

**2020 EMBRACING TRANSFORMATION**  
FINANCIAL MANAGEMENT CONFERENCE

# **Equitable Valuation: Challenges of Property Valuation in African American Neighborhoods**

Tuesday, October 28, 3:30 - 5.00 ET

**STRENGTHMATTERS®**

# Peer Strategy Conversation

Nonprofit developer's experience with low-valued appraisals of single-family homes in African American neighborhoods due to appraisal bias or discrimination and how responding to the challenge may require solutions from multiple fronts.

# Getting Started

- All participant lines are muted.
- Please use the **Raise Hand** feature if you would like to speak.
  - The Raise Hand feature is located in the Participant panel.
- You may also use the **Chat** feature to ask questions.

# Continuing Professional Education Requirements for CPAs

- **Polls are Required for CPEs**
  - If you are seeking CPE credits, please submit ALL polls and the conference evaluations.
- We use **Polls and the Zoom attendance record** to verify participation throughout the webinar.
  - **Participants must submit ALL polls and be logged in no later than 10 minutes after the scheduled session start time to receive a certificate.**

# Continuing Professional Education Credits (CPEs) for CPAs

- You may request a certificate of completion via the conference evaluations.
  - Links to the evaluations are emailed to all registrants.
- For more information on CPE credits, contact Lindsay Wells at [consult.lwells@gmail.com](mailto:consult.lwells@gmail.com).

## Important note on COVID-19 and CPEs

- We are part of the NASBA Registry of CPE Sponsors for Group Live programs, which covers in-person events.
- **Due to the COVID-19 crisis, NASBA has provided a temporary allowance for Group Live Sponsors to convert typically in-person programs to virtual delivery.**
- As always, state boards of accountancy have discretion regarding CPE credit acceptance. **Two states have indicated they will not extend this flexibility (Kansas and New York).**
- For details on state board responses, please check the [CPE Info page](#) of the registration site or email [consult.lwells@gmail.com](mailto:consult.lwells@gmail.com).

# Agenda

- Introductions
- The Chicago experience
- Open discussion

# Meet the Discussion Hosts

## **Linda Greene**

Director of the Redevelopment Corporation  
Neighborhood Housing Services of Chicago

## **Sarah Brune**




Public Policy & Innovation Strategist  
Neighborhood Housing Services of Chicago


## **Andre Lanier**

Principal  
Xact Appraisal Services



# The Chicago Experience

**WBEZ 91.5 CHICAGO**   



## Where Banks Don't Lend

In Chicago, lenders have invested more in a single white neighborhood than all the black neighborhoods combined. Call it modern-day redlining.

By [Linda Lutton](#), WBEZ; [Andrew Fan](#), City Bureau; [Alden Loury](#), WBEZ  
Published June 3, 2020

<https://interactive.wbez.org/2020/banking/disparity/>

<https://www.nhschicago.org/>

# 2020-2021

## Uniform Standards of Professional Appraisal Practice (USPAP)

Effective January 1, 2020 through December 31, 2021



USPAP

Guidance from the Appraisal Standards Board  
USPAP ADVISORY OPINIONS  
USPAP FREQUENTLY ASKED QUESTIONS (FAQ)



## What's the Appraisal Standard?

### Standard 1: Real Property Appraisal, Development

#### STANDARDS RULE 1-1, GENERAL DEVELOPMENT REQUIREMENTS

In developing a real property appraisal, an appraiser must:

- (a) be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal;

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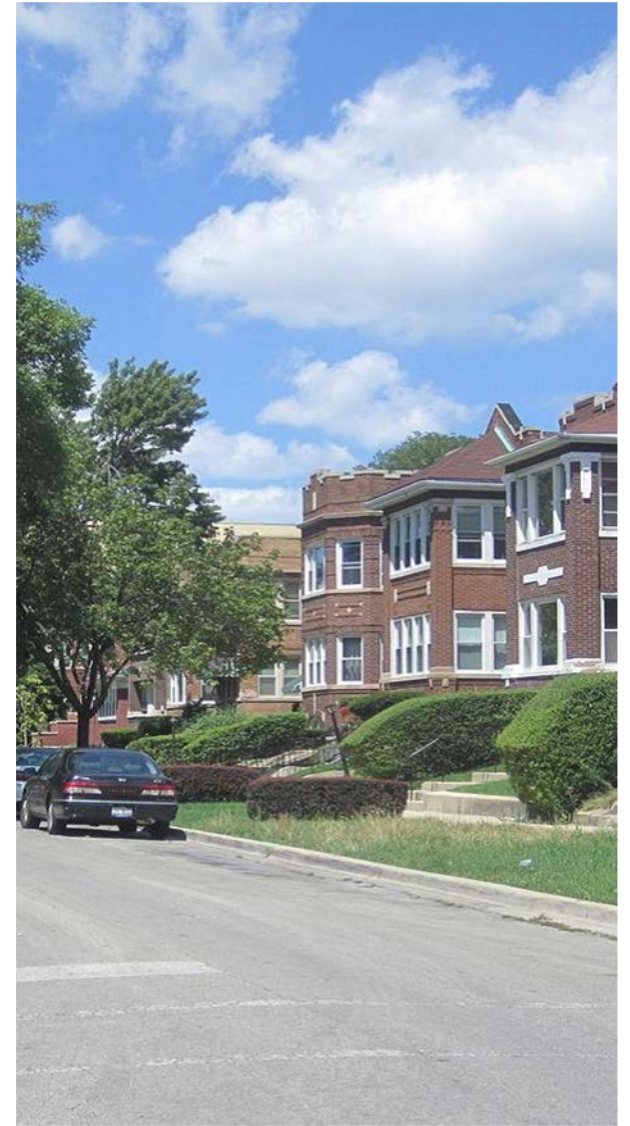


USPAP

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## What's the Appraisal Standard? Standard 1: Real Property Appraisal, Development

Comment: This Standards Rule recognizes that the principle of change continues to affect the manner in which appraisers perform appraisal services. Changes and developments in the real estate field have a substantial impact on the appraisal profession. Important changes in the cost and manner of constructing and marketing commercial, industrial, and residential real estate as well as changes in the legal framework in which real property rights and interests are created, conveyed, and mortgaged have resulted in corresponding changes in appraisal theory and practice. Social change has also had an effect on appraisal theory and practice. To keep abreast of these changes and developments, the appraisal profession is constantly reviewing and revising appraisal methods and techniques and devising new methods and techniques to meet new circumstances. For this reason, it is not sufficient for appraisers to simply maintain the skills and the knowledge they possess when they become appraisers. Each appraiser must continuously improve his or her skills to remain proficient in real property appraisal.



## Where's the Appraisal breakdown?

- **Geographic competence**
- **High volume, low-touch work**
- **Bottom feeding**
- **Error versus deliberate bias**
- **Possible solutions**

# Open Discussion

- Observations across geographies
  - Impacts of low/lower valued properties on individuals and their communities
- Approaches to appraisals
- Reform opportunities and their challenges