

RECOMMENDATION: Include Professional Appraisers (P. App.) in Key Housing Initiatives from the 2024 Federal Budget

The AIC calls on the federal government to ensure the involvement of Professional Appraisers (P. App.) in key housing initiatives outlined in the 2024 Federal Budget, particularly the **Building Homes on Public Lands Plan** and the conversion of underused federal offices into housing.

RATIONALE:



BUILDING HOMES ON PUBLIC LANDS PLAN

Announced in Budget 2024, the Building Homes on Public Lands plan aims to unlock 250,000 new homes by 2031 by converting public lands to housing. This plan involves a comprehensive review of federally owned land to identify sites for new homes, consultations with municipal and provincial partners, and the creation of a **Public Lands Action Council** to coordinate these efforts. Given the scale and importance of this initiative, it is crucial that expert appraisers are involved in the identification of lands and the valuation of these properties. The federal government must ensure that they are making informed decisions in the public interest, based on accurate assessments of fair market value (FMV).



OFFICE CONVERSIONS

The federal government's plan to convert underused federal offices into homes, supported by a \$1.1 billion investment over 10 years, presents another need for the expertise of AIC Members. Professional Appraisers (P. App.) can assist in identifying suitable buildings for conversion, assessing deferred maintenance costs, and evaluating the overall feasibility of these projects. Accurate appraisals are essential for determining the highest and best use (HBU) of these properties, ensuring that the public can trust the government's investments in housing are sound and sustainable. At a time when the cost of living is approaching a crisis level, the federal government must show leadership, responsibility, and fiscal restraint when implementing these housing measures.



VACANT LAND TAXATION AND FLOOD INSURANCE

The 2024 federal budget also proposes measures taxing vacant residentially zoned land to incentivize construction and advancing national flood insurance, which both require the critical expertise of Professional Appraisers (P. App.). Accurate, third-party appraisals are essential for determining the appropriate tax on vacant land, ensuring that it reflects the true market value. Similarly, expert appraisers can provide invaluable insights into the valuation of properties at high risk of flooding, contributing to the development of a more resilient housing market.



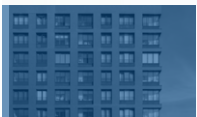
As we navigate challenging economic times, it is crucial that the federal government adopts policies that support homebuyers and homeowners while safeguarding the health of our financial system and real estate market. Implementing the AIC's recommendations will help mitigate market risks, enhance housing affordability for aspiring homeowners, and improve the public's understanding of the mortgage lending system.

ACTION NEEDED:

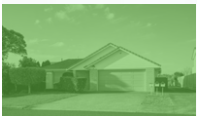
We urge the federal government to recognize the vital role that Professional Appraisers (P. App.) play in ensuring the success of housing and infrastructure initiatives undertaken by the federal government. By formally incorporating P. App. services into the planning, development, and execution of the projects outlined in the 2024 federal budget, the federal government can:



Enhance the effectiveness of its strategies and ensure **proper due diligence** is carried out when utilizing public funds.



Contribute to the **long-term stability and affordability** of Canada's housing market.



Ensure that these initiatives are aligned with the federal government's broader goals of **improving housing affordability and increasing supply**.



Integrate **sound financial principles and valuation methodologies** into planning and development phases to ensure new housing projects are based on accurate market assessments.

