



# News Letter

October 31, 2024

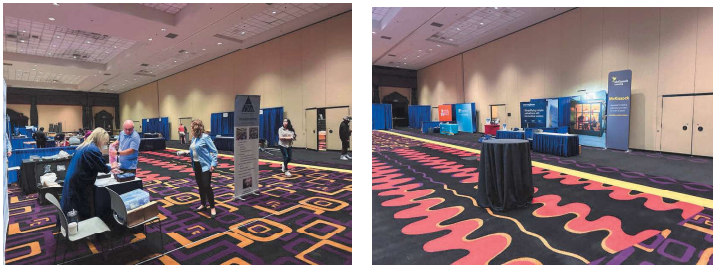
Volume 2, Edition 4

## Roaring 20s!?!

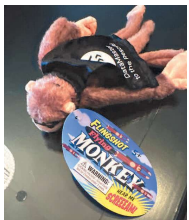
The opening reception at The Appraisal Summit in Las Vegas had great participation for the “roaring 20s” themed event.

Watching the exhibit hall transform into show quality on Sunday was amazing. The hard work the board members, volunteers and exhibitors put into this effort was mind-boggling!

The space goes from an open ballroom to a fully decorated exhibit hall in just a few hours. The best give away this year goes to DataMaster for their squealing, flying monkey.



Above: Laurie Egan, MNAA, Blair Dingeman, MNAA, Jeff Whaley, MNAA set up the NAA Booth and Silent Auction while Sierra Alden and others find jobs to prepare for the opening reception. The hard work pays off in the second photo of a completed exhibit hall ready for the conference.



Above: Flying Monkey Slingshot from DataMaster and dressed up party goers. Below left: Pam Teel, MNAA and Malinda Griffin, MNAA pose in costume during the opening reception. Below right: The McKissock team awarded the best group participation. From the left: Mike Bancroft, Laura Eberle, Susan Simpfinderer, Shelly Hoak and Kevin Hecht, MNAA. JoAnn Apostol, MNAA, is second from right.



## ACTS Conference April 5-8, 2025

The Program Committee has been hard at work securing topics, speakers and continuing education credits for the ACTS Conference in San Antonio, TX on April 5-8, 2025.

Remember to register early to get the lowest price available for the conference, the hotel room discount and flights into town. The hotel block at The Westin San Antonio is through March 12th or when the block runs out.

There is a new pricing structure for members and non-members. Prices before January 15th are \$499 for members and \$649 for non-members.

Non-members can choose to join NAA as a designated member and receive more benefits for \$125 which is a savings of \$25 for the non-member conference rate.

The March Madness college basketball tournament will also be held in San Antonio the same weekend which will increase flights into town. Prices increase after January 15th, so secure your place soon!

Pre-conference activities include a wine tasting on Friday, Software Demonstrations on Saturday, a Tour of the historic Pearl and Market Square and the ever popular supervisor/trainee outing.

Pre conference CE includes a Valuation Bias and Fair Housing course and a 7-hour course on the new URAR.

But hold your horses there partner!

There is also a golf outing at The Quarry Golf Course on Wednesday after the conference and Local Flavor Night on Monday night at “A Taste of Texas!”

Topics planned for the conference include Artificial Intelligence including real world applications and case studies, supporting adjustments, a fireside chat with the GSEs, VA and FHA, social media responsibilities, and more information on the new URAR dataset which will begin testing next year.

Be sure to click the link in the graphic below and register to attend the conference presented by NAA and Appraiser eLearning.



# Reflections on Our First Appraisal Summit

by Victor Cornejo, MNAA

Attending the Appraisal Summit for the first time was a truly enriching experience for my brother Joshua Cornejo, and me. After attending several state-level appraiser conferences together, we were thrilled to head to Las Vegas for a national appraisal conference. The moment we arrived, it was clear this summit was a fantastic opportunity to reconnect with fellow appraisers from all over the United States and reconnect with fellow peers.

## A Memorable Opening Reception

One of the standout moments for us was the opening reception. It was both exciting and inspiring to meet renowned experts in person, including Scott Reuter, the chief appraiser for Freddie Mac. Engaging in conversation with these industry leaders gave us practical perspectives on how appraisers can continue to evolve their practices in today's fast-paced environment. Listening to their advice and learning from their experiences made the evening not only enjoyable but incredibly valuable.

We were also excited to meet representatives of the Appraisal Diversity Initiative and receive an invitation to be field experience advisors. This opportunity to share our experiences with trainees is something we deeply value, as it allows us to contribute to the growth and diversity of our profession.

Throughout the event, we were treated to presentations that offered critical updates on the appraisal industry, touching on current trends and developments. Hearing firsthand about the challenges and opportunities appraisers face today helped us better understand the direction our field is heading.

## Diving into Continuing Education

During the summit, Joshua and I attended various continuing education (CE) classes. These sessions covered essential topics such as highest and best use, reconciliation, and covering various appraisal methodologies. The knowledge we gained will undoubtedly enhance our work, equipping us with new tools and techniques to better serve our clients.

The presentations were equally impactful, sparking engaging discussions and inspiring us to think critically about our practices. This blend of classroom learning and real-world insights created a rich educational experience that extended beyond the traditional boundaries of professional development.

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## Volunteer Opportunities

Many committees are looking for new members. Often the time commitment is not more than 1 hour per month.

The Fundraising Committee is actively seeking more members and the Membership Committee could also use your help!

Committees meet 4 - 12 times a year for about one-hour and provide the Board with assistance and proposals based on the duties assigned.

