

Self Audit for Appraisals – USPAP Standards 1 & 2

Property Address _____

Appraisal Date _____

SUBJECT MATTER	N/A	Yes	No	Page #	USPAP References Learning References
General					
Prominently state which reporting option is used: Appraisal Report or Restricted Appraisal Report					SR 2-2, AO-11 ARE (Ch. 5 & 31); ARP (Ch. 21)
State identity of client and any other intended users					SR 2-2 (a, b)-(i), SMT-9 ARE (Ch. 5 & 31); ARP (Ch. 5 & 21)
Statement of intended use of the appraisal					SR 2-2 (a, b)-(ii), SMT-9 ARE (Ch. 5 & 31); ARP (Ch. 5 & 21)
Statement of property interest appraised					SR 2-2 (a, b)-(iv) ARE (Ch. 7); ARP (Ch. 2)
Statement of type and definition of value and value source					SR 2-2 (a, b)-(v) ARE (Ch. 6); ARP (Ch. 2)
Report includes date of the report (date report is sent to client) and effective date of value(s) (e.g., prospective, current or retrospective)					SR 2-2 (a, b)-(vi), SMT-3 & 4 ARE (Ch. 5); ARP (Ch. 5 & 21)
Scope of work – Was the appropriate scope of work determined given the assignment?					SR 1-2(h), AO-22, AO-23, AO-28, AO-29, Scope of Work Rule ARE (Ch. 8 & 31); ARP (Ch. 5 & 21),
Scope of work - Is it adequately explained in the report?					SR 2-2 (a, b)-(vii), AO-22, AO-23, AO-28, AO-29, Scope of Work Rule ARE (Ch. 8 & 31); ARP (Ch. 5 & 21)
Are extraordinary assumptions and hypothetical conditions clearly and conspicuously stated?					SR 1-2(f & g), SR 2-2 (a, b)-(xi) ARE (Ch. 5); ARP (Ch. 5 & 21)
When extraordinary assumptions and hypothetical conditions were used, was it stated that their use might have affected the assignment results?					SR 1-2(f & g), SR 2-2 (a, b)-(xii) ARE (Ch. 5); ARP (Ch. 5 & 21)
Analysis of agreements of sale, options or listings of subject property current as of the effective date of appraisal and sales that occurred within 3 years prior					SR 1-5 (a) (b), SR 2-2 (a, b)-(viii) AO-1, AO-24 ARE (Ch. 31)
Reporting of analysis of agreements of sale, options or listings of subject property					SR 2-2 (a, b)-(viii). AO-1, AO-24 ARE (Ch. 31)
Signed certification - included					SR 2-2 (xii), SR 2-3 ARE (Ch. 31); ARP (Ch 21)
Meets Appraisal Institute Certification Standards – exact text is required					C.S.R. 1-1, 1-2, 1-3, 1-4
Certification includes name(s) of persons providing significant real property appraisal assistance.					SR 2-2 (a, b)-(vii), SR 2-3
Description of Significant Real Property Appraisal Assistance is included with the Scope of Work description.					SR 2-2 (a, b)-(vii)
Notes:					

*Key references; sources include the *Appraisal of Real Estate*, 14th Edition; *Appraising Residential Properties*, 4th Edition; other texts, publications, courses, and seminars of the Appraisal Institute may also apply.

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Market Analysis					
Discuss factors that affect marketability					1-3(a), 2-2(a)(viii) ARE (Ch.15); ARP (Ch. 10)
Discuss market area trends					1-3(a), 2-2(a)(viii) ARE (Ch.15); ARP (Ch. 10)
Facts and statistics are analyzed in relation to the subject property and/or assignment.					
Location data and market analysis are integrated or neighborhood data/analysis leads into the market analysis.					
Facts and statistics are analyzed in relation to the subject property and/or assignment.					
Notes:					

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Site					
Site adequately identified/defined					1-2(e), 2-2(a)(iii), AO-23 ARE (Ch. 12); ARP (Ch. 7)
Excess land identified/described					1-2(e), 2-2(a)(iii), AO-23 ARE (Ch. 12); ARP (Ch. 7)
Notes:					

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Description of Improvements					
Improvements adequately described					1-2(e), 2-2(a)(iii), AO-23 ARE (Ch. 13); ARP (Ch. 8&9)
Description of relevant condition, depreciation, and other pertinent issues.					1-2(e), 2-2(a)(iii), AO-23 ARE (Ch. 13); ARP (Ch. 9)
Identification of personal property included in value					1-2 (e)-(iii), 1-4 (g), 2-2 (a) (viii)
Notes:					

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Highest and Best Use (when the value opinion to be developed is Market Value)					
Considered legally permissible and physically possible uses.					1-3(b), 2-2(a)(x) ARE (Ch. 16); ARP (Ch. 11)
Considered financially feasible uses, and identified maximally productive use					1-3(b), 2-2(a)(x) ARE (Ch. 16); ARP (Ch. 11)

