

Southern NJ Chapter of the Appraisal Institute

April 2018 Edition

Bonnie L. Longo, MAI, SRA, Editor; Lisa Weiss, Writer

Chapter President's Message

Well, it has happened (well kind of sort of) ... spring is here! I trust everyone is happy to see warmer days and nights. As I continue my journey as your Chapter President for 2018, I am excited to offer something to our membership, but more about that later. I first want to thank Lisa and anyone that assisted in securing or attempting to secure our speakers for our annual assessors/appraiser meeting. Based on the feedback that I received, the speakers were well received and most everyone found something useful and informative. We welcomed Judge Joseph Andresini, P.J.T.C., the presiding judge of the NJ Tax Court, who did not disappoint. As he admitted, he is not Judge DeAlmeida, but delivered a good message, particularly for anyone that may be involved with any appraisal or valuation of a property that may be subject to litigation. (More about the April event will be included in the next newsletter.)

The chapter is once again sending one of our own to the annual pilgrimage of leaders in the appraisal field that has occurred dating back to 1969, otherwise known as LDAC (Leadership Development Annual Conference). Michael Descano will be representing the chapter and I am confident that Michael will find it an opportunity of a lifetime for an appraiser. We should all look forward to Michael's report about the event and encourage any that would like to attend in the future to reach out to Michael; I think it would be great to send more than one member to this leadership event.

And finally, at our last Board Meeting, we voted to approve covering the registration fee for up to five members that would be interested in attending the Appraisal Institute's Annual Conference, held July 30 - August 1 in Nashville, TN. This event is a great opportunity to learn, mingle and network with other appraisers from across the country and some from other regions of the world. If you are interested you can reach out to Lisa Weiss or myself. We will take the first five on a first come first serve basis. More information can be found here:

<https://www.appraisalinstitute.org/about/registration/>.

I encourage any feedback that you may have and I would like to wish each of you a warm and sunny spring.

Albert.Crosby@colliers.com

Albert Crosby, MAI

USPAP: March 23

On Friday, March 23, the chapter held its first USPAP update class of the year; the second in the new cycle for information as presented by The Appraisal Foundation. Thirty-nine people attended, with 21 of those taking advantage of the fabulous SNJAI member pricing. Also, the chapter randomly awarded the book "Exceeding Expectations: Producing Appraisal Reports and Services That Delight Clients," a publication from The Appraisal Institute, to an attendee --- and Matt Kane was the lucky student.



The Hottest Secondary Home Markets in the U.S. From SmartAsset.com

People buy second homes for a variety of reasons. Some people buy a beach home as a place to get away during the winter months, others buy a place next to their favorite mountain to enjoy the slopes. Homebuyers may choose to buy second homes as investments, taking advantage of rising home values. For some that move has paid off. The median home value in the U.S. increased from \$194,500 in 2015 to \$205,000 in 2016.

But purchasing a second home is much more popular in some metros than in others. We looked at home purchase data to find the hottest secondary home markets in the U.S. In order to create this ranking, we looked at data on 402 metro areas. We compared the number of homes purchased as primary residences and compared it to the number of homes purchased as secondary residences. Check out our data and methodology below to see where we got our data and how we put it together to create our rankings.

Key Findings

- Vacation spots – Metro areas with access to beaches dominated this top 10 list. In total seven

of the 10 hottest secondary-home markets are near a beach.

- *Big cities score well – One statistic which sticks out is the popularity of big cities as places to buy a secondary home. The New York, Los Angeles and San Francisco metro areas all rank in the top third.*
- *Difference in incomes – While it's not surprising that people buying secondary homes have higher incomes than those buying primary dwellings, the size of the difference is substantial. The average homebuyer purchasing a secondary home has an income of \$197,400, while those buying a primary residence have an average income of \$74,100. That means the average household purchasing a secondary home has an income equal to 2.6 times the average income of a household purchasing a primary residence.*

1. Ocean City, New Jersey Ocean City lies on the famous Jersey Shore. In total almost 72% of all homes purchased in this metro area were purchased as non-primary dwellings, the highest rate in our study. Secondary homebuyers in Ocean City are wealthier than residents who live there full time. On average a homebuyer buying a secondary home in Ocean City had an income 2.8 times that of a homebuyer buying a primary residence in Ocean City.



