

# Appraisal Report Checklist

for

## Appraisal Review and Management

These guidelines assist individuals with the preparation of their review report(s), which will be submitted as part of their ARM accreditation process. These guidelines help identify the minimum requirements that should be included in an appraisal review report. These guidelines do not, nor are they intended to, dictate the format or sequence order to follow other than identifying what should be addressed in the review itself. Additionally, the requirements mentioned within these guidelines are specifically for ASA's accreditation process for the ARM discipline only. ASA Board of Examiners (BOE) will be using the criteria listed within these guidelines during their review of your report.

**Please ensure that the accreditation application package you submit includes one properly performed compliant appraisal review report along with the appraisal report being reviewed.**

The American Society of Appraisers recognizes the need for competent reviewers of appraisals and therefore has developed a series of programs/courses that teach individuals to properly review appraisal reports along with complying with the various Standards. The Principles of Valuation (POV) courses that you completed as part of your ARM accreditation process are an example of these types of educational offerings. The knowledge gained from these courses should assist in the preparation of the appraisal review report you intend to submit to the BOE as part of your accreditation process. This Candidate Report Checklist form was established with both regulatory and principle based criteria in mind. Furthermore, the ultimate goal of establishing objective review criteria is to ensure that the performance of each review appraiser is accurately measured. Without such objective guidelines, there is nothing to measure against.

### Basic Requirements

- Appraisal Review Written Date – Date the report was written

Located on page(s) \_\_\_\_\_

- Appraisal Review Date – The date the report was reviewed

Located on page(s) \_\_\_\_\_

- Appraisal Report Date – Date appraisal report was written

Located on page(s) \_\_\_\_\_

- Appraisal Date – The effective date of valuation

Located on page(s) \_\_\_\_\_

- Identification of Client – Client that ordered the appraisal review

Located on page(s) \_\_\_\_\_

- Intended User and Intended Use – Clearly state the intended use and user of review

Located on page(s) \_\_\_\_\_

- Scope of Work – Specifics as to what the appraisal review will cover along with identification of which Standards the report is being reviewed against (i.e. USPAP, IVS, etc.).

Located on page(s) \_\_\_\_\_

### **USPAP**

- Identify which Appraisal Standard Review is under (i.e. Standard 2, Standard 8, Standard 10)

Located on page(s) \_\_\_\_\_

- Clearly identify the problem to be solved in the appraisal review

Yes  No  Does the appraisal under review properly and clearly identify the problem to be solved

Yes  No  Is the premise of value identified and clearly presented

Yes  No  Is the appraisal under review credible and properly supported

Located on page(s) \_\_\_\_\_

- Follow the appropriate Standards and review the report against that standard. If the report under review is in violation of any portion of the Standards, properly identify and quote the standard(s) and specifically identify why the report is in violation and suggest the remedial action to be taken to comply. This needs to be considered for each requirement within the standard.

### **Overview**

The appraisal review report should comply with and address each of the following, as required under Standard Rule 3.5:

- (a) State the identity of the client and any intended users, by name or type

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(b) State the intended use of the appraisal review

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(c) State the purpose of the appraisal review

Located on page(s) \_\_\_\_\_

(d) State information sufficient to identify

(i) The work under review, including any ownership interest in property that is the subject of the work under review;

(ii) The date of the work under review;

The effective date of the opinions or conclusions in the work under review; and

(iv) The appraiser (s) who completed the work under review, unless the identity is withheld by the client.

Located on page(s) \_\_\_\_\_

(e) State the effective date of the appraisal review

Located on page(s) \_\_\_\_\_

(f) Clearly and conspicuously

(i) State all extraordinary assumptions and hypothetical conditions; and

(ii) State that their use might have affected the assignment results.

Located on page(s) \_\_\_\_\_

(g) State the scope of work used to develop the appraisal review;

Located on page(s) \_\_\_\_\_

(h) State the reviewer's opinions and conclusions about the work under review, including the reasons for any disagreement

Located on page(s) \_\_\_\_\_

(i) When the scope of work also includes the reviewer's development of an opinion of value, the reviewer must also;

(1) State which information, analysis, opinions, and conclusions in the work under review that the reviewer accepted as credible and used in developing the reviewer's value opinion and conclusions;

(2) At a minimum, summarize any additional information relied on and reasoning for the reviewer's opinion of value, related to the work under review

(3) Clearly and conspicuously

(\* ) state all extra ordinary assumptions and hypothetical conditions connected with the reviewer's opinion of value, of work under review (\* ) state that their use might have affected the assignment results.

Located on page(s) \_\_\_\_\_

- The appraisal review report must contain a signed certification and a CV of the reviewer that demonstrates reviewer's competency to perform the appraisal review.

Located on page(s) \_\_\_\_\_

### **International Valuation Standards**

IVS-103 Reporting:

IVS does not have any specific standard for appraisal review. However, if an applicant is submitting an appraisal report for review that was performed under the IVS, it must conform to their standard 103- Reporting. This standard provides a guide to what must be included or addressed in an appraisal report. If an appraisal report was submitted for review to ASA for advancement, it must meet the specific guidelines presented. However, the reviewer must perform a review in accordance with the USPAP Appraisal Review Standard covering appraisal review.