



MKE United – Milwaukee Appraiser Diversity Initiative Concept

April 2022

MKE United convenes a housing work group focusing on implementing an inclusive vision for residential real estate in Milwaukee’s Downtown and surrounding neighborhoods. This cross-sector group includes representation from the private sector, non-profits, leaders from the City of Milwaukee, advocates, and other partners. Over the past year and a half, we have examined devaluation of properties in communities of color and the barriers it creates for homeowners. Through our findings, bias in appraisals negatively impacts our community through depressed home equity, lowered neighborhood reinvestment potential, and limited financing availability. It is important to ensure appraisals in our city are unbiased. As one way to address this, we believe the workforce attributing value to Milwaukee’s neighborhoods should be more representative of Milwaukee’s population.

Nationally, the appraisal industry is over 85% white. Local data from Emsi (Q1 2022) shows an even starker contrast. In Milwaukee County, within the property appraisers and assessors job classification, 90% are white while only 64% of the population of the county is white. This mirrors the picture painted by State of Wisconsin licensure records showing Milwaukee County as geographically underrepresented in our region with only 4 appraisers per 100,000 in population. For comparison, Ozaukee County has 38, Washington County has 26, and Waukesha County has 9. From our assessment, licensure requirements make the field difficult to enter, particularly for those without a connection to an existing firm to certify post-licensure experience hours. National and local trends also show the workforce is aging out. This can also be a promising and lucrative career with the local median salary being \$98,762 (Esmi, 2022).

Our collective proposes a program to develop a diverse talent pipeline into appraisal careers in Milwaukee. This model is innovative across the country, featuring fully paid training focused on underrepresented populations entering the industry. It also anticipates networking, coaching, and extended support. We acknowledge that representation alone will not address larger systems issues at play. Our pilot concept incorporates training on the impact of bias and devaluation. As well, through MKE United’s focus on a broader, inclusive vision for Milwaukee’s Greater Downtown, we intend to utilize this pilot to discuss and address larger systems which can reinforce bias and devaluation.

Goals

- **Goal #1:** Train and certify 30 Certified Residential Appraisers who are 1) residents of Milwaukee County with knowledge of Milwaukee neighborhoods and 2) are members of underrepresented race and ethnic groups within the appraisal industry by April 2025.
- **Goal #2:** Secure full-time employment for at least 24 program participants within the appraisal industry locally.
- **Goal #3:** Increase understanding of devaluation and bias within appraisal and lending industries, working to create sustainable change to address underlying systems.



Partnerships

We have identified the roles required to make this effort a success. They include participant recruitment and selection, program management, education, employment, and financial support. We recognize there are broad skills required to make this effort a success and look forward to engaging with partners and community to ensure the model is both high quality and culturally competent. Employ Milwaukee is supporting through paid training resources and serving as the employee of record for trainees. We plan to recruit from MATC's alumni pipeline. We have also engaged with banks, appraisers of color, and heard experiences of bias in appraisals from homeowners. We have received seed funding or commitments from the Federal Home Loan Bank of Chicago, the State of Wisconsin, Ashoka Foundation and Brookings Metro's Economic Architecture Challenge and are continuing to cultivate financial support to make this intervention a success.

Financial Model

With our estimations, we anticipate this program can be launched for \$1,500,000 for an initial cohort of 21 trainees. It is worth noting that nearly 2/3 of the budget is direct paid compensation for trainees.

Tentative Pilot Year Calendar

- June 15: Recruitment Begins
- August 1: Application Deadline
- August 31: Candidate Selection starts
- September 1: Class Announced
- October-December 2022: 200 hours of pre-licensure education
- January – December 2023: Fieldwork 1500 hours over 12 months.
 - Additional cohort building, career exposure, and professional development opportunities
- January 2024: Graduation
- January- May 2024: Job placement & coaching

Additional Considerations

- Participant requirements:
 - Milwaukee County resident
 - Member of an underrepresented racial or ethnic group in the appraisal industry
 - Commitment to a full-time career in residential appraisals locally
 - Education requirements - Any of the following:
 - An associate's degree in Business Administration, Accounting, Finance, Economics, or Real Estate study from an accredited, degree-granting college or university.
 - A bachelor's degree in any field of study from an accredited, degree-granting college or university.
 - Thirty semester hours in specific course work areas outlined [here](#).



- If candidates do not currently meet the education requirements, they are still encouraged to express interest in the program, as we are planning opportunities to address this gap over the pilot year of the program. Note: Successful completion of the [ACRE program](#) does not satisfy this requirement.

Additional Considerations

- There is speculation that live residential appraisals will be short lived with the onset of real estate technology and valuation software. Our work group believes this does not eliminate the value of a program like this due to 1) the potential for technology to reinforce existing bias and 2) the value of transferable skills that can be relayed to adjacent careers, if residential appraisals do become further automated. We will lead with these cautions with interested program participants, ensuring they are aware of the potential technological disruption in the industry.

For anyone interested in discussing further, please reach out to Tony Panciera, Director of MKE United, to schedule a conversation: tpanciera@gmconline.org or 414-905-0101.