Valuation Magazine Info Request

Jay Schneider, Executive Editor of Valuation magazine, is researching an article on the effect that co-working spaces, such as WeWork, are having on the office sector. Could you offer insight on the topic? Any office market experts? Please contact Jay directly: 312-335-4459 or jschneider@appraisalinstitute.org.

In Memory of Guy Elzey, Jr., SRA

Longtime member E. Guy Elzey, Jr., SRA, passed away. Mr. Elzey served as Chapter President in 1980. and was the 2007 recipient of the George Olasin award. Please keep the entire family in your thoughts & prayers as they mourn this great loss. Below is the obituary, as provided by his son, E. Guy Elzey, III, SRA:

On March 4, 2018, Age 90 of Haddonfield and Ocean City, NJ; passed away peacefully. Beloved husband of the late Mary "Marie" (nee Solem); Loving father of E. Guy Elzey, III (Susan) of Haddonfield and Nancy Binder (Bill) of Yardley, PA; Devoted grandfather of Erica, Christian and Anders Elzey, and Kirsten and William, IV Binder.

Guy graduated from Lafayette College and proudly served in the US Army – stationed in Japan with the Army Corps of Engineers, during the Korean War. Guy through his company, E.G. Elzey & Son (founded by his father in 1922) has been engaged in general real estate practices since 1949. He was an appraiser, broker, builder and developer with a keen interest in Haddonfield, especially the downtown business district. He performed appraisals for governmental agencies, banks, financial institutions, mortgage companies, attorneys and individuals covering all types of properties. He constructed over 400 projects and custom homes in Southern Jersey.



He was a State Certified General Real Estate Appraiser and held the SRA designation in the Appraisal Institute. He also held the ASA designation in the American Society of Appraiser, the CRP Certified Relocation Professional designation in the Employee Relocation Council; the SR/WA designation in International Right of Way Assoc. and the IFAS designation of Nat'l Assoc. of Independent Fee Appraisers.

He was a State Certified General Real Estate Appraiser and held the SRA designation in the Appraisal Institute. He also held the ASA designation in the American Society of Appraiser, the CRP Certified Relocation Professional designation in the Employee Relocation Council; the SR/WA designation in International Right of Way Assoc. and the IFAS designation of Nat'l Assoc. of Independent Fee Appraisers.

Guy served on the Board of Directors for numerous organizations including: the Nat'l Alumni Board for Lafayette College (1962-2000), Better Business Bureau of SJ (Pres. 1968-69), the Haddonfield Symphony, American Red Cross, Goodwill Industries of SJ, American Soc. of Appraisers Southern NJ Chap. #47 (Past President), Appraisal Institute (SRA) Chap. # 26, Nat'l Assoc. of Independent Fee Appraisers, NJ Builders Assoc., Homebuilders League of SJ and Camden County Assoc. of Realtors and various boards of the Haddonfield United Methodist Church. He was also a lifetime member of the Ocean City Tabernacle Assoc. Board of Directors.

Guy enjoyed extensive travels and attending Haddonfield Assembly dances with Marie. He believed in giving back to his community and for over 50 years dedicated himself to Haddonfield as a volunteer Policeman, and to service through the Rotary Club of Haddonfield. Additionally, he was a 32nd degree Mason and a longtime member of Tavistock Country Club.

Member Benefit: New Advertising Venture , with benefits...

Find us at the Cowtown Rodeo!

