

Southern NJ Chapter of the Appraisal Institute

April 2023 Edition

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



Bonesaw: Success for 3 Chapters!



On Tuesday, March 28, around 50 appraisers gathered at the Bonesaw Brewery in Glassboro for a joint meeting with the Philadelphia Metro and Delaware chapters.

There were 3

speakers at the event (pictured in order):

- David Doe (Owner, Bonesaw Brewing Company)
- Joseph Campbell (Rowan University Vice President for Facilities and Operations)
- Carlo Batts, MAI (Rittenhouse Appraisals, Philadelphia Home Appraisal Bias Task Force)

They all spoke on their topics and offered a lot of time for thoroughly answered questions.

After 2 hours of continuing education, each chapter held a membership meeting, and then we concluded the event with perfect pub snacks. It was a great event!



President's Message

The doldrums of Winter are almost gone, which means the beautiful smells of Spring, the beautiful sounds of Phillies baseball, and the constant sneezing from seasonal allergies are almost upon us.



As we embark on spring, let's think about the revitalization of relationships and participation within the Chapter. We were able to award THREE scholarships at the most recent outstanding event at Bonesaw Brewery in Glassboro. Congratulations to all three well-deserving scholarship winners. The event was very well attended for a Tuesday late afternoon and the guest speakers were fantastic. Also, who doesn't like partaking in adult beverages on a Tuesday afternoon? We have numerous events already planned so you can get up to speed on your

continuing education, so make sure to check them out. Also, there are more programs in the works, so please be on the lookout.

I wish everyone a fantastic Spring and look forward to seeing everyone at our next Chapter event. As always, I am available to each member, or those considering membership for any questions or concerns.

Respectfully,

Rob Klein, MAI, MRICS, AI-GRS, ASA-GC

2023 Chapter President

(Pictured in article: Region VI Director Josh Garretson, MAI, AI-GRS, AI-RRS; Past Region Director Mike Mignogna, MAI, SRA, AI-GRS; Philadelphia Chapter President Tim Crann, SRA; SNJ Chapter President Rob Klein, MAI, AI-GRS; and Delaware Chapter President Todd Harrison, MAI.)



SNJAI UPCOMING EVENTS

For more info, visit www.ai-snj.org

Inconsistency: It's Hiding in Plain Sight in Your Residential Appraisal — Non-lender examples—Next level analysis

Monday, April 3, 2023 7 CE hours

Rutgers Eco-Complex Conference Center, 1200 Florence-Columbus Road, Bordentown

(Includes light breakfast, lunch & snacks)

Presenter: Rick L. Carlile, MAI, SRA (seminar developer)

NEW SEMINAR!!! Sometimes inconsistency in data, analysis, and reporting escapes even the most seasoned appraiser. This can have a major impact on the credibility of the value opinion in the appraisal report and on your credibility as an appraiser. This seminar focuses on significant inconsistencies that can affect categories like the definition of market value, market analysis and highest and best use, the three approaches, functional and external obsolescence, and reconciliation. Broad discussions about the entire appraisal process, topics you may not have given much thought about recently, will be lively, intense, and eye-opening. Every residential appraiser will find this seminar beneficial. If you are a residential appraiser who wants to expand your practice to non-lender work or you are already doing non-lender work, this seminar will take your analytical abilities to the next level!

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=143986E1-F8DF-4ADE-938C-CF579D78655E&goback=0

Rural Area Appraisals: Freddie Mac Guidelines and Property Eligibility Requirements

Wednesday, May 10, 2023 7 CE hours

AWA Community Room, 509 Centennial Blvd, Voorhees (Includes lunch) Instructor: R. Scott Hartman, SRA

