

IAAO Library New Materials List For 3rd Quarter 2021

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New Journal Articles			
Article Title	Journal Title/Date	Author(s)	Description
Appraising home purchase appraisals	<i>Real Estate Economics</i> / 2021, 49 (S1)	Paul Calem, et. al.	In addition to preventing fraudulent transactions, an important benefit of appraisals when they report a value below the contract price is that they help borrowers renegotiate prices with sellers. However, appraised values are rarely below the purchase contract price. We construct a simple but intuitive model to explain how appraisers' incentives within the institutional framework that governs mortgage lending lead to information loss in appraisals (i.e., appraisals set equal to the contract price).
House prices, open space, and household characteristics	<i>Journal of Real Estate Research</i> / 2021, 43 (2)	Tracy M. Turner & Youngme Seo	The allocation of land to alternative residential uses, including private and public uses, is a fundamental business decision. Given limited research on the topic, the present study fills the need for research on willingness to pay for house and neighborhood attributes inclusive of the value of open or green space. We document diminished private green space and buyer demand for private and public open space. We find that both private and public forms of green space increase house prices, especially since 2011.
New York state compared to New York City : review of the property tax systems	<i>Valuer</i> / September 2021	Paul Sanderson	In this article, I will look at the annual property tax system in New York. It is important to distinguish New York State from New York City, but I will cover both. According to data published by the OECD, the USA, UK and Canada are the three countries with the highest annual property tax burdens in the world.
Oil prices, the housing market, and spillover effects : Evidence from	<i>Journal of Housing Research</i> / 2021, 30 (1)	Nyakundi M. Michieka, Richard S. Gearhart III,	This paper examines the effects of oil prices on home values in Kern County, California's top oil producer. Using

California's Central Valley		and Yiannis Ampatzidis	monthly data from 1990:01 to 2018:03, results from an ARDL model indicate that there is a long-run equilibrium relationship between oil prices, unemployment, interest rates, and home values. In the short run, a 1% increase in unemployment and interest rates will decrease home values by 2.06 and 0.82%, respectively.
Taxing rich peoples' empty homes isn't helping the housing crisis: economists say levies on vacant homes are largely political theatre, and policymakers need to tackle other factors such as supply-demand imbalance	<i>Bloomberg</i> , August 15, 2021	Emily Cadman and Natalie Obiko Pearson	As policymakers struggle to control an affordable housing crunch, officials in some of the world's biggest cities have their sights set on a tactic: taxing the empty homes of the rich. Los Angeles is planning to put a vacant homes tax on the ballot for 2022, in the face of a mounting homelessness crisis. The hope is that the taxes fund affordable-housing efforts or push landlords and the wealthy to put their properties on the market.
Things that go bump in the night: valuation issues with haunted houses	<i>Valuer</i> / September 2021	Alan Murdie	Haunted houses are an issue alive in public imagination in 21st century Britain as much as in previous centuries. The UK has many thousands of houses and dwellings which are reputedly frequented by specters and belief in ghosts can impact on the valuation, marketing and sale of the properties concerned.
What the frack? : the impact of seismic activity on residential property values	<i>Journal of Housing Research</i> / 2021, 30 (1)	Chris Mothorpe and David Wyman	We utilize the US Geological Survey (USGS) Did You Feel It? (DYFI) system to estimate the impact of induced earthquake activity on residential property values in Oklahoma City. Hedonic models based on DYFI analyses report a higher-pricing discount for residential properties from 2010 to 2015 compared to analyses based on traditional MMI measurements. We also find that lower income households experience larger pricing impacts relative to higher-income households; however, the pricing impacts begin to dissipate in 2016 coinciding with legislation mandating a reduction in induced seismic activity.

