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Course Review

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Final Question and Answer Session Classroom
Self-Study Period..... Classroom

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Two-Hour Multiple-Choice Exam..... Classroom

SOLUTIONS

DOWNLOADS (See link provided with registration letter)

Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (redlined version)

Excerpts from *Appraising the Appraisal: The Art of Appraisal Review*, 2nd ed., by Richard C. Sorenson, MAI (Chicago: Appraisal Institute, 2010)

- Appendix B: Resources for Reviewers

- Appendix C: Checklist and Rating Forms
 - Sample Checklist for Reviewing Narrative Appraisal Reports
 - Sample Appraiser Performance Rating Form
- Appendix D: Articles for Further Reading
 - “Appraisal Review in a Litigation Support Role” by Jack P. Friedman, MAI, PhD, CPA, and Nicholas Ordway, PhD, JD, originally published in the January 2000 issue of *The Appraisal Journal*
 - “Common Errors and Issues in Reports” by Janice F. Young, MAI, SRA, and Stephanie Coleman, MAI, SRA, originally published in the Summer 2007 issue of *The Appraisal Journal*
 - “Presenting Convincing Residential Appraisals” by Gregory J. Accetta, MAI, originally published in the April 1999 issue of *The Appraisal Journal*

Interagency Appraisal and Evaluation Guidelines, December 2, 2010

Review Regulatory Environment

- Forms
 - Fannie Mae Form 2000/Freddie Mac Form 1052: One Unit Residential Field Review Report (March 2005)
 - Fannie Mae Form 2000A/Freddie Mac Form 1072: Two- to Four-Unit Residential Appraisal Field Review Report (March 2005)
 - Fannie Mae Form 1004: Uniform Residential Appraisal Report
 - Fannie Mae Form 1004D: Appraisal Update and/or Completion Report
 - Fannie Mae Form 1073: Individual Condominium Unit Appraisal Report
 - Fannie Mae Form 1025: Small Residential Income Property Appraisal Report

Appraisal Institute’s Standards of Valuation Practice

Overview

Course Description

Review Theory—Residential is the fundamental review course that all reviewers of residential appraisals and reviews should have in their educational background. It is a required course for individuals pursuing the Appraisal Institute Residential Review Designation (AI-RRS, Appraisal Institute Residential Review Specialist).

At the core of this course is the review process. Participants explore the seven steps in the process as they apply to reviews of residential work, including, but not limited to, those subject to GSE requirements. To be a reviewer, an appraiser must learn how to develop opinions of completeness, accuracy, adequacy, relevance, and reasonableness relative to the work under review. These opinions must be refined through tests of reasonableness to develop reconciled opinions of appropriateness and credibility.

The material addresses how requirements of the review process compare with those of the Fannie Mae Form 2000/Freddie Mac Form 1032, One-Unit Residential Review Form as well as other GSE documents such as the Fannie Mae Selling Guide. Other topics include complex or challenging residential review assignments such as those involving limited data, nonconforming properties, less common ownership types, or unusual properties such as geodesic domes and hobby farms. By taking this course, participants will gain invaluable confidence in the fundamentals of review.

Learning Enhancements

The course has been designed with a variety of elements to enhance your learning experience.

- **Preview.** To give you a taste of what is to come, you will find a *Preview* page that begins each part. Included on the *Preview* page is a brief overview of the content, learning objectives to consider as you move through the content, and learning tips that will assist you in understanding the information you're about to learn.
- **Learning Objectives.** Each learning objective covers essential information you need to know to fully understand the concepts in the course. Look them over before the part begins so that you have a frame of reference as you move through the material. At the end of each part, reread the objectives. Are you able to do what is stated? If not, this is the time to ask your instructor for help. Or review the concepts that you do not understand.
- **Example, Problems, and Review Reality Checks.** Supplementing the discussions, we've included examples, problems, and Review Reality Checks to help you visualize and practice what you are learning.

- **Fill-in-the-Blanks.** It is a proven fact that when you write something down, you are more apt to remember it. Space is provided in this course handbook for various problems and discussion questions. Be sure to write out your solutions and annotate the handbook as much as possible. They will be a valuable resource in preparation of the final exam.
- **Review.** Each part concludes with a review that includes the learning objectives. The review may also include key terms and concepts that have been covered. Where applicable, we've provided recommended readings from textbooks, which will reinforce what you have learned in class.
- **Suggested Solutions.** A tabbed section of suggested solutions appears at the end of the course handbook. This section contains solutions to the discussion questions, review quizzes, practice test, and fill-in the blanks. In order to get the most benefit from the class, it is important to work through the discussion questions, quizzes, and test before looking at the solutions.
- **Review Quizzes and Practice Test.** Short quizzes are included at the end each part, and a practice test is included at the end of Part 11. The questions are similar to the types of questions you might find on the exam. By answering the multiple-choice questions, you will know whether or not you really know the information that was covered in that part. The review quizzes and practice test are intended for self-study, and answers are found behind the solutions tab at the back of the course handbook.

Class Policies

- 100% attendance is required. No exceptions.
- Limit use of computers and wireless devices to classroom projects.
- Communicate with business associates during break time instead of class time.
- During class, do not read materials that are not used in class, such as news, email, and local media.
- Silence cell phones and other communication devices.
- Use recording devices only if prior permission has been granted.
- If attending a classroom offering, refrain from ongoing conversations with those seated near you and other distracting behavior.

General Information

- **Calculator.** A basic four-function calculator is required.
- **Important Note:** Laptops, cellular phones, tablets, iPads, wearable technology (smart watch, Apple Watch, Google Glass, etc.), and other devices that can store

data or connect to the Internet are **NOT** permitted during the exam. In addition, all watches, wallets, bags, and purses must be removed and stored out of reach prior to taking the exam.

- **Breaks.** There will be two 10-minute breaks during each half-day session unless noted otherwise by the course sponsor. The lunch break is one hour.
- **Attendance sheets** will be distributed during each half-day session to verify your attendance during all sessions. 100% attendance is required.
- **Certificates of completion** may be downloaded after completion of the course, and attendance during the entire course is required.

USPAP References

All references to the Uniform Standards of Professional Appraisal Practice (USPAP) are taken from the 2020-2021 edition, effective until December 31, 2023. (Washington, D.C.: The Appraisal Foundation).

Recommended Texts

- Appraisal Institute Standards of Valuation Practice (SVP)
- Uniform Standards of Professional Appraisal Practice, current edition
- *The Appraisal of Real Estate*, 15th ed. Chicago: Appraisal Institute, 2020
- *The Dictionary of Real Estate Appraisal*, 7th ed. Chicago: Appraisal Institute, 2022
- *Appraising the Appraisal: The Art of Appraisal Review*, 2nd ed. Chicago: Appraisal Institute, 2010
- *Residential Property Appraisal*, Chicago: Appraisal Institute, 2020
- *Review Theory and Procedures: A Systematic Approach to Review in Real Property Valuation*, Chicago: Appraisal Institute, 2015