



TEAM Welcomes Scott Johnson, RES

By Rick Stuart, CAE, TEAM Consulting



Scott Johnson, RES

Welcome our new TEAM instructor Scott Johnson, RES. Scott brings over 25 years of experience in the mass appraisal industry, starting

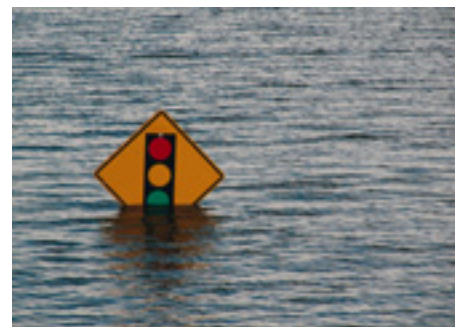
in 1992 as the Ringgold County, Iowa, assessor where he helped develop a computerized agricultural soil valuation system.

Scott recently retired from a successful career with a leading Midwest mass appraisal/CAMA software company. There he gained valuable experience in software development, management, and appraisal education, and he conducted comprehensive market analysis for over 200 counties and cities, along with teaching and

developing workshops. He also assisted in the development and training of mass appraisal processes, including CAMA software, and maintaining and updating a cost manual.

Scott is happy to be able to continue his passion for teaching appraisal and looks forward to dedicating his time to the developing workshops, and teaching in the classroom and at conferences.

Scott is an Iowa certified assessor, an IAAO instructor-senior specialist, and holds his IAAO RES (Residential Evaluation Specialist) designation. He was awarded the 2018 Outstanding Member of the Year by the Iowa State Association of Assessors. We are delighted Scott will be sharing his talents through TEAM Consulting! ♦



After the Storm

It has been a disaster-filled year across large parts of the country. In response to record flooding, mudslides, tornados, earthquakes and other natural disasters, assessment offices are facing challenges to organize and provide accurate damage estimates.

"Appraising After a Disaster or in Traumatic Events" (revised 2019) is a TEAM workshop that may be very helpful to prepare for such events. Disasters discussed in this workshop will help you make some preparations in advance and possibly provide a blueprint in case your jurisdiction is affected by a disaster.

In addition to disaster assessment, this workshop also provides some examples of other dramatic challenges, such as extreme growth or economic changes, and steps that an assessor/appraiser can take to help make these extreme changes manageable.

To order the workshop, go to http://www.teamconsulting.cc/images/Workshop_Order_Form_2017.pdf. The workshop will be sent to you as a pdf via email. ♦

TEAM
Consulting LLC

Register Today!

AAS Case Study Review

November 18–20, 2019

Texas Assn. of Appraisal Districts Office (TAAD),
Austin, Texas

This 2½-day workshop provides a review of materials and an understanding of the composition of a case study to help you prepare for the AAS Case Study Exam. The focus will be on the most prevalent items to study for but will not be all-inclusive of what may actually be on the exam.

Cost for the workshop is \$325. Included are multiple problems associated with the assessment administration and valuation processes. The workshop concludes with a 4-hour practice case study exam with answers provided. Find more information and registration form at:

www.teamconsulting.cc/aasreview/aasworkshopschedule.html

For questions, contact Rick Stuart at r17stuart@gmail.com or 785.259.1379.

Coming Soon: New TEAM Workshops

Now is the time for education coordinators to be adding two new TEAM workshops to their 2020 training schedule: *Valuation of Fast Food Restaurants* and *Fee Simple & Property Rights Valuation Issues for Commercial Properties*.

► Valuation of Fast Food Restaurants (1 day)

This workshop takes a look at Fast Food properties, also known as Quick Service Restaurants (QSRs), in the restaurant industry. Current trends in QSRs will be reviewed, as well as real-world case studies that address first-generation vs. second-generation users, build-to-suit, credit tenant/long-term lease, and property rights valuation issues. Workshop material address USPAP, highest and best use, the cost-sales comparison and the income approaches.

► Fee Simple & Property Rights Valuation Issues for Commercial Properties (1 day)

Assessors are challenged by the need to develop Fee Simple values for property that sells based on leases in place at the time of sale. This workshop looks at background, terminology, and appraisal concepts for Fee Simple valuation, as well as suggested appraisal practice and possible solutions to resolving common issues that surface in the valuation of leased commercial property. Workshop material addresses USPAP, highest/best use and market analysis, as well as the income, cost and sales comparison approaches to value.

Schedule your workshop today!