Email [info@naappraisers.org](mailto:info@naappraisers.org) for more information or to apply.

## NAA Directors

President	Malinda Griffin MNAA SC
Vice President	Barry Phillips MNAA SC
Secretary	Pamela Teel MNAA TX
Treasurer	Hal Humphreys MNAA TN
Director	Blair Dingeman MNAA CA
Director	Jeffrey Morley MNAA UT
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Director	Kenneth Williams MNAA MS
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Appraiser Trainee . . . . .	Stephanie Streep MNAA TX
. . . . .	and Jeffrey Morley MNAA UT
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Public Relations . . . . .	Cathy Putegnat MNAA OR
Past Presidents Adv. Council . . . . .	Bryan Reynolds, MNAA KY



## Welcome to New Members

NAA has both state appraisal organizations and individual memberships for appraisers and others. Explore the [membership](#) options of this volunteer organization and join us!

Welcome to all new members in 2024! A special welcome back to the Tennessee Appraisal Coalition!

# Appraiser Relief Fund

The Appraiser Relief Fund was established four years ago to assist appraisers with day-to-day life after unexpected events such as medical conditions, fires, flooding, earthquakes or any other natural disaster. The silent auction at the Summit was very successful raising \$7,700 for the ARF and GRH Scholarship funds. The 50/50 raffle raised \$1,800 also.

The fund can assist with licensing fees and other items that can help these appraisers get their businesses up and running again after the unexpected event. This is a 501-c3 non-profit organization.

If you know a fellow appraiser in need of assistance or want to donate to the fund, click here: <https://naappraisers.org/arf>

Reflections continued from page 2

## Networking and New Technologies

The vendors at the summit also played a key role in enriching our experience. They showcased innovative technologies and CE course offerings designed to help appraisers stay ahead of the curve. Interacting with these vendors opened our eyes to new tools that can streamline our workflows and improve our overall efficiency.

Networking with fellow professionals was another highlight of the summit. Engaging with appraisers from diverse backgrounds allowed us to exchange stories and strategies that will resonate with us long after the event. We formed connections that we hope will lead to future collaborations and shared learning opportunities, especially as we reconnected with fellow peers.

## Building Relationships Beyond the Classroom

As certified residential appraisers, we place a high value on education, experiences, and the relationships we build within our field. Throughout the event, we learned not only from the classes but also through conversations with fellow boots on the ground appraisers and real estate professionals. After the first day of the summit, we enjoyed dinner with a group of appraisal experts, diving into lively discussions about industry challenges, best practices, and personal anecdotes that further enriched our understanding.

## Looking Ahead

This event was more than just a learning experience; it was a celebration of relationships, knowledge expansion, and a collective pursuit of excellence in our practice. The insights we gained, the connections we forged, and the inspiration we felt will undoubtedly influence our work moving forward.

Reflecting on our first Appraisal Summit, we feel energized and excited for the next opportunity to gather, learn, and connect with fellow appraisers. The journey continues, and we look forward to building on this experience in the future!



Kelly Davids, The Appraisal Foundation, engaging the audience, left.



Victor Cornejo, new MNAA, Craig Morley, MNAA, Melissa Bond, MNAA, JoAnn Apostol, MNAA, John Brenan, Jeff Morley, MNAA and Joshua Cornejo-Corleto network at dinner.

Pam Teel, MNAA, asks a question of Ms. Davids during the Q&A while Victor Cornejo, MNAA, his brother Joshua, Melissa Bond, MNAA and others look on.



# Summit Day 1 Recap

by JoAnn Apostol, MNAA

The welcome address by the President of NAA, Malinda Griffin, MNAA, and Hal Humphreys, MNAA of Appraiser eLearning. Joshua Walitt, MNAA provided the introductions for the morning session.

Kelly Davids, President of The Appraisal Foundation, led the presenters discussing the latest changes at the Foundation. The Foundation is in a transitional period with changes in many aspects of organization. The foundation continues to strive to increase the diversity in the industry and on the boards and councils of the organization. A conciliation agreement was signed with HUD because the investigation found no findings of bias. The conduct policies and standards were updated and a new council, Council to Advance Residential Equity (CARE), was created to provide input to the Foundation on fair housing. Next on the agenda is the next generation of appraisers, expanding resources and distribution lists, and encouraging harmonization in the state criteria.

Jim Amarin presented on utilizing Artificial Intelligence that discussed leveraging the technology to streamline processes and boosting accuracy. Examples of extracting adjustments using a custom GPT were illustrated with warnings about analyzing the outputs. Depending on the AI program, different algorithms use different processes and always double check the inputs and outputs. Other uses for AI include descriptions of a property, formatting notes into excel files and improving responses to clients. Jim finished the presentation by advising appraisers to take a class on prompting AI and there is inherent bias in the internet, so biased inputs can result in biased results.

continued on page 5.



Malinda Griffin, MNAA & Hal Humphreys, MNAA give the welcome address to over 200 conference attendees.



Below: Conference attendees participate in a Q&A session, Jim Amarin presenting on Artificial Intelligence, and Josh Walitt, MNAA making morning introductions.



# Profession, Industry or Trade?

by Martin Wagar, MNAA, ASA, IFA, RAA

As the chair of Professional Conduct for National Association of Appraisers, I browse social media appraisal groups to stay in touch with current appraisal issues between lenders, agents, Appraisal Management Companies, and appraisers. I am struck and saddened by the consistent mention and significance placed on "turn time." While I agree important, it should never be placed ahead of quality.

We should begin by considering real estate appraisers as members of a Profession, Industry or Trade.