We're trying a new area of advertisement! We will be sponsoring a sign in the arena at the Cowtown Rodeo for the 2018 season. Our sign will be seen by 35,000+ Facebook fans, broadcast regionally on TV plus seen in-person by thousands of spectators each rodeo week. With this exposure, we will also have FREE tickets to the Cowtown Rodeo to distribute, which is held every Saturday night from May 26-September 29. We are planning a night at the rodeo for later this year; watch for more details! And please let us know if you receive any inquiries after people see our sign at the rodeo!



Member Benefit #2: FUEL

FUEL Valuation is a state-of-the-art cloud-based platform powering the next generation of valuation, forecasting, and transaction underwriting for CRE.

Special Price for AI Professionals! AI Professionals Receive:

- Free 30-day trial
- Discounted price of \$99 per month (regular price \$149/month)

Click [here](#) to learn more about FUEL and subscribe.

The Appraisal Institute is excited to introduce this new benefit as FUEL offers superior new technology. As important, FUEL is easy to use and delivers institutional quality features, performance, and reporting with conveniences only state of the art technology can provide.

FUEL automates the entire valuation process from end-to-end while delivering real-time transparency to every participant in the process using any web or mobile device. There is no software to install. Anyone can share models with the click of a button. Recipients don't need a licensed copy of FUEL to access shared models. Users can even work together on the same models at the same time. Calculations are instantaneous and accurate. And, FUEL is as easy to use as it is powerful thanks to its intuitive, industry-driven design.



Comprehensive Exam Prep

Gary DeWeese, MAI, and an instructor for the Appraisal Institute for more than 20 years, is offering his Comp Exam prep material for sale. The cost is \$300 for the Income, \$150 for the Sales, \$150 for the Cost/HBU and \$150 for the General module material. If you purchase the first 3 modules, the General module material is free. The material is based on multiple choice type problems with detailed solutions illustrated. The material is electronically delivered the same day as ordered. For more information about the

material, to read student reviews, and learn how to order go to www.garydeweese.com or contact Gary directly at garydeweese@comcast.net or 925-216-8751. *The materials were developed by Gary DeWeese and are not sponsored or endorsed by the Appraisal Institute.*

2018 UPCOMING EVENTS

www.myappraisalinstitute.org/education/southernNewJersey

CONFIRMED 2018 DATES: Register now!

June 4: USPAP 7hr Update @ the DOT

June 5: 7hr Seminar w/Vince Dowling @ the DOT

November 29 & 30: Yellow Book class

CONFIRMED 2018 DATES: Register soon!

June 12: Seminars at the Shore...featuring material created and presented by Vince Dowling, MAI, SRA

November 2: Business Practices and Ethics

If you have classes/seminars/speaks suggestions, please contact Lisa --- we want to offer what you need!

Job Postings

- Citizens Bank is hiring an Appraisal Analyst III, a member of Credit Risk Management. This person will assist in the managing the Bank's real estate valuation function and risk exposure of residential real estate collateral. The position is responsible for ensuring that the Bank receives regulatory-compliant appraisals and evaluations that are in compliance with corporate policy and standards, Uniform Standards of Professional Appraisal Practice (USPAP), secondary market guidelines and document the results. Must be familiar with a variety of the appraisal industry's concepts and practices and the banks' policy and procedures. Please apply/find more information here: <https://jobs.citizensbank.com/job/marlton/appraisal-analyst-iii/288/7504089>
- Fast-growing, established appraisal firm seeking qualified Commercial Real Estate Appraisers for full and part time subcontracting work. Competitive fee split. We are a dynamic company with an incredibly positive and upbeat work environment. We believe in empowering our people and providing them with the most efficiencies, and are not afraid to think out of the box. We never compromise our integrity, and our reputation is our greatest asset. We don't believe in status quo and despise stagnation - we relentlessly pursue excellence as a never-ending process. So, if you are professional, self-motivated, proficient in MS Word, Excel and database programs, possess very good verbal and written communication skills, strong analytical skills, are able to work at a fast

pace, multi-task and meet crucial deadlines, have a healthy dose of common sense, and a pleasant disposition (a must) – we want to hear from you! Please send your resume to fay@starmarkappraisals.com

