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USPAP revisions to rules and standards and the appraiser

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Appraisers have been dealing with USPAP for over twenty years after FFIREA was instituted by Congress. In that time there have been countless revisions to the Rules and Standards which quite frankly have confused many appraisers and users of our services. However, I have seen the professional appraisers who have spent the time to actually read and understand the mandates within the document grow their business exponentially compared to those who have dismissed the great effort put into creating a document that outlines the lengthy process needed to correctly value real property.

Those who dismiss the document as cumbersome and overbearing should be using it as a tool to express the true effort it takes to produce a credible value. Time spent with a client explaining the rules you are bound by, over breakfast or lunch, will go a very long way in having your client truly understand the magnitude of what is being asked of you, the appraiser.

That being said Massachusetts' policy dictates that an appraiser must take a seven hour update class within twenty four months of their last update. There have been some professional appraisers who, due to unforeseen circumstances (i.e.: weather, health, etc.), were not able to meet the requirement of the policy.

Based on the state's policy there is no first time warning issued if you inadvertently violate this requirement. You are disciplined by the Board of Registration and fined \$500 with a permanent mark on your record showing you have been disciplined by the board. But if an appraiser were to take an update class in February of 2008 and take the next update in April of 2010 they would be in compliance with the AQB requirements but not the board policy in Massachusetts.

It appears that any decision by the AQB on a set time to take a USPAP update class has been tabled. I would like to see the State work towards making their policy consistent with the AQB's requirements. If an appraiser falls outside of these guidelines then they will be disciplined by the State. But for professional appraisers, who are being bogged down by needless fines and disciplinary action on their records, it seems akin to being asked by your lender clients for more and more report information for no fee. MBREA is actively working with the State Board in the hopes on getting this issue resolved now. Meanwhile, MBREA is also supporting a grassroots legislative initiative by several members who are asking the Massachusetts legislature to fix the inconsistency. Steve Dunn is president of the MBREA and principal of AppraisedValue.com, real estate appraisers in Kingston, Mass.

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