For more information or to book these workshops, contact Brad Eldridge, MAI, CAE, at eldridge.brad@gmail.com or (785) 550-0945.

AAS Designation

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Congratulations to the following appraisal professionals for obtaining their AAS designation by using TEAM's AAS Case Study Review material.



Scott Hyde, AAS,
Chief Appraiser
for Van Zandt
County Appraisal
District, Texas,
has earned the
Assessment

Administration Specialist professional designation. Mr. Hyde has served 10 and a half years in the profession with eight of those years with Van Zandt County Appraisal District and five years in his current position.

He holds a Master of Business Administration with a minor in finance from Texas A&M University-Commerce and a Bachelor of

Science in animal science from Texas Tech University.



Rownea K.
Gerbracht, AAS,
CAMA Specialist
with Vanguard
Appraisals Inc.,
has earned the
Assessment
Administration
Specialist

professional designation. Ms. Gerbracht has been in the profession for 18 years, with two of those years in her current position. ♦

Praise for TEAM's AAS Case Study Workshop

Earlier this year TEAM hosted a live AAS Case Study Workshop in Texas. The next live workshop will be held November 18-20, 2019, in Austin, Texas. (See page 1.) TEAM also offers a self-study program. For more info, see the TEAM website at <http://www.teamconsulting.cc/aasreview/aasworkshop.html>

"I attended TEAM's AAS Case Study Workshop in Austin, Texas, with Rick Stuart in January. The material that we covered in this workshop was invaluable in preparing me for success with my Case Study and ultimately my Master Examination. Some of the course work we covered I had not taken for more than 10 years, so this was a wonderful refresher. I had tried to cover all of this on my own, but inevitably needed to take the workshop on site, because Rick has a way of making a person really understand what was covered in those courses, and how to use it in a practical application. Thank you, Rick Stuart, for making my road to an AAS Designation a success!"

—Rownea Gerbracht, AAS, CAA, CAMA Specialist, VANGUARD APPRAISALS, INC

Since May 2010, approximately 80 candidates have successfully used TEAM's AAS Case Study Workshop material to obtain their AAS designation.

Travel Squad

We've been everywhere, man



TEAM associates continue to serve in teaching, consulting and speaking capacities. In the second quarter of 2019, we have been in Arkansas, Indiana, Kansas, Maryland, Oklahoma, Rhode Island, South Dakota, Texas, and Virginia.

Looking for a workshop, series of workshops or professional assistance for your location? Visit our website at <http://www.teamconsulting.cc/>. ♦

Interesting Buildings

By Rick Stuart, CAE, CDEI

Over the years I have collected a very large number of photos. They are actually in a file titled "Weird Buildings," but I thought a more appropriate title would be "Interesting Buildings." My intention is to publish a couple each issue. If you have picture(s) of building that have piqued your interest, email them to me at my *new email address*: r17stuart@gmail.com. I will add to the file and the newsletter.



Mammy's Cupboard, Natchez, Miss.



Kettle House, Galveston, Texas. **Note:** This unique home has been remodeled and was featured in the DIY Network show "Big Texas Fix" in May.