- Comprehensive Appraisal Corporation is seeking State Certified General Real Estate Appraisers on an independent contractor basis. We are a well-established and expanding New Jersey based commercial real estate appraisal firm operated by a member of the Appraisal Institute. For the past 25 years we have been appraising a wide variety of retail, office, industrial, apartment properties as well as vacant land throughout the state and adjoining areas. The firm stands out among its peers for excellence in both work product and service. We place an emphasis on technology in creating efficiencies of operation. We utilize general and appraisal specific software, on-line data subscription services, as well as an industry leading, proprietary comparable sale/lease database system to give our appraisers the advantage they need. Four-year college degree, writing and math skills, appraisal courses and computer proficiency required. Competitive fee split. E-mail jobs@comprehensiveappraisal.com.

Are you on Facebook? We now have a chapter page: "like" us: Southern NJ Chapter - Appraisal Institute



Outdoor Home Improvements Provide Greatest Value

In a March press release, the Appraisal Institute encouraged homeowners to prioritize outdoor renovation projects when seeking to increase their potential return on investment.

“The latest data shows that home improvements focused on the outside of a property are most likely to result in a positive cost-to-value ratio,” said Appraisal Institute President James L. Murrett, MAI, SRA. “However, spending money on renovations doesn’t necessarily generate a dollar-for-dollar return. Bottom line: cost doesn’t necessarily equal value.”

According to Remodeling magazine’s most recent Cost vs. Value report, the projects with the highest expected return on investment are manufactured stone veneer, steel entry door replacement, wooden deck addition and minor kitchen remodel. Other projects with potential payoffs, according to the report, are siding replacement and universal design bathroom.

It may be best to hold off on big renovations if a homeowner isn’t sure how long they will be in their home. The longer a homeowner stays in a property, the greater the opportunity for a return on investment.

Murrett advocated that homeowners considering improvement projects compare the planned renovation to what’s typical in the local area.

“Renovations that elevate a property well in excess of community norms are typically not worth the cost when the owner sells the home,” Murrett said.

For an unbiased analysis of what their home would be worth both before and after an improvement project, a homeowner can work with a highly qualified real estate appraiser – such as a Designated Member of the Appraisal Institute – to conduct a feasibility study. During a feasibility study, an appraiser will analyze the homeowner’s property, weigh the cost of rehabilitation and provide an estimate of the property’s value before and after the improvement.

“Unlike a real estate agent or broker, the appraiser is an impartial party to any real estate transaction and has no vested interest in the sale of a property,” Murrett said.

The Appraisal Institute offers a free, informative brochure titled “[Remodeling & Rehabbing](#),” which provides consumers with valuable advice on home improvement projects.

Appraisal Institute Leads 34 Groups in Advancing Changes to Bank Regulation Bill

On March 13, the Appraisal Institute led nearly three dozen valuation organizations in applauding revisions to a bipartisan Senate bill that would roll back many post-financial-crisis banking rules found in the Dodd-Frank Act.

“Thank you for including several clarifying provisions relating to rural residential appraisals to Section 103 of S. 2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act,” the Appraisal Institute and 33 other real estate valuation groups wrote to Sen. Mike Crapo, R-Idaho, chair of the Senate Committee on Banking, Housing and Urban Affairs. Although the Appraisal Institute took no position on the bill, it endorsed changes to proposed appraisal exemptions found in a previous version of the measure. The bill now clarifies that a bank must engage at least three appraisers on the bank’s approved appraiser list, in the local market area and in compliance with existing appraiser independence requirements. It also establishes a reasonable timeliness standard.

“These provisions will help ensure that banks make a good faith effort to place the appraisal with local market appraisers, consistent with the bill’s intent,” the organizations’ letter said.

