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It's time to rethink and adjust our goals for the year

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The 1st quarter of the year has just slipped by. The stock market is chugging upward, but the real estate market appears to be stuck in neutral. The economic stimulus plans and the home buyer tax credit don't seem to be attracting too many buyers. Sales over the last 3 months are down from the last 4-6 month period. We've had enough rain, already! It's time to rethink and adjust our goals for the rest of the year.

A good way to do that is to sign up for the New England Economic & Federal Agency Conference for Appraisers. The MBREA is sponsoring this event, to be held at the Doubletree Hotel in Westborough on April 21st. It will keep you current with news and latest economic trends. You will hear from experts from both Fannie Mae and FHA. The keynote speaker will be Dr. Richard Koss, director of mortgage market analysis at Fannie Mae. Other presenters include Robert Murphy, SRA of Fannie Mae and Milton Corson, Jr, MAI, SRA of the FHA. They will provide guidance to enable you to comply with the recent changes in guidelines. Visit the MBREA website www.mbre.org for more information.

I recently had the opportunity to speak to the Plymouth and South Shore Realtors at an event put on by their Education Committee. They asked me to speak on the subject of the Home Valuation Code of Conduct (HVCC) and FHA appraisals. This event also featured a session on dealing with distressed properties, Reg. Z and RESPA and WISP. In speaking with the real estate agents, I was surprised to hear them say that some appraisers are telling them that they cannot talk to them anymore. It appears that these appraisers have not read the HVCC or the FAQs that both Freddie and Fannie have written to help explain it. Fannie Mae FAQs #10, 29 & 64 and Freddie Mac FAQs #13, 20 & 36 explain, among other things, what real estate agents can discuss with appraisers. These FAQs can be found by typing Fannie or Freddie FAQs on your browser. Both FAQs see the value of appraisers gathering information from real estate agents. Freddie FAQ #64 states, "Realtors can often be a source of data in the market the subject property is located. Any data provided by a third party must still be researched and verified independently by the appraiser."

I ended my time with a discussion on the most common items of concern in appraising a home for the FHA. Some of the items were peeling and chipping paint, especially in homes built before 1978, unheated rooms, infestation, structural and drainage issues, under ground storage tanks and septic systems. I also discussed asbestos, mold, roofs, and electric services. I stressed to them the importance of addressing these issues at the time of the listing to avoid having to deal with them as a result of a home inspection or as a condition of the appraisal.

I was happy to have been able to represent the MBREA at this event and look forward to attending other similar events as president and a member of the MBREA.

Gary Minnehan, RA, is the 2010 president of MBREA and president at Affiliated Appraisal, Abington, Mass.