Below are the definitions or summaries:

## INDUSTRY

"Industry refers to an economic activity that deals with the production of goods like iron and steel industry, extraction of minerals like coal mining industry and the provision of services like tourism industry. The industry is divided into three sectors as primary, secondary, and tertiary sectors."

## PROFESSION

"A profession is a type of occupation that requires specialized education, training, and expertise. It's typically governed by a set of standards or ethics and often involves a commitment to ongoing learning and development. Professions usually have formal qualifications, such as degrees or certifications, and are often associated with a professional body or association that oversees the standards and practices within that field. Examples include doctors, lawyers, engineers, and teachers."

## TRADE

"Trade jobs involve skilled manual labor or technical work in specific trades. These roles often require vocational training or apprenticeships and focus on hands-on skills."

While real estate appraising leans toward a "profession", the language of apprenticeships also rings true in a Trade with minimum hours required for levels of licensure. That said, the appraisal of real estate clearly is not an industry. Regardless of the definition, neither tend to succeed by marketing to their customers based only on speed of services. Imagine selecting your electrician based on their speed alone?

Choosing a dentist because he/she holds the record for quickest time spent completing a crown, fine dining using Door Dash, or a "quick" brake job?

Our profession has seemed to have developed an environment that rewards speed as one of the primary goals.

During my years on the Michigan State Appraisal Board, I heard and presided over many complaints and cases. While deciding on a proper course of action for the appraiser, in all the cases heard, never once did we ask the appraiser how long it took to complete the assignment, nor did it have any bearing on the outcome. More times than not, the reason they were there in the first place was the result of not spending adequate time to develop and report a credible appraisal.

Spending 40+ years as an appraiser, much of which, in the mortgage sector, I understand the need to market and build your business. That said, I appeal to appraisers to resist the temptation to succumb to the initiative of marketing based on speed, in exchange for the promise of more work.

Recent form reporting options along with the modernization of the URAR, are all designed to speed up the process of reporting, and understandably so. It is also apparent, soon, there will be more MORE asked of appraisers, not less. It is my hope that as a profession/trade, my fellow appraisers will keep their main priority as thoroughness and quality. I further hope, those clients with the need for our services, will consider that "reasonable and customary" also apply to turn time.

Seems the least we can do to promote and maintain public trust?

**Attention NAA Members!**  
**OREP Rewards Your Professionalism**  
with Enhanced Coverage and Lower Rates!

With OREP, NAA Members Enjoy An  
**EXTRA \$50,000** Discrimination Claim Coverage  
Included in your policy. (Up to \$500,000 Discrimination Coverage max.)

Visit [OREP.org/NAA](https://naappraisers.org/OREP)  
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After the morning networking break, Peter Christiansen presented some topics for appraisers from a lawyer’s perspective. A case study on professional negligence was presented with the key legal element of what is the legal duty owed by an appraiser. The “standard of care” is a large part of USPAP. He ended the presentation with a short look at the limiting conditions in the upcoming UAD dataset and some suggested language to aid in mitigating the impact of the preprinted certifications in the forms.

The final morning presentation by Dave DeMello discussed whether the valuation process is more art or science. This inspirational presentation encouraged attendees to analyze their highest and best use and to identify their superpowers. This includes managing weaknesses and leveraging strengths.



Above: Morning Presenters: Peter Christiansen and Dave DeMello

Right: Kimberly Gleason watches as Tasheik Kerr attempts to make a putt at the connexions booth during the networking break



The commercial afternoon group began with finding data sources with Hal Humphreys, MNAA demonstrating several resources of non-residential data. Dr. Sam Henderson, MNAA, presented on commercial reconciliation which is notably different from residential due to the weighting of the different approaches and the needs of the intended users.

Michael Brunson, MNAA provided a lively discussion on rental data and forecasting stressing verification of the data is primary. Technology is evolving in the ability to analyze the data, but laziness leads to mistakes and bad reports. The effective rent under the lease should be analyzed as well as analysis of market trends, vacancy trends and using forecasting tools.

Finally, Greg Stephens, MNAA, had the final presentation on Intro to Litigation where he discussed the process of most trials, and the roles appraisers take in the process. Opportunities abound in this sector of the industry with clients in the legal industry, but clients can also include government agencies, insurance companies, and others.



Commercial Session Presenters: Hal Humphreys, MNAA, Dr. Sam Henderson, MNAA, Mike Brunson, MNAA and Greg Stephens, MNAA



Below: Residential Presenters Chris Shoemaker, MNAA, Bryan Reynolds, MNAA, Shaun Telford, MNAA and John Dingeman, MNAA

The afternoon session was divided into two sessions with attendees able to attend either the residential or commercial focused presentations.

Chris Shoemaker, MNAA, had an insightful presentation on the reconciliation in residential appraisal reports. He gave examples for almost every field on the URAR where reconciliation is needed focusing on telling the reader what was done during the development phase of the assignment.

Bryan Reynolds, MNAA presented the challenges and rewards of moving from a Certified Residential license to a Certified General license. Topics included experience requirements, the AQB white paper on education requirements, and degree requirement challenges.

Shaun Telford presented on the role of the appraiser in lending assignments. He stressed that loan eligibility and the value of the property are two different things. The appraiser’s role is crucial in the process, and the human appraiser provides analyses and reconciliation using logic and judgement that can’t be replaced.

John Dingeman, MNAA, concluded the afternoon with a presentation on desktops and hybrids which highlighted the latest technology being used in property data collection.



