



nerej

We have stepped over the threshold into summer - by John Drew

June 11, 2021 - Appraisal & Consulting



John Drew

We have stepped over the threshold into the official start of summer, and the signs of better weather are accompanied by signs of improvement in our local economy. Many experts seem to agree that as vaccination levels rise, and we begin to leave our masks behind, economic improvement will continue. The real estate sector is no exception, and the need for qualified residential appraisers, may never be greater. In an on-going effort to reduce the barriers to entry into the field of residential appraising the Appraisal Institute is doubling down on its efforts to promote careers in the field. The role that the residential appraiser plays in advancing homeownership and supporting the mortgage industry cannot be understated, and neither can the demographics of our existing pool of residential appraisers. In cooperation with the National Urban League's (NUL) regional Entrepreneurship Centers, the AI and Fannie Mae have teamed up to attract new professionals into the field, assist in lowering the barriers to entry (e.g. education, training, and experience requirements), and fostering greater diversity in the profession. The NUL Entrepreneurship Centers will serve as the vehicle to provide the outreach to qualified candidates, and provide them the resources, including guidance from Fannie Mae staff appraisers, to become a qualified and successful residential appraiser. After a year where many have begun to reassess their work/life balance, the field of residential appraising may be attractive to a wide variety of candidates who are either starting out on their career path, or seeking a change. The flexible work hours, the potential of both field and home office work, and putting to use a wide of cutting edge technology may be uniquely appealing to many seeking a professional career.

The push to introduce a new generation of individuals to real estate appraising is just one of the many ways the Appraisal Institute is proactively instituting change from within to broaden their base of professional appraisers. In his recent message to the AI membership, president Rodman Schley, MAI, SRA outlines not just in broad strokes, but the specific action steps that our organization is taking to further these efforts. In addition to announcing ten scholarship recipients as part of AI's \$150,000 commitment to the Appraisal Diversity Initiative with Fannie Mae and the National Urban League, he outlines the many other on-going efforts/initiative in this regard, including:

- Participating in the Brookings Institution challenge to address systemic racism in the housing market.
- On-going work with members of Congress, including the House Financial Services Committee.
- Developing a 5-hour seminar on valuation bias that will satisfy continuing education requirements.
- Updating the AI Code of Professional Ethics with enhanced ethics requirements relative to protected classes and personal characteristics in appraisal.
- Adopting a new Guide Note that illustrates acceptable and unacceptable use of personal characteristics in valuation practice.
- Working with The Appraisal Foundation to enhance standards and qualification requirements

related to unconscious bias.

- A project team dedicated to reviewing current research and reports to better understand all viewpoints on the topic.
- Working toward recruiting appraisers from the communities we serve across America.
- Continue to lower the barriers to entry, and provide opportunities that increase diverse representation throughout the appraisal industry (e.g. the Appraiser Diversity Initiative and the Minorities and Women Course Scholarship Program).

I agree with president Schley that “everything is on the table” right now for legislators and regulators when it comes to ensuring fairness in the appraisal process, and the AI needs to be “at the table and part of those discussions.” Change is inevitable, and being a driving force in how this change impacts the appraisal profession only makes sense. Two of my dad’s favorite pieces of advice were “be a leader not a follower” and “always be a good listener.” Both have served me well over the years, and I believe the AI is employing both in their current approach to tackling potential changes to the appraisal process and valuation profession.

Reminders:

Service: The MA-RI-ME Chapter of the Appraisal Institute has extended its Sleeves Up Blood Drive as part of our Jay Zeiger Service Day. In partnership with the American Red Cross, the drive will continue through June 15th. I encourage all of our members to consider donating in memory of Jay Zeiger, MAI who was an active member of the Chapter, and passed away after losing a five year battle with cancer in 2007. We encourage those that donate to take a photo of yourself donating blood and share it! Just use #JZEIGERBLOODDRIVE .

Program:

On June 17th the Programs Committee will host a two hour virtual educational offering:

Allston/Brighton: The New Cambridge

The program will focus on what is driving the demand for office and laboratory space and the mix of new housing proposed in the neighborhood. The program will help explain to real estate appraisers the value of maintaining the “live, work, play” atmosphere and how a mix of new uses increase a neighborhood’s continued desirability.

The offering is slated to feature:

Moderator: Tom Jensen, MAI, principal/executive director – Boston Appraisal & Consulting;

Senator Barry Finegold (D), Massachusetts state senator – 2nd Essex and Middlesex District;

Jonathan Greeley, director of development review - Boston Planning & Development Agency;

Ted Tye, managing partner - National Development;

Morgan Pierson, director of development - Berkeley Investments;

Jim Halliday, president – NB Development Group; and

Molly Heath, managing director – JLL (recently added).

Chapter Education:

The MA-RI-ME Chapter, in the hands of Education Co-Chairs Ed Bowler, MAI, SRA, and Joe Comperchio, MAI, SRA continue to provide a full slate of qualifying and continuing education offerings that readers should be aware of, including:

Appraisal of Manufactured Homes Featuring Next-Generation Manufactured Homes (June 9) - Virtual

Real Estate Finance Statistics and Valuation Modeling (June 11 – 12) - Courtyard by Marriott in Woburn

Advanced Income Capitalization (Aug 16 – 20) - Courtyard by Marriott in Woburn

Additional information and links can be found at the Massachusetts, Rhode Island, and Maine Chapter website <https://ma-ri-me-appraisalinstitute.org/>

John Drew, MAI, is the 2021 president of the Massachusetts and Rhode Island Chapter of the Appraisal Institute, and the manager of appraisal & marketing in the Rental Underwriting Division at MassHousing in Boston.

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