

Executive Board Approves Mass Appraisal Revaluation Template

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In November 2010, the IAAO Executive Board approved a *Mass Appraisal Revaluation Template* that was developed by the IAAO USPAP and Appraiser Regulatory Advisory Committee at its October 2010 meeting.

According to the *Uniform Standards of Professional Appraisal Practice* (USPAP), mass appraisal is “the process of valuing a universe of properties as of a given date using standard methodologies, employing common data, and allowing for statistical testing.” A mass appraisal model is “a mathematical expression of how supply and demand factors interact in the market” to affect property values. (The Appraisal Foundation 2010–2011, U4)

How do you prove to a client, and other intended users, that you have competently performed a mass appraisal assignment and determined and completed the scope of work to produce credible assignment results as defined by USPAP?

How do you prove that your work experience as a mass appraisal practitioner is credible and worthy of consideration towards certification by your state real estate appraisers board?

All IAAO members in the United States are required to perform mass appraisal work in accordance with USPAP. In addition to ethics, competency, and scope of work rules, USPAP provides the content requirements for all disciplines of appraisal reporting. USPAP does not provide a format for creating the written report.

Beginning in 2008, the USPAP and Appraiser Regulatory Advisory Committee examined questions posed by state regulators and mass appraisal practitioners concerning validation of mass appraisal work. The committee also considered ways to document work experience to meet the requirements to become state licensed or certified to become a Certified Residential Appraiser or Certified General Appraiser.

The Appraisal Qualification Board requires that state regulators have documentation in the form of reports, certifications, file memoranda, or other evidence that the work performed is compliant with USPAP. With a consistent report format, regulators will be better able to review and verify experience. In addition to a *Mass Appraisal Revaluation Template*, the committee has provided a sample *Mass Appraisal Revaluation Experience Log* that it believes will provide the required information to be used toward experience credit. Since state licensing regulations differ, candidates should investigate specific requirements for experience that may be in place for

their jurisdiction before using the log. Additional jurisdictional or client requirements may be added to the report to fulfill scope of work requirements.

The committee and the Executive Board determined that a *Mass Appraisal Revaluation Template* would ensure that USPAP requirements are being met and serve as the basis for state regulators to make decisions about mass appraiser applicants. The template also promotes professionalism and points to IAAO as the subject matter expert on mass appraisal and related disciplines. As the leader in the ad valorem field, IAAO is the only organization capable of producing this document with the necessary level of detail.

An outline is included at the beginning of the template to provide guidance to the user. The explanations are simple and direct, and should be easily understood by mass appraisers. The committee’s intent was to identify the minimum necessary requirements for a USPAP-compliant mass appraisal report.

The template allows users to easily navigate the document and identify reporting requirements in a logical format. It should be considered a starting point for jurisdictions that comply with USPAP by choice, or are obligated by law, administrative rule, or agreement. Each jurisdiction may have specific reporting requirements that can easily be incorporated into the report.

To download the template and experience log go to www.iaao.org and look for the link on the home page.

The committee thanks those jurisdictions that provided input into the project and samples of mass appraisal reports. Special thanks to King County, Washington, Cole County, Missouri, and the New Hampshire Department of Revenue.

Reference

The Appraisal Foundation. 2010–2011. *Uniform Standards of Professional Appraisal Practice*. 2010–2011 Edition. Chicago: The Appraisal Foundation.