# State Organizations

## State Appraisal Organization Leaders Meeting

by Hansel Dobbs, MNAA

The State Appraisal Organization Meeting was a resounding success at The Summit, bringing together representatives from across the nation to discuss pressing issues, share updates, and collaborate on future initiatives. Notably, Iowa and South Dakota attended the summit as observers. While they are not yet members of the Board of Governors, we are hopeful they will join our ranks soon. Joining and collaborating with other organizations builds strength in the appraisal community for ALL appraisers

### Recognizing Our Current NAA Board Members

We extend our deepest gratitude to our current National Association of Appraisers (NAA) board members for their unwavering commitment and leadership. Their efforts continue to drive our organization forward, fostering growth and innovation within the appraisal industry.

### A Warm Welcome to All Attendees

The summit saw a diverse group of attendees representing the following states including Arizona, Colorado, Florida, Indiana, Iowa, Mississippi, Missouri, North Carolina, Ohio, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, and Washington.

NAA President Malinda Griffin, MNAA, delivered an inspiring address, highlighting that 40 states were represented at the Appraisal Summit, with 70 first-time attendees. She expressed excitement about the developments happening across different states and reaffirmed NAA's goal to assist each state in achieving their objectives.

Malinda announced that the NAA is gearing up to unveil a new website in the coming months. This platform will feature educational infographics on topics like "What is an Appraisal?" and "What is an Appraiser?" Additionally, the 16th Annual Appraisal Summit was praised for its engaging Board of Directors meeting and a lively Program Committee session.

These meetings lay the groundwork for the upcoming Appraisal Conference and Trade Show (ACTS) in San Antonio, April 5-8, 2025.

Laurie Egan, MNAA, provided an update from the Governmental Affairs Committee. The NAA recently responded to the Appraiser Qualifications Board's (AQB) request for comments on the college degree requirement. They advocated for a non-degree path toward both the Certified Residential and Certified General Licenses.

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<https://naappraisers.org/>

## NAA BOG Organizations

Appraisers Coalition of Washington (ACOW)  
<https://acow-wa.org/> - [info@acow-wa.org](mailto:info@acow-wa.org)

Association of Texas Appraisers (ATA)  
<https://www.txappraisers.org/> - [info@TXappraisers.org](mailto:info@TXappraisers.org)

Coalition of Arizona Appraisers (CoAA)  
<https://www.azcoaa.us/> - [info@AZCOAA.us](mailto:info@AZCOAA.us)

Coalition of Oregon Real Estate Appraisers (COREA)  
[COREAppraiser@gmail.com](mailto:COREAppraiser@gmail.com)

Colorado Association of Real Estate Appraisers (CAREA)  
<https://carea.wildapricot.org/> - [CAREA.appraising@gmail.com](mailto:CAREA.appraising@gmail.com)

Mississippi Coalition of Appraisers (MSCAPP)  
<https://mscapp.org/> - [mscapp12@comcast.net](mailto:mscapp12@comcast.net)

New York Coalition of Appraiser Professionals (NY-CAP)  
<https://www.facebook.com/groups/202436526832014/> - [NewYorkCoalitionofAppraisers@gmail.com](mailto:NewYorkCoalitionofAppraisers@gmail.com)

North Carolina Profession Appraisers Coalition (NCPAC)  
[www.ncpac.us](http://www.ncpac.us) - [ncpac@live.com](mailto:ncpac@live.com)

Ohio Coalition of Appraisal Professionals (OCAP)  
<https://www.ocapweb.org/> - [info@ocapweb.org](mailto:info@ocapweb.org)

Real Estate Appraisers Association (REAA) <https://reaa.org/> - [info@reaa.org](mailto:info@reaa.org)

Real Estate Appraisers of Southern Arizona (REASA)  
<https://www.reasa.org/> - [admin@REASA.org](mailto:admin@REASA.org)

South Carolina Professional Appraisers Coalition (SCPAC)  
<https://www.scpac.net/> - [info@scpac.net](mailto:info@scpac.net)

Tennessee Appraiser Coalition (TAC)  
<https://tappc.clubexpress.com/> - [president@tnappraisercoalition.com](mailto:president@tnappraisercoalition.com)

Utah Coalition of Appraisal Professionals (UTCAP)  
<https://uautah.wildapricot.org/> - [Info.UTCAP@gmail.com](mailto:Info.UTCAP@gmail.com)

If you have a state coalition that isn't associated with NAA, consider joining forces by contacting a membership committee person or emailing us at [info@naappraisers.org](mailto:info@naappraisers.org).

# Member Benefit Highlight: Working Advantage

The Membership Committee has been hard at work finding new discounts, partners and savings for you!

The newest member benefit is the Working Advantage Discount Program Partnership

We're excited to announce our new partnership with the Working Advantage Discount Program! This program offers exclusive discounts on a wide range of products and services, including electronics, travel, entertainment, and more. By joining, you'll have access to significant savings on items and experiences that matter most to you, helping you make the most of your hard-earned money.

Benefits Include:

- Up to 60% off on shows, concerts, theme parks, and online shopping.
- Discounts on movie tickets, hotels, sporting events, and more.
- Access to special offers on electronics, appliances, apparel, and gift cards.
- 
- This partnership is designed to enhance your lifestyle and provide valuable savings, making it a fantastic addition to your membership benefits.

Log on to [www.workingadvantage.com](http://www.workingadvantage.com). Enter your email address and the NAA company code (Check your email...it was sent to you on October 11.)

