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Appraisal Institute news: Selects 2010 vice president

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Appraisal Institute Supports Proposed Revisions to Require More Frequent Valuations of Real Estate Investments

In August, the Appraisal Institute announced its support for revisions to the Global Investment Performance Standards, which are standardized, industry-wide ethical principles that provide investment firms with guidance on how to calculate and report results of investments, including real estate.

The Appraisal Institute expressed particular support for a proposal to increase the frequency that real estate investments are appraised by an external party to at least once every 12 months, down from at least once every 36 months.

"It is critical that real estate values be analyzed by external professionals on a regular and ongoing basis to protect investors and promote transparency in the marketplace," said Jim Amorin, MAI, SRA, president of the Appraisal Institute.

Appraisal Institute Criticizes Appraisers Who Fail to Meet Geographic Competency Requirements

In the wake of reports that some real estate appraisers are performing appraisals despite lacking sufficient knowledge of the local market, the Appraisal Institute chided those who violate the profession's ethical or professional standards. The Appraisal Institute is the nation's largest association of real estate appraisers.

"The Appraisal Institute is very proud of the well-deserved reputation for excellence its members have achieved," said Appraisal Institute president Jim Amorin, MAI, SRA. "We won't allow that reputation to be tarnished by appraisers - whether they're our members or not - who breach ethical or professional standards."

Since the May 1 implementation of the Home Valuation Code of Conduct, some appraisal management companies have hired appraisers for assignments outside of their geographic regions, where they sometimes lack (and fail to obtain) the knowledge required to perform an accurate appraisal. Some of the resulting appraisal reports have led to complaints by realtors, builders, lenders, brokers, home sellers and buyers.

Appraisal Institute Selects 2010 Vice President

Sara W. Stephens, MAI, a more than 20-year member from Little Rock, AR., was elected Appraisal Institute vice president by the board of directors. Her term begins Jan. 1, 2010. "Being selected the 2010 vice president of the Appraisal Institute by the board of directors is a very humbling experience," Stephens said. "Our members are our greatest asset," she added. "I would like to continue our efforts to work with our associate members and to help them achieve the designations of the Appraisal Institute

Appraiser Independence Toolkit Available

This new AI resource is a compilation of the most up-to-date documents and publications that will

assist appraisers in complying with new requirements related to appraiser independence. Included are the latest relevant federal and state laws and regulations, including the new regulations (Regulation Z) regarding appraiser independence under the Truth in Lending Act that will become effective on October 1, 2009, proposed guidance for lenders on appraiser independence from the federal banking regulatory agencies, and all state appraiser independence laws.

Also included are publications from the Appraisal Institute, Fannie Mae and Freddie Mac that will assist appraisers in complying with the Home Valuation Code of Conduct, which became effective on May 1, 2009. Information that will assist an appraiser who is a recipient of inappropriate pressure in filing a complaint with the appropriate state or federal agency is also included in this essential package of critical compliance resources. The toolkit is free for AI members and \$99 for nonmembers

MA Chapter Members Enjoy a Day at the Ballpark

110 members, family and friends enjoyed a day at Fenway on August 12th as the Red Sox played the Detroit Tigers. There was a buffet lunch prior to the game at The Baseball Tavern. A great time was had by all.

David Cary, MAI, MRICS, is the 2009 president of the Mass. Chapter of the Appraisal Institute and managing director of Integra Realty Resources, Boston, Mass.

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