

Realty & Valuation Newsletter

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SUMMER IS OVER & HOLIDAYS START

BY

Albert M. Cerone, IFAS, FELLOW, CTA

AMERIVAL

Director:

Albert M. Cerone

Regional Associates:

Dan Warthen, Jr.

Jay Jurasek

Dave Kaytes

Peter R. Vidi

Louis A. Bonato

James Hanson

Of Counsel-

Michael K. W. Nolan, Esq.

AMERIVAL NEWSLETTER ANNIVERSARY- Happy Anniversary to us. Time surely flies when you're having fun (really?). Eight years ago this month I got it in my head to write a newsletter and my naivety allowed me to think I could write a newsletter every two weeks, after all I'm a prolific writer. Maybe better said "BS" artist, whatever! I will tell you that it has been a great experience. The 2 week self-imposed pressure forced me to know and adhere to deadlines. I believe making the decision to write this newsletter was one of the best of my career. I presume you, as I, are inundated with professional newsletters from smaller companies, businesses; and, most are written by someone other than one of the principals of the company or firm. I didn't want to do that. After all, who knows better than I what I'm thinking and truly want to impart to readers? So, I began and here I am 8 years later ready to embark on my 9th year, God willing. It's been quite a journey. This newsletter has garnered me recognition and a fair amount of work. So, I guess it was a pretty good idea.

I know for sure that it forced me to stay attuned to good writing skills and speech as they are hand-in-hand. I recommend to all of you to find reasons to write as you will benefit in other ways. For those of you who write reports, extra-curricula writing will assist you in attaining greater communication skills. By the way, *texting* is NOT writing. Not only isn't it writing, it's not talking either. I hear more and more, "don't call me, text me". So much is lost by texting. The tone of one's voice, the degree of demonstrativeness in a person's speech is lost along with "truth". It's easy to hide the truth in words but not in the speech pattern of one when speaking person to person. Several years ago a few corporations directed their employees not to email any longer unless sending some documents. They recognized that the personal contact is lost with emails and certainly with *texting*. Clearly, do yourself a favor and pick up the phone and call the person with whom you need to communicate. Nothing will be lost in the translation, as is being lost via email and texts. And, of course, whenever possible meet the person for lunch, dinner, drinks or just coffee. Face contact is the best of all.

APPRAISERS, PAY ATTENTION, PLEASE- As a professional liability expert for many years, I've encountered some horrendous appraisals. First, we all can make mistakes. Yeah! Me too. Many of the mistakes which find the way to the client are those that the last few minutes in the appraisal office were rushed and / or too busy. Some tips. Never send an appraisal out without walking away from it for minimally a few hours and better a full day. Re-read the report, every word. If you're using a template, read it completely. It's possible some of the stock phrases don't apply to the subject of the report you just completed. I just re-read the last sentence and realized that the word "just" was spelled "must". Like I said we all make mistakes. Spell Check would not have (**CONT'**)

Courtesy of

Amerival

Tel. 732-286-3000

FAX 732-612-1400

Email & Web

myappraiser.amerival@ymail.com

<http://www.amerival.net>

(CON'T) recognized that word as an error. And, it surely changes the meaning of the sentence, if it makes any sense at all. Many people are insulted that you did not think enough of the report with your signature or them to insure that every word, phrase, sentence, etc. makes sense and is grammatically correct. I'm not one of those people but I appreciate their beliefs and respect them. If they paid for a report they are entitled to be able to "read, comprehend and conclude" without having to *guess* what you *really meant*. Grammar is also important but, as I read the world today, it is much less a concern than 50 years ago, when penmanship was also important.

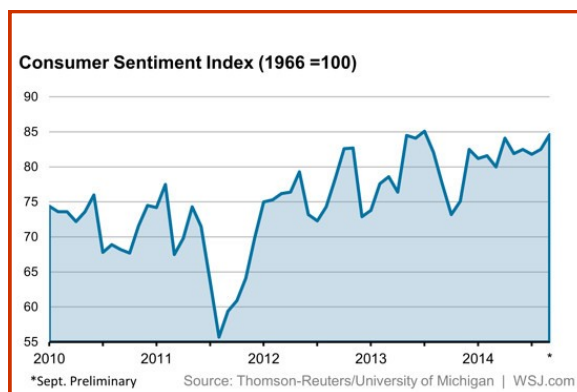
It's important for business people to aspire to the greater heights of communication than to reaching down to those lesser grammarians. Yes, there is a degree of superiority involved but hopefully not to the point of being obnoxious. For those who can't write well, that certainly is not an indication of being a lesser professional. For those, write in short sentences and be succinct. You will accomplish the same end as those who write professionally or prolifically. Remember, it's not how it's said, it's how it's understood.

