

ASA MTS CANDIDATE REPORT REVIEW CHECKLIST

(of basic report requirements and general report quality)

INSTRUCTIONS

This checklist offers convenient criteria to help Candidates evaluate the MTS appraisal report they submit to the Board of Examiners as part of the ASA advancement procedure. The examiner will use the checklist to review the Candidate's report work product. We believe that this checklist provides reasonable guidelines of the standard elements that should be in an acceptable appraisal report.

In order to successfully meet the report review criteria, one comprehensive appraisal report must be submitted. *Candidates whose employer's policy does not allow them to write a complete narrative appraisal report may submit reports that are based on actual appraisal assignments.* These "demonstration" report must be so identified and include an explanation as to which portions of the submitted report differ from what was received by the client and why. A demonstration report must meet all requirement of an actual report.

Not all components on the checklist are required or appropriate for every appraisal report. This checklist is applicable **only** to the ASA advancement process and is **not** intended to be used for any other purpose. For purposes of demonstrating their appraisal expertise, Candidates should select appraisals that address as many items on this checklist as possible. If an item is applicable to a report but not included (such as a Jurisdictional Exception), the Candidate should submit a detailed explanation under separate cover.

The commentary section at the end of the checklist is a place where the reviewer can provide targeted feedback on issues of importance.

This checklist was developed in accordance with *Standard 8* of the **Uniform Standards of Professional Appraisal Practice (USPAP)**. The items are referenced [see bracket] to the corresponding subsections of USPAP. Please note that certain items are identified as "pass/fail" items. For ASA accreditation purposes, any report that fails to pass one of these items will be immediately rejected regardless of the quality of the rest of the report.

CANDIDATE CHECKLIST

Report
Page

1.0 IDENTIFICATION

- | | | | |
|---|---|-------|--|
| P | F | _____ | 1.1 Pass/Fail – Identity of client and intended users by name or type [8.2i] |
| P | F | _____ | 1.2 Pass/Fail – Property to be appraised [8.2iii] |
| Y | N | _____ | 1.3 Significant – Rights or interest in the property to be appraised (e.g. free and clear, leasehold, fractional) [8.2iv] |
| Y | N | _____ | 1.4 Material – Basic company description of products and/or services |

2.0 STATEMENT OF OBJECTIVES

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|---|---|-------|--|
| P | F | _____ | 2.1 Pass/Fail - Describe the scope of work, i.e., the approach(es) used, research and analyses performed etc.[8.2vii] |
| P | F | _____ | 2.2 Pass/Fail – Effective valuation date [8.2vi] |
| P | F | _____ | 2.3 Pass/Fail – Date report prepared [8.2vi] |
| P | F | _____ | 2.4 Pass/Fail – Purpose clearly stated [8.2ii] |
| P | F | _____ | 2.5 Pass/Fail – Report identified as Self Contained, Summary or Restricted [8.2] |
| P | F | _____ | 2.6 Pass/Fail – Definition and source or authority for the value provided [8.2v] |
| Y | N | _____ | 2.7 Significant – Premise of value appropriate for the stated use of the appraisal [8.2] |

3.0 APPRAISAL METHODOLOGY

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|---|---|-------|--|
| Y | N | _____ | 3.1 Significant – Identification of any sources used as the basis for the appraisal (e.g., Depreciation schedules, lease exhibits, asset lists) |
| Y | N | _____ | 3.2 Material – Details of any site visits |
| Y | N | _____ | 3.3 Significant – Discussion about the condition of the assets |
| P | F | _____ | 3.4 Pass/Fail – Income approach described and explained if not used [8.2viii] |
| P | F | _____ | 3.5 Pass/Fail – Market approach described and explained if not used.[8.2viii] |
| P | F | _____ | 3.6 Pass/Fail – Cost approach described and explained if not used[8.2viii] |
| P | F | _____ | 3.7 Critical – Explanation for not using an approach [8.2viii] |
| Y | N | _____ | 3.8 Significant – Are the approaches used appropriate for the type of property and for the stated purpose of the report? |

4.0 APPRAISER'S QUALIFICATIONS

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|---|---|-------|--|
| Y | N | _____ | 4.1 Critical – Demonstrated experience and professional involvement |
| Y | N | _____ | 4.2 Significant – Professional Qualifications or Curriculum Vitae |

5.0 APPRAISER'S CERTIFICATION [8.3]

- P F _____ 5.1 **Pass/Fail** – Signed statement of disinterest [8.2xi]
- P F _____ 5.2 **Pass/Fail** – Performed in conformance with USPAP
- P F _____ 5.3 **Pass/Fail** – Includes statement that compensation was not contingent on value reported or on any predetermined value
- P F _____ 5.4 **Pass/Fail** – Includes statement that no person other than those identified had any significant professional input [8.2vii]
- P F _____ 5.5 **Pass/Fail** – Includes statement that, to the best of the appraiser's knowledge, all statements are true and correct

6.0 STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

- P F _____ 6.1 **Pass/Fail** – Statement included that the opinion of value is only for the stated valuation date and only for the stated purpose [8.2vi, 8.2viii]
- Y N _____ 6.2 **Material** – Statement included listing reliance on data supplied by others without independent verification
- Y N _____ 6.3 **Significant** – Are the listed assumptions and limiting conditions appropriate for the engagement?
- Y N _____ 6.4 **Significant** – Where applicable, state all extraordinary assumptions and hypothetical conditions and how their use might affect the results of the assignment [8.2x]

7.0 OVERALL

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|---|---|-------|--|
| Y | N | _____ | 7.1 Critical – Is the report understandable to the reader? |
| Y | N | _____ | 7.2 Significant – Is there replicability? Could another competent appraiser follow the thought process leading to the conclusion (not necessarily agree, but be able to understand how it was formed) |
| Y | N | _____ | 7.3 Significant – Is the appraisal methodology appropriate for the purpose of the appraisal? |
| Y | N | _____ | 7.4 Material – Is the report internally consistent(e.g., nothing in one place that seems to contradict something somewhere else)? |
| Y | N | _____ | 7.5 Significant – No obvious omissions were found in the report |
| Y | N | _____ | 7.6 Critical – Does the report logically provide convincing support for the conclusion(s) reached? |
| Y | N | _____ | 7.7 Critical – Is the format acceptable professionally (spelling, grammar, layout)? |
| P | F | _____ | 7.8 Pass/Fail – Signature on the report and the certification
Note: If the report was signed by two or more individuals, a signed statement from the other individual(s) must accompany the submission and identify the work product as that of the Candidate. |