President’s Letter

Happy fiscal new year everybody!

First, thank you for electing me to serve as your Chapter President. Erin Hollis did a great job for the fiscal year ended June 2013. I intend to keep the momentum rolling for fiscal year 2014.

Second, if you don’t know by now, we have some great programs in store for the ASA Chicago Chapter in the 2014 fiscal year. These ASA Chicago Chapter programs include:

1. Opening Night
2. Behind the Scenes: FBI – Art Crime Team
3. 7th Annual Golf Outing
4. Palmer House Hilton
5. State of the Capital Markets
6. USPAP Class
7. Fair Value Valuation

The fiscal new year events began in August with the annual Opening Night event. It was held at South Branch Tavern and Grill on Thursday, August 22, 2013. The food, fun, and drinks flowed well past the two-hour time allotment. Just like last year, we had a packed house for this great event.

In September there are two events planned: (1) Behind the Scenes: FBI – Art Crime Team, and (2) the 7th Annual Golf Outing.

Chapter members Lela Hersh and Patty Atwood organized the Behind the Scenes: FBI – Art Crime Team event. Because of their hard work, we are fortunate to have FBI Special Agent Luigi G. Mondini speak to the Chapter. Special Agent Mondini is one of 13 FBI special agents assigned to the FBI’s Art Crime Team. Special Agent Mondini is a personal property crimes investigator. He investigates crimes involving art, silver, jewelry, and wine.

This event will take place at the Gleacher Center on Friday, September 13, 2013. It is scheduled to begin at 11:30 am and last until 1:00 pm. Sign-up now to get the early bird sign-up rate of $20. The early bird sign-up deadline is Tuesday, September 3, 2013, after which the cost increases to $30. It is a one continuing education (CE) hour event.

On Friday, September 20, 2013, we will hold the 7th Annual ASA Chicago Chapter Golf Outing. This year we visit Indian Lakes Resort in Bloomingdale, Illinois. Having recently played at Indian Lakes, I am pleased to report that the golf course is in excellent condition. Indian Lakes is a 27-hole championship golf course facility. The course is full of surprises like the 615-yard Par-5 with an elevated green, and the 155-yard Par-3 with a full island green. In addition to some great golf, we will provide breakfast, continuing professional education (CPE), and a cookout luncheon.

This outing starts at 7:45 am with breakfast and sign-in registration. At 8:00 am we will provide a healthy dose of CPE. Chapter members Jay Loudermilk, a Director of Valuation at Grant Thornton, and former ASA Chicago Chapter past president Park Johnson will present a 1.5 CPE hour multidisciplinary panel discussion related to fair value valuation for financial reporting purposes.

After the panel discussion, we will commence with the golf portion of the outing. The day will conclude with an outdoor cookout beginning at 1:45 pm and ending around 3:00 pm. Make sure to take advantage of early bird pricing of $75 for Chapter members and $85 for non-members. After September 6, 2013, the regular price increases to $85 for Chapter members and $95 for non-members.

On Wednesday, December 4, 2013, we plan to visit the Palmer House Hilton for a behind the scenes guided tour. Chapter member Patty Atwood arranged this 1.5 CE hour event. This event will provide an interesting historical perspective of Chicago circa late 1800’s and early 1900’s. In addition to learning about the Palmer House, and its relevance to Chicago, we will enjoy a tasting of the world-famous Palmer House chocolate brownie.
President’s Letter cont.

Some interesting facts about the Palmer House include, it is believed to be the longest continuously operating hotel property in North America. The current Palmer House is actually the third iteration. The first burned to the ground in the Great Chicago Fire just thirteen days after it opened.

The Palmer House tour starts at 4:00 pm and is followed by an open cash bar reception in the Lockwood Lounge. I encourage you to sign-up now for the early bird rate of $25 per person. After November 27, 2013, the regular per person sign-up rate increases to $40. ASA Chapter members and guests are welcome at this event.

Beyond calendar year 2013 we have our annual State of the Capital Markets event, a USPAP class scheduled for March 31, 2014, and a Fair Value Valuation seminar currently in development. I have no doubt these will be great events. As we proceed into the fiscal year, we intend to add additional Chapter programs throughout the year.

Third, in addition to the ASA Chicago Chapter programs, keep an eye out for the upcoming Chicago-based ASA National programs. Some these programs are scheduled for August 2013 and March 2014.

