

Southern NJ Chapter of the Appraisal Institute

October 2020 Edition

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

Chapter Awarded BEST NEWSLETTER!



On September 21, the Appraisal Institute's Virtual Chapter Leadership Program (CLP) was attended by Chapter President Michael Descano, MAI, and Chapter Executive Director Lisa Weiss. The CLP is a way to educate and motivate Incoming Chapter Presidents to manage their boards and membership.

Also included in the CLP were the 2020 Chapter Awards Program. This recognized chapters that did exemplary work in the areas of state government relations, newsletter communications and special projects during the preceding year. The Southern NJ Chapter received the Chapter Newsletter Award, Medium Chapter category. The chapter also won this award at the 2018 CLP.

**Congratulations to all the 2020 Chapter Awards recipients!
Chapter Newsletter Award**

Small Chapter Category: Maine Chapter

Medium Chapter Category: Southern New Jersey Chapter

Large Chapter Category: Ohio Chapter

Hot Topic/Special Projects Award: *Delaware Chapter*

Government Relations Award: *Louisiana Chapter*

President's Message

Fellow Chapter Members,

Market Conditions are always a topic of conversation in the day to day practice of an appraiser. COVID-19 and the impact it has had on real estate markets throughout the region, if any, has become an increasing concern as the pandemic has now taken hold of the region for almost six months. In an attempt to stay in front of the curve, the Chapter is offering the newly created Appraisal Institute Seminar titled [Rapid Response: Market Analysis in Volatile Markets](#). This seminar, scheduled for October 30th, is sure to fill up quickly as we are one of the first to offer it virtually and it will likely generate interest nationally due to the convenient method of presentation. Please reserve your seat ASAP.

The Chapter is offering several additional ways to meet your continuing education requirements and learn something new. If there is a topic you would like to see covered or a seminar that interests you, please do not

hesitate to contact me, a board member, or Lisa Weiss our Executive Director.

Finally, the Chapter was recognized by the current National Appraisal Institute President Jefferson Sherman, MAI, AI-GRS, during this year's virtual Chapter Leadership Program (CLP) and was awarded the Medium-Sized Chapter Newsletter Award. I think I can speak for the Chapter in this instance and express our sincerest thanks and gratitude to all of those who have contributed to our newsletter over the years, especially Lisa Weiss and Bonnie Longo, MAI, SRA. It has been my opinion that our Chapter Newsletter is always full of good information and well presented. I know I may be biased, as this Chapter means a great deal to me, but it is affirmed by this acknowledgment.

I hope to see you at the next seminar or virtual "dinner meeting". Until then, stay safe and healthy.

Sincerely,

Michael Descano, MAI, Chapter President

Craig Steinley Elected 2021 Appraisal Institute Vice President

Craig Steinley, MAI, SRA, AI-GRS, AI-RRS, of Rapid City, South Dakota, was elected 2021 vice president of the nation's largest professional association of real estate appraisers on August 6th by its Board of Directors during the Board's virtual meeting.

Steinley's one-year term at the Appraisal Institute will begin Jan. 1, followed by one year each as president-elect, president and immediate past president. He will serve on AI's Executive Committee and the policy-making Board of Directors all four years. He also will chair the Finance Committee in 2021 and the National Nominating Committee in 2024.

"I feel privileged to have been elected vice president of the Appraisal Institute, and I'm excited to help guide the organization through these unusual times," Steinley said. "I look forward to working hard for valuation professionals in the United States and around the world."

Steinley is principal of Steinley Real Estate Appraisals and Consulting in Rapid City, and is a state-certified general appraiser and an Appraisal Qualifications Board-certified Uniform Standards of Professional Appraisal Practice instructor. He primarily provides litigation support services.

