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Appraisal Issues

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Appraisal Issues Quiz

1. **The Appraisal Foundation:**
 - A. Is a non-profit group established to help Associate real estate appraisers get their degree at the University of Northern Iowa.
 - B. Is a National Association of Realtors® affiliate group.
 - C. Is an appraisal foundation incorporated as an Illinois not-for-profit corporation.
 - D. Is an umbrella group which incorporates certified gemologists who value gemstones for insurance purposes.

2. **A “Certified Real Estate Appraiser”:**
 - A. Is the same thing as a licensed appraiser
 - B. Holds a current valid certificate for appraisals for appropriate types of real estate.
 - C. May provide a brokers price opinion even if they do not have a real estate license.
 - D. Is not necessary unless *any* property is worth more than \$250,000.

3. **The difference between a valuation and an analysis:**
 - A. An “analysis” is considered an estimate of the value of real estate or real property.
 - B. A “valuation is a study of real estate or real property other than estimating value.
 - C. A “valuation” is considered an estimate of the value of real estate or real property.
 - D. An “analysis” is a study of real estate or real property other than estimating value.
 - E. Neither one can be considered an “appraisal”
 - F. C and D Above.

4. **“Specialized Services” as it relates to an appraisal...**
 - A. May be charged separate fees for the individual services rendered.
 - B. Could be a hypothetical or other special valuation, or an analysis or an appraisal which does not fall within the definition of an appraisal assignment.
 - C. If perceived by third parties or the public as acting disinterested third party in rendering an unbiased analysis or opinion or conclusion, the work is an appraisal assignment rather than an assignment for specialized services.
 - D. If communicated as part of a valuation under oath, it is deemed to be an appraisal assignment.
 - E. All of the Above.

5. **“Certified Appraiser”**
- A. May not conduct business in Iowa unless they are also a licensed appraiser
 - B. Applies to the appraisal of one to four residential units without regard to transaction value or complexity for a real property appraiser.
 - C. Applies to the appraisal of all types of real property for a general real property appraiser
 - D. Shall only be used to refer to individuals who hold a certificate
 - E. All of the Above, Except B.
6. **“Associate Real Estate Appraiser”**
- A. Is an individual who does not yet fully meet the requirements for certification but who is providing significant input into the appraisal development under the direction of a certified appraiser.
 - B. Is an individual who may conduct a valuation, as long as all work is reviewed by an appraiser, before the work may be considered “final”
 - C. Is an individual who subscribes to USPAP and a strict Code of Ethics, yet does not belong to the National Association of Appraisers, Inc.
 - D. Is already a certified appraiser who is only a partner in a firm and is not recorded as a designated appraiser for the brokerage.
7. **May a certificate be issued to a firm, corporation, partnership, group, or other business entity?**
- A. Yes, as long as the firm is registered with the Iowa Real Estate Appraiser Board
 - B. Yes, if all partners and owners are certified appraisers
 - C. Yes, if all partners who actively appraise are certified
 - D. Yes, as long as the company is registered with the Secretary of State
 - E. No.
8. **In order to qualify to sit the examination for a Certified General Real Property Appraiser, an applicant must satisfy the following educational requirements:**
- A. 75 classroom hours of courses in subjects
 - B. Subjects relating to and including 15 hours of tested USPAP
 - C. Emphasis on one—to four-unit residential properties
 - D. 200 classroom hours of courses that are Appraiser Qualification Board approved
 - E. 180 classroom hours of courses that are Appraiser Qualification Board approved

9. The application for the Certified Residential Real Property appraiser certificate shall:

- A. Accumulate a total of 3000 hours of appraisal experience
- B. Have at least 50% be in nonresidential appraisal work
- C. Must wait at least two calendar years to apply
- D. Accumulate a total of 2000 hours of appraisal experience
- E. Accumulate a total of 2500 hours of appraisal experience

10. In Iowa, an association of appraisers have formed an association called:

- A. Appraisers "R" us
- B. Association of Valuers and Assessors
- C. Appraisers of Iowa
- D. Iowa Chapter of the Appraisal Institute
- E. None of the Above

Appraisal Sizzle –Answer Key

Q = #1

The Appraisal Foundation:

- A. Is a non-profit group established to help Associate real estate appraisers get their degree at the University of Northern Iowa.
- B. Is a National Association of Realtors® affiliate group.
- C. Is an appraisal foundation incorporated as an Illinois not-for-profit Corporation.
- D. Is an umbrella group which incorporates certified gemologists who value gemstones for insurance purposes.

