

What's New

Scores of changes have been incorporated into this 10th edition. So that you know what changes have been made since the preceding (9th) edition of this book (including 9th edition V.2), I have highlighted the major changes so that they are easy to locate. Just look for this UPDATE icon:



As with previous editions, this 10th biennial edition of *Appraising Personal Property: Principles and Methodology* is packed with expanded discussions and many edits, which help to improve clarity of complex issues. Changes also include new material—much of which focuses on frequently-encountered issues that have proven to be confusing to appraisers.



In addition, since this book is USPAP-centric, it necessarily reflects changes incorporated by The Appraisal Foundation's Appraisal Standards Board (ASB) into the new 2024 USPAP, which is in effect beginning January 1, 2024. Unlike previous editions, 2024 USPAP does not have an end date. Henceforth, USPAP will be updated on an as-needed basis.

New, Expanded, Modified Discussions



Thumb through this book to see all the many edits, expanded discussions and new topics, some of which include the topics:

- Appraiser
- Assignment conditions
- Assignment elements
- Health emergencies
- Limiting conditions
- Nondiscrimination (Ethics Rule and AOs)
- Personal inspections
- Relevant characteristics
- Sales and transfers of property
- Terms of use
- USPAP Guidance & Reference Manual
- Workfile

USPAP Document Made Searchable, Redesigned



In 2022 The Appraisal Foundation designed the searchable *USPAP Reference Manual* which was a PDF document that helped appraisers get answers to USPAP-related questions more quickly and efficiently by assisting them in navigating USPAP as well as its guidance material, including the AOs and FAQs.



Commencing with 2024 USPAP, The Appraisal Foundation separated what used to be referred to as the “USPAP Document” into two separate publications. They include:

- A standalone *USPAP*, and
- A *USPAP Guidance and Reference Manual (GRM)*

The GRM is a companion document to USPAP and contains both the *USPAP Reference Manual* as well as USPAP Guidance Material including USPAP AOs and FAQs. Both of these documents (the 2024 eUSPAP as well as the eUSPAP GRM.) can be purchased online as a digital two-book set from www.appraisalfoundation.org.

USPAP Changes to this Book

Updates to this book resulting specifically from changes incorporated into 2024 USPAP can be found sprinkled throughout this book in their relevant locations—particularly in Chapter 7 *Uniform Standards of Professional Appraisal Practice (USPAP)* and Chapter 11 *Writing an Appraisal Report*.

These 2024 USPAP changes were developed by The Appraisal Foundation’s Appraisal Standards Board and focused largely on the issue of bias and discrimination. “The Board ... feels that this new edition of USPAP will be an asset to appraisers and the public alike who are seeking to gain a better understanding of an appraiser’s ethical obligations and requirements under fair housing laws and regulations. Bias and discrimination have never been permitted by our standards, and now that is clear to all who read them,” said Appraisal Standards Board Chair Michelle Czekalski Bradley



In addition to edits made for purposes of clarity, consistency and enforceability, changes incorporated into 2024 USPAP include the following:

- **ETHICS RULE, Nondiscrimination section added**
The language in the ETHICS RULE was insufficient to make clear that USPAP prohibits discrimination. Accordingly, a new Nondiscrimination section has been added to the ETHICS RULE. In addition, any language in the ETHICS RULE’s Conduct section relating to either “supported” or “unsupported” conclusions has been deleted.
- **ADDITION of ADVISORY OPINION 39, Antidiscrimination Laws and Nondiscrimination added**
This new AO- 39 addresses how federal antidiscrimination laws affect appraisal practice. Included are the Fair Housing Act, the Equal Credit Act, and the Civil Rights act of 1866. This AO provides guidance as to how the appraiser can comply with the Nondiscrimination section the ETHICS RULE, regardless of whether or not a particular antidiscrimination law or regulation applies.
- **ADDITION of ADVISORY OPINION 40, Antidiscrimination and the Research, Analysis, and Reporting of Location Data, including demographics, for Residential Real Property Appraisal Assignments added**
This new AO-40 provides guidance to help ensure that, when performing appraisal assignment for residential real property, the appraiser follows USPAP’s requirements and prohibitions pertaining to researching, analyzing and reporting opinions and conclusions related to the property’s location, including using or relying on demographic data about inhabitants of a particular geographic area.
- **RETIREMENT OF ADVISORY OPINION 16, Fair Housing Laws and Appraisal Report Content**

AO-16 is being retired because of the addition of AO-39 and AO-40, which provide more comprehensive guidance relating Fair Housing Laws and Nondiscrimination.

- **Transfers and Sales**

STANDARDS 1, 7, and 9 have requirements whereby the appraiser would, under certain circumstances, need to analyze prior sales of a subject property. Edits were made to these STANDARDS to add “transfers” of property, since a transfer of a property is essentially the same as a sale of the property.

- **DEFINITIONS**

Several changes were made to the DEFINITIONS section of USPAP. There were no new definitions added, but three definitions were retired and three definitions were modified. Here is a list of definitions that were either edited or retired:

- These USPAP definitions were modified:

- *Appraiser*
- *Personal Inspection*
- *Workfile*

- These USPAP definitions were retired:

- *Assignment Elements*
- *Misleading*
- *Relevant Characteristics*

- **Minor Change in Reporting Standards Rules 2-3, 4-3, 6-3, 8-3, and 10-3**

In the Certification section of the Reporting Standards, there is a section that deals with significant appraisal assistance and how disclosures related to the assistance might appear in a report. This edit replaces the word “summary” with the word “description,” e.g., “... it is not required that the ~~summary~~ description of the extent of their assistance be located in a certification.”

- **Minor Change in STANDARD 6, *Mass Appraisals, Reporting***

STANDARD 6 does not include an option for an oral mass appraisal report. This edit makes it clear that the appraiser must communicate mass appraisal assignment results “in writing.”

- **Minor Change in Standards Rule 8-2(b)(xii)(3)**

This edit ensures that the wording of SR 8-2(b)(xii)(3) (which addresses the Restricted Appraisal Report option) is consistent with SR 8-2(a)(x)(3) (which addresses the Appraisal Report option).

- **Changes to Advisory Opinion 2, *Inspection of Subject Property***

Advisory Opinion 2, *Inspection of Subject Property*, has been completely re-written to reflect the change in the definition of Personal Inspection.

Expanded Table of Contents and Index

Looking for a specific topic? Check out the extensive **Table of Contents** and **Index** of this book! I guarantee that you will be impressed with the level of detail provided to help you with your search.

Footnotes

One of the most significant improvements beginning with the 8th edition of this manual has been the addition of over 620 footnotes. These footnotes provide supplementary information about the topic at hand and will often direct the reader to other parts of this book or to parts of the USPAP publication that contain complimentary discussions.

All these features and updates make this 10th edition of *Appraising Personal Property: Principles and Methodology* the only comprehensive, user-friendly, and up-to-date course book/how-to guide for the personal property appraiser.