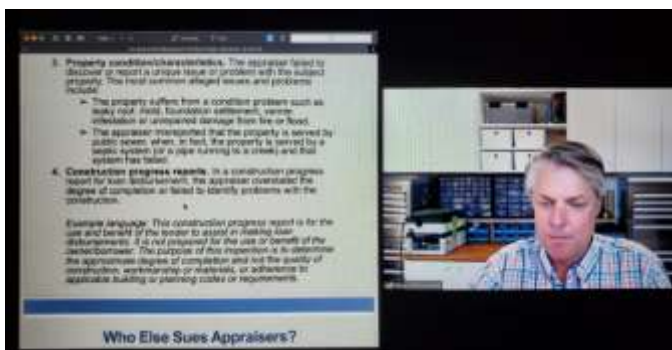
Steinley serves nationally on the Appraisal Institute Board of Directors as Region II vice chair. He previously served on the Audit Committee (2016-19), including as chair (2019) and vice chair (2017-18); as Region II chair (2017-18); on the Strategic Planning Committee (2017-19); Professional Liability Insurance Program Committee (2016-18); as Region II vice chair (2015-16); Region II third director (2014); on the Governance Structure Project Team (2013-16); and on the Professional Standards and Guidance Committee (2013-16). He also has served as president of the Wyoming and Western South Dakota Chapter (2012-13). He participated three years in the Leadership Development and Advisory Council conference, and is an education developer and instructor for the Appraisal Institute. He received a 2015 Volunteer of Distinction recognition.

Job Posting #1: WestRock Appraisal Services, Corp.

Established commercial real estate appraisal company in the tri-state (NY, NJ, CT) area, seeks Certified General Real Estate Appraisers - experienced, semi-retired, retired or just receiving General Certification. Come succeed with us from the comfort of your home or office. Please send resume, etc., to ristromer@gmail.com.

Job Posting #2: New Castle County (DE) Assessor 1

Email Lisamayweiss@hotmail.com for the full job description. (There is no residency requirement for New Castle Co.) Candidates may submit online employment applications using the NEOGOV online application system available at <https://www.governmentjobs.com/careers/nccde>.



24th ANNUAL SEPTEMBER SYMPOSIUM GOES VIRTUAL!

The 24th Annual September Symposium was held over 2 days, September 29 & 30, via Zoom. This was the first time that the 7-hour seminar was held virtually, and it was found to be quite successful!

Over 40 real estate professionals logged in each day and learned quality information from instructor 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.

This year's topics were "Smart Risk Management for Appraisers" and "Legal Issues for Non-Lending and Litigation Appraisal Assignments."

Appraisal Inst. Seeks to Expand Diversity, Combat Alleged Bias in Valuation

As our nation continues reflecting on important matters of racial justice, the nation's largest professional association of real estate appraisers reiterated its efforts to expand opportunities for aspiring appraisers and help combat alleged bias in valuation.

The Appraisal Institute has several existing programs concentrating on this issue, including the Appraiser Diversity Pipeline Initiative with Fannie Mae and the National Urban League, along with the Minorities and Women Course Scholarship Program from the Appraisal Institute Education and Relief Foundation.

"These initiatives are dedicated to promoting greater diversity within the real estate appraisal profession through direct outreach to interested individuals and financial assistance covering entry-level education and other support mechanisms," said Appraisal Institute President Jefferson L. Sherman, MAI, AI-GRS.

"The Appraisal Institute always has valued its role as an organization that embraces diversity," Sherman added. He noted that the organization's member-comprised Diversity Panel is discussing new steps that the Appraisal Institute can take toward an even stronger commitment to diversity and inclusion. This group is tasked with several initiatives, and one being considered pertains to further development of continuing education.

Additionally, the Appraisal Institute has a newly formed Women's Initiative Committee, whose discussions have centered on scholarship and mentorship opportunities in the profession. Also, recent conversations with leadership at The Appraisal Foundation have presented an opportunity for the Appraisal Institute to partner with TAF on getting more historically black colleges and universities involved in the undergraduate and graduate review program that the Appraiser Qualifications Board has established.

Regarding alleged bias in valuation, "professional appraisers have a huge stake in ensuring that bias does not enter into appraisals, because at the end of the day, we sell credibility. Frankly, bias is our adversary regardless of what form it takes," Sherman said.