## Other State Organizations

Colorado Coalition of Appraisers (COCAP) - [www.cocapp.org](http://www.cocapp.org) - Michael Carroll - [mj@mjvaluations.com](mailto:mj@mjvaluations.com)

Delaware Association of Appraisers, Inc (DAA) <https://www.deappraisers.net/>

Illinois Coalition of Appraisal Professionals (ICAP) <https://www.deappraisers.net/>

Louisiana Real Estate Appraiser Coalition (LAREAC) <https://www.lareac.org/>

Michigan Coalition of Appraisal Professionals (MCAP) - <https://www.facebook.com/groups/michcap/> - Eric Dean Morse - [eric@realistappraisals.com](mailto:eric@realistappraisals.com)

North Dakota Appraisers Association (NDAA) <https://ndappraisers.org/>

Rocky Mountain Appraiser Association (RMAA) <https://RMAA.org/>

Virginia Coalition of Appraisers (VaCAP) <https://vacaponline.com/>

Email us to be added to this list of state organizations.

State Appraisal Organizational Leaders continued from page 6.

Cathy Putegnat, MNAA, discussed the Appraiser Relief Fund, noting that they've received requests for assistance ranging from paying board dues to overcoming financial hardships. State boards like Colorado and Arizona expressed willingness to accommodate members facing financial difficulties by adjusting or deferring dues.

The Scholarship Fund, established a year ago, currently has six applications from aspiring appraisers seeking financial assistance for their education. Proceeds from the Appraisal Summit auction contribute to this fund. Donations are welcomed at any time to support the growth of new professionals in our industry.

### State Organization Reports

Each state present gets an opportunity to discuss what is happening in their state including progress, challenges and requests for help from other states. Highlights include a stature of repose bill in Colorado, soaring insurance prices in Florida, The Mississippi Practicum Training Program successes, PAREA approval challenges in Oregon, and increasing licensing fees in the western state.

**Appraisal Institute:** Scott DiBiasio provided an update on PAREA adoption, with 15 states currently in the rule-making process, many nearing completion. New York recently directed staff to initiate rule-making procedures. He also highlighted the Appraisal Foundation's Association of Appraiser Regulatory Officials (AARO) efforts to increase state regulator participation in their events.

**Closing Remarks:** Pam Teel, MNAA, reminded attendees that the NAA is accepting applications to host future ACTS Conferences. This is a valuable opportunity for state organizations to showcase their regions and contribute to the growth and education of appraisal professionals nationwide.



Above Left: Co-Chairs: Cathy Putegnat, MNAA, and Pam Teel, MNAA, NAA President: Malinda Griffin, MNAA, and Blair Dingeman, MNAA listen intently while state leaders make their presentations at the State Organization Leadership meeting.

Above Right: Brian Marlow, MNAA, of the Association of Texas Appraisers presents to the group and challenges other states to top the anticipated attendance at ACTS 2025.

Below: State Organization Leaders listen as Kathy Walsh, MNAA, from Washington discusses appraiser licensing fees.



# Summit Day 2 Recap

by Danielle McManus, MNAA

Day two of the National Appraisal Summit, held on September 17, 2024, in Las Vegas, was packed with insightful discussions and valuable updates for appraisers navigating an evolving industry. From regulatory changes to the latest in AI and valuation tools, the day offered a comprehensive look at what's ahead for the appraisal profession.

The morning kicked off with Hal Humphreys, MNAA, serving as moderator, setting the stage for a day of dynamic sessions.

The first presentation, led by Craig Morley, MNAA, revisited the foundational concept of Highest and Best Use. Morley emphasized the importance of continually assessing the best legal use of a property, a core element in determining value. He walked attendees through how various land use potentials can influence appraised values and shared practical templates for conducting residential appraisal analyses. This refresher on such a fundamental concept sets the tone for the day's deeper dive into industry practices.

John Brenan, Acting Deputy Executive Director of the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council, took the stage to break down the role of Policy Managers at the state level. Brenan's presentation, titled "What is a Policy Manager?", highlighted the increasing importance of this role in response to the diverse regulatory changes occurring across states. Brenan detailed how policy managers are responsible for keeping up with evolving standards and ensuring compliance, which has become a critical task as the regulatory landscape continues to shift.

The morning continued with a highly anticipated panel discussion featuring key representatives from Fannie Mae, Freddie Mac, the FHA, and the VA. Moderated by Hal Humphreys, MNAA, the session, titled "What's on the Horizon?", covered the significant changes appraisers can expect in the near future. The panel explored topics such as the upcoming Uniform Appraisal Dataset (UAD) update, its potential impact on daily appraisal work, and the role of AI in streamlining processes. The session concluded with a lively Q&A, where attendees engaged directly with industry leaders to gain clarity on these critical developments.



Above: Craig Morley, MNAA and John Brenan from the Appraisal Subcommittee present to the conference. We apologize that not all presenters were able to be included in the photographs taken during the conference. Thanks to all the presenters, vendors and sponsors.

After a networking lunch, the conversation shifted to the Reconsideration of Value (ROV) process. A panel of industry experts, including representatives from AMCs, lenders, and borrower advocates, discussed the evolution of ROV procedures.

With new lender requirements set to take effect at the end of October, the panel emphasized the lender's duty to protect consumers while ensuring fair assessments. They highlighted how underwriters must rigorously evaluate borrower-initiated ROV requests before engaging appraisers, ensuring any additional materials provided for the process are both relevant and appropriate.

Jeff Morley, MNAA, followed with a presentation on "Supporting Adjustments". Morley reminded attendees of the importance of adhering to USPAP Requirements & Guidance, particularly AO-37, when utilizing computer-assisted valuation tools. He underscored that while modern tools offer enhanced efficiency, the tried-and-true method of paired analysis still serves as a reliable foundation for making and supporting adjustments.

