



The Appraisal
FOUNDATION

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Standards and Appraiser Qualifications

Illinois Coalition of Appraisal Professionals (ICAP) Foundation and Board Updates

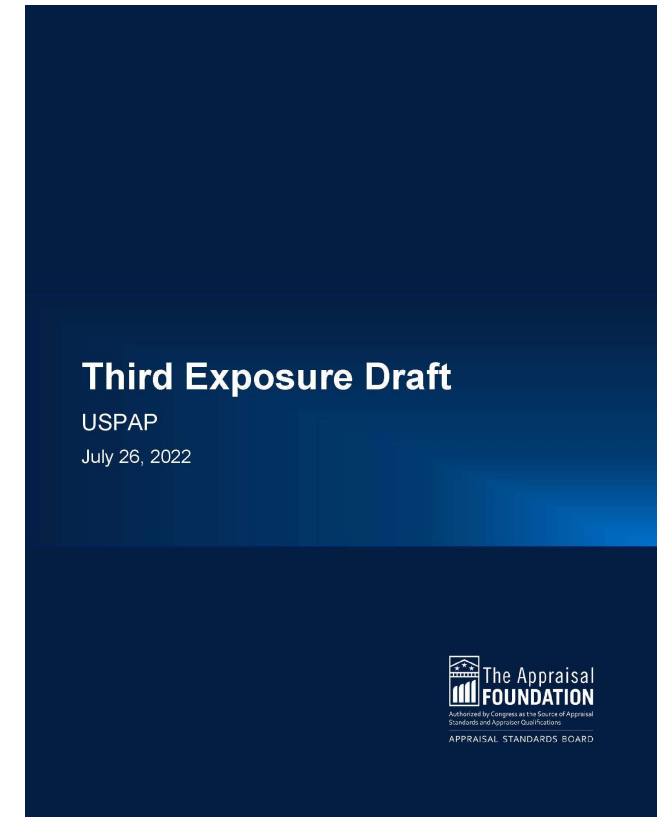
September 13, 2022

Today's Updates

- Third Exposure Draft on the ETHICS RULE
 - Topics from the Second Exposure Draft are still being considered
- 7-Hr Course & USPAP Reference Manual
- USPAP Extension – Q&As
- Stay Engaged & Involved! – Newsletter, Podcast, Board or Panel Member

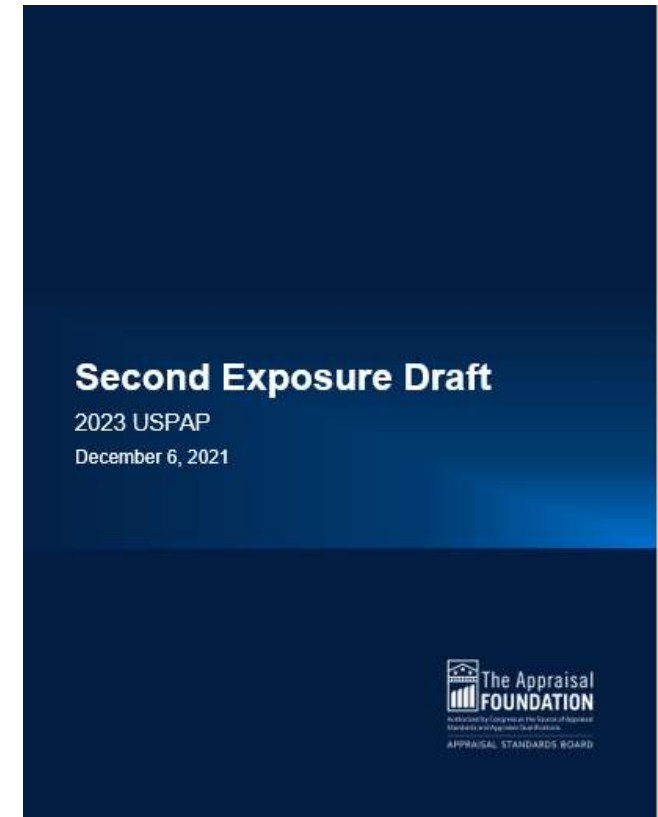
Third Exposure Draft

- Proposed Addition of a Nondiscrimination Section in the ETHICS RULE
- Proposed Edits to the Conduct Section
- Watch the Webinar on YouTube
- Comment deadline: September 24
- ASB Virtual Public Meeting: October 20