Sherman noted that, "appraisers are not market participants, and they do not 'create' value. Value is not a

'fact' to be found, but an opinion that should be credible and well-supported. These opinions should not use subjective terminology, unsupported assumptions, or interjections of opinion, or draw unsupported conclusions from subjective observations, among other things. These requirements are ingrained in a bevy of existing anti-bias and independence requirements that appraisers and lenders have to follow and observe," Sherman said.

Sherman further noted that, "appraisers adhere to a strict set of rules at the federal and state levels, with racial or any discrimination strictly prohibited and subject to penalty. The appraiser's role is unbiased and serves to protect consumers and financial institutions." He added, "credible, reliable opinions of value are fundamental to economic security for lenders, buyers, sellers and property owners, together with other stakeholders in property tax, income tax and eminent domain. Our work must remain impartial, objective and independent."

In its Aug. 20 [letter to The Appraisal Foundation](#), the Appraisal Institute cited its belief that existing requirements can be reinforced and enhanced starting with the AQB "Real Property Appraiser Qualification Criteria." The letter said that while the current "Criteria" clearly allows educational programming on bias and discrimination under allowances for "Ethics," the Appraisal Institute believes the creditable topics list could be expanded with additional examples directly relating to bias and discrimination, as this would help stimulate additional education ideas amongst appraisal education developers and providers on this important topic.

Further, the Appraisal Institute is exploring additional actions to reaffirm existing requirements including further research, guidance and education on matters relating to real estate market trends, bias and independence.

SNJAI UPCOMING EVENTS

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

Rapid Response: Market Analysis in Volatile Markets

Friday, October 30 (zoom) 7 CE hrs

Instructor: Edward T. Molinari, SRA, AI-RRS

[https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?](https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=7E1B79E3-674D-4B91-84AC-F73ECA5172E3&goback=0)

[webcode=EventInfo&Reg_evt_key=7E1B79E3-674D-4B91-84AC-F73ECA5172E3&goback=0](https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=7E1B79E3-674D-4B91-84AC-F73ECA5172E3&goback=0)

The Cost Approach: Unnecessary or Vital to a Healthy Practice?

Thursday, December 3 (zoom) 7 CE hrs

Instructor: Craig Steinley, MAI, SRA, AI-GRS, AI-RRS

[https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?](https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=668DE751-B612-4DEF-8D7C-7B281676CE3C&goback=0)

[webcode=EventInfo&Reg_evt_key=668DE751-B612-4DEF-8D7C-7B281676CE3C&goback=0](https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=668DE751-B612-4DEF-8D7C-7B281676CE3C&goback=0)

SAVE THE DATE: Virtual Chapter Dinner Meeting/Seminar

Thursday, November 19th 2-5pm Topic: Land Valuation

(Presented by Susanne M. Curran, MAI, AI-GRS)

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

AI Featured Benefit: RealMassive DataQu



RealMassive DataQu is a real-time data solution powering commercial real estate deals nationwide. Search 20 years of sales, tax and loan history and export or print property data for further analysis. **AI Professionals have FREE access to DataQu for the rest of 2020 and will receive a 10% discount in 2021. Visit [AI Benefits](#) to learn more and view additional benefits!**



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 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.*

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



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](#)

National Calendar of Events

NOVEMBER

12-13 | AI Board of Directors 4th Quarter Meeting, Chicago, IL

FUTURE MEETINGS/EVENTS/ETC.

Feb. 24-26 | 2021 AI Board of Directors 1st Quarter Meeting, Chicago, IL

May 19-21 | LDAC, Washington, DC

Aug. 9-10 | Annual Conference, Orlando, FL

Chapter Service Hours Chapter service falls under Service to the Appraisal Institute for Designated members and Practicing Affiliates wishing to receive AI Continuing Education points for that service. AI professionals will need

to submit those hours themselves by logging in to their AI account. The "AI Continuing Education: An Overview" resource provides more information on how to submit CE and is available to Designated members and Practicing Affiliates within their AI account online. Find that document here: https://www.appraisalinstitute.org/assets/1/7/AI-CE_Overview.pdf

New Appraisal Institute Textbook Addresses Time-tested Valuation Principles for Today's World In the midst of a global pandemic and social justice concerns, the Appraisal Institute published "The Appraisal of Real Estate," 15th edition. The textbook long has been recognized as the valuation profession's most comprehensive source of information for appraisers and other real estate professionals.