The day wrapped up with a deep dive into the future of appraisal reporting with John Dingeman, MNAA and Shawn Telford.

Stepping in for Elizabeth Green, they presented "The ABCs of the New Vocabulary for Appraisal Orders," focusing on the upcoming implementation of the Uniform Residential Appraisal Report (URAR) under UAD 3.6.

As the existing boilerplate forms are phased out, appraisers will soon be working with a more flexible, data-driven report format comprised of 29 sections. This session provided critical insight into how these changes will impact both appraisers and lenders, giving attendees a glimpse into the future of the industry.

Day two of the summit delivered an abundance of timely information, with expert speakers providing attendees with both immediate updates and a long-term outlook for the appraisal profession. From regulatory changes to technological advancements, appraisers left with the tools and knowledge needed to adapt and thrive in this rapidly evolving field.



Above: Brian Barnes, FHA, Scott Reuter, FHLMC, Hal Humphreys, MNAA, James Heaslet, VA and Lyle Radke, FNMA discuss the UAD dataset and other topics. Below: Mike Scarpa, Pam Teel, MNAA, Bill Watenbaugh and Craig Capilla discuss ROVs.



# From Rates to Real Estate: A Market Map for Appraisers

by Kevin Hecht, MNAA

The housing market has been nothing short of a rollercoaster lately, and for real estate appraisers, that ride comes with its own twists and turns. Rising interest rates, a constrained inventory, and economic uncertainties have made the appraisal world a bit more complicated. But don't worry, there's good news on the horizon—there's light at the end of the tunnel, and it's not just another housing bubble. Let's explore the current market dynamics, how they impact your role as an appraiser, and some reasons to expect an upturn.

## The Economic Backdrop

The U.S. economy is projected to grow by 2.3% in 2024, slightly down from the 3.2% growth in 2023 (FNMA). Revised income data and solid job growth have strengthened the economic outlook, but let's not break out the confetti just yet. Mortgage rates, while coming down from their 2023 highs, are still sticking around the 6.44% mark as of October 2024. And while that's better than the high 7% range we endured earlier this year, it's still not low enough to make housing affordable for many buyers.

However, there's reason for optimism. Mortgage rates will likely continue their slow decline, with long-term bond yields already signaling that we could see rates drop further. This gradual easing is expected to breathe new life into the housing market as more buyers regain their purchasing power.



## Rising Inventory: A Welcome Relief

One of the most significant shifts in the housing market is the recent easing of inventory constraints. After years of supply shortages, inventory levels are finally starting to rebound, up by 20% in early fall compared to the same time a year ago (Realtor.com). While inventory is still down by a third from pre-pandemic levels, this uptick signals that more homes are coming onto the market, giving appraisers more transactions to analyze.

The "lock-in effect," where homeowners held off selling due to their ultra-low pandemic-era mortgage rates, is also beginning to fade. As rates decline, more sellers are listing their homes, further boosting supply. This increase in inventory helps ease home prices and provides appraisers with a larger pool of comparable sales data—making our job just a little easier.

## Home Prices: Slower Growth Ahead

Home prices are expected to continue their rise but at a slower pace. The Fannie Mae Home Price Index projects that prices will increase by 5.8% in 2024, cooling off to 3.6% in 2025. For appraisers, this means that while prices will still trend upward, the rapid price appreciation we've seen in recent years is likely behind us.

However, it's important to note that price trends will vary significantly by region. Metropolitan areas with strong job markets and tight inventories—places like Austin, TX, and Boise, ID—may continue to see faster price growth. Meanwhile, rural areas or regions with affordability constraints may experience slower appreciation. Keeping tabs on these regional dynamics will be essential for appraisers to provide accurate and well-supported valuations.

## Opportunities in New Construction and Investment Properties

New construction remains a bright spot in the housing market. With fewer existing homes for sale, many buyers are turning to new builds as an alternative. In fact, new home sales were up nearly 10% in 2024 compared to the previous year (NAHB). This trend is expected to continue, providing appraisers more opportunities in the new construction space.

Meanwhile, the investment property market is also heating up. As rent prices continue to rise in urban centers, investors are eyeing real estate as a prime opportunity. For appraisers with expertise in rental markets, this presents an excellent chance to capitalize on the growing demand for investment property valuations.

## Reasons to Expect a Sales Upturn

While the housing market has been characterized by limited inventory and rising prices, there are several reasons to expect an upturn in home sales. According to Lawrence Yun, rising inventory and the expected rate cuts from the Federal Reserve could be the catalyst needed to spark higher sales (Realtor). As rates decline and affordability improves, more buyers are likely to enter the market.

Additionally, life and job changes will naturally lead more homeowners to list their properties. Whether it's a growing family needing more space or job relocations, these dynamics will contribute to increased sales activity. The fading "lock-in effect" will also play a role as more homeowners feel comfortable selling at lower rates, further boosting supply and sales (FNMA).

## The Role of the Appraiser in a Shifting Market

In this evolving housing market, appraisers are more critical than ever. Buyers and sellers alike are relying on our expertise to navigate the complexities of home values in a dynamic environment. As inventory rises, prices moderate, and affordability improves, the demand for accurate, well-researched appraisals will grow.

Staying informed about regional trends, mortgage rate fluctuations, and evolving buyer behavior will be key to delivering supported valuations. Appraisers should focus on gathering comprehensive market data and staying ahead of economic shifts to provide defensible appraisals that reflect current conditions.