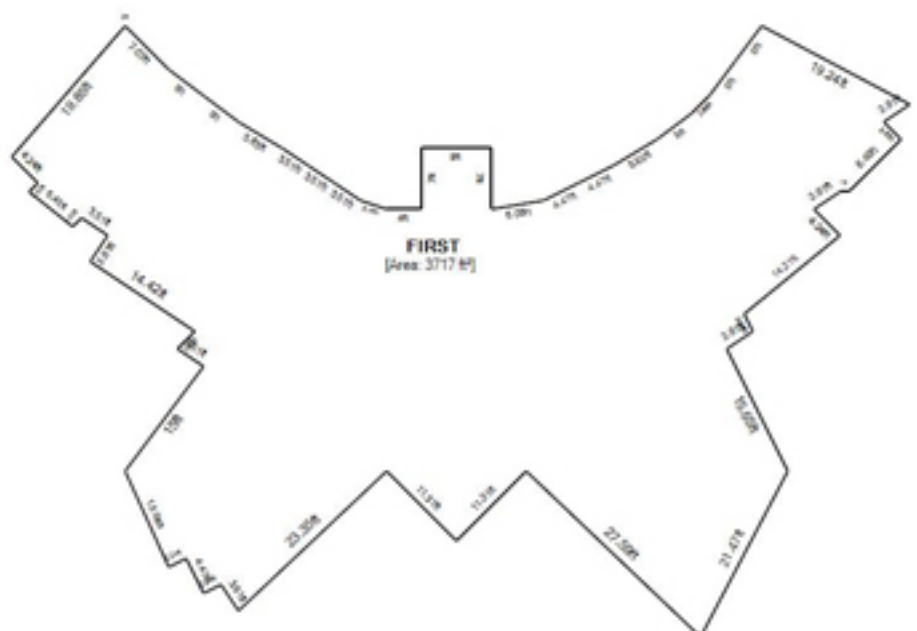


Grain Bin Offices

Robert Lee from Mt. Juliet, Tenn., sent this image of the Watkins College of Art studios in Nashville that his son Jordan helped to construct. Jordan stated it was a challenging project. See more images of the project on the of architect's website, R. Alexander Architecture, PLLC, at <https://www.alex-arch.com/projects/>.

Butterfly House.

Thanks to Demetrio Flores of the Cowlitz County Assessor's Office in Kelso, Wash., for the "Butterfly House." Listing without the blueprint would be horrible!





Real Estate Notes of Interest

By Rick Stuart, CAE

■ www.builderonline.com, March 22, 2019. "Existing-home sales rebounded in February, posting the largest month-over-month gain since December 2015, according to the National Association of Realtors®. Three of the four major U.S. regions saw sales gains, while the Northeast remained unchanged from last month." <https://bit.ly/2FrdSy7>



■ www.builderonline.com, March 22, 2019. Is Mustard Yellow Making A Comeback? (**Editor's Note:** *Not in my kitchen!*) "Mustard yellow was a popular color choice in home design between the 1940s and the 1960s, but Nxt Modern says the vintage color is making a comeback in current design. According to the publication, mustard yellow can add "a feeling of clean, crisp, and fantastic brightness." Some homeowners may shy away from using yellow in their space for fear of creating a space that is too bright. For those willing to experiment with mustard yellow, though, Nxt Modern offers several reasons to include the color in future projects." <https://bit.ly/2FqpFwp>



Rick Stuart, CAE, CDEI, is a senior consultant with TEAM Consulting, LLC. He lives in Topeka, Kansas.

■ Diana Olick, CNBC, March 22, 2019. "With rising global temperatures, the western parts of the U.S. are starting to experience shorter snow sport seasons. Resorts, like Colorado-based Vail Resorts, have developed ways of keeping revenue streaming, but home values in these mountain villages are at risk. CNBC's Diana Olick says values near ski resorts could drop by at least 15% by 2050. Lower elevation ski areas, like Utah, Idaho, and Nevada, are especially at risk and could fall as much as 55%." <https://bit.ly/2Fu82Ns>

■ Vincent Salandro, www.builderonline.com, March 25, 2019. "Metal roofing is growing in popularity across the country, particularly in states that experience severe climate conditions, according to figures reported by the Metal Roofing Alliance (MRA). Florida, Pennsylvania, California, New York, and North Carolina are the top states for interest in metal roofing, the MRA finds, with Texas also showing strong interest." <https://bit.ly/2FxpLii>

■ Kerry Curry, www.nreonline.com, March 18, 2019. "With late 2018 jitters gone and investor optimism returning, the commercial real estate market should experience mostly steady cap rates through the first half of 2019, although there are particular market segments and geographies that could experience some bumps." <https://bit.ly/2unez6r>

■ Malena Carrola, *Tampa Bay Times*, March 29, 2019. "Roughly 62,000 Hillsborough County [Fla.] properties could soon have a new flood zone designation. The Federal Emergency Management Agency released new proposed flood maps for coastal parts of Hillsborough

and Manatee counties. Updated for the first time in nearly 30 years, the maps better reflect the flooding risk homes and businesses face.

"The biggest reason for doing (the update) is that technology has changed," said Mark Vieira, senior engineer at FEMA. "A lot more data goes into the study than it did 30 years ago." **Editor's Note:** I can envision this become commonplace throughout the United States. <https://bit.ly/2CLhY3t>

■ Boisestatepublicradio.org, April 2, 2019. **Editor's Note:** The people of Boise, Idaho, and the area have been saying for years the influx continues to constantly increase, but this is at a new level.