In conclusion, we are fortunate to have Chapter volunteers that help the Chicago Chapter set the standard for the entire ASA chapter system. Help us continue to set the standard by supporting the Chapter. To do this, please plan to participate in Chapter events, become more involved with Chapter planning, and volunteer for Chapter positions. If you have a meeting idea or want to get more involved please email me for more information.

I hope to see you at Chapter events over the next couple of months.

Best regards,

Kevin M. Zanni, ASA
President, Chicago Chapter

PS. Don’t forget to sign-up for ASA Chapter events at: http://www.asachicagochapter.org/events.html

ASA Chicago Chapter Board

President | Kevin Zanni, ASA
1st Vice President | Lela Hersh, ASA
2nd Vice President | Jordan Donsky, ASA
Secretary | David Koller, ASA
Treasurer | Brian McCabe, ASA

Discipline Chairs

Business Valuation | Brian McCabe, ASA
Gems & Jewelry | Michael Holtzman
MTS | Michael Ackerman, ASA
Personal Property | Patricia Atwood, ASA
Real Property | Jeffrey Kirk, ASA

ICAP Representatives

Newsletter Editor | Lee Lansford, ASA
Public Relations | P. Barton DeLacy, ASA
Website | Mitch Ramski

Erin Durand Hollis, ASA

David Koller, ASA
“Green Building” Tour
By Jeffrey Kirk, ASA, Real Property Chair

A Tour of the RVC Jacobs Center was held on Wednesday, June 19th at 1:30. The Karl J. Jacobs Center for Science and Math opened on the Rock Valley College main campus in August 2011. The 106,000 square foot building allows Rock Valley College to increase course offerings in science and math for transfer and career programs. Numerous innovative sustainable technologies have been incorporated into the design of the building and Rock Valley College received the LEED Gold certification for its design.

Among the Green Technology innovations are:

Energy Savings Measures

- Variable air volume air handling units
- Energy recovery on air handling units
- High efficiency domestic water heating system
- High efficiency light fixtures
- Lighting controls
- Thermally efficient glazing (Low-E coatings, ceramic fritting)
- Reflective white roofing membrane

This tour was organized through the Rockford Area Board of Realtors Commercial and Industrial Committee, which I am a member of. Co-sponsoring activities and seminars is one way to have programming away from the resources available in the major metropolitan area.

Another activity being discussed in conjunction with RAAR is a Cost Segregation Seminar featuring ASA speakers. The Chapter would not be asked for funding, but would provide promotional support.

Upcoming Personal Property Programs
By Patricia H. Atwood, ASA, Personal Property Chair

Chicago Chapter Personal Property programs this year include a speaker from the FBI Art Crimes Team, a behind-the-scenes look at the Palmer House, and a 7-hour USPAP update class. As always, the ASA Chicago Chapter website is where events will be posted.

ASA International Personal Property Committee has scheduled a March 2014 duo of mini-conferences in San Francisco: Excelling as an Expert Witness and Personal Property Issues & Insights: San Francisco. Organizers are still working out final details, but dates are set for March 5-6 for Expert Witness and March 7-8 for Personal Property program.

Excelling as an Expert Witness is a 2-day program designed for appraisers of all disciplines on March 5-6, 2014. ASA has teamed up with SEAK, the nationally-known expert witness training organization that has trained thousands of expert witnesses, including programs for IRS in-house art appraisers. The intensive training includes: bulletproofing yourself and your opinions, common CV and website mistakes, mastering the engagement process and drafting an effective retention agreement, best practices for writing a defensible report, preparing for deposition and trial, how to excel and exceed expectations during deposition, direct examination, cross examination, and much more.

Personal Property appraisers may not be the only ones, who want to stay for the Friday and Saturday speakers and visits on March 7-8th. Personal Property Issues & Insights: San Francisco is a 1.5-day program of lectures by experts from the Bay Area with visits to both a contemporary exhibition and an historic site. Friday speakers are Gawain Weaver on photography, Dr. Devin Zuber and Holly Mitchem, ASA on Arts & Crafts and California painting, Marsha Handley, ASA on Asian Arts, Christopher McCall, on photography at Pier 24 and Doug Davidson on wine values followed by an evening reception with wine tasting. The Saturday half-day explores the role of online sales in changing market dynamics and includes a visit to Jackson Square galleries.
Meet Judy Moody

**Judy Carr Moody, ASA, Business Valuation Chair**

I am pleased to be serving as this year’s Business Valuation Chair of the ASA Chicago Chapter. I have been an accredited senior appraiser since 1997 and have been a member of the Chicago Chapter since 1999.