New Electronic Resources - Access the fulltext in LibraryLink.			
Title	Publisher or Journal Title/Date	Author(s)	Description
Home truths: options for reforming	Bright Blue Campaign, 2021	Paul Cheshire and Christian Hiber	The authors evaluate options for reform against a number of economic and political criteria. Economic criteria

residential property taxes in England			include revenue raising, efficiency, equity, simplicity, incentives for building housing, and automatic stabilization. Political criteria include public acceptability, ease of transition, and alignment with key government objectives. They advocate a “proportionate tax” based on the value of houses or on the value of unimproved land. Their proposed new “Annual Proportional Property Tax” is intended to replace both council tax and stamp duty land tax.
Idaho seeks relief: the local implications of a controversial statewide property tax bill	<i>Lincoln Institute</i> , August 9, 2021	Liz Farmer	Among other things, HB 389 places caps on local revenue growth. Idaho already had a 3 percent cap on local property tax revenue growth, but the cap didn’t apply to new development. That’s no longer the case—now, allowable property tax revenue growth from new construction will be calculated on only 90 percent of its assessed value. In addition, existing properties returning to the tax rolls under programs to encourage new economic development will contribute only 80 percent of their assessed value to the taxing district’s allowable revenue base.
Making the case: Minor issues can have major repercussions, so appraisers involved in litigation assignments need to know what evidence is admissible in court	<i>Valuation Insights & Perspectives / 2021, 26 (2)</i>	Bradford B. Kuhn and Jillian Friess	While the rules of evidence vary by jurisdiction and by type of litigation, there are common pitfalls that can render a value opinion inadmissible in court, which we discuss here with an emphasis on California law and eminent domain litigation. Appraisers should consult an attorney to understand the specific laws in their state.
Market madness	<i>Valuation Insights & Perspectives / 2021, 26 (2)</i>	Deborah R. Huso	Pent-up demand, inventory shortages and historically low interest rates have created the hottest housing market in 50 years.
The potential of artificial intelligence in property assessment	<i>International Property Tax Institute</i> , July 2021	Bob Gloudemans and Paul Sanderson	The International Property Tax Institute (IPTI) was commissioned by the Property Valuation Services Corporation (PVSC) of Nova Scotia, Canada to carry out research into the potential that artificial intelligence (AI) offers in relation to the preparation of valuation assessments for property tax purposes. The intention of the White Paper is to provide a first step towards the production of a standard on the use of AI in property assessment

			administration. The White Paper presents a high-level summary of some of the most common AI methods.
Power to repurpose	<i>Valuation Insights & Perspectives / 2021, 26 (2)</i>	Charles G. Argianas and Alex Argianas	The nation’s energy infrastructure is experiencing an important transition toward renewable resources, but what becomes of the obsolete coal power plants? Appraisers can be challenged to value the real estate — the land, structures and improvements — assuming the plant can never again be coal-fired. However, these properties are frequently well-suited for next-generation energy production and storage.
Same house, different tax bill: inequities from property tax limits grow with rising home values	<i>Lincoln Institute, June 30, 2021</i>	Will Jason	The disparity between the tax burden for new and longtime homeowners grew by more than 14 percent last year alone in Fresno, recently named the nation’s hottest housing market by the Los Angeles Times for its fast-rising real estate values. This tax disparity has more than tripled in Fresno over the past five years, according to the annual 50-State Property Tax Comparison Study by the Lincoln Institute of Land Policy and the Minnesota Center for Fiscal Excellence.
That's entertainment: how has the pandemic affected theaters, live performance venues and stadiums, and will this sector recover or is the show over?	<i>Valuation Insights & Perspectives / 2021, 26 (2)</i>	Peter Haapaniemi	The coronavirus pandemic has touched virtually every industry, but its effect on certain segments of entertainment — from movie theaters to live performance venues to sports stadiums — has been especially dramatic. At their core, these facilities’ business models rely heavily on being able to bring people together for an in-person experience, a practice that the coronavirus lockdown brought to an abrupt halt. In the U.S. and Canada, movie ticket sales fell 81% between 2019 and 2020, according to the Motion Picture Association.