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MAI and SRA designations offer professional service

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In my 21 years in this industry, it is difficult to remember a time that presented as many challenges to the real estate appraiser. Assignments are more difficult. The residential market is in decline. The commercial-investment markets were booming, but then a little issue called the "credit crunch" hit last summer. Is this market in decline now? To make matters worse, for many appraisers, particularly those relying heavily on lender work, business volume is down significantly from just a couple of years ago.

But for some other appraisers times are good and will likely get better in 2008 and 2009. They are hired, not because they are the "lowest bidder" or they will complete the job in 45 minutes. They are hired because the client needs a competent, trusted, professional opinion in these times of changing market conditions. The majority of these appraisers are members of the Appraisal Institute, particularly those that hold either the MAI or SRA designation.

The Appraisal Institute is a global membership association of professional real estate appraisers, founded in 1932, with 22,000 members and 92 chapters throughout the world. There are 450 members in the Mass. Chapter. The Appraisal Institute is the acknowledged worldwide leader in residential and commercial real estate appraisal education, research, publishing and professional membership designation programs.

The users of appraisal services who need a professional competent opinion seek the MAI or SRA designated appraiser because there is substance behind them. It truly means something. In the case of the MAI, a designation is held by appraisers who are experienced in the valuation and evaluation of commercial, industrial, residential and other types of properties. Here is what it takes to earn the designation:

- *Receive a passing grade on 11 examinations that reflect 380 hours of classroom instruction.
- *Receive a passing grade on a four-module, two-day comprehensive examination.
- *Hold an undergraduate degree from a four-year accredited educational institution.
- *Receive credit for 4,500 hours of experience, all of which must meet strict criteria.
- *Receive credit for a demonstration appraisal report relating to income-producing property.

For the SRA, a designation held by real estate appraisers who are experienced in the analysis and valuation of residential real property, the following requirements apply:

- *Receive a passing grade on six examinations that reflect 200 hours of classroom instruction.
- *Hold an associate degree from an accredited educational institution.
- *Receive credit for 3,000 hours of Residential Appraisal Experience
- *Receive credit for a demonstration appraisal report relating to a residential property or fulfill an approved comparable alternative.

Now there are other appraisal organizations out there, some even local, which offer designations. But their designations mean little to the real estate community, and there is little substance behind

them. Check their websites yourself to see their requirements for designation. These organizations are good at letting you know about changes in license requirements and when certain courses might be offered. But for people trying to become professional appraisers, or for those seeking professional, competent appraisals there is truly only one organization to turn to, the Appraisal Institute.

The days of high volume lender work will likely not return anytime soon. And continually, "lowest fee" appraisers will be replaced by computer generated valuation technology. But there will always be a market for appraisers who offer professional, competent appraisal work. The demand will come from attorneys, governmental agencies, investors, corporations, and Wall St. These clients will seek professional competence, not "lowest fee". They will seek those with the MAI or SRA designation. To ensure your future in the appraisal industry turn to the Appraisal Institute in 2008.

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