



CELEBRATING  
55 YEARS

# nerej

## **Beneficial and informative programs at Appraisers Expo**

October 02, 2014 - Spotlights

Hard to believe but on October 6, the 24th Appraisers Expo will take place. It will be held at the same place it has been for the past several years, the Four Points by Sheraton Hotel, Norwood. Another star studded lineup has been put together by MBREA and the Mass./R.I. Chapter of the Appraisal Institute. Kudos to both organizations for their hard work and ability to get both varied and informative programs for both residential and commercial appraisers. The morning program will provide a senior economist from the Federal Reserve plus the executive director from the Appraisal Subcommittee and finally a panel of state regulators from all of the New England states except Connecticut. The afternoon sessions will split with the commercial group looking at the question of functional obsolescence and the valuation of convenience stores. The residential side will look at appraisers and the law and other legal issues. John Brennan, director of Appraisal Issues with The Appraisal Foundation will be a panelist on both of the residential sessions. For around \$150 for members and \$200 for non-members, this is one heck of a deal, with 7 hours of continuing education credit, breakfast, lunch, vendors and an opportunity to see friends and colleagues -- you would be crazy not to attend.

It was good to see so many fellow appraisers at the recently held seminar run by the Appraisal Institute on Introduction to Green Buildings: Principles and Concepts. Held at the Federal Reserve on September 9, more than 50 individuals were exposed to this very timely topic, which is becoming more necessary in what is a burgeoning segment of the market. As reported at the seminar, the McGraw-Hill Green Outlook indicated that Green Trends Driving Growth more than 40% of nonresidential construction is green, as of 2013. By 2015, green construction is projected to reach \$135 billion. It seems like almost every other commercial on the radio is touting solar energy solutions for low cost or no cost. With many people taking advantage of these offers, it is imperative the appraiser, be commercial or residential practitioner, to understand the concepts and methodology in valuing properties with energy efficient components. The concept of "green" building versus "code" building, the relative costs to construct each and the increase in value that may or may not occur as a result of the specific improvements regarding materials or techniques is an ever increasing consideration and something that an appraiser needs to consider when undertaking an assignment. After all, in order to comply with USPAP, an appraiser must be competent, or in the alternative, inform the client that they are not and if they are still going to take on the assignment, take all steps necessary to become competent, and state what was done in the report. Last year's Expo devoted a lot of time to green buildings and valuation concepts. The Appraisal Institute is offering an educational program for both residential and commercial appraisers that is entitled Valuation of Sustainable Buildings Professional Development Program. In order to be listed on AI's website as a Sustainable Building Professional, one needs to take three courses totaling 31 hours for the residential accreditation and four courses totaling 46 hours for the commercial accreditation.

Given how the market is going, it would certainly make sense to become competent in this field. Well, that wraps it up, summer has come and gone, the Red Sox have in a three year period gone from worst to first and back to worst and the Patriots sure are looking shaky. Let's hope the economy continues to strengthen, interest rates remain low and we all have plenty of work to sustain us through to next spring.

Steven Elliott, SRA, MRA, is principal at Elliott Gottschalk & Associates, Ashland, Mass.

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