

Southern NJ Chapter of the Appraisal Institute

February 2021 Edition

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

Appraiser Diversity Initiative

The Appraisal Institute is helping lead a new Appraiser Diversity Initiative with Fannie Mae, and the National Urban League.

The initiative is intended to attract new entrants to the residential appraisal field, overcome barriers to entry (such as education, training and experience requirements) and to foster diversity.

Working through the National Urban League's regional Entrepreneurship Centers, the Appraiser Diversity Initiative is designed to reach diverse, talented candidates and educate them about the appraisal profession; provide resources for interested candidates to help them get on a path to success; and offer guidance from appraisers employed by Fannie Mae.



Learn more about the Appraiser Diversity Initiative:

<https://www.appraisalinstitute.org/the-appraisal-profession/appraiser-diversity-pipeline-initiative/>

“As the valuation profession’s thought leader, the Appraisal Institute recognizes the importance of helping to foster the growth and participation of all individuals in the profession by providing networking, educational and other opportunities.” – Appraisal Institute 2020 President Jefferson L. Sherman, MAI, AI-GRS

President’s Message

Fellow Chapter Members,

Thank you for all of your efforts in supporting our Chapter during these difficult times. Many of us were used to seeing one another at dinner meetings while learning something new. This was an unusual year and it has been difficult not seeing everyone in person. We have had to be flexible and transition to online offerings, but I am

optimistic we will see each other at in-person meetings again sometime soon.

This is a recertification year and we have several educational offerings scheduled for the year, and we are working on adding several others. If there is a seminar you would like to take, please communicate that to Lisa or me, so we can work on getting it offered by the Chapter.

By now I’m sure you have heard about the passing of Scott Robinson, 2016 National AI President. Scott was an advocate for our profession and well respected within the appraisal community. Scott was considerate and thoughtful. He was a family man. Our prayers go out to his family and close friends as this was an incredibly difficult and unexpected loss. I would like to thank our Chapter for making a donation in his honor and thank each of you who have made donations personally. Our Chapter may be small, but when we come together, we are mighty!

Stay safe and healthy and I look forward to seeing you soon!

Sincerely,
Michael Descano, MAI, Chapter President



In Memory: Scott Robinson

Scott Robinson served as the 2016 National President of the Appraisal Institute. He took a catastrophic fall on January 13, 2021 and sustained a serious head injury, passing away on January 22. Please keep the

Robinson family in your thoughts & prayers as they mourn. His obituary can be found here:

<https://www.summersettfuneralhome.com/obituaries/John-Robinson-68/#!/Obituary>

SNJ Chapter Scholarship

Southern NJ Chapter 2020 Education Scholarship

In 2015 and 2016, Southern NJ Chapter President Edward Molinari, SRA, requested that the money usually designated for a thank you gift for serving as chapter president go towards helping a chapter member to further their education. Mr. Molinari, an instructor and member of the Appraisal Institute National Education Committee, believed in the importance of quality education as well as earning an Appraisal Institute designation. In 2017, the SNJAI Board of Directors decided to celebrate the spirit that Ed Molinari created to help our members gain more knowledge and continue to fund this scholarship.

Members could apply for this scholarship by submitting the scholarship application and a written request summarizing their professional goals and experience.

Winner: Jessica Klauder of Molinari & Associates, who is a candidate for designation. She recently earned her general certification and is continuing towards her MAI designation. CONGRATULATIONS, JESSICA!

Interesting Article!

U.S. Announces New Rules For Drones And Their Operators

<https://www.npr.org/2020/12/29/951010863/u-s-announces-new-rules-for-drones-and-their-operators>

Government News!

Biden: Government Had Role In Undervaluation of Property

The Biden administration on Jan. 26 released a memorandum to the Department of Housing and Urban Development acknowledging that federal, state and local governments systematically implemented racially discriminatory housing policies during the 20th century, and noted a persistent undervaluation of properties owned by families of color. The administration directed HUD to examine the effects of such policies. For more information:

<https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/26/memorandum-on-redressing-our-nations-and-the-federal-governments-history-of-discriminatory-housing-practices-and-policies/>

NEWS FOR APPRAISERS WITH A DELAWARE LICENSE

NOTE THIS CHANGE TO THE DELAWARE RULES & REGULATIONS:

2.5.2 Beginning November 1, 2019, and thereafter two (2) hours of education on Delaware Law, Rules and Regulations. Yes, the mandatory Delaware Rules & Regs seminar is now 2 hours, not 3! IN ADDITION...The classroom in-person mandate has been lifted. **The Delaware chapter will hold the 2 hour Rules & Regs seminar via Zoom on Thursday, March 18, from 8:30-10:30am. Register here:**

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=799C66B0-7BD8-4DA3-861F-F55EE9BB72A9&goback=0