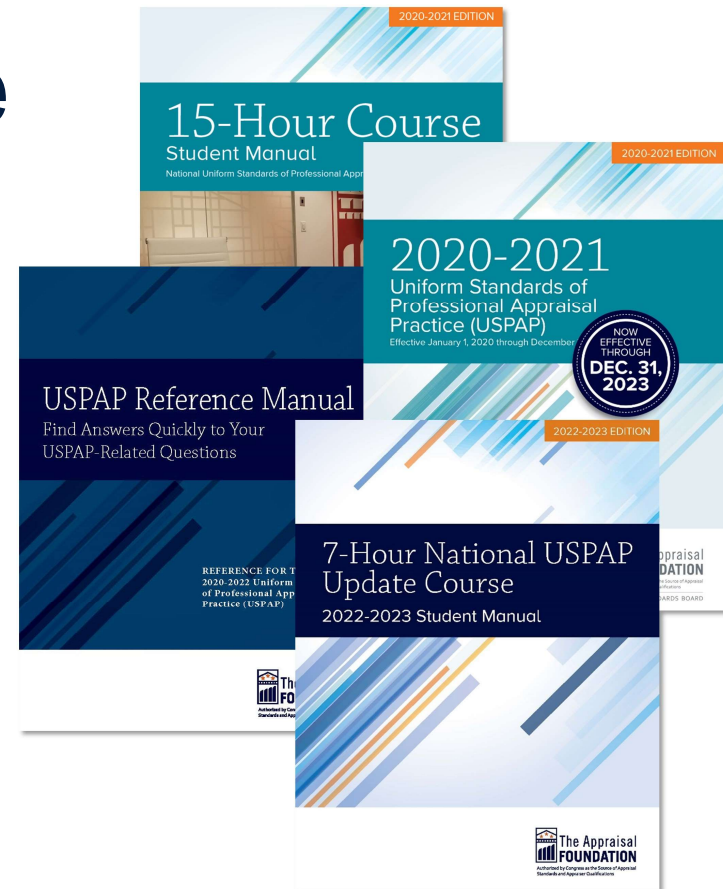
Topics from Second Exposure Draft

- Disclosing Type & Extent of Inspection in Scope of Work Reporting **MODIFIED**
- Transfers And Sales **NO CHANGES**
- Definitions To Retire
 - Definition of Assignment Elements **MODIFIED**
 - Definition of Misleading **NO CHANGES**
 - Definition of Personal Inspection **NO CHANGES**
 - Definition of Relevant Characteristics **NO CHANGES**
- Definitions To Modify
 - Definition of Appraiser **NO CHANGES**
 - Definition of Workfile **NO CHANGES**
- Minor Edits
 - Minor Change in 2-3, 4-3, 6-3, 8-3, and 10-3 **NO CHANGES**
 - Minor Change in STANDARD 6 **NO CHANGES**
 - Minor Change in Standards Rule 8-2(b)(xii)(3) **NO CHANGES**



7-Hour National USPAP Course

- New Course Format & Objectives:
 - Built around most frequently & recently asked questions/topics
 - Teaching students how to use the USPAP publication to answer specific questions
 - Apply it to day-to-day practice
- Course contains 90 minutes on bias and discrimination as it relates to USPAP.



USPAP Reference Manual

- Find where certain content is located is in the various sections of the USPAP publication
- Interconnected with USPAP

Analyze “Restrictions” or Encumbrances

What are these?

They are something that prohibits a property owner from exercising any of the traditional rights of ownership.

They may impact value.

Examples

Constraints on the exhibition of a work of art, a prohibition or limit on the breeding of an animal, the limit on the sale of an item.

How to handle

They may or may not impact value; however, the appraiser is required to analyze the effect on value, if any.

FAQ 221, page 280

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Analyze Supply and Demand

Sudden market conditions changes

The appraiser is required to identify, analyze, and report economic property characteristics, regardless of if they are negative or positive.

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FAQ 222, page 280; Standards Rule 7-4(d), page 44, lines 1419-1420

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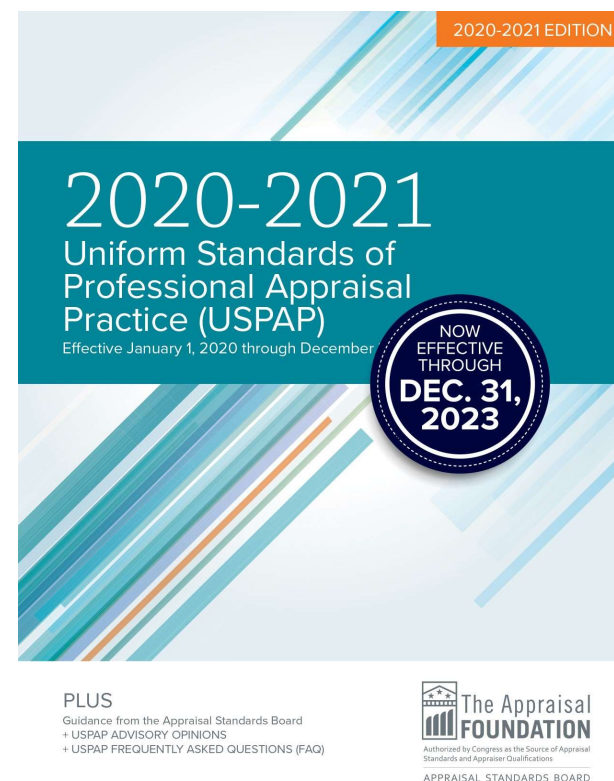
The appraiser is required to identify, analyze, and report economic property characteristics, regardless of if they are negative or positive.

