

## **A Word about Appraisal Institute Standards, Certifications, Compliance Statements, and Appraisal Institute Certification Statements**

The Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice require that both associate and designated members identify the appropriate Standards to be applied in their assignments and disclose these standards in their reporting.

The Standards of Professional Appraisal Practice are composed of either:

(1) The Uniform Standards of Professional Appraisal Practice (USPAP) and the Certification Standard of the Appraisal Institute

OR

(2) The International Valuation Standards (IVS), applicable national Standards, and the Certification Standard of the Appraisal Institute.

It is incumbent on the appraiser to provide a certification that is contemporary with requirements and appropriate to the work. To assist you with this, the Appraisal Institute provides sample certifications for appraisal, appraisal review, and appraisal consulting assignments on our web site. These are Word documents that can be downloaded or copied directly into your own report. They include both the statements required by USPAP and the statements required by the Appraisal Institute. (See comments below relating to work that is completed under IVS.)

The Appraisal Institute's Certification Standard requires members (both associate and designated members) to include certain certification statements in addition to those required by USPAP. Members are required to use the exact wording for all of the certification standards.

C.S.R. 1-1 requires a statement, in addition to the statements required by USPAP, that the assignment was completed in accordance with the Standards of Professional Practice of the Appraisal Institute. Each written report must contain a certification that includes the following statement:

The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

C.S.R. 1-2 requires a statement that notifies readers of the report of the Appraisal Institute's right to review by its duly authorized representatives (as in the matter or ethics and standards enforcement or admissions.) Each written report must contain a certification that includes the following statement:

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

C.S.R. 1-3 requires a designated member to include a statement regarding his or her continuing education status.

Each written report of a Designated Member must contain a certification that includes one of the following statements:

Either

As of the date of this report, I (or Designated Member's name or Designated Members' names) have/has completed the continuing education program of the Appraisal Institute.

Or

As of the date of this report, I (or Designated Member's name or Designated Members' names) have not/has not completed the continuing education program of the Appraisal Institute.

IVS requirements include a Compliance Statement that is similar to the certification required by USPAP. The Appraisal Institute Certification Statements must be added to the signed Compliance Statement. The USPAP certification and the IVS Compliance Statements do not have to be word-for-word but they should be similar in content. You must be careful not to deviate from the intent of the language. You may make additions if they are relevant to the assignment. The Appraisal Institute's certification statements **MUST** be verbatim.

If you use form reports, be careful. Often the certification included in your software is out of date or doesn't comply with the Appraisal Institute or with your state appraisal law. With the exception of the Appraisal Institute's AI Reports forms, forms reports do not provide a certification that is compliant with the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute—additions are required to be compliant. It doesn't matter where they go in the report, just as long as they're there somewhere. If they can't be added to certification page, put them in a logical place.

If you have created your own certification template, it's helpful to put a version date on it so you can easily tell whether it is current.

The value conclusion need not be included in the certification or compliance statement and the certification does not need to be dated, unless there are additional requirements that apply and state otherwise (except in the case of the certification retained in the workfile in the case of an oral report.)

Finally, keep in mind that the certification and compliance statement are a very important part of an appraisal, appraisal review or appraisal consulting report. Only an appraiser can make such statements. Avoid burying the certification in the back of the report or in the addenda, or putting it in tiny or unclear print. Let your reader know you are sincere about these statements and proud to be able to make them.