhew, MAI</u>

Directors: (3-year terms)

2021 - 2023	<u>Miles Hamrick Sr., MAI, AI-GRS</u>
	<u>Erica Butler</u>
2019-2021	Rocky McElhannon, MAI, SRA, AI-GRS
	Hector Ingram, MAI
	Matt Benyon, MAI
2020-2022	Brian Crowder, MAI

Regional Representatives: (maximum of 2-year terms)

Chapter President:	Mike Moody, MAI (automatic)
2021	Vanessa Hall, MAI (2021 President Elect)
2021 - 2022	Rudy Pomeroy, MAI
	Scott Robinson, MAI, SRA, AI-GRS, AI-RRS
2020-2021	Rocky Shiplett, MAI
	John Grant, MAI
	Miles Hamrick Sr., MAI, AI-GRS
	Cody Jetton, MAI

Alternate Regional Representatives: (1-year terms)

	Amy Capra, MAI
	Steve Sutton, MAI
	Craig Parker, MAI
	Andy Piner, MAI
	Laura Gourlay, MAI, AI-GRS
	Alan (Ty) Sutton Jr., MAI, SRA, AI-GRS
	Grey Taylor
	Carol Fortenberry, MAI
	Brian Crowder, MAI, SRA

Additional nominations may be made by a timely filing of a written petition signed by at least five percent (5%) of the total number of Designated Members, Candidates, Practicing Affiliates and Affiliates in the Chapter. Such petition may be in electronic form. To be effective, each nominating petition must be delivered in writing to the Chapter Secretary at least by May 27, 2020, which by regulation is at least fifteen (15) days before the regular Chapter meeting at which the election is to be held. The Chapter Secretary shall deliver in writing a copy of any petition filed to each

Designated Member, Candidate, Practicing Affiliate and Affiliate belonging to the Chapter by June 1, 2020, which by regulation is at least ten (10) days before the date on which elections are scheduled to be held.

The election will be held at the 2nd Quarter 2020 Chapter Business Meeting on June 11, 2020. At that meeting, no additional nominations may be made from the floor per regulation.

Please forward any petition(s) to the Chapter Secretary via the Executive Director, Sandy Hower, at executive.director@ncappraisalinstitute.org or at the address below.

Sandy Hower
Executive Director
North Carolina Appraisal Institute (NCAI)
1300 Baxter Street, Suite 360
Charlotte, NC 28204
ph: 704-719-2644 x 102 | d: 704-940-7392
executive.director@ncappraisalinstitute.org

Thank you,

Sheri Colvin, MAI
2020 NCAI Nominating Committee Chair
2020 NCAI Immediate Past President