

EAANA Member Certification Principles

Board Approved December, 2017

Preamble

The EAANA has one of its main functions to provide certification for its qualifying members as personal property appraisers. This certification/re-certification is provided by requiring members to comply with the current version of Uniform Standards of Professional Appraisal Practice (USPAP), as well as EAANA requirements as articulated in the EAANA Appraisal Review Checklist, to produce credible professional Appraisal Reports. Compliance with the certification requirements is maintained by providing members the opportunity to attend USPAP courses provided by an Appraisal Foundation certified instructor and the appraisal review process.

The appraisal review process is guided by two components, namely the EAANA principles and the Appraisal Review Checklist. The EAANA principles are long term guidelines to ensure a fair, even handed and credible review process. The Appraisal Review Checklist may vary as the USPAP requirements are updated every two years.

This process requires Board approval and then exposure to and feedback from the membership.

EAANA Certification Principles

- 1) The Appraisal Foundation through the USPAP Standards does not prescribe a specific or template format for appraisal reporting. There is a recognition at the Appraisal Foundation that different disciplines require different reporting formats. The Appraisal Foundation does require that reporting formats should be easily understood by the intended users and be credible and contain specific elements of appraisal analysis and use approved terminology. The EAANA therefore follows suit and does not require appraisal reports follow any prescribed format but it does require report formats to be easily understood and credible to intended users and contain the same USPAP required elements and terminology.
- 2) The EAANA recognizes the confidentiality requirements of our members and their clients. EAANA does all it can to maintain this confidentially. In addition, the EAANA recognizes the need for impartiality and will ensure that reviewers will not be able to identify members appraisal submitted for review. The EAANA will require members to submit a redacted Appraisal Report which follows the definition as provided below.
- 3) The EAANA will ensure that every appraisal report submitted for review will be reviewed by at least two different review appraisers. If the two review appraisers cannot agree that the report meets the minimum USPAP standards and EAANA standards, the appraisal will be reviewed by a third review appraiser. Should the Appraisal Report not meet the requirements, it will be returned to the member for resubmission. The Appraisal Review Checklist with the reviewer's comments will be shared with the member. The resubmitted Appraisal Report will go through the same review process. Should the resubmitted Appraisal Report not meet the checklist requirements, one of the review appraisers will be assigned per committee chairperson to discuss the changes required with the member. If the member is still not satisfied with the review, the member may contact the President and request an "ad hoc" committee to resolve the matter.

- 4) The EAANA does require that Appraisal Reports submitted for review meet the minimum USPAP standards of the current version of USPAP and EAANA principles. These minimum requirements will be presented in the checklist. These requirements may change as the versions of USPAP change. Should any Appraisal Report submitted for review not meet these minimum USPAP requirements, the member will be asked to adjust the Appraisal Report and resubmit it for review. Any comments provided by reviewers over and above the minimum USPAP standards are intended to provide guidance to the member to improve the credibility of reporting.

Definition of Appraisal Report

The EAANA recognizes our diverse membership and the varied types of reports and services provided to the member's clients. Neither the EAANA nor the Uniform Standards of Professional Practice (USPAP) prescribe any certain or particular format for appraisal report writing. However, as required by both the EAANA and USPAP, an appraisal report must be easily understood, credible, supportable and not misleading. Therefore, and in light of the varied nature of our membership and their clients' requirements, the EAANA is accepting for certification, and re-certification, a redacted Appraisal Report for the review process. Restricted Appraisal Reports will not be accepted. An Appraisal Report only requires that your submission for review meets the minimum requirements as promulgated by EAANA and the current edition of USPAP. These minimum requirements are well laid out in the content section of the Appraisal Review Instructions and Checklist and also in USPAP. All reports submitted for review will be:

- 1) A confidential document where the appraiser will be anonymous and the report will be identified with a number as assigned by the EAANA Administrator.
- 2) The reviewers will not have access to the numbering system.
- 3) All appraisal reports submitted **must be completely redacted** and all confidential reference to clients, business, personal names, addresses, signatures, names in header & footers etc. replaced with identifiers by type, such as "Mr. Client", "ABC Company", "Bank", or the like. **In addition, all references to the appraiser must be redacted.**
- 4) The submitted Appraisal Report must be complete and consistent throughout and at a minimum be in compliance with the EAANA Checklist, Code of Ethics and USPAP. Note that these requirements are minimum requirements. There is nothing to prevent the appraiser from going above these to include further and more detailed discussion of market conditions, methodologies, comparable sales, etc. It is the hope of our association that our reports are superior to the minimum requirements and reflect well upon the EAANA and the appraisal profession as a whole.