This week I was brought into a case of a respected appraiser being sued. Two major errors are in the report, and errors which we all have made. First, an adjustment on two of the comparables were in the wrong direction. We've all done that. Hence, the need to wait to re-read and even better to have someone else read the report. You will be astounded as to the confusion your words may cause. We all know that an adjustment in the wrong direction is doubled in correction which has a significant impact on the value conclusion. The second error was to write the final value in words and then insert another answer in numbers. You can't have it both ways, obviously. This often creates consternation for the reader, your client; and, subsequently loses the client. So, pay attention!

NEW HOME SALES- August saw new housing sales jump 18% which resulted in 504,000 units sold. This is the highest level since 2008. Don't get too excited. New housing sales only account for 9.1 % of the real estate sale market. And speaking of other housing sales, existing housing sales dropped for the first time since May of this year. There is no way to predict what will happen with the real estate market any longer. The United States is far too tied to geopolitical and global economic problems.

According to the Mortgage Bankers Association, mortgage applications fell the week ending September 19th, however, it was up the prior week. Home builders reported lower earnings which set Wall Street off it's mark. This may be the reason for the rise in new home sales, as the developers / builders are selling for less to reduce their non-productive inventory which has been an ongoing problem for over a year. Now, you can see how easy it is to have the public believe whatever the media and the corporate structures want it to believe at any given time. Where does this lead us? Be certain of only one thing with real estate any longer. There are no certainties. A word to the wise, insert in every appraisal, that no one should rely on the appraisal report for validity past the **effective date** of the report.

THE SENTIMENT INDEX- As you can see this started in 1966 which is the base year at 100%. It's a consumer confidence measuring stick for the analysts who sit in the back room and never talk to the people who are counted in these graphs. Of course there's some legitimacy to the numbers. Many who rely on graphs and charts make executive and governmental decisions consider them invaluable. Our reactions then gives credence to the process. That's how we get to prove the results. One cannot predict the future, hence the statement above about advising appraisal report recipients that they should not rely on your appraisal past the **effective date**.



REMEMBER-

The trouble with our times is that the future is not what it used to be. Paul Valery

Perhaps the best thing about the future is that it comes one day at a time. Unknown

The future is whatever God gives us, and he doesn't ask for our advice. Me

The seminar heading is ***“PLAN YOUR POINT, MAKE YOUR POINT, WIN YOUR POINT”*** which is approved by the New Jersey Appraisal Board as *Winning Tax Appeals and other Litigation*. Yes. They are one in the same. The reason for the change is whether you are preparing to go before a county tax board or tax court or Superior Court for any other valuation matter, preparation and proofs and the ability to successfully present your work is the same.

Due to unexpected circumstances we were unable to go forward with the first presentation of this unique program. The response has been wonderful and we are looking forward to presenting this seminar.

The seminar is approved for five (5) CEU's. The one for Jersey Shore Area, New Jersey is scheduled for :

Date: Saturday, October 18, 2014

Place: La Bove Grande Banquet Hall
800 Route 70 (@ the circle)
Lakehurst, NJ 08733

Time: 8 am - 1 pm

Contact: Pat : 732-286-3000 or pcerone@amerival.net

Contents:

The contents is not found in other seminars and is based on years of court preparation and success. The goal is to prepare the attendees to not just survive a court case or a hearing but to win it even when against a good case. Learn how to be wrong and still be credible. Learn how to develop adjustments in the real world and how to arrive at an un-subjective value indication. Now is the time to use it. Last year we sold out each of our four (4) seminars. And they were all great groups. Hope to see you all this year for this very exciting one of a kind seminar filled with hands on methodology.

This is likely the only open enrollment presentation this year, so make a good business decision and attend. We look forward to seeing you.