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The appraisal field: What it was back then, and what it is today

June 12, 2014 - Appraisal & Consulting

I didn't set out to be an appraiser. Most of you appraisers out there probably didn't either. I didn't exactly fall into it. I had some pedigree in the game. Many of you probably did too.

I came out of a 1st/2nd generation immigrant family that lived, slept, and breathed real estate. Mostly construction, management, and some appraisal. Not a unique story.

Upon graduating from college (working summers in the family business), I had high hopes of doing something worthwhile for humankind. Jobs were hard to come by and I worked in the family business.

Then I moved to Boston. And ended up doing real estate. And took some appraisal courses mostly because I didn't want to be a broker forever. As a result of the coursework, I got a clipboard, a tape, and a job in appraisal. I liked it. A lot.

I began attending professional appraisal organization meetings. Back in the early 1980's, organizations actually held face-to-face meetings often and people attended them regularly.

There were film cameras and typewriters, IBM Selectric III's with those interchangeable balls. Mimeograph machines. Getting comps by snail mail.

There were many appraisal organizations out there. In a given month there would be a meeting of a.) the Society of Real Estate Appraisers; b.) the American Institute of Real Estate Appraisers; c.) Mass. Board of Real Estate Appraisers; and d.) the American Society of Appraisers. And there were real estate board and assessor meetings, too. This made for a busy social schedule and major networking opportunities.

It was with great excitement that the bank I worked for at the time got an IBM XT PC computer and those nice big floppy drives, and a big, really noisy, pin feed printer. My excitement subsided when I learned I would have to share it with the construction disbursement department.

A few years later, the bank got a fax machine. That was very exciting. Getting comps via fax felt very cutting edge. It was also very thrilling to have bought a PC for the house and to have created my demonstration report on a word processor, carefully rubbing on the arrows and pasting in the exhibits and photos by hand.

Then, the great R.E. crisis of the 1990's came upon us. I was in Philadelphia the morning the Bank of NE failed. I had just been offered a job at that. I didn't accept it. But I did come back to Boston. I moved on from banking and into fee appraising. The fax machine and the PC were essential tools, along with my trusty Pentax K film camera. Analog cell phones weighing several pounds and requiring a bag to carry them appeared. The laptops were not really that user-friendly: wasn't it fun trying to read little numbers off a black and white screen.

A few years later, the Society and Institute merged. Fewer meetings to go to. During this time, The Appraisal Foundation began to become a force as federal licensing requirements required that

USPAP be observed in the preparation and reporting of appraisals.

Windows 3.1 showed up. Along with arcane printer drivers and more DOS command screen prompts. Argus in its DOS version presented a certain perverse pleasure when it actually produced a "credible" result after a dozen iterations!

The appraisal business slowed after the banking bust. After a period of time of producing lengthy appraisals for properties that often did not deserve them, Limited appraisals and the Departure Rule became de rigeur for a while. Did anybody really understand them, or like them? It took ten years to get rid of Departure. The resulting Scope of Work Rule is one of the more humane ideas applied to real estate appraisal.

Digital cameras became affordable and necessary during this period. The Sony Mavica with the 3.5" discs was a great favorite many appraisers. Excel gradually replaced Lotus.

The millennium came and went with Y2K taking place as a non-event. Many of us carefully copied files onto those little "floppy" disks (not really floppy).

The distinction between Summary and Self Contained Reports was argued. Years after the change, some banks continued to order appraisals with Departure.

Email arrived. Dial up modems were very exciting. They made a lot of noise and transmissions were slow. Windows evolved. Macs were an afterthought.

USPAP evolved. Many did believe the evolution was necessarily productive. There was some happiness when the publication cycle went from an annual to a two year cycle.

As a consequence of the long real estate bust, there are now more reviewers than appraisers. The ratio increases every quarter and will be probably be more than 15 reviewers for each appraiser.

Web technology and information technology are very exciting trends. For commercial appraisers, appraisal producing software will enhance immensely the ability to produce polished reports. Almost as good as having a couple of extra typing balls for the Selectric III. And the HP 12C is now in the Smithsonian.

The web has enhanced our ability to communicate with colleagues, clients, and information sources. We get together less often and appreciate it more when we do.

After all the changes, and despite how harnessed we are to the technology "plow," we appraisers still like to congregate and be together, even for small periods of time.

Despite all the on-line resources out there, it is gratifying to teach a class and have people come out because they want to and not because they have to. Economic conditions and technologies will continue to change. Our ability to learn from and support one another remains a constant, and I hope, a priority for a long time to come.

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