Appraising rural properties can be challenging. A lack of comparable sales, uniqueness of homes, time between sales, and an expansive geography are factors appraisers must consider. This often means more time, research, and

justification to determine an acceptable value for a property. To make this task less daunting, Freddie Mac identified common pain points and misconceptions among appraisers and lenders regarding collateral guidelines for rural properties. With the Appraisal Institute, they have developed a comprehensive rural appraisal training for practicing residential appraisers. This 7-hour seminar addresses eligible and ineligible property qualifications; price ceiling limitations in rural markets; how urban development, farm productivity, and conversion to residential uses affect land prices; highest and best use problems in rural residential appraisals; how the Freddie Mac Appraisal Guidelines relate to rural appraisals; how to extract and support adjustments in rural residential appraisals; how to support deductions for unusual designs or functional problems; and how to use regression analysis to support a conclusion regarding highest and best use. An integrated case study reinforces the concepts presented.

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=BD8AE608-21F4-4545-AA3C-4F7E666E4C97&goback=0

Joint Seminar/Meeting: Appraisers & Assessors

2023 Updates, Changes for SNJ Appraisers and Assessors

Thursday, April 27, 2023 2 CE hrs 3-5pm Zoom

NJ Updates, Changes – John McCann, President, NJ Real Estate Appraisal Board and Richard Carabelli, MAI, President of the Mercer County Board of Taxation
Tax Court Updates, Changes – Judge Mala Sundar, P.J.T.C.

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=FDFOE3AE-2D64-4A46-92F8-B799F50349EA&goback=0

7-Hour National USPAP Update

Friday, May 19, 2023 7 CE hrs Zoom

Instructor: Brian Flynn, MAI, AI-GRS

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_evt_key=21FEFB7D-B9B3-43BF-A1DB-FF93139023BE&goback=0

PA Appraisal Statutes, Regulations & Board Policies

Thursday, June 1 2 CE hrs (8:30-10:30am) Zoom

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

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=85BC7D47-AE4A-4A9A-995B-019ADA4B66DF&goback=0

NJ Appraiser Law and Regulations

Thursday, June 1 2 CE hrs (11am-1pm) Zoom

Instructor: Mary Fox, MAI

https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?webcode=AIChapterRegistration&Reg_evt_key=9EB30F00-B6F9-41A3-80BF-FA2222FFD30F&goback=0

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



SNJ 2023 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. 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. The 2023 Winners are: **Gregory Heenan, Vito Nucci, and Melissa Kampf**. They will each have a course paid for by the chapter. Congratulations to each.



SAVE THE DATE: SEMINARS AT THE SHORE
Wednesday and Thursday, September 13 & 14
Golden Nugget, Atlantic City
7 CE hrs each day — 14 CE hrs total!
Featuring Dr. Randall Bell and Dr. Michael Tachovsky of Landmark Research Group, LLC (Day 1) and Ted Whitmer, MAI, AI-GRS (Day 2)
MORE SOON!



Interesting Article!

Northern New Jersey, NYC are Top Industrial Markets: Crexi
Northern New Jersey is the top industrial market to watch this year, according to a survey from Crexi, GlobeSt.com reported Jan. 25. The region has more than 293 million square feet of industrial space, and the median sales price rose from \$132 to \$151 per square foot during the past year. Other top industrial markets are Miami and the New York City boroughs of Brooklyn, Queens and Staten Island. Full article:
<https://www.globest.com/2023/01/25/5-markets-that-are-good-for-industrial-investors/>

You Know? Student Affiliate Membership to the Appraisal Institute is FREE! **PASS IT ON!!!!**

Why Become a Student Affiliate?

- No Annual Dues
- Meet appraisal experts and learn about the appraisal field
- Access to the prestigious Lum Library
- Affiliation with a local chapter, where you can network with appraisal professionals and explore career opportunities

- Discounts on Appraisal Institute education and publications
- Complimentary Subscriptions to the award-winning Valuation magazine and The Appraisal Journal
- The possibility of earning an AI designation
- Access to many additional [AI Benefits](#)

Questions? admissions@appraisalinstitute.org
(312) 335-4111

Are you on Facebook? "Like" us: Southern NJ Chapter - Appraisal Institute

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 Institute.*

Interesting Article!