If passed, the measure would mark the most significant revision of banking rules since Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, a sweeping financial regulatory law enacted in response to the 2008 economic crisis. Senate leaders said March 8 that a vote by the full Senate is expected the week of March 12. Citing concerns with the business and regulatory environment for appraisers, the Appraisal

Institute and the other organizations also addressed issues with enforcement of risk mitigation standards and asked Crapo's committee to examine the future of appraisal regulations.

"We encourage the Committee on Banking to examine adherence to existing safety and soundness regulations by financial institutions and the underlying business and regulatory environment of real estate appraisers, finding ways to make the appraisal regulatory structure more efficient and attractive to the next generation of appraisers," the organizations said in their letter. [Read the letter here.](#)

Appraisers Key to Property Tax Appeals, Appraisal Institute Says

Highly qualified appraisers are able to assist homeowners with appeals of property taxes, which can be a homeowner's largest annual expense, the nation's largest professional association of real estate appraisers said in a Feb. 28th release.

"Sometimes errors are made in how local governments calculate the amount of tax a homeowner owes," said Appraisal Institute President James L. Murrett, MAI, SRA. "It's possible for assessments to be based on flawed information, such as incorrect square footage or number of bedrooms or bathrooms or even location."

Assessors can't look at each property individually every year as an appraiser might for mortgage financing, employee relocation or other single-property appraisal assignments, Murrett said. He added that homeowners shouldn't assume that the assessor is out to get them in assessing a property's value and therefore determining the amount of tax owed. Property tax assessors usually are elected officials; it's not in their best interest to alienate voters. However, Murrett advised, homeowners can consider a property tax appeal and should be prepared with all the necessary information. Many appraisers collaborate with property tax consultants and attorneys who specialize in tax appeal matters, which could provide the best opportunity for a property owner to increase the chances of a successful tax appeal. Qualified appraisers – such as Designated Members of the Appraisal Institute – can help homeowners who choose to appeal their property tax assessments, he said.

"An experienced local appraiser can shed light on the local appeals process. However, this doesn't mean that appraisers advocate an unreasonably low value for their clients because that would be an ethical violation," Murrett said.

Different municipalities can have different stages of tax appeals. Homeowners should check with their assessor's office or a local appraiser who can provide expertise.

"It's important for homeowners to hire an appraiser who conforms to industry standards. Designated Members of the Appraisal Institute act in an independent, objective and

impartial manner and advocate only for their expertly developed value opinions," Murrett said.

News From National ...

Online Education: Learn at your own pace anytime, anywhere. Top-notch Appraisal Institute courses and seminars come straight to your desktop with online education! Learn from any computer anywhere, whenever you have time. It's easy, convenient and a great way to get the education you want. Click-through URL:

<http://www.appraisalinstitute.org/online>



National Scholarship information can be found here:

<http://www.aiedtrust.org/pages.asp?id=5>

Appraisal Institute Relief Fund: We Need Your Help

The [Appraisal Institute Relief Foundation \(AIRF\)](#) is a not-for-profit organization that provides emergency financial assistance to those who have experienced a disaster or emergency that has left the recipient in a state of financial, physical or emotional distress. The Appraisal Institute Relief Foundation has 501(c)(3) status with the IRS. Any person or organization that make contributions (money or property) to a 501(c)(3) organization are able to claim deductions for their donations on their federal income tax under section 170 of the Internal Revenue Code. Please call 312-335-4154 or [email](#) with any questions.

[Donate Today](#)

Mini-Co Publishing Releases Updated Publications with Special Savings to AI Professionals

The *2018 Self-Storage Expense Guidebook* provides operating expense data for self-storage properties including ranges and averages by region in the major expense categories. The 2018 edition features an all new format and data. It is a companion to the annual *Self-Storage Almanac* and a must-read for self-storage professionals! This digital publication is now available for purchase. Compiled by the editors of Mini-Storage Messenger magazine and the self-storage team at NGKF Capital markets, the 2018 edition of this annual resource provides operating expense data for self-storage properties in the U.S. including ranges and averages by region in the major expense categories. This edition features an all new format & data.