The Dictionary of Real Estate Appraisal, 6th Ed. is Now on Sale

USE PROMO CODE: SALE 40

From February 1-28, receive 40% off The Dictionary of Real Estate Appraisal, 6th edition. Available in both print and PDF formats, this text has more than 5,000 terms and definitions for your reference. It also includes glossaries to help real property valuers understand the language of architecture and construction; mathematics and statistics; environmental contamination; agriculture, forestry, soils, and wetlands; and green buildings. To order:

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?Action=Add&ObjectKeyFrom=1A83491A-9853-4C87-86A4-F7D95601C2E2&WebCode=ProdDetailAdd&DoNotSave=yes&ParentObject=CentralizedOrderEntry&ParentDataObject=Invoice%20Detail&ivd_formkey=69202792-63d7-4ba2-bf4e-a0da41270555&ivd_cst_key=00000000-0000-0000-0000-0000&ivd_cst_ship_key=00000000-0000-0000-0000-0000&ivd_prc_prd_key=BE53ABE7-46B6-4311-8AF2-6ECF14EDE604



Facebook Pages for Women Appraisers



AI Women MAI & SRA:

<https://www.facebook.com/groups/1742773122629563>

I Am A Female Real Estate Appraiser:

<https://www.facebook.com/groups/174344949428308>

Noeline Fuller Scholarship

Noeline M. Fuller, MAI, SRA, was a member of the Appraisal Institute and its predecessor, the American Institute of Real Estate Appraisers. She displayed an unyielding commitment to service both at the Chapter and Regional level. Her involvements and affiliations include:

- First woman to become president of the New Jersey Chapter #1 of the American Institute of Real Estate Appraisers (1992)
- Director of Region VI of the Appraisal Institute (1994-2000) Education Liaison for Region VI of the Appraisal Institute (2002-2003)
- Leadership Development and Nominating Committee for Region VI (2004-2007)
- Recipient: Metro NJ Chapter President's Award
- Recipient: Metro NJ Chapter Lifetime Achievement Award

Noeline M. Fuller passed away in the summer of 2008. In her memory, region VI created a scholarship to encourage more women and minority appraisers to actively pursue the Appraisal Institute designations.

THE SCHOLARSHIP PROCESS: Region VI Chapters' candidates & practicing affiliates taking licensing courses or designation courses in good standing with the Appraisal Institute can apply for this scholarship by submitting the scholarship application, a written request summarizing professional goals & experience, involvement with the Appraisal Institute or their local AI chapter, commitment to achieving an Appraisal Institute designation, and letter of recommendation (preferably Region VI Committee Member, Chapter Board member or Advisor). A specific Qualifying or Designation Education Course must be included on the app with the dates to be considered for a scholarship.

DEADLINE to SUBMIT APPLICATION: June 30, 2021, 5p.m.

SELECTION: Selected applicants' application will be reviewed within one week of application deadline and recipient will be chosen shortly thereafter. Scholarship will be valid for one year from issue date.

CHECK LIST

1. Application must be fully completed, AND emailed to metronj@ai-newjersey.org by 6-30-21 deadline.
2. A personal statement limited to one page describing your goals, career ambitions and involvement with the Appraisal Institute either on a local, region or national level.
3. One current letter of recommendation. (Max. one page)
4. Application and attachments emailed to Region VI Executive Director, metronj@ai-newjersey.org.



SNJAI UPCOMING EVENTS

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

Appraisal of Manufactured Homes: Featuring Next-Generation Manufactured Homes No test administered

Friday, February 26, 2021 (zoom) 7.5 CE hrs

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

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=7AB42254-6CB8-48B2-9209-CD761BCDA3DA&goback=0

NJ Appraiser Law & Regs

Friday, March 5, 2021 (zoom) 2 CE hrs

Instructor: Mary Fox, MAI

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=A1315623-5F44-45A4-9EC5-2FCD93D6C91E&goback=0

Business Practices and Ethics

Friday, March 12, 2021 (zoom) 6 CE hrs

Instructor: Mary Fox, MAI

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=BBEE782-DECA-41E7-B990-A37F412AFE05&goback=0

PA Appraisal Statutes, Regulations and Board Policies

Thursday, June 3, 2021 (zoom) 2 CE hrs

Instructor: Mark Smeltzer, MAI, SRA, AI-RRS

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=1A457744-932D-4840-AA58-A2714E432771&goback=0

Currently being scheduled: Watch for more info!

