



USPAP Q&A

2020-21 USPAP Q&A

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The Appraisal Standards Board (ASB) of The Appraisal Foundation develops, interprets, and amends the Uniform Standards of Professional Appraisal Practice (USPAP) on behalf of appraisers and users of appraisal services. The USPAP Q&A is a form of guidance issued by the ASB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of USPAP in specific situations and to offer advice from the ASB for the resolution of appraisal issues and problems. The USPAP Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. USPAP Q&A does not establish new standards or interpret existing standards. USPAP Q&A is not part of USPAP and is approved by the ASB without public exposure and comment.

2020-02: APPRAISAL REPORTING – CERTIFICATION AND SIGNATURES

Modification of a “Standard” Appraisal Form with a Fixed Certification and Scope of Work

Question:

In response to the COVID-19 outbreak, I have been asked to complete a desktop or exterior-only appraisal, but to report the results using a GSE form designed for an appraisal with an interior and exterior inspection. Although the Government Sponsored Enterprise (GSE) forms indicate that modifications to the scope of work and statement of assumptions and limiting conditions is not allowed, I have been asked to modify those portions of the report and have been provided with a suggested replacement. Can I do this? Would this result in a misleading appraisal report?

Response:

In and of itself, with proper disclosure, the modification of a “standard” appraisal report form does not result in a misleading appraisal report; but this is only true if the modifications do not create a conflict that cannot be properly understood. In response to the COVID-19 outbreak, the GSEs have temporarily rescinded their policies that prohibit revising or amending the scope of work and statement of assumptions and limiting conditions. The GSEs have also authorized the use of specific replacement language, which can be found on their websites.

Lenders who work with GSEs have been made aware of these policy changes. So, use of the GSE-authorized replacement wording in these specific circumstances would not be misleading to the client or other intended users.

Regardless of any instruction provided by the GSEs or any other users of appraisal services, appraisers are reminded that it is up to the appraiser to determine that adequate information is available to produce credible results. If adequate information is not available about the property, and/or if extraordinary assumptions cannot be made in accordance with USPAP requirements, then the appraiser may not perform the appraisal.

The USPAP Q&A is posted on The Appraisal Foundation website (www.appraisalfoundation.org). The ASB compiles the USPAP Q&A into the USPAP Frequently Asked Questions (USPAP FAQ) for publication with each edition of USPAP. In addition to incorporating the most recent questions and responses issued by the ASB, the USPAP FAQ is reviewed and updated to ensure that it represents the most recent guidance from the ASB. The USPAP Frequently Asked Questions can be purchased (along with USPAP and USPAP Advisory Opinions) by visiting the [“Foundation Store” page](#) on The Appraisal Foundation website.

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