FAQ 220, page 279; Standards Rule 1-2(e), 1-3(a)(iii); 2-2(a)(iv), pages 17-18

Extension of USAP

Extension of USPAP

- ASB announced the extension of current USPAP through December 31, 2023
- As USPAP matures, requisite research is needed to ensure changes continue to uphold the public trust
 - In early 2022, the ASB announced a comprehensive review of the Ethics Rule
 - Third Exposure Draft: Proposed changes to the ETHICS RULE



Extension of USAP - FAQs

What does this mean for the USPAP cycle going forward?

- Future editions of USPAP will have an effective start date but no end date.
- This will give the Appraisal Standards Board greater flexibility to fully examine potential revisions to the standards and respond in a timely manner to changes in the valuation profession.

How does this impact the requirement to take a 7-hour continuing education course on USPAP every two years?

- This extension does **not** impact appraiser continuing education requirements.
- The 7-hour continuing education course is required to be taken once every 2 years as a way to offer appraisers a refresher on important cornerstones of the profession and offer practical applications for their appraisal practice.
- On October 1, 2023, a new USPAP course will be released, which will continue to be offered to meet this continuing education requirement.
 - A new course will be released every 2 calendar years.

Isn't the Real Property 7-Hour National USPAP Update Course (or its equivalent) required because we need to learn about the updates made to USPAP?

- The intent of the 7-Hour National USPAP Update Course has always been to provide the appraiser a course in USPAP-related content, and not to just explain any new updates to USPAP.
- The 2022-2023 course is in keeping with the intent of the AQB: for the appraiser to have required coursework every two calendar years in USPAP-related content.

Will I need to buy another copy of USPAP for the 7-hour continuing education course if I already bought a copy of the 2020-21 USPAP?

- No, you can continue using the current version of USPAP for this cycle.

Forum to Explore Education Requirements: Fair Housing Laws and Valuation Bias Education

Held yesterday September 12, 2022

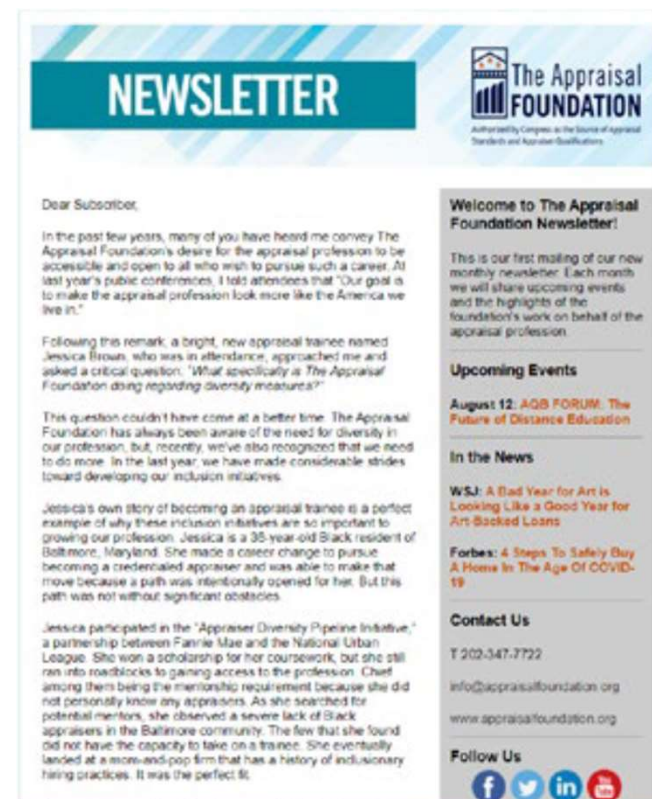
Fair Housing/Valuation Bias Education

- The AQB conducted a virtual public forum exploring education requirements for Fair Housing laws and valuation bias on September 12th
- The AQB engaged with panelists and explored possible revisions to both the qualifying education and continuing education requirements.
 - Federal regulators, state appraiser regulatory agencies, professional appraiser organizations, education providers, and consumer, civil rights, and fair housing advocacy groups participated.

Stay Engaged & Get Involved!

Monthly Newsletter

- The Foundation monthly newsletter continues to be well received.
- Newsletter is e-mailed to more than 60,000 readers of all appraisal disciplines.
- Better platform to communicate.



Appraiser Talk - Podcast

- Weekly podcast to answer questions from every corner of the appraisal profession from consumers to appraisers and real estate to business valuation.
- Listen on whenever you get your podcasts, or on the Foundation website.
 - You can also explore past episodes.
- Sign up to be notified when new episodes are published.
 - If you have a question you'd like to ask Lisa and Amy, email amy@appraisalfoundation.org



Apply to be on a Board or a Panel

- The Foundation's boards and panels seek new Board members each year
- Check out the Foundation's Get Involved page for announcements



THANK YOU

Communicating with the Foundation and its Boards is easy

www.appraisalfoundation.org

**1155 15th Street NW, Suite 1111 Washington, DC 20005
202.347.7722**

info@appraisalfoundation.org

AQB@appraisalfoundation.org

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