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## **SOLUTIONS**



# Overview

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## Seminar Description

The United States is facing an affordable housing crisis that affects millions of households nationwide. Freddie Mac has developed a multifaceted Duty to Serve Underserved Markets Plan that includes working with the mortgage industry, lenders, housing organizations, and other stakeholders to preserve the affordability and financing of manufactured housing and rural housing over time.

The housing market for community land trusts (CLTs) is challenged by the difficulty in appraising such properties due to the limited number of CLTs, limited comparable leasehold sales in a market, a lack of experienced appraisers in CLTs, unfamiliarity with leaseholds, time between sales, and lack of comparable sales. As a result, appraisals on properties in CLTs may take additional time, research, and justification to determine an acceptable value for a property. Because of the additional work involved, appraisals for CLT properties may also cost more.

Through industry outreach with nonprofits, CLT program administrators, and lenders, particularly those financing CLT properties, Freddie Mac has identified common pain points and misconceptions among appraisers and lenders regarding collateral guidelines for properties in CLTs. Freddie Mac is committed to helping develop additional training for appraisers, in conjunction with the Appraisal Institute, to help increase the confidence in appraisals for properties in CLTs and therefore increase lending for properties in CLTs.

## Learning Enhancements

The seminar has been designed with a variety of elements to enhance your learning experience.

- **Preview.** To give you a taste of what is to come, each part begins with a preview page, which includes a brief overview of the content, learning objectives to consider as you move through the content, and learning tips that will assist you in understanding the material you're about to cover.
- **Learning Objectives.** Each learning objective covers information required for understanding the concepts in the seminar. Look them over before the part

begins so that you have a frame of reference as you move through the material. At the end of each part, reread the objectives. Are you able to do what is stated? If not, this is the time to ask your instructor for help or review the concepts that you do not understand.

- **Examples and Problems.** Supplementing the discussions, we've included examples, problems, and discussion questions to provide everyday illustrations and help you visualize and practice what you are learning.
- **Review.** Each part concludes with a review page, which repeats the learning objectives and lists key terms and concepts that have been covered.
- **Solutions.** Suggested responses are provided behind a tab at the end of the seminar handbook. It is in your best interest to check solutions only after you have challenged the questions.

## Class Policies

- 100% attendance is required. No exceptions.
- Limit use of computers and wireless devices to classroom projects.
- Communicate with business associates during break time instead of class time.
- During class, do not read materials that are not used in class, such as news, email, and social media.
- Silence cell phones and other communication devices.
- Use recording devices only if prior permission has been granted.
- If attending a classroom offering, refrain from ongoing conversations with those seated near you and other distracting behavior.

## General Information

- **Breaks.** There will be two 10-minute breaks during each half-day session unless noted otherwise by the seminar sponsor.
- **Attendance sheets** will be distributed during class to verify your attendance.
- **Certificates of completion** may be downloaded after completion of the seminar, and attendance during the entire seminar is required.

## **USPAP References in this Seminar**

All references in this seminar to the Uniform Standards of Professional Appraisal Practice (USPAP) are taken from the 2020–2021 edition (Washington, D.C.: The Appraisal Foundation).