

THE APPRAISAL STANDARDS BOARD & USPAP



INFORMATION FOR APPRAISERS
AND THEIR CLIENTS



THE APPRAISAL FOUNDATION

*Authorized by Congress as the Source of Appraisal
Standards and Appraiser Qualifications*

APPRAISAL STANDARDS BOARD



A MESSAGE FROM THE ASB

This brochure is intended to help appraisers and users of appraisal services become more familiar with the role, function and activities of the Appraisal Standards Board (ASB) and the process by which the *Uniform Standards of Professional Appraisal Practice* (USPAP) is developed and revised.

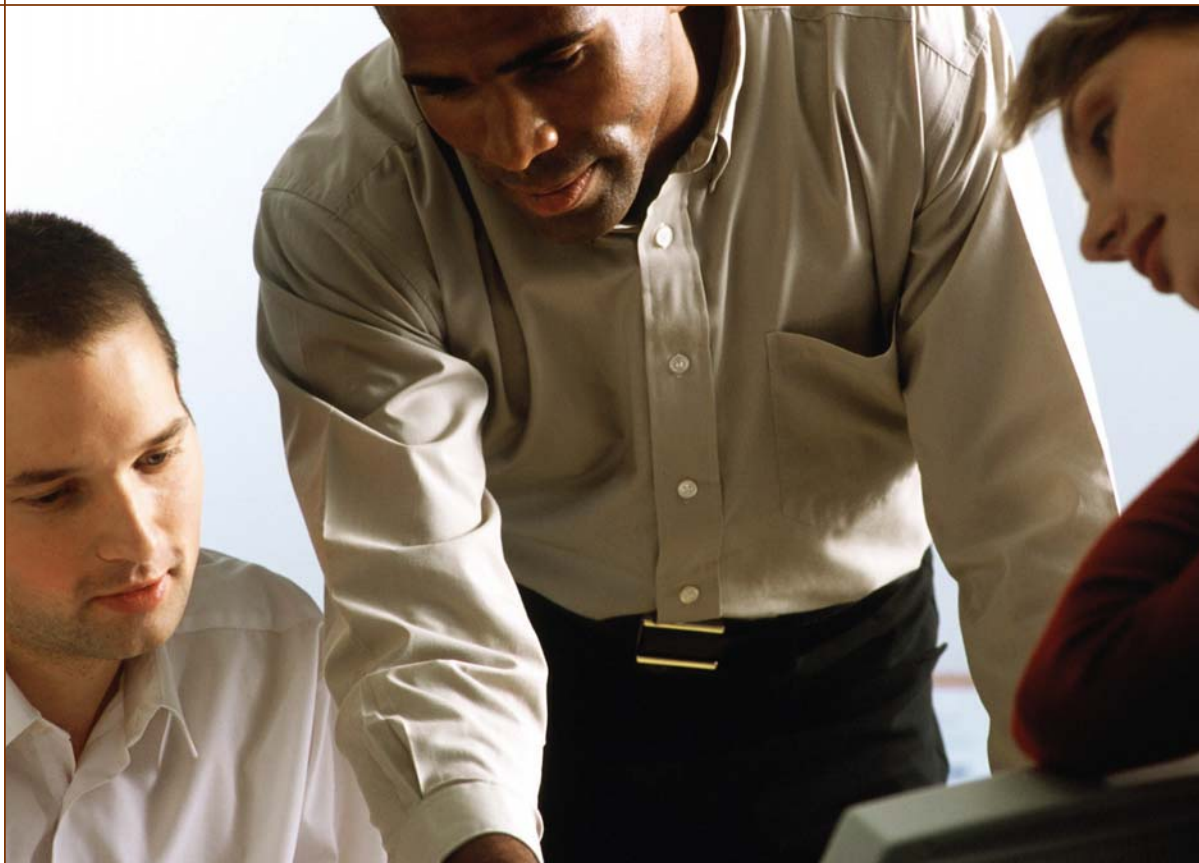


WHAT DOES THE ASB DO?