Order the digital format of the *2018 Self-Storage Expense Guidebook* for **\$24.95**. [Log in](#) to get the discount available to AI professionals only.



Order Industry Facts, Stats and Analysis: The *2018 Self-Storage Almanac* features data including industry profile, economics and demographics, technology, finance, occupancy, and rental rates, as well as other benchmarking statistics and data. Contents include demographic trends, customer base, rental rates, occupancy, and specific site information as well as an overview of self-storage valuation and market conditions. AI professionals save up to \$75 on the list price. [Log in](#) to get the discount available to AI professionals only.

Order Both and Save! *The 2018 Appraiser Bundle includes the 2018 Self-Storage Expense Guidebook and the 2018 Self-Storage Almanac.* [Visit the AI website](#) for prices and discount codes.

Call for Nominations for the Lifetime Achievement and Outstanding Service Awards

Appraisal Institute professionals are some of the most dedicated and hard-working leaders in the profession. The Appraisal Institute is known around the world largely because of the service our AI Professionals provide to the organization. Therefore, it now is time to recognize some of AI's brightest, most committed and deserving professionals. Submissions for the awards must be completed by May 25. Announcement and presentation will take place at the Annual Conference this July in Nashville.

Lifetime Achievement: The Lifetime Achievement Award is presented to an AI Professional who best demonstrates high ethical standards; contributed to the Appraisal Institute at the chapter, regional, national and/or international level(s); provided service to his or her community; and contributed to the appraisal profession. A minimum of 20 years of service is recommended to be eligible for this award.

Outstanding Service: The Outstanding Service Award is presented to the AI Professional who has contributed ideas, service hours and dedication to ensure a specific program or effort is implemented at either the chapter, region, national and/or international level(s). This AI Professional must be instrumental to the success of the program or effort, which also must be far enough along to measure and provide proof of success. Additionally, the program or effort must be beneficial to chapters, regions, national, international, designated members, candidates, affiliates, practicing affiliates and/or the profession.

For more information or to nominate an AI Professional, visit www.appraisalinstitute.org/awards-recognition/

Uniform Standards of Professional Appraisal Practice (USPAP) USPAP class participants need to purchase & bring to class their own copies of this book from the Appraisal Foundation. We will NOT provide the USPAP document as part of the course materials; we only supply the student manual published by the Appraisal Institute.



2018 OFFICERS AND DIRECTORS

President: Albert Crosby, MAI
Albert.crosby@colliers.com

Vice President:
Charles McCullough, MAI, AI-GRS
McCulloughMAI@cpa.com

Treasurer: Michael Descano
mdrltr@gmail.com

Secretary: Harry Carroll, MAI, SRA
carrollmci@aol.com

Directors:

Mary Fox, MAI
Bonnie Longo, MAI, SRA
Steven Bartelt, MAI, SRA, AI-GRS
Michael S. Sapio, MAI
Ryan Philips
Kathleen Turley

Past President:

Joshua D. Garretson, MAI

Executive Director Lisa Weiss
43 Crescent Hollow Drive
Sewell, NJ 08080
lisamayweiss@hotmail.com
856-415-0281 Fax 856-415-1952

The Appraisal Institute is a global membership association of professional real estate appraisers, with nearly 20,000 members in almost 60 countries throughout the world. Its mission is to advance professionalism and ethics, global standards, methodologies, and practices through the professional development of property economics worldwide. Organized in 1932, the Appraisal Institute advocates equal opportunity and nondiscrimination in the appraisal profession and conducts its activities in accordance with applicable federal, state and local laws. Members of the Appraisal Institute benefit from an array of professional education and advocacy programs, and may hold the prestigious MAI, SRPA, SRA, AI-GRS and AI-RRS designations.