By way of background, I am a principal at ForestView Advisory Group, Inc. (previously Moody & Associates, Inc.), which is a firm that I started in 1997. My specialization is in providing business valuation services for tax, dispute resolution, transaction related and consulting purposes. Prior to founding ForestView, I was a Senior Consultant in Litigation Services at Peed, Koross, Finklestein & Crain, an accounting and management consulting firm in Fort Lauderdale where I prepared business valuations for litigation and consulting purposes. Prior to PKF&C, I was a trust officer at Northern Trust Company where I held positions in trust operations, trust administration, and family business.

The next year for the ASA Chicago Chapter should be an exciting one for valuation professionals. The events that are currently being planned are interesting and span all valuation disciplines. As BV Chair, my main responsibility is to plan the State of the Capital Markets event. The Capital Markets event is co-hosted with the Business Valuation Association and usually takes place in January or February. At this event, we expect to provide you with relevant and interesting topics affecting our profession.

As I am new to the BV Chair position, I welcome any suggestions, comments or items of interest. You can contact me at (630) 858-6509 or jmoody@forestviewag.com.

ASA presents at ICAP seminar in Lisle

**By Barton DeLacy, ASA, MAI, CRE, FRICS**

The Chicago Chapter of the ASA manned a booth and made a membership pitch to some 300 real estate appraisers attending the Illinois Coalition of Appraisal Professionals (ICAP) Chicago-area seminar in Lisle July 27 at the Lisle Wyndham Hotel.

Lee Lansford, ASA and Barton DeLacy, ASA (both real property discipline) collected business cards and fielded questions from attendees. At a short lunch hour presentation to the mostly residential appraiser audience, DeLacy pointed out how ASA membership and exposure to multiple disciplines could broaden an appraisal business base. For example, he pointed out how ASAs in other disciplines, such as fine arts appraisers, need to make residential referrals when estates or mixed asset portfolios needed valuation.

The morning session focused on residential topics such as condominium valuation, while the afternoon highlighted legislative changes affecting real estate appraisers in Illinois. Brian Weaver, the Illinois state coordinator closed the session with a lecture on compliance issues.

ASA is one of the sponsoring organizations supporting ICAP, founded in 1994 to be the “unified voice” for real estate appraisers in Illinois. Regulation of real estate appraisers requires continual monitoring and occasional lobbying at the state and federal level. Further, ICAP strives to provide educational offerings to its members.

Obamacare & Valuation

**By Brian McCabe, ASA, Business Valuation Chair**

Valuation professionals are tasked with the difficult job of projecting future cash flows and estimating the degree of risk, or uncertainty, with regard to achieving those cash flows. Since being signed into law in 2010, the Patient Protection and Affordable Care Act (aka Obamacare) has provided an enormous layer of uncertainty on top of the already difficult task of estimating future cash flow.

Obamacare imposes numerous new taxes and regulations. The ultimate impact of the legislation on businesses and the economy is not known. For a time, it was not even clear if Obamacare would be repealed or significantly altered. Obamacare has so far withstood challenges that it is unconstitutional and survived numerous repeal votes from House Republicans. While some provisions went into effect soon after passing, the employer mandate (the requirement that employers with 50 or more employees provide health insurance to all employees who work 30 or more hours per week or face a $2,000 per employee penalty) was not scheduled to go into effect until January 1, 2014. In July, the can was kicked a little further down the road when the employer mandate was delayed until January 1, 2015.

It is important for appraisers to understand both the risks of Obamacare as well as the subject company’s plans for navigating those risks. There are many ways in which the legislation affects businesses. Some employers are faced with the choice of increasing costs to provide insurance or reducing head counts and potentially impacting quality or growth. These and other issues were discussed by Mary O’Connor, ASA, in the ASA’s first Virtual Chapter Webinar on May 29, 2013.
State of the Capital Markets Panel

By Brian McCabe, ASA

The American Society of Appraisers and the Business Valuation Association hosted the annual State of the Capital Markets panel on February 27, 2013 at the Standard Club. The panel was comprised of Robert Johnson, CFA, Director of Economic Analysis at Morningstar, Martin Battaglia, Managing Director with Deloitte Corporate Finance LLC and Elliot Farkas, Managing Director with William Blair and Company.