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Highest and Best Use of land provided (If land is valued as vacant or as if vacant)					ARE (Ch. 16); ARP (Ch. 11)
Highest and Best Use of improved property provided (if improved property is valued.) Consider demolition, continuation of the existing use, modification of the existing use as possibilities.					ARE (Ch. 16); ARP (Ch. 11)
Highest and Best Use of improved property as proposed provided (if improvements are proposed and valued as if proposed)					ARE (Ch. 16); ARP (Ch. 11)
Provide a statement of the current use					2-2(a)(b)-(ix) ARE (Ch. 16); ARP (Ch. 11)
Appropriately address excess land					1-3(b), 2-2(a)(x) ARP (Ch. 16)
Appropriately address obsolescence					ARE (Ch. 16); ARP (Ch. 11)
Appropriately address non-conforming or interim uses					ARE (Ch. 16); ARP (Ch. 11)
Provide support and rationale for highest and best use opinion if purpose of assignment is market value					1-3(b), 2-2(a)(x) ARE (Ch. 16); ARP (Ch. 21)
Notes:					

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Cost Approach					
All steps in the approach are reasonable					1-1(a), 1-4(b), 2-2(a)(viii) ARE (Ch. 27); ARP (Ch. 13, 14, & 15)
Depreciation and cost estimates are obtained from market information					1-1(a), 1-4(b) ARE (Ch. 27-29)
The calculations are correct					1-1(a), 1-4(b)
Depreciation items are consistent with descriptions					1-1(a), 1-4 (b), 2-2(a) (viii) ARE (Ch. 28); ARP (Ch. 15)
Depreciation is handled appropriately					1-1(a), 1-4 (b), 2-2(a)(viii) ARE (Ch. 28); ARP (Ch. 15)
Excess land handled appropriately					1-1(a), 1-4 (b), 2-2(a) (viii) ARE (Ch. 17)
Value appropriately identified					1-2 (f) (g) 2-2(a)(b)-(v), (vi) STMT-3 & 4
Exclusion of cost approach explained					2-2(a)(b)-(viii)
Notes:					

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Sales Comparison Analysis					
Comparable selection is reasonable					1-1(a), 1-4(b), 2-2(a)(viii) ARE (Ch. 18, 19, 20): ARP (Ch. 16)
Adjustments are consistent and reasonable					1-1(a), 1-4(b), 2-2(a)(viii) ARE (Ch. 18, 19, 20): ARP (Ch. 16, 17, 18)
Adequate reasoning is provided for adjustments, analysis, opinions, conclusions					1-1(a), 1-4(b), 2-2(a)(viii) ARE (Ch. 18, 19, 20): ARP (Ch. 18)
Excess land appropriately analyzed					1-1 (a)), 2-2(a)(viii)
Obsolescence appropriately analyzed					1-1 (a)), 2-2(a)(viii)
Non-conforming or interim uses appropriately analyzed					1-1 (a)), 2-2(a)(viii)
Sales adequately reconciled					1-1(a) (b) (c), 1-4(a), 1-6, 2-2(a)(viii) ARE (Ch. 18, 19, 20): ARP (Ch. 18)
Value appropriately identified					1-2 (f) (g) 2-2(a)(b)-(v), (vi) STMT 3 & 4
Exclusion of sales comparison approach explained					2-2(a)(b)-(viii)
Notes:					

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Income					
Data selection is reasonable					1-1(a), 1-4(c), 2-2(a)(viii) ARP (Ch. 21,22, 23, 24, 25, 26)
Reasonable market support for income, expenses, vacancy					1-1(a), 1-4(b), 2-2(a)(viii) ARE (Ch. 21, 22), ARP (Ch. 19)
Reasonable market support for capitalization rate					1-1 (a), 1-4(b), 2-2(a)(viii) ARE (Ch. 23, 24, 25, 26), ARP (Ch. 19)
Excess land appropriately analyzed					1-1 (a)), 2-2(a)(viii)
Obsolescence appropriately analyzed					1-1 (a)), 2-2(a)(viii)
Non-conforming or interim uses appropriately analyzed					1-1 (a)), 2-2(a)(viii)
Appropriate choice of methodology for property type					1-1(a), 1-4 (D), SMT-2 ARE (Ch. 26); ARP (Ch. 19)
Value appropriately identified					1-2 (f) (g) 2-2(a)(b)-(v), (vi) STMT 3 & 4
Exclusion of income approach explained					2-2(a)(b)-(viii)
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Proposed Construction					
Valuation is as of a prospective date and is based on an extraordinary assumption that construction is complete, or valuation is as of a current date is and is based on a hypothetical condition that the construction is complete					1-1 (a), 1-2 (d)(e)(f)(g) 2-1 (a)(c), 2-2 (a)(b)-(vi) (ix)(xi)
Prospective value reported appropriately					SMT 4
Market support is provided for time of completion, absorption, costs, income and expenses					SMT 4
Effective date of the appraisal and the date of the report are stated clearly					2-2 (a)(b)-(vi)
Appropriate hypothetical conditions and/or extraordinary assumptions and/or limiting conditions included					SMT 4, AO 17
Notes:					

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Final Reconciliation					
Reconcile quality and quantity of data available and analyzed within the approaches used					1-6 (a, b), 2-2(a)(viii) ARE (Ch. 30); ARP (Ch. 20)
Reconcile the applicability or suitability of the approaches used to arrive at the value conclusions					1-6 (a, b), 2-2(a)(viii) ARE (Ch. 30); ARP (Ch. 20)
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