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Appraisal Institute establishes new review designations

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For the first time in over 20 years, the Appraisal Institute (AI) has established a new designation program that targets the appraisal review profession. The program was approved by the AI board of directors in May 2012 and took effect January 1. The two new designations are AI-GRS (Appraisal Institute - General Review Specialist) and AI-RRS (Appraisal Institute - Residential Review Specialist).

The program was established in response to the critical role appraisal review plays in risk management and mitigation for clients and users of appraisal services. The new designation program provides professional reviewers with the knowledge and skills necessary to assist their employers or clients in conducting the appropriate due diligence.

In order to obtain the AI-GRS designation, a general review candidate must receive credit for the following new courses and exams: Review Theory - General and Review Case Studies - General. Review Theory - General is a fundamental review course that focuses on the seven steps that are outlined through the review process. This course is intended to provide participants with confidence on the fundamentals of review. The concepts learned in the Review Theory - General course are applied in the Review Case Studies-General course, which focuses on three case studies that present the challenges reviewers face every day in review assignments.

A candidate for the AI-GRS designation must also have a four-year college degree from an accredited college or university or equivalent as approved by the Admissions and Designation Qualifications Committee (ADQC), hold an active general state certification (or equivalent education), pass the AI-GRS Comprehensive Examination, and receive credit for at least 4,500 hours of specialized experience with 1,000 hours of qualifying review appraisal experience.

Residential review candidates seeking the AI-RRS designation must receive credit for the following new courses and exams: Review Theory - Residential and Review Case Studies - Residential. In addition, a Candidate must also take and pass Advanced Residential Applications and Case Studies/Part 1 as well as pass exams for Residential Market Analysis and Highest & Best Use and Real Estate Finance, Statics, Valuation Modeling.

Additional requirements for residential review candidates seeking the AI-RRS designation include a two-year college degree from an accredited college or university (or equivalent as approved by ADQC), passing the AI-RRS Comprehensive Exam, and receiving credit for at least 3,000 hours of residential experience with at least 1,000 hours of qualifying residential review appraisal experience.

Designated members of the Appraisal Institute that become general review or residential review candidates are offered an alternative path in obtaining a review designation. These members have already taken the required education and demonstrated professional knowledge, understanding and ability in obtaining their existing designations. Therefore, an alternative path was

created for designated members.

Designated members that hold the MAI or SRPA designation that are seeking the AI-GRS designation must attend and pass the exam for the Review Theory - General course or successfully challenge both the Review Theory - General and Review Case Studies - General exams. In addition, a general review Candidate must receive credit for five reports of qualifying general review appraisal experience.

Members that currently hold the SRA, RM, MAI or SRPA designation that wish to obtain the AI-RRS designation must attend and pass the exam for the Review Theory - Residential course. In lieu of attending the Review Theory - Residential course, a Candidate may elect to pass exams for both the Review Theory - Residential and Review Case Studies - Residential courses. A Candidate must also receive credit for five reports of qualifying residential review appraisal experience.

The MAI and SRA designations have long been recognized by courts of law, government agencies, financial institutions and investors as marks of excellence in the field of real estate valuation and analysis. Obtaining a designation shows your clients that you have gone above and beyond the education and experience needed for state certification and demonstrated professional knowledge, understanding and ability. The newly established review designations provide an exciting opportunity for in-house reviewers and fee appraisers that routinely provide appraisal review services to demonstrate a significant professional accomplishment in the review appraisal community. Potential benefits of earning the AI-GRS or AI-RRS Designation include the following: more knowledge and experience of appraisal review, including administrative, compliance or technical; improved career and business success; enhanced professional stature; more professional and public recognition; and competitive and professional advantage over non-designated appraisal reviewers.

A summary of requirements for General and Residential Review Candidates for the AI-GRS and AI-RRS Review Designations can be found at <http://www.appraisalinstitute.org/airesources/review-designations/review-designation-candidate-chart.pdf>. The Connecticut chapter of the Appraisal Institute will start offering the new courses required to obtain the review designations in the fall 2014.

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