"We find ourselves in a situation much like 2008 today, with a global pandemic and social justice concerns affecting all areas of the economy—and many other aspects of daily life—in the United States and around the world," AI President Jefferson L. Sherman, MAI, AI-GRS, wrote in the book's foreword. "Today, appraisers and users of appraisal services do not know what the future will look like."

"The Appraisal of Real Estate," 15th edition, is a book that fits current times. It reflects a renewed commitment to the essential principles of appraisal and the sound application of recognized valuation methodology. In addition to updated information on changes in real estate markets and valuation standards, longtime readers of "The Appraisal of Real Estate" will notice these significant changes in this edition:

- New chapters focused on applications of market analysis and highest and best use analysis;
- Additional emphasis on identifying the property rights to be appraised in an appraisal assignment; and
- Deeper discussion of accepted techniques for allocating value among real estate, personal property and non-realty items.

Sherman further noted, "History confirms that the applicability and importance of different valuation techniques may rise and fall as real estate markets expand and change, and as society continues to evolve. Nevertheless, the basic principles of valuation that are at the core of this book, and fundamental to the appraiser's skill set, remain unchanged."

Previous editions of "The Appraisal of Real Estate" have been translated into 10 languages and have been used in valuation courses at various colleges and universities. The first edition of the textbook was published in 1951.

“The Appraisal of Real Estate,” 15th edition, (ISBN: 9781935328780) is a 705-page hardcover book; a PDF is also available. They are available for \$140 (\$110 for Appraisal Institute professionals) each, or \$196 (\$154 for Appraisal Institute professionals) if purchased together. Call 888-756-4624 or [order online](#).

Candidate News

New Candidates can upload their most recent USPAP certificate; they can take their first-year requirement, Business Practices and Ethics.; general Candidates can also take the [Advanced Education Diagnostic Test](#), which is required before registration for advanced courses.

2021 course schedules should start appearing on the website in the fourth quarter. Registration for an upcoming course is considered forward progress.

General Candidates who plan to submit their Demo this year or next year or hope to register for a 2021 Capstone must first complete the [General Demonstration Report Writing](#) seminar.

Candidates can begin compiling their experience on the AI log at any time, but we do not recommend that they apply for experience until they have completed at least most of their coursework. If they are concerned about whether their work will meet AI criteria, they can apply for [Advisory Guidance](#), which is a not-for-credit submission of one or more reports, on which they will get feedback from a trained experience screener.

Many Candidates whose timelines ended in 2020 will find them automatically extended when a designation requirement is scheduled or in progress. If not the case, the Candidate must apply for an extension as soon as they have a plan of action. **Note:** extension requests that indicate reasons for not completing the timeline **with no plan of action** will be denied. Also keep in mind:

- Candidates **should not** assume that extensions will be granted in one-year intervals; we often approve shorter extensions so Candidates can demonstrate progress, especially among Candidates who do not fulfill their plan of action.
- Timeline extensions **do not** affect other deadlines, such as exam appointments or due dates for experience or demo revisions.
- Timeline extensions—like AMP extensions—are requested via the Candidate Checklist.

Homebuyers Swayed by Energy-efficiency Data, ACEEE Reports

Reprinted from [aceee.org](#)

A first-of-its-kind empirical [study](#) shows that including home energy efficiency scores in online real estate listings would lead buyers to choose more-efficient homes with lower energy costs. The new study provides the clearest evidence to date that state or local policies ensuring that home energy information is presented to buyers would

influence their choices, not only meeting their needs but incentivizing sellers to make home efficiency upgrades and builders to construct more-efficient new homes.