Valuation Magazine: Legal Matters

Peter T. Christensen discusses how the Federal Trade Commission's proposed changes to noncompete clauses could affect valuation firms and appraisers. Full article:
https://www.valuation-digital.com/valuation/q4_2022/MobilePagedReplica.action?pm=2&folio=10#pg12

News From National ...

On-Line 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.
<https://www.appraisalinstitute.org/education/online-education/> Check out the current course listing now!
<https://ai.appraisalinstitute.org/eweb/DynamicPage.aspx?site=AI&webcode=AIProgramByCourseType&CourseType=online>



How to Enter AI Continuing Education Instructions on how you can enter AI Continuing Education and service hours can now be found on [Chapter Business Tools](#) under the Education Section. 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

Need Membership Proof? If you ever need a letter for a client or proof of your membership, please email aiservice@appraisalinstitute.org and the Service Center can provide it directly to you!

Uniform Standards of Professional Appraisal Practice (USPAP) REMINDER: The Appraisal Standards Board (ASB) and The Appraisal Foundation (TAF) announced that the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) will be extended by ANOTHER year. 2020-2021 USPAP will now be effective until December 31, 2023.

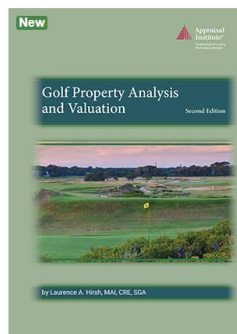
Scholarships The Appraisal Institute Education & Relief Foundation offers [scholarships](#). Scholarships are for courses (not exams or Capstone) and do not apply to those retaking a course. If a Candidate needs emergency assistance due to a natural disaster, medical emergency, etc., apply for assistance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

Future National Meetings and Events

April 19 | Region VI (Virtual) 2nd Q Meeting
May 11-12 | AI Board of Directors 2nd Q Meeting
May 17-19 | Leadership Development and Advisory Council (LDAC) Conference
July 19 | Region VI (Virtual) 3rd Q Meeting
Aug. 10-11 | AI Board of Directors 3rd Q Meeting
Oct. 2 | Joint Region Meeting
Oct. 3 | Chapter Leadership Program
Nov. 9-10 | AI Board of Directors 4th Q Meeting

NEW BOOK: A Guide to Evaluating, Analyzing and Appraising Golf Course and Club Properties

The golf industry has undergone dramatic change in recent years, and the market for golf properties has developed and evolved. To value golf course and club properties, appraisers must understand their unique combinations of land and improvements as well as real estate and business. *Golf Property Analysis and Valuation*, second edition, provides appraisers with an updated guide to the proper techniques, methods, and resources for accurately estimating the value



of golf courses. This book can also inform related professionals—including attorneys, lenders, tax assessors, golf course developers and managers, and market participants—about the factors that impact golf course and club economics.

Topics examined in this text include market analysis, subject property analysis, highest and best use, application of the approaches to value, and the allocation of real and personal property.

Considering the sizeable economic impact of the golf industry in the US, understanding the economics of golf courses and clubs makes good sense. *Golf Property Analysis and Valuation*, second edition, will help appraisers and others understand and properly analyze these unique properties.

To order, visit the Appraisal Institute website.

Additional Option for Education Exams The Appraisal Institute now offers OnVUE online proctoring, which allows access to education testing from home. It's still administered by Pearson VUE, but you may take select exams at home, on camera, monitored by a live proctor. <https://www.appraisalinstitute.org/education/resources/examinations/> Contact the AI Education department with any questions at (888) 756-4624.

Bias Research Solutions Project Team Publishes Report

In 2021, a Bias Research Solutions Project Team was created whose charge was to review available research and recommend appropriate next steps for the Appraisal Institute. Consideration was given to any proposed solutions in the research, and the anticipated impact the proposed solutions would have on the profession, the real estate industry and consumers. You can read the Project Team's report [here](#).

FAQ for PAREA

Who do I contact if I have questions about PAREA?

Please email ol-help@appraisalinstitute.org.