## Looking Ahead: A Gradual but Promising Recovery

The road to recovery may be slow, but the worst of the housing market slump appears to be behind us. While existing home sales are expected to increase, returning to pre-pandemic levels will take time. However, with rising inventory, declining mortgage rates, and a gradual improvement in affordability, the outlook for 2025 looks promising.

For appraisers, this means adapting to a shifting market and being ready for increased appraisal orders as more buyers and sellers re-enter the market. The housing market is stabilizing, and with it comes both challenges and opportunities for those who are prepared.

## Conclusion

As we move into 2025, the housing market presents a complex but navigable landscape for real estate appraisers. While economic conditions, mortgage rates, and housing inventory will continue to shape market dynamics, staying informed and adaptable will allow appraisers to thrive. By focusing on comprehensive market analysis appraisers can confidently navigate the uncertainties of the current market and capitalize on the opportunities ahead.

So, buckle up—this ride is far from over, but the future is looking brighter.

# NAA Board of Directors

The NAA Board of Directors meet quarterly and the meetings are open to all members. In-person meetings are held during the pre-conference activities at both ACTS and The Appraisal Summit. The last meeting was held at The Appraisal Summit on September 14, 2024.

The Trainee Committee reported good numbers for the Summit events and pre-planning for ACTS 2025 in San Antonio was well under way. The ACTS 2025 event includes a morning field trip event for measuring and observing houses.

The Audit and Finance Committee had good ratings with all clear audits. The Bylaws Committee provided updates to the membership definitions and other minor changes.

The Communications Committee is working on infographics for the new website as resources for NAA members, appraisers and the public. Two of these were presented to the board for review.

The Conference Program Committee has the ACTS 2025 conference mostly planned. The Appraisal Summit numbers include 237 registrants of which 70 are first-time attendees. We are actively looking for a host state for the ACTS 2026 conference. Please email us for more information at [info@naappraisers.org](mailto:info@naappraisers.org).

The Fundraising Committee is making some changes to the Appraiser Relief Application for clarity, and is planning activities for ACTS 2025 in San Antonio. Education Committee is working on three new certification programs that should be ready next year. An Ad Hoc committee was set up to research a formal designation for NAA.

Membership Committee is working on member retention and has discussed providing an added benefit for designated members only. They are also researching short resource videos for gaining members.

National Association of Realtors concessions were discussed. Joe Lynch, MNAA, (REAA) has a draft of inconsistent practices across MLS systems. An Ad Hoc Committee was formed to research this issue further.

Malinda Griffin, MNAA, is hoping for the new website to be up in November. The meeting was adjourned after an executive session.



In 2023, The Appraisal Foundation Board of Trustees completed a comprehensive review to ensure the Foundation's governance structure followed best practices and upheld the public trust. As a result, a new opportunity for collaboration with the Foundation was developed: Partners.

Partners are nonprofit organizations that have committed to work with The Appraisal Foundation to uphold public trust in the appraisal profession through communication and collaboration. Partner organizations have the ability to nominate individuals to become Partner Trustees on the Foundation Board of Trustees, but there is no direct appointment. Final selections of all trustees are made by the Board of Trustees in consultation with the Trustee Nominating Committee.

# Board of Trustees

## by Malinda Griffin, MNAA

On September 5, 2024, I attended The Appraisal Foundation's Board of Trustees virtual meeting. There was much discussion over the proposed "partner contributory category", after a BOT motion, it was voted to table the discussion until the in person Denver meeting in October.

Chair Kelly Davids gave an update on her year to date activities that included many interviews, meetings with all the partners and signing the conciliation agreement.

ASB/AQB gave brief reports on the activities of each committee. AQB continues to look at the minimum qualifications for becoming an appraiser. ASB is getting good feedback from the 2024 USPAP.

Trustee Elliott Adler presented an updated Standards of Conduct and Ethics guideline, after some discussion, the motion passed unanimously.

Trustee Pete Fontana discussed the Newly adopted Partner Category, including what is a partner and how they are vetted.

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He reported that since the category's inception, TAF has accepted 15 partners, NAA being one of the fifteen. He also presented a new applicant for partner, REVAA, Real Estate Valuation Advocacy Association, after a motion to accept and discussion, they were approved for Partnership, making the new total 16.

The schedule for the October Board of Trustees meeting was presented, October 24-26 in Denver. Please look at the updated from October's meeting in another section of the newsletter.



Board of Trustees of The Appraisal Foundation and Foundation Staff in Denver October 24-26, 2024

# Board of Trustees In-Person Meeting

by JoAnn Apostol, MNAA

The Appraisal Foundation, Board of Trustees also held an in-person meeting in Denver, Colorado October 24-26, 2024.

Many of the public meetings were also live-streamed by the Foundation. These public meetings happen for transparency reasons as a result of Appraisal Subcommittee Audits and other studies that have occurred over the last few years.

The first public session was interviews with the selected candidates for the ASB and AQB. Prior to being invited to these interviews, candidates have filled out an extensive application and answered questions from the nominating committee. The nominating committee is made up of Board of Trustee members who blind score all applications and questions. The candidates were asked general questions about why they were interested in serving on the board, time management topics, the purpose of the board, and issues faced by each board in the regulatory environment. There were both returning board members and new candidates that interviewed for the open seats on the boards.

Congrats to Alan Hummel, Nick Pilz, AJ Hutson for being appointed to the ASB.

Congrats to Valerie Scott, Miriam Lopez and Bill Fall for being reappointed to the AQB.