"California is opening an office in Boise, Idaho, to help its former citizens adapt? Yes, according to this report from Boise State Public Radio. Yes, hordes from the Bay to LA are descending on the Gem State at a shocking pace. So many transplants are relocating that California is set to open a learning center in downtown Boise for Golden State expats. "You know, we need to educate our people who are coming in that this is Idaho, you know—not California," says Christy Kelti." <https://bit.ly/2uJ1DrA>

■ Tim Henderson, *Stateline.org*, March 30, 2019. "The problem of housing affordability, long a concern in popular big cities, has officially moved to rural America. Nearly one-fourth of the nation's most rural counties have seen a sizable increase this decade in the number of households spending at least half their income on housing, a category the federal government calls "severely cost-burdened."

Those counties, none with towns of more than 10,000 residents, have

experienced housing cost increases significant enough to force families to scrimp on other necessities.”
<https://bit.ly/2CWYqJD>

■ *Builderonline.com*, April 4, 2019. “The U.S. median home listing price rose 7% year-over-year in March and reached \$300,000 for the first time ever, according to realtor.com’s® March 2019 monthly housing trend report released today.” <https://bit.ly/2IIRYiX>

■ *Zillow Research*, April 3, 2019. “In most major metropolitan areas in California, the cost of a home has risen so high that a household earning the local median annual household income—which is \$124,300 in San Jose and \$107,000 in San Francisco—would need to spend “far more” than 30% of its income on housing payments each month in order to make ends meet.” <https://bit.ly/2VxZfzE>

■ *Builderonline.com*, April 12, 2019. “CoreLogic’s® (NYSE: CLGX) monthly Loan Performance Insights Report shows that, nationally, 4% of mortgages were in some stage of delinquency (30 days or more past due, including those in foreclosure) in January 2019, representing a 0.9 percentage point decline in the overall delinquency rate compared with January 2018, when it was 4.9%. This was the lowest for the month of January in at least 20 years.” <https://bit.ly/2IcDkeF><https://bit.ly/2IcDkeF>

■ *Builderonline.com*, April 11, 2019. “A builder in Texas is going the ‘virtual’ home tour one better. He’s building models of new homes with which the home buyer can experience the spatial elements, albeit in miniature. KYTX reports: Anwar Khalifa, president of Pyramid Homes, is giving people a chance to not only build their dream home, but hold it in the palm of their hand

with the help of his new 3D printer.” <https://bit.ly/2De8uy8>

Editor’s Note: There is a short video with this article that is worth watching.

■ Carmel Ford, *National Association of Home Builders*, April 2, 2019. “On average, home buyers are willing to pay an additional \$8,728 upfront on a home in order to save \$1,000 a year in utility bills, according to NAHB’s recently released study, *What Home Buyers Really Want* (2019 Edition).” <https://bit.ly/2UQD1MY>

■ *Marketwatch.com*, April 19, 2019. Is Trump’s tax law helping or hurting the housing market? Read the article by Jacob Passy at <https://on.mktw.net/2Pr4ZJr>

■ Jessica Guerin, *www.housingwire.com*, May 1, 2019. “At the end of last year, the length of time that a homeowner stayed put hit a record high at an average of 8.17 years. But the latest data from the first quarter of 2019 reveals that the average tenure has begun to backslide as more Americans opt to relocate.” <https://bit.ly/2J7wkA1>

■ *Appraisal Institute*, April 24, 2019. “The Appraisal Institute, the nation’s largest professional association of real estate appraisers, today advised homeowners to focus on outdoor improvement projects when seeking to improve their home’s value.

“The latest research shows that home renovations focused on the exterior of a property are most likely to generate a positive cost-to-value ratio,” said Appraisal Institute President Stephen S. Wagner, MAI, SRA, AI-GRS. “However, not all home improvement projects offer a full return on investment—cost doesn’t necessarily equal value.”

According to *Remodeling* magazine’s most recent Cost vs. Value report, the projects with

the highest expected return on investment are garage door replacement, manufactured stone veneer and siding replacement. Other projects with potential payoffs, according to the report, are deck addition, steel entry door replacement and minor kitchen remodel.” <https://bit.ly/2VzF48O>

■ *Builderonline.com*, May 8, 2019. “A robotics research firm was out Tuesday with a prediction that the value of robotic equipment in place in the construction industries will rise tenfold during the next six years. *Robotics Business Review* reports: Research firm Tractica today projected a \$226 million revenue market by 2025 for the construction robotics space, an area that traditionally has been labor-intensive and not focused on robotics as much as industries such as manufacturing, supply chain logistics, and health care.” <https://bit.ly/2Hp6BzB>

