



THE APPRAISAL FOUNDATION

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APPRAISAL STANDARDS BOARD

USPAP Q&A

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The Appraisal Standards Board (ASB) of The Appraisal Foundation develops, interprets, and amends the Uniform Standards of Professional Appraisal Practice (USPAP) on behalf of appraisers and users of appraisal services. The USPAP Q&A is a form of guidance issued by the ASB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of USPAP in specific situations and to offer advice from the ASB for the resolution of appraisal issues and problems. The USPAP Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. USPAP Q&A does not establish new standards or interpret existing standards. USPAP Q&A is not part of USPAP and is approved by the ASB without public exposure and comment.

Communicating Confidential Information to a Sworn Peace Officer

Question:

I was contacted by a sworn peace officer who simply requested the workfile of an assignment I had previously completed. The officer made this request **without** a subpoena or any form of court order. If the workfile contains confidential information, does USPAP allow me to comply with the officer's request?

Response:

The answer to the question depends on whether or not the officer's request qualifies as "due process of law."

The Confidentiality section of the ETHICS RULE states, in part:

*An appraiser must not disclose confidential information or assignment results prepared for a client to anyone other than the client and persons specifically authorized by the client; state enforcement agencies **and such third parties as may be authorized by due process of law**... (Bold added for emphasis)*

It is likely that this determination would need to be made by a court or other legal body, since USPAP does not define what "due process of law" constitutes. You may want to seek legal advice to determine an appropriate response.

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It is also important to note that if the officer made the request on behalf of a state enforcement agency, the portion of the Confidentiality section of the ETHICS RULE quoted above allows the appraiser to communicate confidential information.

Signature on Letter of Transmittal

Question:

Does USPAP require an appraiser to sign the letter of transmittal?

Response:

No. USPAP does not require that any report include a letter of transmittal. However, USPAP does require that an appraiser who signs a letter of transmittal must also sign the certification required in Standards Rules 2-3, 3-3, 5-3, 6-9, 8-3, and 10-3.

For example, the Comment to Standards Rule 2-3 states, in part:

*A signed certification is an integral part of the appraisal report. **An appraiser who signs any part of the appraisal report, including a letter of transmittal, must also sign this certification.*** (Bold added for emphasis)

Citation of Effective Date

Question:

I've been engaged for a real property appraisal review assignment and have a question about the appraisal report under review. Does USPAP require the date of value to be cited each time the opinion of value is stated in the appraisal report?

Response:

No. USPAP does not require the appraiser to state the effective date of the appraisal with each statement of the value opinion. In a real property appraisal report, the requirements that apply to reporting the effective date can be found in Standards Rules 2-2(a)(vi) for a Self-Contained Appraisal Report, 2-2(b)(vi) for a Summary Appraisal Report, and 2-2(c)(vi) for a Restricted Use Appraisal Report. Each of these appraisal reporting options simply requires the appraisal report to "state the effective date of the appraisal and the date of the report."

However, you should take care to assure that intended users are not misled, such as by stating the effective date of value in a manner which does not clearly establish the context for the value opinion. In most instances, reporting the value opinion with the effective date of the appraisal, especially when the effective date is significantly different (retrospective or prospective) from the date of the report, assists intended users to clearly understand the context for the value opinion.

The USPAP Q&A is posted each month on The Appraisal Foundation website (www.appraisalfoundation.org). The ASB compiles the monthly USPAP Q&A into the USPAP Frequently Asked Questions (USPAP FAQ) for publication with each edition of USPAP. In addition to incorporating the most recent questions and responses issued by the ASB, the USPAP FAQ is reviewed and updated to ensure that it represents the most recent guidance from the ASB. The USPAP Frequently Asked Questions can be purchased (along with USPAP and USPAP Advisory Opinions) by visiting the “Foundation Store” page on The Appraisal Foundation website (<https://commerce.appraisalfoundation.org>).

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