The Appraisal Standards Board (ASB) is an independent Board of The Appraisal Foundation. The ASB is responsible for writing, amending and interpreting the *Uniform Standards of Professional Appraisal Practice* (USPAP). The ASB has five to seven members, appointed by the Foundation's Board of Trustees. Board members are experienced appraisers in commercial, residential and agricultural real property, as well as personal property and business valuation.

The ASB issues exposure drafts for public comment of proposed changes to USPAP and holds public meetings throughout the year in various regions of the country. During these meetings, the ASB considers relevant changes to USPAP based on the ever-changing needs of the marketplace. In addition, the ASB considers written and oral public testimony on proposed changes to USPAP.

The ASB is dedicated to continually educating appraisers and the public about USPAP by issuing periodic questions and answers on the Foundation website, participating in numerous speaking engagements and by frequently updating USPAP instructors and state appraiser regulators. In addition, the USPAP document contains guidance from the ASB in the form of both Advisory Opinions and Frequently Asked Questions.



WHAT IS USPAP?

The *Uniform Standards of Professional Appraisal Practice* (USPAP) are the generally accepted standards for professional appraisal practice in the United States. USPAP contains standards for all types of appraisal services including real property, personal property, business valuation and mass appraisal. The purpose of USPAP is to promote and maintain a high level of public trust in appraisal practice by establishing requirements for appraisers.

- USPAP was originally written in 1986-1987 by an appraisal profession Ad Hoc Committee and was donated to the Foundation in 1987.
- The Financial Institutions Reform Recovery and Enforcement Act (FIRREA) of 1989 cites USPAP as the standard to be enforced by state real estate appraiser regulatory agencies.
- USPAP compliance is also required by professional appraiser associations, client groups and by dozens of federal, state and local agencies.
- USPAP is currently updated every two years.
- USPAP is growing in acceptance throughout the world. Many professional associations in North America, South America, Europe and Asia have accepted USPAP as the standard of practice for their membership.

HOW CAN I IMPACT USPAP REVISIONS?

The ASB actively seeks the input of appraisers, their clients, users of appraisal services, and regulators. The ASB welcomes all comments and questions on USPAP and receives numerous telephone, electronic and written inquiries. In response, the ASB communicates directly with hundreds of individuals each year.

In accordance with its public charge, the ASB is required to issue exposure drafts of all proposed revisions to USPAP. The agenda of the ASB is discussed and established each year. Most items on the agenda are things that were suggested by appraisers or users of appraisal services. The ASB then proposes revisions to USPAP based on these agenda items.

All exposure drafts are posted on the Foundation website and are available free of charge by contacting The Appraisal Foundation directly. Interested parties can participate in this process by submitting written comments or by offering oral testimony at an ASB public meeting.

Individuals interested in providing oral testimony to the ASB should contact the Standards Administrator prior to the public meeting. The ASB carefully considers each and every comment it receives, regardless of the source of those comments.

HOW IS USPAP ENFORCED?

While the ASB writes, amends, and interprets USPAP, the Board does not enforce USPAP. Through FIRREA, the Federal government has mandated that the states enforce real property appraiser compliance to USPAP. Professional appraiser associations also have the authority to enforce USPAP compliance of their members. In addition, many users of appraisal services (such as lenders, mortgage companies, etc.) require employee or contract appraiser compliance with USPAP.

Complaints regarding real property appraisers should be directed to the state(s) in which he or she is licensed or certified. Complaints about an appraiser of any other discipline, such as personal property or business valuation, should be forwarded to the professional organization to which the appraiser belongs.

The Appraisal Foundation is a Congressionally authorized non-profit organization established in 1987. The Appraisal Foundation is dedicated to the advancement of the appraisal profession and accomplishes its mission through the work of its three independent Boards: the Appraisal Practices Board (APB), the Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB).

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APPRAISAL STANDARDS BOARD

1155 15th Street, NW, Suite 1111 | Washington, DC 20005

Phone: 202.347.7722 | Fax: 202.347.7727

www.appraisalfoundation.org