■ Katherine Peralta, *Charlotte Observer*, May 8, 2019. **Editor’s Note:** This makes perfect sense to me! “The Charlotte Observer reports that a recent report prepared by the University of Toledo reveals that homes located within half a mile of where a craft beer brewery opened showed an increase in value of almost 10%. Data was collected from homes sold from 2002-2017.” <https://bit.ly/2Hmth3C>

■ *Builderonline.com*, May 9, 2019. “More than 5.2 million (5,223,524) U.S. properties were seriously underwater at the end of 2019’s first quarter, up by more than 17,000 properties from a year ago, according to *ITTOM Data Solutions Q1 2019 U.S. Home Equity & Underwater Report*. That represented 9.1% of all U.S. properties with a mortgage, up from 8.8% in the previous quarter but down from

continued on next page

9.5% in Q1 2018."

<https://bit.ly/2vWzCNV>

■ Ayesha Khan, *Fox2News*, May 14, 2019. "Play by the rules. That's what the City of St. Louis will require owners of short-term rental properties to abide by. More than 200 of those rental property owners were sent a letter from the assessor's office telling them that their property rate tax will be increasing. That's because the city reclassified their properties from to commercial. Residential is assessed for tax purposes at 19% of value and commercial at 32%." <https://bit.ly/2QhNjAB>

■ Lee J Miller and Wei Lu, *www.globest.com*, May 28, 2019. "Roughly 5 million Americans move from one state to another annually, and some states are clearly making out better than others. Florida and South Carolina enjoyed the top economic gains, while Connecticut, New York and New Jersey faced some of the biggest financial drains, according to a Bloomberg analysis of state-to-state moves based on data from the Internal Revenue Service and the U.S. Census Bureau." <https://bit.ly/2HGOtCN>

■ Robert Dietz, *www.eyeonhousing.org*, May 21, 2019. "According to first

quarter 2019 data from the *Census Quarterly Starts and Completions by Purpose and Design* and NAHB (National Association of Home Builders) analysis, median single-family square floor area ticked up to 2,355 square feet. Average (mean) square footage for new single-family homes increased to 2,584 square feet." <https://bit.ly/2QKFOSG>

■ Vincent Salandro, *www.remodeling.hw.net*, June 6, 2019. "Kitchens remain the most popular room to renovate and the costs of such renovation projects increased 27% in the past year, according to the eighth annual Houzz & Home Survey. Based on the responses of more than 140,000 users, Houzz estimated the median investment on kitchen renovations nationwide increased to \$14,000, much larger than the modest 10% increase the same survey found in 2017." <https://bit.ly/2Kar9jn>

■ *www.builderonline.com*, June 12, 2019. **Editor's Note:** A chance to purchase a piece of history.

"Beverly Hills-based Hilton & Hyland has listed a 5.45-acre oceanfront estate in San Clemente, California, that became known as the "Western White House." The price: \$57.5 million. The property was acquired by former president Richard Nixon in 1969 and would go

onto become the setting for several political and social gatherings hosting the likes of Frank Sinatra and John Wayne. Per the Orange County Registrar, 17 heads of state visited Nixon at La Casa Pacifica, including South Vietnamese President Nguyen Van Thieu and Soviet Premier Leonid Brezhnev." <https://bit.ly/2lqlrYp>

■ Kelsi Maree Borland, *www.globest.com*, June 13, 2019. **Editor's Note:** I find this sale price per square foot amazing. "A single-tenant property occupied by New York-based ice cream shop Ample Hills Creamery in Los Feliz has traded hands for \$1,735 per square foot between two private investors. The per-square-foot sales price is one of the highest prices paid for a single-tenant property in the Hollywood/Silverlake market of Los Angeles. The property totals 2,204 square feet and also features a 1,828-square-foot patio seating area. The total sales price was \$3.825 million, representing a cap rate of 5.17%. It has been fully occupied since October 2018." <https://bit.ly/2RtfcGi>

■ Briana Adhikusuma, *www.pilotonline.com*, June 17, 2019. According to The Virginian-Pilot, Craig's List is the common origin point for house renting scams. People who have paid money upfront to rent a home show up and find out the house is already occupied.

"Last year, I had an individual rent one of our homes for \$2,000 for the month of July," said Virginia Beach homeowner Frank Ramaekers III. "It was all done through Craigslist and it was 100% a scam. They showed up and said they're ready to check in." <https://bit.ly/2IKKLHA> ❖

