



CELEBRATING
55 YEARS

nerej

Don Griffin - Commercial real estate and/or the family home in a divorce

June 09, 2011 - Appraisal & Consulting

As the New England economy improves the number of couples moving forward to dissolve a marriage is increasing. In some instances a couple's primary assets include commercial real estate and/or the family home which may or may not be valued at less than the amount of the mortgage. When the value of the assets are disputed, the expense of the divorce can involve hiring dual experts plus costly court time. To contain costs and streamline the process our attorney clients frequently retain us as the single appraiser responsible for establishing the market value of the couple's real estate. Recently, two assignments highlight the issues.

Case 1, included a commercial retail use, and a single family rental property. The single family was on a large lot with the potential for subdivision, but it was hampered by wetlands and an irregular shape. This case needed an expert in commercial retail as well as single family residential and land subdivision analysis. Zoning allowed for multi-family development. The analysis had to solve for commercial retail, which a lot of appraisers could handle, however the residential lot needed a thorough Highest and Best Use (HBU) analysis, augmented with expertise in dealing with wetlands. If the HBU indicated single family, then the appraiser needed to be skilled in that area as well.

Case 2, included an industrial mixed use building ½ as open warehouse, ½ as parts inventory and office, all in a butler style metal shell, but with complete flex type HVAC systems, not an easy problem in an owner occupied use with few sales. The single family was a high end contemporary on three levels on a large tract of land with potential for subdivision, but in a complex set of zoning laws. In both cases the parties settled without the expense of a trial.

I was selected for these assignments because of my education and 20 years of experience valuing a wide range of property types. The MAI designation from the Appraisal Institute indicates an expert in commercial property. The SRA designation indicates expertise in residential property. This training overlaps the commercial area, in that residential subdivision analysis requires skills in valuing residential property, residential lot values, and absorption rates. Some MAI's have never valued a single family. There are about 110 MAI's in Massachusetts, about 28 hold both MAI and SRA designations.

We prepare reports for trial with the expectation that all aspects of the report will be challenged, and prepare to defend the value, and anticipate tough cross examination. You can search the AI website litigation registry for an expert.

NOTE: This Registry only lists Appraisal Institute Designated Members who have successfully passed the Litigation Professional Development Program (formerly called Litigation Certificate of Completion Program) examinations. When you search for a litigation expert in Mass., I am the only appraiser listed.

Lastly is the area of coverage. We are licensed in Mass., Conn., R.I., N.H. and Maine, so if the

problem involves a residential home in Mass., a vacation home in NH, and a business property in CT, we can handle it.

Don Griffin, MAI, SRA is a commercial real estate appraiser in Waltham Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540