

WHAT DO DESK REVIEWERS LOOK FOR?

The attached check list will give appraisers an idea of what our desk reviewers look for when reviewing appraisals for experience or as a result of a complaint.

USPAP Standard	Issue	Adequate?		
		Y	N	NA
2-2	Is the reporting option prominently stated? (a) self-contained, (b) summary, or (c) restricted use			
2-2(i) 1-2(a)	Client and intended users identified?			
2-2(ii) 1-2(b)	Is the intended use of the appraisal stated?			
2-2(iii) 1-2(e)(i)	Is the real estate adequately identified (including physical, legal and economic attributes)?			
2-2(iii) 1-2(e)(iii) 1-4(g)	If personal property and/or intangibles are included in the appraisal, are they handled appropriately?			
2-2(iii) 1-2(e)(iv)	Are easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances or other items of similar nature handled appropriately?			
2-2(iv) 1-2(e)(ii)	Is the real property interest appraised stated and identified correctly?			
2-2(v) 1-2(c)	Is the definition of value included and source cited?			
2-2(vi) 1-2(d)	Is the effective date of the appraisal and the date of the report included?			
2-2(vii) 1-2(h)	Is the scope of work adequately reported?			
2-2 (viii)	Did the appraiser describe the information analyzed, methods and techniques used, and explain the exclusion of any approaches to value?			
2-2(x) 1-2(f)(g)	Were all assumptions, hypothetical conditions, and limiting conditions reported and appropriate?			
2-2(ix) 1-3(a) (b)	Is the highest and best use stated, and is the opinion adequately supported for the intended use and reporting option?			
2-3	Is the certification complete and signed?			
2-1(a)	Was the appraisal report clearly and accurately set forth in a manner that was not misleading?			
2-1(b)	Did the appraisal report contain sufficient information to enable the intended user to understand the report properly?			
2-1(c)	Were the extraordinary assumptions, hypothetical conditions, or limiting conditions clearly and accurately disclosed? Was the impact on value appropriately disclosed?			

After reviewing the appraisal report and addressing specific reporting requirements above, I have developed the following opinions regarding compliance with Standard 1 of USPAP (Real Property Appraisal Development):

USPAP Standard	Issue	Adequate?		
		Y	N	NA
1-4(a)	Was the sales comparison approach sufficiently analyzed (check NA if excluded and reason is adequate)?			
1-4(b)(i)	Was the site valuation method appropriate (check NA if excluded and reason is adequate)?			
1-4(b)(ii)	Was the cost approach adequate and supported (check NA if excluded and reason is adequate)?			
1-4(b)(iii)	Were all sources of depreciation within the cost approach considered and appropriately analyzed?			

1-4(c)(i)	Within the income approach, did the appraiser analyze appropriate rental data and reasonably estimate potential gross income? (check NA if excluded and reason is adequate)			
1-4(c)(ii)	Were the operating expenses adequately analyzed within the income approach?			
1-4(c)(iii)	Was the capitalization rate or discount rate appropriate within the income approach?			
1-4(c)(iv)	Was future income and expenses based on reasonably clear and appropriate evidence?			
1-4(d)	If leased fee or leasehold interest was appraised, did the appraiser appropriately analyze the effect on value of the terms and condition so the lease?			
1-4(e)	If applicable, did the appraiser analyze the effect on value of the assemblage of the various estates or component parts of a property and refrain from valuing the whole solely by adding together the individual values of the various estates or component parts?			
1-4(f)	If applicable (or known to the reviewer), did the appraiser appropriately analyze the effect on value of anticipated public or private improvements, located on or off the site, to the extent that the market actions reflect such anticipated improvements as of the effective appraisal date?			
1-5(a)	Did the appraiser analyze the current agreement of sale, option, or listing of the property?			
1-5(b)	Did the appraiser analyze and report the three-year sales history of the property?			
1-6	Did the appraiser appropriately reconcile the approaches and analyses?			
1-1(a)	Was the appraiser aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal?			
1-1(b)	Does it appear that the appraiser did not commit a substantial error of omission or commission that significantly affects the appraisal?			
1-1(c)	Does it appear that the appraiser did not render appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal, but in aggregate would affect the credibility of those results?			

In addition to the Standards Rules 1 and 2, I have developed opinions on compliance with the following Rules of USPAP:

USPAP Rule	Issue	Compliance	
		Y	N
Ethics	Did the appraiser perform the assignment ethically and competently in accordance with USPAP and any supplemental standards agreed to by the appraiser in accepting the assignment?		
	Check "No" if the reviewer is aware of any violations of the other sections of the Ethics Rule (and comment below)		
Management	Check "No" only if the reviewer is aware of any violations of the Management Rule (and comment below)		
Competency	Does it appear that the appraiser properly identified the problem to be addressed, and had the knowledge and experience to complete the assignment competently (or otherwise met the competency rule of USPAP)		
Scope of Work	Did the appraiser adequately identify the problem to be solved?		
	Did the appraiser determine and perform the scope of work necessary to develop credible assignment results?		
	Did the report contain sufficient information to allow the intended user(s) to understand the scope of work performed?		