The panelists discussed economic developments, merger and acquisition activity and the debt markets. The much anticipated event was well attended.

Speaker Martin Battaglia

Speaker Elliot Farkas

Speaker Robert Johnson

Brian McCabe, Elliot Farkas, and Robert Johnson

Susan Boin, ASA, Judy Moody, ASA, and Gayle Portillo
Member Advancements

By Adam Hill, ASA

The member/advancement committee for the Chicago Chapter would like to welcome three new ASA members (Grant L. Casteel – Duff & Phelps, Clifford M. Nelson – CRA Int’l Inc. and Katerina Jurcikova - Crowe Horwath) as well as one new accredited senior appraiser (Christopher M. Glad – HLHZ), and we look forward to your future contributions to not only the Chicago Chapter, but also ASA. Additionally, in accordance with the national recruitment program, the Chicago Chapter is allowing its current members to bring a guest to the opening night ceremonies on Thursday, August 22nd at South Branch. Last, the committee would like to encourage all Chicago Chapter members to volunteer time to mentor/assist new members with incorporating themselves into Chapter activities and ASA national education and AM/ASA designation requirements. If interested, please reach out to any of the officers, your discipline chair or the committee chairs.

Opening Night @ South Branch in Chicago, August 22, 2013

Jim Nutter, Krzysztof Smalec, Abdallah Almirah, Matthew West, ASA, Tim Ladd

Kevin M. Zanni, ASA

Susan Boin, ASA, Judy Moody, ASA, Jamie Miller, and Patrick Ripley

David G. Clarke, ASA and Ed Detwiler, ASA
Upcoming Event

Behind the Scenes: FBI - Art Crime Team with Speaker Luigi G. Mondini, Special Agent

Consider the recent Sonnabend case where an appraiser concluded a Fair Market Value of zero for estate-tax purposes for an unsalable Robert Rauschenberg work, and the IRS argued a value of sixty-five million dollars based on a theoretical sale in the Black Market. What IS going on in the Black Market? Our speaker, Luigi Mondini, is one of 13 special agents in the FBI’s Art Crime Team, formed after the 2003 looting of the National Museum of Iraqi. Agent Mondini’s cases include crimes of all personal property, including art, silver, jewelry, and wine. Friday, September 13, 11:30-1pm, Gleacher Center. Registration is $20 by September 3, and $30 after.

Save the dates!

October 13 – 16, 2013

Register for the ASA Joint 2013 International Appraisers and Advanced Business Valuation Conference www.appraisers.org. Join us in San Antonio for advanced education and workshops. The International Appraisers Conference offers four days of workshops and presentations developed specifically for you and taught and led by leading appraisal experts. The Advanced Business Valuation Conference offers three distinct tracks with highly focused sessions and 20 hours of CPE spanning business valuation, fair value, practice management, litigation support and more.
Chicago Appraisal Times is an online newsletter published quarterly by the Chicago Chapter of the American Society of Appraisers, an international, non-profit organization that teaches, tests, and awards designations in all appraisal disciplines, including Business Valuation, Gems and Jewelry, Machinery and Technical Specialties, Personal Property, and Real Estate.

**Chapter Contact Information**
Email: chicagoasa@sbcglobal.net

**American Society of Appraisers HQ**
Phone: (800) ASA-VALU / (800) 272-8258 (U.S. and Canada) or (703) 478-2228

American Society of Appraisers
555 Herndon Parkway, Suite 125
Herndon, VA 20170

Chicago Chapter Website: http://www.asachicagochapter.org
ASA Website: http://www.appraisers.org/ChicagoHome/Chicago.aspx

Become a Fan of Chicago Chapter ASA
Become a Fan of ASA on Facebook

Follow Chicago Chapter ASA
Follow ASA on Twitter

Join Chicago Chapter ASA LinkedIn
Join ASA on LINKED IN

Watch ASA Videos on YouTube
The American Society of Appraisers is an international organization of appraisal professionals and others dedicated to the education, development and growth of the appraisal profession. ASA is the oldest and only major organization representing ALL disciplines of appraisal specialists, originating in 1936 and incorporating in 1952. ASA’s headquarters is in the metropolitan Washington, DC area. This newsletter represents the members of the Chicago Chapter of the American Society of Appraisers.