

2Officers:

President
Craig Sommers

President-Elect
Terry Leibel

Secretary
Paul Reisch, ARA

Treasurer
Paul Sickler, AFM

Past President
Ron Ensz, ARA

Directors:

Jeff Barker (2019)
Jim Dunlap, ARA-AFM (2017)
Brian Gatzke, ARA (2018)
Jay Knuppe (2018)
Loy Matthes, ARA (2019)
Don Threadgold, AFM (2019)

Committee Chairs:

Membership
Paul Reisch, ARA

Social
Jeff Barker

East River Breakfast
Barb Hegerfeld

West River Breakfast
Norm Edwards, ARA

Education
Scott Heimes

SDSU Relationships – Reisch
Career Days – Jay Knuppe
Curriculum – Gatzke / Janssen
Network Event
– Brian Gatzke, ARA
Scholarship - Jay Knuppe
Student Involvement- Jesse Ball

Assessors Conference
Wade Buck

Education Foundation Auction
Ron Ensz, ARA

Government Relations
Terry Leibel

Appraisal Review & Ethics
Jerald A. Hulm, ARA

Mentor
Jim Dunlap, ARA

Kjerstad Member Scholarship
Craig Sommers

Nominating Committee
Ron Ensz, ARA

Communication
Paul Reisch, ARA
Newsletter – Paul Reisch
Website – Adam Nelson

www.asfmra-sd.com



SOUTH DAKOTA CHAPTER

9/2016

Enhancing Our Members' Ability to Succeed in Their Rural & Agriculturally Related Professions!

DATES TO REMEMBER!

September 28 – Ag-Bio Career Fair – Brookings
October 19 – SDSU Ag-Bio Scholarship Banquet
October 28 - West River Breakfast Meeting – Rapid City
October 28 - SD Chapter Board Meeting – Rapid City
November 7-11 - 87th ASFMRA Annual Meeting – Indian Wells, CA
November 18 - East River Breakfast Meeting – Sioux Falls
December 10 - West River Breakfast Meeting – Rapid City

2017

January 25-27 –Winter Education & Joint Meeting W/PAASD - Chamberlain
May 30 – June 2 – SD Assessor Conference - Brookings
July 17 – 21 – Summer Education Week – Omaha, NE
October 18-20 – Yellow Book Seminar – Deadwood

CHAPTER MEMBER ANNIVERSARIES

October

Member	Join Date	Years
Jerry Hulm	10-11-1985	31
Jim Dunlap	10-7-1988	28
Dave Koenigshof	10-2-1998	18
Mark Elder	10-01-2005	11

Thank you for your support!!

CHAPTER MEMBERSHIP UPDATE

We welcome our newest member Martin Olson. Martin is an ARA, RPRA from Scottsbluff, NE, who has been an ASFMRA member since 1977 and recently joined our chapter.

Summary of Current 88 Members / 68 accredited / associate / academic:

1 ARA / AFM 1 ARA / RPRA 10 ARA 7 AFM

45 Associate – 38 appraisers / 7 farm managers

4 Academic 11 Student 2 Affiliate 3 Retired 3 Partner 1 Honorary

PRESIDENT'S MESSAGE

Fall is here and with that our businesses are setting a pace that is much faster than our summer months. As the end of 2016 is only 90 days away, our Chapter has been busy planning for the future with the Education Committee working diligently behind the scenes to offer quality and meaningful CE.

I am proud of our Chapter working side by side with PAASD members in offering CE in January. Plans are to offer the ASFMRA Rural Residential Appraisal course on Thursday. The AI course: "Drone Technology and Its Impact on the Appraisal Industry" will be offered on Friday. This will be a great couple of days for South Dakota appraisers! Make room in your calendar for this opportunity.

Over the past two years, I've gotten emails and comments from members asking about our Chapter's position on different AQB and TAF policies, surveys and the like. The Chapter Board seldom takes a strong political stand due to the wide and varying views of our membership. It would be more appropriate for individuals to use something similar to a "Letter to the Editor" area in the newsletter to put forth the individual's opinion to the members. We would welcome any articles that you might like to write for the newsletter, too. Let me know your thoughts.

The 2nd AQB Exposure Draft of Proposed Changes to the Real Property Appraiser Qualification Criteria is available for comment. There are some significant changes in it. Members are encouraged to review this and respond as they see fit. Comments are due by November 4. Every comment made is read and considered.

On September 20th, four Chapter members met with SDSU staff regarding the annual Land Value Survey that has been completed by SDSU since 1991. We had a very productive session and hammered out an updated survey format that will capture most agricultural land uses in South Dakota. We truly are in the "land of infinite variety" when it comes to narrowing land use categories to one page, uncluttered survey. My thanks go out to Jack Davis for taking the time to set up and lead the meeting, to Terry Leibel, Paul Reisch, and Jim Hollenbeck for bringing their expertise to the meeting.