Home buyers have

said in repeated surveys that the energy efficiency of homes is a priority. Yet sellers rarely include efficiency information in their listings, so potential buyers using the



major real estate aggregation websites—where 93% of home buyers begin their searches—generally cannot find this information. Only Portland, Oregon, requires home energy information in real estate listings; a dozen other U.S. cities or states mandate or suggest some type of home energy disclosure at various stages during transactions, often well after prospective buyers have evaluated competing options.

“We always thought home buyers would respond to energy efficiency information, but now we’ve shown it’s really true,” said Reuven Sussman, co-author of the report from the American Council for an Energy-Efficient Economy (ACEEE) and director of the organization’s Behavior and Human Dimensions Program. “Prospective home buyers have a lot of information at their fingertips, but usually they know little about the energy efficiency of the homes they’re considering. Just getting the right information in front of people can make big differences in their choices. If we can help buyers find efficient homes, we can really stimulate demand for them.”

ACEEE used a panel research firm to recruit a national sample of 1,538 individuals who indicated they were planning to purchase a home within the next five years. Participants viewed a mock real estate website showing three sample homes at a time and were asked to select the home they preferred the most within each set. The listings—including information such as price, bedrooms, and square footage—were part of a “discrete choice experiment” that allowed researchers to determine the weight of participants’ preferences among competing factors.

Some participants saw information about the homes’ energy efficiency, presented in one of five possible ways: a simple Home Energy Score (HES), based on the U.S. Department of Energy’s rating system; an HES along a continuum (line) from inefficient to efficient; estimated annual home energy costs; estimated annual home energy costs plus HES along a continuum; or a HES for only above-average homes (simulating a voluntary labeling program).

Using the data on participants preferences, ACEEE found the following:

- Energy efficiency information encouraged home buyers to avoid the least-efficient homes and choose more-efficient ones. Home buyers with such information clicked on the least-efficient

listing less often (23% less), and the most-efficient option more often (14% more), compared to those who did not see this information.

- Presenting efficiency information for only the most efficient listings (mirroring a voluntary labeling policy) was not an effective strategy for encouraging choice of efficient homes.
- Home buyers valued efficiency most when it was presented as an image depicting the home's efficiency score along a scale from inefficient to efficient, as shown in the image above.

The report recommends that state and municipal policymakers require efficiency information in all real estate listings and use an intuitive energy scoring system.

The report cautions that low-income home sellers could be adversely affected by energy efficiency disclosure requirements unless they are accompanied by complementary policies, given that homes owned by low-income households tend to be less efficient than those owned by non-low-income households. It calls for policymakers considering disclosure requirements to research and develop such complementary policies to help home sellers, especially low-income sellers, increase the efficiency of their homes.



NJ Appraiser Board

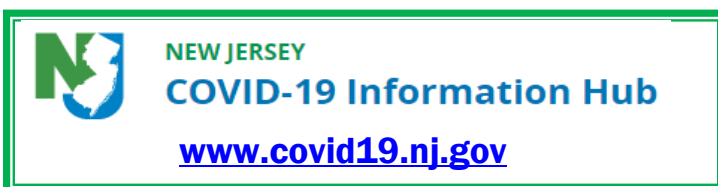
Please remember to regularly check the NJ State Board of Real Estate Appraiser's website for any changes. Link: <https://www.niconsumeraffairs.gov/rea/Pages/default.aspx>

Interesting Article!

Most Cities Not Seeing 'Mass Exodus' Due to COVID-19: Data

Reports about the COVID-19 pandemic causing a mass exodus from major cities are generally unfounded, with most states seeing fewer people moving between March 11 and June 30 this year than last, according to data from moving company platform Hire A Helper, Bloomberg reported Sept. 16. Those who did leave big cities relocated to other large metros.

<https://www.bloomberg.com/news/articles/2020-09-16/the-truth-about-american-migration-during-covid?srnd=citylab>



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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 and 2020 Appraisal Institute
Chapter Newsletter Award recipient
(medium-sized chapter)**