

Southern NJ Chapter of the Appraisal Institute

August 2020 Edition

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

President's Message

Fellow Chapter Members,

As I reflect on the past several months, I feel more blessed than ever to be a part of this chapter, surrounded by some of the highest quality appraisers, and some of the finest, most thoughtful, considerate, and generous people. The willingness of our members to give in good times and bad is nothing short of amazing and is truly heartwarming. As we begin the ascent out of this pandemic and associated economic uncertainty, I am optimistic we will thrive individually, and as a chapter.

Now more than ever we must stay focused and keep our objectives in sight, even though there may have been a disruption in our lives, anticipated timelines, and plans. Plan, re-tool, re-connect, and prepare.

There are several governmental issues that have been on our radar for some time including the statute of repose. Everything is in a holding pattern due to COVID-19 related Government shutdown.

We have created a Government Relations Subcommittee consisting of members of the Northeast Chapter, Metro Chapter, and Southern New Jersey Chapter. This is a positive step in a unified direction. Beyond this subcommittee, creating an alliance with other appraisal organizations throughout NJ will likely prove beneficial, as we are all similarly impacted by any current or pending legislation or lack thereof.

Please consider taking advantage of one of our multiple virtual offerings planned for this year. The 24th annual September Symposium is offered via Zoom and was divided into two days. This will be a good opportunity to meet some of your continuing education obligations from the comfort of your home or office. Peter Christensen will be presenting Smart Risk Management for Appraisers on day one and Legal Issues for Non-Lending and Litigation Appraisal Assignments on day two. This will be a good opportunity to acquire valuable knowledge with a focus on mitigating your overall appraisal liability.

Please stay safe and I hope to see you all on Zoom.

Michael Descano, MAI, Chapter President



OUR NEW NORMAL: PA Rules & Regs via Zoom on June 26

Appraisal Institute Opens Registration for 2021 VP Presentations and Board Meeting

The Appraisal Institute Board of Directors will hold an election for the 2021 vice president during the morning session of its third quarter meeting Aug. 6 and host a general open session in the afternoon. Registration is open for both meetings.

The meeting will begin at 10 a.m. (Eastern time), and the vice president nominees will make their presentations to the Board at the start. Once the presentations have concluded, the Board will go into Executive Session. All professionals who have registered to attend this meeting will be able to rejoin it at approximately noon CDT for the election of the vice president.

All professionals must register for all meetings they wish to attend. If you wish to attend the vice president presentations & election beginning at 9 a.m. CDT and the general open session beginning at approx. 1 p.m. CDT, you will need to register for both. Space is limited.

[Register to attend the vice president presentations and election.](#)

[Register to attend the afternoon general session.](#)

You will receive a confirmation email with your own unique link to join a session once you have registered.



Thirty-one people were registered for NJ Regs on June 30th, with instructor Mary Fox, MAI. Another successful class! Note: we are approved to hold seminars via Zoom through the end of the calendar year, so keep your desk tidy & be ready to log in soon to meet your CE requirements!

In Memory: Allen Black, MAI, SRA

Following is the obituary posted by Givnish Funeral Homes

Allen George Black, of Suffolk, VA, previously of Moorestown and Maple Shade, NJ, passed away peacefully on July 14, 2020. Born in Philadelphia, PA to the late Allen Williams Black and Katherine (Krimmel) Black; he was 88 years old.

Educated at Maple Shade and Moorestown, NJ public schools, Allen was President of the class of 1949 at Moorestown High School and was a 1956 graduate of Upsala College in East Orange, NJ.

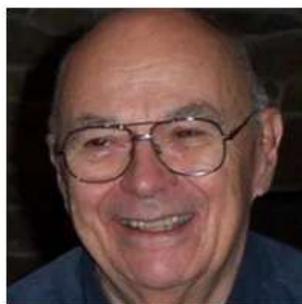
He joined the US Marine Corps in 1950 and received an Honorable Discharge at the rank of Sergeant in 1952.

Allen was a real estate appraiser at Todd Realtors and later as Owner of Todd and Black, Inc., in Cherry Hill, NJ until he retired in 2013. He was a Member of the Appraisal Institute (MAI), Senior Residential Appraiser (SRA) and Counselor of Real Estate (CRE).

