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Appraisal Foundation establishes the new Appraisal Practices Board to commence work in July 2010

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The Appraisal Foundation, a Congressionally authorized non-profit organization dedicated to promoting professionalism in appraising through the establishment of appraisal standards and appraiser qualifications, has established a third independent board, the Appraisal Practices Board (APB).

The Foundation Board of Trustees established a Task Force to study the issue of how to best address a void in the marketplace related to guidance on appraisal methods and techniques that would be available to all appraisers practicing in the United States. This guidance will cover all valuation disciplines, with a focus on emerging issues.

With the unanimous consent of The Appraisal Foundation Board of Trustees, it was agreed that a new board be established, similar in structure and composition to the already existing independent boards, the Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB).

The purpose of this third board is to issue voluntary timely guidance to appraisers on emerging valuation issues that are occurring in the marketplace. This guidance will be of assistance to appraisers, appraiser regulators and educators. The new Board will enlist the help of market surveys to identify issues that need to be addressed and will empanel small groups of volunteer Subject Matter Experts (SMEs) to draft the guidance for review and approval by the Board.

The need for this type of guidance was underscored with the onset of the declining real estate market. Many appraisers had not previously faced this type of market condition and the impact of foreclosed properties and short sales. Because a majority of state licensed and certified real estate appraisers do not belong to a professional society, they had limited access to guidance.

"In unanimously supporting this concept, the Board of Trustees strongly believes that this is the best avenue for issuing voluntary guidance to appraisers," said Paul Welcome, Chairman of The Appraisal Foundation Board of Trustees. "We believe that this is the right thing to do for the profession, that it is the right time to do it and that we are the right organization to undertake the task," added Welcome.

Those interested in serving on the Appraisal Practices Board should consult The Appraisal Foundation's web site (<http://www.appraisalfoundation.org/>) for more details after the first of the year. Applications for qualified candidates will be solicited in the Spring of 2010, with the new Board to be constituted and commencing work in July 2010. We anticipate that selection of SME panels will follow in the latter part of 2010.