How can I be contacted about PAREA updates, including when the program is open for registration?

Please email ol-help@appraisalinstitute.org.

What is PAREA?

Practical Applications of Real Estate Appraisal (PAREA) provides an alternative to the traditional supervisor and trainee model for experience for licensed residential and certified residential appraisers. Appraisal Institute (AI) PAREA is an online program covering appraisal theory and methodology, in real-world simulations, with mentoring from nationally-recognized appraisers.

What are some of the key points of the PAREA program?

The Appraisal Foundation (TAF) created a [highlights document](#). Below are some of the key points:

- It provides an alternative to the traditional supervisor and trainee model.
- Participants complete all qualifying education prior to beginning the program.

- When complete, the participant is eligible for up to 100% of experience credit for Licensed and Certified Residential credentials.
- Individual states can choose to accept all, partial, or none of the PAREA experience credit.
- Participants must complete training on all topics listed in the detailed content outline.
- Participants will receive periodic mentoring throughout, ensuring sufficient demonstration of experience and understanding prior to moving forward in the program.
- Participants will be required to produce USPAP-compliant appraisals within the program.
- Participants, successfully completing PAREA, must also pass the national licensing and certification exam for the appropriate credential level.

When will AI's PAREA be ready?

The AI PAREA program will be ready for participation no later than September 2023.

What is the cost to take the PAREA program?

AI will provide the cost once it has been determined.

How do I obtain a PAREA mentor?

Mentors will be assigned to participants as part of AI's PAREA program.

How did PAREA come to be an alternative to the supervisor and trainee model?

[The Real Property Appraiser Qualification Criteria and Guide Note for PAREA](#) was adopted by the AQB on October 16, 2020 and became effective as of January 1, 2021. The exposure draft that led to the adoption of PAREA and the revised Criteria can be found [here](#).

Where can I find additional background information about PAREA?

Please see the links to information from The Appraisal Foundation below, and check with your state's board.

- https://www.appraisalfoundation.org/imis/TAF/Resources/Current_Appraisers/Q_As/TAF/QAs.aspx?hkey=29db1bf8-827d-4f7b-b525-06ac9f596637
- https://appraisalfoundation.org/imis/TAF/Standards/Qualification_Criteria/PAREA/TAF/PAREA.aspx

<https://appraisalfoundation.sharefile.com/share/view/s63f99dc2b9f241e0b3fd1645f7b63680>

BE CAREFUL!

Scam artists are out there & active. Our chapter (president, treasurer, etc.) is NEVER going to ask you to send money to ANYTHING: gift cards, donations, etc. Lisa handles payments for all chapter finances. **NEVER REPLY to those phishing emails!** If you are questioning anything, forward Lisa the email. But please...**DO NOT ANSWER THESE SCAM ARTISTS and NEVER GIVE THEM YOUR MONEY!**

Appraisal Institute Featured Benefit

The newly-released [2023 Self-Storage Almanac](#) features the most up-to-date data, statistics and analysis including:

- Occupancy Rates
- Market Supply and Demand
- Property Valuation
- Capitalization Rates
- Financing
- Facility Data by State
- Market Share

Appraisal Institute professionals receive a special \$75 discount with coupon code **APPALM23**

<https://www.ministoragemessenger.com/products/2023-self-storage-almanac/>

Philadelphia Eagles head coach Nick Sirianni just set a new legal precedent for NJ real estate sales

By Ryan Mulligan, Reporter, Phila. Business Journal

<https://www.bizjournals.com/philadelphia/news/2023/01/27/eagles-sirianni-real-estate-legal-precedent.html>

Philadelphia Eagles head coach Nick Sirianni has guided the team to some big victories this season, but he quietly scored a different kind of win recently — one that could have a lasting impact on the New Jersey real estate market.

In January, a New Jersey Superior Court judge ruled in favor of Sirianni and his wife Brett in a court decision that ruled home sellers have a duty to disclose if an outside party has a right of first refusal in a real estate sale. It is believed to be the first such ruling in New Jersey.