He was also a long-time volunteer with the Boy Scouts of America in various capacities including President of Burlington County Council BSA and was awarded the prestigious Silver Beaver Award by the Boy Scouts for his service. Allen was an officer and member of American Legion Post 42 in Moorestown, serving as the Post New Jersey Boys State Chairman and as a New Jersey Boys State trustee for many years. He was an avid Philadelphia Phillies and Eagles fan and enjoyed attending Trenton Thunder baseball games.

Allen was the beloved husband of the late Marjorie (Staub) Black who passed away in 1997.

Loving father of: Lynn Black of Durham, NC; Craig Black (Lisa) of Haddonfield, NJ; Susan Black Lewis (Dave) of Moorestown, NJ; and Commander J. Todd Black USN (Ret.)



(Linda) of Chesapeake, VA.

Cherished grandfather of: Caitlin, Ryan and Tara Black; Ben and Morgan Trachtman; Harry and Charlotte Lewis.

Dear brother of the late Katherine Black, Maple Shade, NJ, who passed away in 2018.

Allen is also survived by many nieces, nephews, extended family members and friends who will miss him dearly.

The interment will be at Beverly National Cemetery at a private service.

A Note from Craig Black, SRA

In honor of Allen Black's memory, the chapter sent a donation to the local Boy Scout council. Below is a letter we received from Craig Black:

On behalf of myself and my family, I wanted to thank you for your generous contribution to the Garden State Council of the Boy Scouts of America in memory of my father.

I am sure you are aware that he had several devotions, one of which was certainly, the Southern New Jersey chapter of the Appraisal Institute and another was the Burlington county and later the merged Garden State Council of the Boy Scouts.

He held both organizations in great regard and of course, served both for many years.

It was very kind of you to remember him in this way and we certainly appreciate the generosity. Please express my gratitude to all the Chapter members.

Wishing you and your families' good health in these difficult times.

Golf Course HOAs Should Carefully Consider Financial Security Options: The Appraisal Journal

Homeowners associations should carefully consider all available methods for maintaining value in golf course communities, according to an article published in the newest edition of The Appraisal Journal.

"Golf Course Communities as Multisided Markets: Ownership Implications," by Bruce K. Cole, Ph.D., and David Hueber, Ph.D., explains the connection of golf courses to land value in golf course communities and the unique challenges that homeowners associations face as they try to reconfigure golf course operations and preserve property values within their communities. The authors' study suggests that HOA ownership of a course may have a negative impact on sale prices in a golf community.

Read "Golf Course Communities as Multisided Markets: Ownership Implications" in the Spring 2020 issue of The Appraisal Journal.

"Is the Eiffel Tower Worth More Than the Statue of Liberty? Techniques for Determining the Value of Iconic National Landmarks," by Richard J. Roddewig, JD, MAI, Anne S. Baxendale and J. Andrew Stables, is part one in a

two-part series on the valuation of iconic national landmarks. It summarizes the valuation profession's debate as to whether historically or culturally significant structures and land areas have a special type of value that is higher than their market value. The authors give a detailed look into the income and expense components of these special-purpose properties.

"They Paved Paradise: Appraising a Parking Lot," by Barry A. Diskin, Ph.D., MAI, AI-GRS, and David C. Lennhoff, MAI, SRA, AI-GRS, discusses valuation of parking lots and the elements of a parking lot operation that are the subject of the real property appraisal; the article offers a streamlined case study to highlight the components of parking lot analysis.

Q2 Economic Sentiment: Commercial Real Estate Execs Confirm COVID-19 Market

Downturn *Concerns About Reopening Safely and Tenants Ability to Meet Future Rent Obligations*

From www.rer.org

Commercial real estate executives confirmed a downturn in Q2 market conditions due to job losses and business shutdowns related to COVID-19, according to The Real Estate Roundtable's [2020 Q2 Economic Sentiment Index](#) released today. The report also shows there is an expectation for an improvement in market conditions by next year, dependent upon the return of jobs and the ability to safely reopen businesses.

