Overview: Training Series

Series Description

Commercial Real Estate Training from the Appraisal Institute: Appraisal Engagement, Appraisal Reviews, and Evaluations

The Appraisal Institute has developed training specifically designed for lending, credit, and/or government staff who handle engagement, review, and evaluation functions for appraisal related to commercial and residential real estate transactions and must comply with federal banking and federal appraisal regulations. The training consists of four seminars:

- Part A: Engaging Appraisers: Compliance with the Regulations
- Part B: Sales Comparison Approach — A Case Study
- Part C: Income Approach — A Case Study
- Part D: Single-Family Residential — Understanding the URAR Report

Participants may choose to take one or more of the seminars, which provide insight into what the regulators expect from banks in terms of internal bank policy and process. The seminars also cover what is expected from appraisers in terms of the appraisal process, scope of work of an engagement, and valuation products available. By becoming familiar with the regulations and the appraisal process, bank staff enhance the bank’s ability to order appraisals that not only comply with regulations but also provide a good risk mitigation tool and data to support the underwriting process.

Overall CRE Training Objectives

At the conclusion of the CRE training, participants will

- Achieve a greater understanding of the federal regulations governing appraisals and appraisers who provide appraisals for federally related transactions
- Recognize a best practices process for successful appraisal engagement, including development, maintenance, and monitoring of a vendor panel
- Develop a greater understanding of USPAP and its Scope of Work Rule, which govern how an appraisal is performed and communicated to the client
- Recognize the importance of the appraisal review to the underwriting process—including what an appraisal review is and what it is not—scope of work of an appraisal review and how it should be reported
- Understand the use of the sales comparison approach when completing an appraisal review or an evaluation of an owner-occupied property, including work with a case study

- Understand the use of the income approach when completing an appraisal review or an evaluation of an investment property, including work with a case study

- Identify best practices for assessment of the URAR form and review each section of the report