April: Annual Assessor/Appraiser Seminar and Chapter Meeting Zoom

May 12 (4 CE hours) 1-5pm: Case Studies in Partial Interests — A NJ Overview (Presented by Susanne Curran, MAI, AI-GRS) Zoom

June (2 CE hours): NJ Rules & Regs Zoom

September (7 CE hours): Appraising Condos, Co-Ops and PUDs (Presented by Maureen Sweeney, SRA, AI-RRS)

October 14 (4 CE hours) 1-5pm: Artificial Intelligence, AVMs, and Blockchain: Implications for Valuation (Presented by Mark Linne, MAI, SRA)

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



AI Featured Benefit: CompStak

Did you know CompStak provides millions of vetted, detailed comps that include such data as NOI, Cap Rate, Operating Expenses, True Buyer and Seller, and more?

As an Appraisal Institute professional you qualify for either **20 up-front comps on the CompStak Exchange platform** (exclusively for fee appraisers), or a **10% discount on the Enterprise platform** (exclusively for non-fee appraisers)!

[Learn How to Search for Sales Comps on CompStak](#)

[Click here](#) to take advantage of the promotion offered to you as an Appraisal Institute professional.

Whether employing the Income Approach, Sales Approach, or Replacement Cost approach, CompStak has data that strengthens and streamlines your valuation process.

What is CompStak? CompStak is a National CRE data platform for appraisers like you to access vetted lease and sales comps, crowdsourced directly from other appraisers, brokers, and researchers.

What kind of data does CompStak have? CompStak has more than two million commercial lease comps, sales comps, and property reports, across all major asset classes. All CompStak data comes directly from verified CRE appraisers and brokers, and is vetted by data analysts.

How granular is the data? CompStak lease and sales comps contain hard to find details, such as tenant names, lease types, starting rent, net effective rent, free rent, TI, cap rates, NOI, and more.

Questions: Email: ai@compstak.com

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/eweb/DynamicPage.aspx?site=AI&webcode=AIProgramByCourseType&CourseType=online&DiscountCode=THANKYOU>

Online Education click-through URL:

<https://www.appraisalinstitute.org/education/online-education/>



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](#)

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

Steps in Highest and Best Use Analysis Determine Use With Highest Present Value: The Appraisal Journal

"The Appraisal of Real Estate," is the premier presentation of the Appraisal Institute's body of knowledge and the newly released 15th edition of this text is the subject of special coverage in the latest issue of The Appraisal Journal. "The Appraisal of Real Estate," 15th edition, is respected internationally for its comprehensive and in-depth treatment of valuation theory and methodology in real property valuation.

The Appraisal Journal is the quarterly technical and academic publication of the Appraisal Institute, the nation's largest professional association of real estate appraisers. The materials presented in the publication represent the opinions and views of the authors and not necessarily those of the Appraisal Institute.

"The Appraisal of Real Estate," long has been recognized as the valuation profession's most comprehensive authoritative source of information for appraisers and the real estate profession. In this issue of The Appraisal Journal, we offer a reprint of a key chapter of the 15th edition, "The Application of Highest and Best Use Analysis." This chapter was significantly reworked in the latest edition of "The Appraisal of Real Estate," and it provides additional clarity on important aspects of highest and best use conclusions as the logical end point of market analysis procedures that measure the economic potential of a property.

Read "[The Application of Highest and Best Use Analysis](#)" in the Fall 2020 issue of The Appraisal Journal. The issue also features commentary from Michael McKinley, the

technical editor/writer of “The Appraisal of Real Estate,” 15th edition. This includes a look at the development of the updated text, offering insights into the development process and the thinking behind updates to the text.

Appraisal Institute Helps Tackle Unconscious Valuation Bias: Valuation Magazine

The Appraisal Institute is addressing unconscious valuation bias while also expanding opportunities for aspiring appraisers, according to an article in [Valuation magazine's third/fourth quarter 2020 issue](#).

Valuation magazine is a quarterly publication of the Appraisal Institute, the nation's largest professional association of real estate appraisers.

In the newest issue's cover story, “[Taking Stock](#),” 2021 Appraisal Institute President Rodman Schley, MAI, SRA; President-Elect Pledger M. “Jody” Bishop III, MAI, SRA, AI-GRS; Vice President Craig Steinley, MAI, SRA, AI-GRS, AI-RRS; and Immediate Past President Jefferson L. Sherman, MAI, AI-GRS, talk about the state of the valuation profession, what's changed as a result of the pandemic and the challenges ahead. Also in this issue:

***“[Saying Good Buy](#)” helps sole proprietors and shareholders in larger valuation firms or appraisal management companies understand the complex and multistep process involved in selling their firm or shares in a firm. This article also gives important details on preparing valuation firms for sale and factors affecting a sale price.

***“[Putting the Coronavirus to the Test](#)” discusses how, through impairment testing, appraisers can help companies understand the effects of COVID-19 on their real estate assets and financial reporting. This article dives into steps that appraisers and companies can take in order to be ready to ensure compliance.