"Whoever would have thought that the Eagles next head coach was going to set a legal precedent for real estate. It's just a bizarre thought," said Lance Rogers, a managing partner at Rogers Counsel in Ardmore who represented the Siriannis in the proceedings.

After being hired by the Eagles in January 2021, Sirianni and his wife went house hunting as they looked to make the move from Indianapolis, where he had served as offensive coordinator for the Colts. The family found a home in Moorestown, ultimately entering into a contract to buy it for \$2.3 million.

Attached to the property was a right of first refusal clause that the Siriannis said was not initially disclosed by the seller, according to court documents. The clause, which was attached to the property by its previous owner, stated that any future agreements for the sale of the house must first be offered to his daughter for purchase under the same terms, then to his son, and if they both declined, to the family's trust. That right of first refusal would remain with the property if the Siriannis purchased it.

The Siriannis asked that the clause be eliminated. While the seller and their legal team were able to waive the clause for the deal, they did not permanently remove it from the property, court filings show. The Siriannis refused to close on the deal and the home was sold to a different buyer for \$1.95 million — \$350,000 less than the Siriannis had offered. The seller subsequently sued them for breach

of contract. From there, the Siriannis "quickly absorbed the intricacies of real estate law," Rogers said.

"[Sirianni] picks up legal principles very quickly," Rogers said. "I think that anybody who talks to him quickly understands why he's in the role that he's in. He has a sort of a gravitas about him that you can't help but be drawn towards."

Sirianni's colorful persona and competitive personality, which has ingratiated him with Eagles fans and drawn the ire of opposing fanbases, also showed through during the legal proceedings, according to Rogers.

"Nick is a competitor, and there's no question about that," Rogers said. The attorney recounted how Sirianni would chat about football during breaks in the deposition with the opposing counsel, whose favorite team wasn't his Philadelphia Eagles.

After nearly two years in the courts, Judge Eric G. Fikry sided with the Siriannis in a decision handed down on Jan. 6, establishing what Rogers said is a new legal precedent in the state of New Jersey, and potentially across the U.S.

With Fikry's ruling, a court holding now states that a seller has a duty to disclose a right of first refusal, or a buyer can terminate the contract. Rogers said his team could not find a case that had the same conclusion in their search in New Jersey, the U.S. Court of Appeals for the Third Circuit or any court across the country.

In granting summary judgment for the Siriannis, Fikry ordered the seller to return their \$100,000 deposit and reimburse their costs for the title search, survey and mortgage application fees.

The ruling came just as the Eagles were set to start a playoff push that now has them Super Bowl bound in Sirianni's second year as head coach.

If Fikry hadn't ruled the way he did, a playoff game wouldn't have been the only showdown facing Sirianni. Rogers said a trial would have started around the time of the Eagles' first postseason matchup against the NY Giants.

"It's kind of bizarre that we have a high-profile individual buying a house that has a legal ruling like this one attached to it, because at the end of the day, the ruling in and of itself is very significant, I believe, for the New Jersey legal community and real estate community," Rogers said.

Sirianni, who is known for his animated celebrations on the sidelines, reacted to the ruling with just as much enthusiasm, Rogers said.

Interesting Article!

Residential, Commercial Activity Subdued, Fed Beige Book Reveals

Some residential markets along the East Coast saw an unexpected uptick in activity over the past month, but most housing markets in the U.S. remained subdued, the Federal Reserve reported March 8 in its latest Beige Book. Commercial activity was mostly stagnant, with a slight uptick in industrial activity but notable declines in the office sector. Full article:

<https://www.federalreserve.gov/monetarypolicy/beigebook202303.htm>

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The Appraisal Institute is a global professional association of real estate appraisers, with over 16,000 professionals in almost 50 countries throughout the world. Our mission is to empower valuation professionals through community, credentialing, education, body of knowledge and ethical standards.

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. Individuals 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.

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Chapter Newsletter

Award recipient

(medium-sized chapter)