"The commercial real estate industry, like all industries, experienced in the second quarter a sudden onset of economic disruption due to business lockdowns and stay-at-home shutdown orders put in place to combat the pandemic," said Real Estate Roundtable President and CEO Jeffrey DeBoer. "The economic damage to commercial real estate has been particularly harmful for the retail and lodging sectors of the industry. Although our Q2 survey results show there is hope for improved conditions within the next year, there are significant concerns that other sectors of the industry could be dragged down if jobs don't rebound and government assistance tapers off. The fear is that business and residential tenants may be suddenly unable to pay rent beyond the sectors already impacted and struggling to come back," DeBoer added.

The report's Topline Findings include:

- The Real Estate Roundtable Q2 2020 Sentiment Index registered a score of 38, a decrease of 14 points from the first quarter of 2020. Many respondents confirm tenants are having increased difficulties paying their rent obligations as a result of massive job losses. Most survey participants expect the eventual reopening of businesses and resolution of rental obligations will lead to improved real estate market conditions.

- Many survey respondents have seen the industry quickly adapt to new social distancing environments by implementing technologies and online processes that provide some continuity for current operations. Market volatility is leading to uncertainty about how future retail real estate and multifamily demand will be affected.
- Job losses have led to widespread economic uncertainty. Lockdowns and stay-at-home orders have also impaired the ability of survey respondents to accurately value commercial real estate assets. As a result, transactions have slowed until a medical solution to the outbreak may allow reopening of properties, renewed business activity and underwriting of investments.
- The majority of survey participants indicated the availability of debt and equity are worse today than one year ago. Many respondents indicated they believe there is plenty of equity capital on the sidelines, but it is unwilling to invest in a market without price discovery. As for debt markets, debt funds have been largely absent from the market and only the most pristine assets are qualifying for new debt capital.

The Roundtable's Q2 Overall Sentiment Index is scored on a scale of 1 to 100 by averaging Current and Future Indices; any score over 50 is viewed as positive.

The Q2 *Current Conditions* Index dropped to 13 from Q1's score of 55 – yet the Q2 *Future Conditions Index* increased 12 points to register 62 when compared to Q1's score of 50.

The 49-point disparity between the Q2 Current Index (13) and Future Index (62) is the most significant difference registered by The Roundtable's Quarterly Economic Sentiment Survey in its 12-year history. The next highest disparity previously occurred in Q1 2009, when the difference between current and future indices registered 40 points during the financial crisis.

DeBoer noted, "The unprecedented wave of job losses is disproportionately impacting women, minorities and veterans. Unemployment and business closures have added tremendous stress on people worried about taking care of their families and maintaining their housing. And it also has added to the worries of business owners, particularly in terms of meeting their payroll and rent obligations. The Roundtable continues to support the Federal government's efforts to date including the CARES Act, the FED lending facilities and the expanded unemployment benefits. In addition to finding ways to improve and extend these programs, we now call on Congress to create a temporary assistance program specifically designed to help COVID impacted residential and commercial tenants meet their rent obligations."

Data for the Q2 survey was gathered in May by Chicago-based FPL Associates on The Roundtable's behalf. [View Full Report](#)

SNJAI UPCOMING EVENTS

Visit our website for registration links: www.ai-snj.org

24th Annual September Symposium

Tuesday & Wednesday, September 29 & 30
Offered Via ZOOM; 7 CE hours if you attend both days!

Tuesday, September 29 1 pm - 5 pm 4 CE hrs
"Smart Risk Management for Appraisers "

Wednesday, September 30 2 pm - 5 pm 3 CE hrs
"Legal Issues for Non-Lending and Litigation Appraisal Assignments"

PRESENTER: PETER CHRISTENSEN (Christensen Law Firm)

Registration: BOTH DAYS

\$100 member/\$110 non-member

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=A7D50050-86B8-4BFE-8AA1-DC5C8D23BC9B&goback=0

Registration: Tuesday only

\$80 member/\$90 non-member

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=48DC30BA-F1BA-4DEC-A28A-C6E1F30EFA09&goback=0

Registration: Wednesday only

\$65 member/\$75 non-member

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=40F41E58-2A4C-436C-8C01-0BDFAA6F3759&goback=0

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

AI Featured Benefit: RESNET Appraiser Portal

Exclusive benefit for AI residential professionals.