The Women's Forum was also live-streamed with Rachel Beam, FNMA, receiving the SAVVY Award which is given for the contributions of a woman in the valuation industry. Stacy Caprioli, MNAA, last year's winner, passed the glasses to Rachel. The session discussion surrounded Ms. Beam's path into the industry and her achievements including the Appraiser Diversity Initiative, and advancing women in leadership roles in the appraisal industry. Rachel believes appraisers are "COOL" and she got her start because someone broke their foot and needed a driver!

Rachel Beam is presented with the SAVVY Award at lunch Friday below.



Juana Watkins, Rachel Beam and Stacy Caprioli, MNAA, discuss women in the appraisal industry above.

# More From the BOT Meeting

There were two very interesting sessions in Denver that were open to the public. The first session included the first two graduates from the Appraisal Institute PAREA program. These graduates were also some of the first people through the program and experienced the growing pains along with the Institute. They were grateful for the program mentor helping them through what a report should look like and the struggles with the assignments. The assignments are case studies based on retrospective dates that were completed on single-family, 2-4-family, condominium and vacant land properties located in urban, suburban and rural areas. Board members were able to ask questions and follow up on this newest pathway to becoming an appraiser.

The second presentation was an academic study using data purchased from a bankrupt sub-prime lender and then later on a dataset from HUD that includes purchases. The presentation was very in-depth and discussed the parameters, processes and conclusions from the two studies.

I personally was enthralled with the scientific method, mathematics and processes to reach the conclusion since I have a degree in Mathematics. However, the key information they studied was if there was a systemic issue with significant bias in the appraisal industry. The first study found that minorities, Asian, Blacks and Hispanics, have a slightly lower appraised value to an AVM value. The highest being \$1,334 lower for blacks over white owners.

The second study, 2019-2023 data, had better data on the race of the appraiser because the HUD appraiser identification includes this information. In this dataset, the overall impact was higher at \$3,800 lower value for black owners on a \$294,000 loan. Interestingly enough, a Hispanic borrower would receive a \$2,350 lower appraised value on a \$294,000 loan.

Both studies found that the impact is the same no matter the race of the appraiser. The overall conclusion is there is some evidence of appraised values being lower for minorities, but these also do depend on the neighborhood characteristics including density. The studies showed the gap was less in areas of higher density.

The presenter was asked many questions by the trustees which shows the interest in the topic and the results of the study. Due to the data, there was no way to narrow the analysis below a zip code level in the first study and a census tract level in the second study. The authors would like to study more data further in the future to see what else can be learned.

# Supervisor/Trainee Pre-Conference Event: A Valuable Experience

by Marcella Jimenez, MNAA

I recently had the privilege of attending a pre-conference event at the 2024 Appraisal Summit in Las Vegas, specifically tailored for real estate appraiser supervisors and trainees. As a residential real estate appraiser, I'm always eager to stay ahead of industry trends and expand my knowledge base. This event was no exception. It provided a valuable opportunity to network with industry peers, gain insights from seasoned professionals, and stay updated on the latest trends and challenges in the appraisal field.

Key topics discussed included:

- Rule for Working Together by Craig Capilla: Report writing tips, workfile and supervisors responsibility. Liability awareness as a crucial component for supervisors and trainees. Mitigating appraisal fraud risk for both supervisors and trainees.
- Use ChatGPT Like a Pro by Hansel Dobbs, MNAA: The utilization of ChatGPT to enhance report writing efficiency. The diverse models within the program, the potential for script creation, and the integration of third-party applications, and acknowledging the model's inherent limitations.
- Optimizing Your Training and Learning Methods by Melissa Bond, MNAA: Optimizing training and learning methodologies. The session explored the significance of commitment, identified common distractions, discussed various engagement techniques, and highlighted the benefits of spaced repetition and utilizing diverse thinking modes

- Supervisor Breakout Session by Stacy Caprioli, MNAA: The session delved into the intricacies of the supervisory role, addressing key areas such as role delineation, learning path development, leveraging industry resources, quality control measures, managerial duties, common misconceptions, documentation best practices, ethical dilemmas, and navigating market fluctuations. Additionally, it promoted peer collaboration and the sharing of effective problem-solving strategies.

The event also featured interactive breakout sessions and discussions, fostering collaboration and knowledge-sharing among attendees. By asking thoughtful questions and engaging in open dialogue, I was able to gain new perspectives and insights. It's inspiring to be surrounded by such a talented and dedicated group of professionals. Overall, the pre-conference event was a highly informative and engaging experience that will undoubtedly benefit my professional development.

As appraisers, we have a responsibility to continually learn and grow. By attending conferences like the Appraisal Summit, we can stay up to date on the latest regulations, best practices, and technological advancements. It's not just about keeping our licenses current; it's about enhancing our skills and delivering the highest quality appraisals.

I encourage all appraisers, especially supervisors and trainees, to prioritize professional development. Attend conferences, webinars, and workshops. Seek out mentors and networking opportunities. By investing in ourselves, we're investing in the future of the appraisal industry.

Right: Stacy Caprioli, MNAA  
Below Left to Right:  
Hansel Dobbs, MNAA  
Melissa Bond, MNAA  
Craig Capilla  
Other presenters included  
Jeff Morley, MNAA and Josh  
Walitt, MNAA



Attendees Listen attentively during the Trainee/Supervisor Event



## George R Harrison Scholarship

The National Association of Appraisers created a scholarship program for those people who need a helping hand and are interested in entering the appraisal profession.

This scholarship honors the legacy of one of the founders of NAA who believed that quality education plays a pivotal role in becoming a professional appraiser.

To find out more, donate or apply for funds, visit the NAA website here: [GRH Scholarship](https://naappraisers.org/grh-scholarship).