***“[Changes Ahead](#)” addresses policy issues that AI's Washington office has identified as likely affecting appraisers this year. This article also includes valuation-related measures that saw action and consideration in the 116th Congress and could advance in the 117th.

New Appraisal Institute Text Demonstrates Essential Valuation Techniques

Since problem-solving is the foundation of an appraiser's skill set, “The Student Handbook to The Appraisal of Real Estate, 15th Edition,” includes practice problems that allow users of the handbook to test the knowledge they have acquired every step of the way, according to a book published by the Appraisal Institute, the nation's largest professional association of real estate appraisers.

“The Student Handbook to The Appraisal of Real Estate, 15th Edition,” by Mark R. Ratterman, MAI, SRA, is an instructional text to help users understand the appraisal profession, prepare for the state licensing exam and jumpstart their valuation careers. This book also provides students with a comprehensive introduction to real estate valuation and the challenges of a career in real estate.

“The Student Handbook to The Appraisal of Real Estate, 15th edition, is a practical tool for self-study and classroom use,” Appraisal Institute President Rodman Schley, MAI, SRA, wrote in the book's foreword. “An appraiser new to the profession or any real estate professional in a related discipline interested in valuation will find that the shortest route to appraisal knowledge runs through the student handbook.”

Originally developed to complement the latest edition of the Appraisal Institute's classic textbook, the student handbook has become popular as a stand-alone text used by colleges and proprietary schools. The student handbook:

- Summarizes each chapter in the 15th edition of “The Appraisal of Real Estate;”
- Explains and illustrates the nuances of valuation theory and practice with real-world examples;
- Presents dozens of sample problems to help students build skills and confidence; and
- Allows users to test their knowledge as they learn about appraisal.

Schley further noted, “The student handbook joins other Appraisal Institute handbooks, such ‘Valuation by Comparison’ and ‘Practice Examination Questions for Real Estate Appraisers,’ as valuable supplementary material for the well-rounded appraiser.”

“The Student Handbook to The Appraisal of Real Estate, 15th Edition,” (ISBN: 9781935328810) is a 464-page soft cover book; a PDF is also available. They are available for \$85 (\$75 for Appraisal Institute professionals) each. Call 888-756-4624 or [order online](#).

EDUCATION MATERIALS POLICY Important changes to National's registration processes were implemented over a year ago. Yet, a moment to review these changes may be helpful! These changes affect how you receive your education materials for this program. To be sure you are prepared for class, please review the information below BEFORE registering.

Electronic Materials: When you register for a program you automatically receive electronic materials to download for class at no additional charge.

Note: Some files are large and take time to download. Rather than opening a component link in a browser and then saving it to your desktop, it is recommended that you right-click on each download component and select “save target as” from the drop-down menu. Then select a location on your computer. Do NOT attempt to access the file while it is downloading. Some files are large and take time to download properly; this is dependent on your internet connection.

Print Materials:

- If during the registration process you select the option to receive print materials (additional cost for printing and shipping that will appear in your cart), you will receive in the mail four weeks before the class begins a print copy of the handbook and other components for the class.

- If you DO NOT select the option to receive print materials, but would like to have print materials for class, you will need to download and print the electronic components prior to class. Please note that there will not be print materials available at the site.

Note: If registering for a USPAP course, neither the electronic nor print materials include the USPAP book. USPAP must be purchased from The Appraisal Foundation and brought to class.

FHFA Issues RFI on Appraisal-Related Policies, Practices & Procedures

The Federal Housing Finance Agency (FHFA) issued a Request for Input (RFI) on appraisal-related policies, practices, and processes. The input received in response to the RFI will be used by FHFA to determine the necessary modifications needed to ensure Fannie Mae and Freddie Mac (the Enterprises) operate in a safe and sound manner.

"Modernizing the appraisal process has the potential to create a more streamlined and accurate collateral valuation process. But if modernization is not properly adopted, it could have negative unintended consequences," said Director Mark Calabria. "Today's RFI will improve FHFA's understanding of how the Enterprises can improve the appraisal process while at the same time ensuring they don't take on unintended or inappropriate levels of risk. The comments we receive will inform how we will modernize appraisals to improve both loan quality and the origination process."

The RFI covers four areas related to appraisals: Appraisal modernization;

- The Uniform Appraisal Dataset (UAD) and the design of appraisal forms;
- Automated Valuation Models (AVMs) and appraisal waivers; and
- Valuation differences by borrower and neighborhood ethnic makeup.

FHFA [invites feedback](#) on all the questions in the RFI within 60 days of the publication of this document, no later than February 26, 2021.

NJ Appraiser Board

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

2021 OFFICERS AND DIRECTORS

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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)**



NEW JERSEY
COVID-19 Information Hub

www.covid19.nj.gov