AI professionals are now able to access data from the RESNET registry of rated homes. This data will include:

- HERS Index Score
- HERS Rater that rated home
- The projected energy use of the home
- The projected energy savings of the home
- Ability for appraisers to search by zip code for homes with a range of HERS Index scores

They will also have access to



resources and tools to better understand the energy performance and efficiency of homes being appraised and find comparable homes in the market.

If you are interested in learning more about the RESNET Appraiser Portal, visit their [website](#) and [register to watch](#) the previously recorded webinar illustrating the portal's value to residential appraisers. If you would like to access the RESNET Appraiser Portal, please send your name and email address to dmartinez@appraisalinstitute.org.



AIERF: We Are Here to Help.

As the COVID-19 (coronavirus) pandemic continues to impact a growing number within our communities, the Appraisal Institute Education and Relief Foundation (AIERF) stands ready to provide emergency financial assistance to our colleagues in need. If you or someone you know has been significantly negatively affected by COVID-19, apply today for financial assistance.

Who we are: AIERF was born out of the 2018 union of the AI Education Trust and AI Relief Foundation in order to most effectively and efficiently serve real estate appraisal professionals now and into the future. By providing scholarships to AI Candidates for Designation, Practicing Affiliates and college students, funding for the YT and Louise Lee Lum Library and emergency financial assistance to appraisers in need, AIERF continually strives to advance the valuation profession.

What we do: Originating with the 2005 Gulf Coast hurricanes, to date more than \$300,000 in emergency financial assistance has been provided to appraisers and other individuals in need – whether natural disaster, medical emergency or other emergency that has occurred.

How you can help: The assistance provided by AIERF is made possible through the generous support of individuals within the real estate appraisal profession. By donating, you are assisting your colleagues in need, supporting scholarships, and contributing to the advancement of the appraisal profession overall.

If you have any questions, please email aierf@appraisalinstitute.org or call 312-335-4239.

Comprehensive Exam Prep

Gary DeWeese, MAI, an instructor for the Appraisal Inst. for more than 20 years, is offering Comp Exam prep material. 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 about the material, read student reviews & learn how to order, visit www.garydeweese.com or contact garydeweese@comcast.net or 925-216-8751. *Materials were developed by Gary DeWeese and are not sponsored or endorsed by the Appraisal Inst.*

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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. Check out the current course listing now:



<https://ai.appraisalinstitute.org/nfai2test/eweb/DynamicPage.aspx?webcode=AIEducationSearch>

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. The USPAP document is not part of the course materials provided by the Appraisal Institute.

Scholarships The Appraisal Institute Education & Relief Foundation offers [scholarships](#). Scholarships are for courses (not exams or Capstone) and do not apply to those retaking a course. If a Candidate needs emergency assistance due to a natural disaster, medical emergency, etc., apply for assistance through the [Appraisal Institute Education & Relief Foundation](#)

Candidate News: 2020 Annual Minimum Progress (AMP)

The National office has had several inquiries related to 2020 AMP & whether they will provide automatic extensions, etc. National is not providing automatic extensions. Extensions, as always, can be requested 24 hours a day via a Candidates checklist. They are reviewing each extension request and are considering what has occurred so far in 2020.

Pearson VUE testing centers are open with reduced capacities. AI Education has extended most exam timeframes. If you have a question about an Education exam, contact the Education Dept. directly.

The Admissions area has extended the August and November Comp Exam windows an additional month.

- August 1, 2020 – September 30, 2020
- November 1, 2020 – December 31, 2020

National encourages Candidates to submit an extension if they are in an at-risk group and would like to perhaps schedule the comp exam next year or wait to take a

classroom course. For those who have completed courses/exams, and who have time to complete their Experience Log submission, this has been a great time to submit that requirement.

General Candidates who plan to submit their Demo this year or who hope to sign up for a 2021 Capstone, should make sure to complete the [General Demonstration Report Writing Seminar](#) (requirement prerequisite for Capstone and Traditional Demo submissions, within the last 5 years).

Candidates may apply for an extension for either Annual Minimum Progress or Timeline to Designation. They have a better shot at approval if they attempted at least one requirement this year or are registered for something in the future. They need to lay out a **specific plan** for each of their remaining requirements on the extension request form. They should not plan on going several years without attempting a requirement unless they have special circumstances (such as military deployment or prolonged illness). National does have a Prolonged Extension available (upon request) for those who qualify.

