



THE APPRAISAL FOUNDATION

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APPRAISAL STANDARDS BOARD

TO: All Interested Parties

FROM: Sandra G. Guilfoil, Chair
Appraisal Standards Board

RE: Results of the *Invitation to Comment on USPAP and USPAP Education* as it relates to the *Uniform Standards of Professional Appraisal Practice* and proposed ASB Work Plan

DATE: August 11, 2008

In December 2007, the Appraisal Standards Board (ASB) and the Appraiser Qualifications Board (AQB) jointly published an *Invitation to Comment on USPAP and USPAP Education*, and in April 2008 a second, follow-up Invitation was issued.

The ASB is now seeking public comments on the areas of USPAP that we are proposing for revision (see “Proposed Work Plan” at the end of this document).

Oral comments will be accepted at the ASB public meeting on **September 16, 2008**, in Chicago, Illinois. Please see The Appraisal Foundation website (www.appraisalfoundation.org) for meeting details.

Written comments will be accepted until **September 11, 2008**. You may submit written comments by mail, e-mail or facsimile as follows:

Mail: ASB/AQB ‘2008’ Invitation to Comment
c/o The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

E-mail: comments@appraisalfoundation.org

Facsimile: (202) 347-7727

IMPORTANT NOTE: All written comments will be posted for public viewing, exactly as submitted, on the website of The Appraisal Foundation. The Appraisal Foundation reserves the right not to post written comments that contain offensive or inappropriate statements.

If you have any questions regarding this document, please contact The Appraisal Foundation at (202) 347-7722.

Background

The genesis for the *Invitation to Comment on USPAP* project was two-fold:

- USPAP has been in existence for twenty years, with nearly annual revisions and/or changes. It was an appropriate time to ask the profession and those who rely on USPAP, whether the document is meeting its intended goal; and
- USPAP is now on a two-year publication cycle. This longer period between publications provides the Board more time to initiate comment on a broad array of questions, and thoughtfully process the information before establishing a work plan for the 2010 publication. In a one-year cycle, the scope of issues that can be appropriately addressed needs to be more narrow or specific in scope.

The Boards' initial step in this process was the December 2007 *Invitation to Comment on USPAP and USPAP Education*, which asked broad, open-ended questions, with the answers intended to provide perspective on how appraisers and users of appraisal services perceived the value of USPAP.

Initial Responses: Over 1,200 responses were received in the first three months of 2008. They represented individual correspondence, survey responses, and group reports. In addition, there were separate ASB and AQB public meetings, and a joint ASB/AQB public hearing with panels from a variety of constituents was held in Los Angeles in March 2008.

Follow-up: In the April 2008 follow-up document, the ASB identified several major topics, based on the feedback received to date, where potential improvements to USPAP would be helpful. The Board asked for more specific response from the public on whether these areas seemed appropriate.

Numerous written comments were received in response to the follow-up document and a public meeting was held in Atlanta in June 2008. Meeting attendees provided additional valuable input regarding their needs and concerns.

Proposed Work Plan

The ASB's review and consideration of all of the input we have received over the past eight months has led us to the following proposed work plan:

For the **2010-11 edition of USPAP**, the following areas will be reviewed for possible improvement and clarification:

- COMPETENCY RULE
- ETHICS RULE
- JURISDICTIONAL EXCEPTION RULE
- STANDARD 3: Appraisal Review, Development and Reporting

For the **2012-13 edition of USPAP**, the ASB will be considering possible improvement and clarification to these areas:

- Reporting Requirements
- STANDARDS 7 and 8: Personal Property Appraisal, Development and Reporting

The ASB has also recognized the many comments expressing the need for USPAP clarity. We will continue to emphasize the need for USPAP language and concepts to be understandable and enforceable.

The Board encourages continued review of this material and would appreciate feedback on whether the current Proposed Work Plan is appropriate. As noted at the beginning of this memorandum, written comments can be sent to the ASB through The Appraisal Foundation. Public comment will also be welcomed at the ASB's next public meeting on September 16, 2008 in Chicago, IL.

Before the end of September, the ASB intends to issue an initial exposure draft related to the areas of USPAP under review for the 2010-11 edition. This exposure process will continue as needed, with our goal being adoption of 2010 USPAP changes at the April 2009 ASB public meeting in New Orleans. The tentative schedule is for a second exposure draft with proposed changes to be issued before the end of the year. If needed, a third exposure draft will be issued early in the 1st quarter of 2009.

Scheduled ASB meetings are listed below:

- November 18, 2008, Arlington, VA
- January 23, 2009, Ft. Lauderdale, FL
- April 3, 2009, New Orleans, LA