Craig Sommers craig.sommers@fcsamerica.com

APPRAISER QUALIFICATIONS BOARD SEEKING INPUT

**Now Available: 2nd AQB Exposure Draft of Proposed Changes to the
*Real Property Appraiser Qualification Criteria***

The Appraiser Qualifications Board would like your input on the 2nd AQB Exposure Draft of Proposed Changes to the *Real Property Appraiser Qualification Criteria*. The Exposure Draft is located at <https://appraisalfoundation.sharefile.com/d-s347095154174d2ea>.

The deadline to submit a comment is November 4, 2016. We look forward to receiving your comments.

Chapter members are encouraged to let their voices be heard on this issue. Take time to read the document and let your voice be heard.

SD ASFMRA & PAASD TO CO-SPONSOR DRONE TECHNOLOGY SEMINAR

In the past month, SD ASFMRA and PAASD (Professional Appraisers Association of South Dakota) made the decision to combine efforts on a Drone Technology Seminar to be presented on Friday January 27, 2017 in Chamberlain.

The seminar is titled...Drone Technology and Its Impact on the Appraisal Industry. Lamar Ellis, III, MAI, SRA from Atlanta, Ga is the instructor.

The seminar incorporates all the concepts learned in Principle and Procedures and weaves them with the Drone Technology. Lamar has over 25 years of both residential and commercial experience and is able to draw correlations between the two industries. Even under FAA proposed rules and regulations, he is able to cover topics such as Scope of Work and Identification of the Property to be appraised.

Unmanned Aerial technology is revolutionary and can give those who understand it an advantage in the highly competitive world of appraisal. Appraisers, real estate attorneys, real estate agents, real estate developers, forestry experts, surveying companies, construction companies, agricultural companies, film and television, insurance broker, power companies, department of transportation, search and rescue, airline pilots, and representative of the FAA have attended this seminar.

The seminar will follow the Wednesday January 25, 2017 ASFRMA ethics offering and the jointly sponsored SD ASFMRA / PAASD Appraising Rural Residential Properties Seminar in Chamberlain on Thursday January 26, 2017. James Synatzske, ARA from Stephenville, TX will be the instructor for both offerings.

EAST RIVER BREAKFAST NETWORKING

By Paul Reisch, ARA

Nine members met for breakfast at Denny's Restaurant at the Flying J Travel Plaza in Sioux Falls on Friday morning, September 16th.

Jeff Barker, Jim Dunlap, Rick Gullickson, Tom Jass, Jay Knuppe, Paul Reisch, Paul Sickler, Don Threadgold, and Jerry Warmann had good discussion about the current land value and rental market.

Secretary Paul Reisch updated the group on the planned drone seminar at the January annual meeting and sought input regarding having the membership meeting on Wednesday or Thursday evening.



Jeff Barker and Jim Dunlap indicated they would be attending the national meeting in Indian Wells, CA.

WEST RIVER BREAKFAST NETWORKING

By Norm Edwards ARA

The breakfast meeting of the West River portion of the South Dakota Chapter of the ASFMRA was held at the Marlins Family Grill on Thursday September 8, 2016 on a great autumn feeling day in the Black Hills.

There were seven participants at the Breakfast and we had an informative and useful discussion of current issues and concerns with our individual jobs and in the markets in our areas. Present at the meeting was; Loy Matthes, Perry Beguin, Russell Wyatt, Betty Wyatt, Pat Wyatt, Joe Doran and myself (Norm Edwards).



We had a good discussion of rural real estate activity in the area and it sounded like there was a general softening of demand for land due to the weaker commodity prices and dry weather. There have been some recent sales of note including a feed lot in Nebraska that Loy talked about. We had a good discussion of Convenience Stores and Bars in Rural Areas and their value with and without liquor licenses. Russell had some insight into his experiences and is still looking for some recent comps.

Joe Doran has just returned for a conference in Orlando Florida where the valuation of Wind Farms and Solar Energy facilities were discussed and we discussed emerging trends in the area on this topic and experiences of members of the group on this topic. It was very enlightening to hear the various points of view.

We discussed the new “Branding” of our parent organization and there was a variety of opinions from the desire for a different name to leave it the way it is. We are looking forward to the upcoming meeting with the Directors and officers to see if there is any consensus or direction.

There was a discussion of the use of drones in rural appraisals and it was hoped that we could arrange more education and use of this technology along with the more efficient use of Google Earth as a resource for developing a better and compliant appraisal and sales analysis tool. We would like to have this at our appraisal education seminar if possible.

There are several land trades in the area and we need to have the appraisals of these tracts offered to members of our organization. The current Representatives of the governmental agencies which constantly seem to be in are as follows: USFS, BHNF, Ralph Adams in Custer, SD (605)673-9204; and Ryan Bruner SDSPL Commissioner for the state. Perhaps it would be good to make it a priority for our organization to make sure that our members’ names and expertise be made available to these organizations and that they fully comply with the regulations for land swaps and trades, etc.

Continued

WEST RIVER BREAKFAST NETWORKING CONTINUED



We had a discussion on setting up an appraisal shop and Loy provided a picture of his newly constructed “Field Haus” new office. It gets the workings out of the house and seems to all around make a better space.

We had a good meeting and are looking forward to the officers & directors joining us before their next meeting October 28.