Appraisal Institute Cancels 2020 LDAC Conference, Looks Forward to Resuming in 2021 The Appraisal Institute on July 29 announced that it is canceling its 2020 Leadership Development and Advisory Council conference, which had been scheduled for Oct. 26-28 in Washington, D.C. The conference originally was to take place in May, but had been pushed back due to concerns about the coronavirus.

The LDAC Planning Committee and AI staff said the decision to cancel this year's conference is in the best interest of the safety and well-being of LDAC participants due to ongoing concerns about the coronavirus pandemic. They cited input from conference registrants, as well as guidance from the Centers for Disease Control and Prevention, local authorities and others.

The Appraisal Institute is planning on a successful LDAC conference next year, which is scheduled for May 19-21 in Washington.

NJ Appraiser Board

Please remember to regularly check the NJ State Board of Real Estate Appraiser's website for any changes. Link: <https://www.niconsumeraffairs.gov/rea/Pages/default.aspx>

Housing Confidence Gaining Steam After Nearing Survey Low

61% of Americans Believe It's a Good Time to Buy a Home From www.fanniemae.com

The Fannie Mae [Home Purchase Sentiment Index® \(HPSI\)](#) increased 9.0 points in June to 76.5, building further on the prior month's advance after approaching a survey low in April. Four of the six HPSI components increased month over month, with consumers reporting a significantly more positive view of homebuying and home-selling conditions, as well as greater optimism regarding home

price appreciation. Year over year, the HPSI is down 15.0 points.

“A second month of improvement in June allowed the HPSI to regain some of the sharp losses in optimism observed in March and April,” said Doug Duncan, Senior Vice President and Chief Economist. “The share of renters who say it’s a good time to buy a home is now at its highest level in five years, suggesting favorable conditions for first-time homebuying, consistent with the recent rebound in home purchase activity. Homeowners seem to have taken note of the resulting lack of housing supply, with an increased share saying it’s a good time to sell a home. However, this activity may cool again in the coming months, depending on the extent to which it can be attributed to consumers having chosen to delay or to accelerate homebuying plans due to the pandemic. Survey respondents’ persistent, substantially elevated concerns about job security in the face of record unemployment remains a key takeaway, particularly among renters and homeowners with a mortgage. We believe the continuing uncertainty regarding the coronavirus’ containment suggests an uneven and potentially volatile course toward economic recovery.”



24th ANNUAL SEPTEMBER SYMPOSIUM GOES VIRTUAL!

The 24th Annual September Symposium will be held over 2 days, September 29 & 30, via Zoom. This is the first time that the 7-hour seminar will be held virtually.

On Tuesday, September 29, the seminar is scheduled from 1pm-5pm (4 CE hours.) The topic is “Smart Risk Management for Appraisers.”

On Wednesday, September 30, the seminar is scheduled from 2pm-5pm (3 CE hours.) The topic is “Legal Issues for Non-Lending and Litigation Appraisal Assignments.”

This year’s presenter is Peter Christensen. He is an attorney, licensed in California and Washington. His legal practice primarily serves the real estate valuation community -[Valuation Legal](#). He’s the author of Risk Management for Real Estate Appraisers and Appraisal Firms, published by the Appraisal Institute.

[LIA Administrators & Insurance Services](#) is a sponsor of this event. LIA is the Appraisal Institute’s endorsed provider of professional liability insurance for appraisers. Look for registration links earlier in this newsletter.

2020 OFFICERS AND DIRECTORS

President: Michael Descano, MAI
mdrltr@gmail.com

Vice Pres.: Joseph V. Heenan,
MAI, SRAjheenan@gsvcsllc.com

Treasurer: Mary Fox, MAI
foxmai@aol.com

Secretary:
Sherrie Lisa Galderisi, SRA, AI-RRS
Sherrielisa43@aol.com

Directors:
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Past President:
Charles McCullough, MAI, AI-GRS

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 18,000 members in almost 50 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.

**2018 Appraisal Institute
Chapter Newsletter Award recipient
(medium-sized chapter)**