DAVIS RECEIVES DISTINGUISHED SERVICE AWARD

BROOKINGS, S.D. - Jack Davis recently received the 2016 Distinguished Service Award from the National Association of County Agriculture Agents during their Annual Meeting and Professional Improvement Conference held in Little Rock, Ark.

This award is given to Agents with more than 10 years of service in Cooperative Extension and have exhibited excellence in the field of Extension Education. This award only presented to 2 percent of the County Extension Educators in South Dakota each year.

Davis serves as the SDSU Extension Crops Business Management Field Specialist. He is the Academic Vice President for American Society of Farm Managers and Rural Appraisers.

His areas of emphasis include strategic and financial analysis for farm and ranch businesses. His programs and publications focus on farms financial trends, crop production costs and budgets, land values and cash rent trends, and guiding clients in making decisions that improve the profitability and sustainability of their operation.

Davis has recently served as the leader of Farm Bill Education in South Dakota, SDSU Extension's Ag Lender's Conference, and S.D. Farm Economic Summit.



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SD ASFMRA – SDSU EXTENSION GROUP DEVELOPS REVAMPED LAND VALUE SURVEY

Consensus among the group participants was reached at the end of a September 20, 2016 meeting in Huron, SD. The meeting was held for the purpose of SDSU Extension staff having an open discussion with SD Chapter representatives concerning the future of the SDSU Land Survey and possible partnership on publication of the SDSU Ag Land Market & Rent Trends publication.

SDSU Extension staff in attendance:

- Jack Davis, Crops Business Management Field Specialist and SD ASFMRA member
- Shannon Sand, Livestock Business Management Field Specialist
- Heather Gessner, Livestock Business Management Field Specialist

SD ASFMRA members in attendance:

- President Craig Sommers
- President Elect Terry Leibel
- Secretary Paul Reisch
- Education Committee member Jim Hollenbeck

The advance agenda for the meeting:

- Benefits of Land Survey Partnership (Why partner?)
- Example publications
- Survey input
- Dates needed.



There was a consensus regarding benefits for appraisers, agricultural lenders, extension staff, and the public and a desire that the land survey continue.

Examples of publications that other ASFMRA chapters produce that were reviewed and discussed included California, Illinois, Minnesota, North Dakota, and Texas.

Pros and Cons were discussed regarding a report based on actual sales and a report based upon a survey. The actual sales process will demand greater effort and time from chapter members. A consensus developed for a survey approach. With that, it was decided for now to just work on development of a revamped land value survey with the same process as used in the past.

The ending was a productive session ending with a proposed survey that will:

- Reduce number of land uses to address.
- Provide clear, defined direction on top, average, and low quality of the land uses.
- Format that quickly allows party completing survey to view and input value and rent opinions in an integrated manner.

The SDSU Extension staff will take the notes and develop the survey form. The SD Chapter representatives will get a look to provide feedback prior to the SDSU Extension Ag Lender conferences in Sioux Falls (Oct. 24), Watertown (Oct. 26), and Pierre (Oct. 28). Extension staff will seek input from these audiences and then finalize the survey. Chapter members will see the survey at the January annual meeting just before the survey is sent out. Survey will be sent by e-mail.

CHAPTER MEMBERS ENCOURAGED TO ATTEND ASFMRA ANNUAL MEETING

The 87th ASFMRA / annual meeting & trade show will be held in Indian Wells, CA November 7 thru 11, 2016. **AgroNomics - Performance Under Pressure** brings together the most highly accredited rural property professionals and industry experts from across the country to provide you with the opportunity to:

- Network with the best and the brightest land experts
- Gain insight into the future of the US economy
- Understand the election's impact on agriculture
- Comprehend the impact of opening trade with Cuba
- Absorb where the country is headed in regards to GMO labeling
- Identify ways to use technology to gain efficiencies and increase effectiveness
- Learn how to deal with additional government oversight
- Recognize water's impact on land values and crop choices
- Identify opportunities for success now and in the future
- Obtain education and CE credits – to acquire and maintain your specialized accreditations.

Details on the above and registration can be found at www.asfmra.org. Early registration deadline is October 14, 2016. The meeting is a great educational learning opportunity and provides unprecedented networking with other rural property professionals. All chapter members are encouraged to attend.

Kjerstad Member Scholarship opportunities are available as follows to help with expenses.

- **Pay member registration fee for first time national meeting attendance** - The member planning to attend their first national meeting would inform President and Treasurer.
- **Pay up to two \$500 scholarships annually to attend the National Meeting for members who have attended the National Meeting in the past.** Those intending to attend a National Meeting would state their intent to do so to the President and Treasurer. Then, those submitting their intent will be in a drawing for one of the two scholarships. The scholarship would be for members that are not reimbursed their costs by their employer. The scholarship would be limited to the same winner once every three years if several are entered in the drawing.

Chapter members interested in either the first time national meeting attendance or the opportunity for members who have attended in the past should inform President Craig Sommers and Treasurer Paul Sickler by October 28th.

Membership Chair / Newsletter Editor Paul Reisch would appreciate being informed by chapter members who are planning to attend the national meeting.