Answer = C. The Appraisal Foundation is defined in Chapter 543D as the Illinois not-for-profit corporation.

Q = #2

A “Certified Real Estate Appraiser”

- A. Is the same thing as a licensed appraiser
- B. Holds a current valid certificate for appraisals for appropriate types of real estate.
- C. May provide a brokers price opinion even if they do not have a real estate license.
- D. Is not necessary unless *any* property is worth more than \$250,000.

Answer = B. Again, defined as such under Chapter 543D of the Iowa Code. Required to use a “certified real estate appraiser” when a property is utilizing a federally related loan to purchase a property worth (priced) more than \$250,000. An individual may be “licensed”, but not “certified” as an appraiser.

Q = #3

The difference between a valuation and an analysis:

- A. An “analysis” is considered an estimate of the value of real estate or real property.
- B. A “valuation” is a study of real estate or real property other than estimating value.
- C. A “valuation” is considered an estimate of the value of real estate or real property.
- D. An “analysis” is a study of real estate or real property other than estimating value.
- E. Neither one can be considered an “appraisal”
- F. C and D above

Answer = F. See 543D.2(1). Both are considered “appraisals”, and are classified by subject matter into either an analysis or a valuation.

Q = #4

“Specialized services” as it relates to an appraisal ...

- A. May be charged separate fees for the individual services rendered.
- B. Could be a hypothetical or other special valuation, or an analysis or an appraisal which does not fall within the definition of an appraisal assignment.
- C. If perceived by third parties or the public as acting as disinterested third party in rendering an unbiased analysis or opinion or conclusion, the work is an appraisal assignment rather than an assignment for specialized services.
- D. If communicated as part of a valuation under oath, is deemed to be an appraisal assignment.
- E. All of the above

Answer = B. See 543D.2(10)

Q = #5

“Certified Appraiser”

- A. May not conduct business in Iowa unless also a licensed appraiser
- B. Applies to the appraisal of one to four residential units without regard to transaction value or complexity for a real property appraiser.
- C. Applies to the appraisal of all types of real property for a general real property appraiser
- D. Shall only be used to refer to individuals who hold a certificate.
- E. All the above except B.

Answer = D See 543D.15 (3)

Q = #6

“Associate Real Estate Appraiser”

- a. Is an individual who do not yet fully meet the requirements for certification but who is providing significant input into the appraisal development under the direction of a certified appraiser.
- b. Is an individual who may conduct an valuation, as long as all work is reviewed by an appraiser, before the work may be considered “final”
- c. Is an individual who subscribes to USPAP and a strict Code of Ethics, yet does not belong the National Association of Appraisers, Inc.
- d. Is an already certified appraiser who is only a partner in a firm and is not recorded as a designated appraiser for the brokerage.

Answer = A - see 543D.(2)(5)

Q =# 7

May a certificate be issued to a firm, corporation, partnership, group, or other business entity.

- a. Yes, as long as the firm is registered with the Iowa real estate appraiser board.
- b. Yes, if all partners and owners are certified appraisers.
- c. Yes, if all partners who actively appraise are certified.
- d. Yes, as long as the company is registered with the Secretary of State.
- e. No.

Answer =e. No - see 543D.15

Q =# 8

In order to qualify to sit for the examination for a Certified General Real Property Appraiser, an applicant must satisfy the following educational requirements:

- a. 75 classroom hours of courses in subjects
- b. Subjects related to and including 15 hours of tested USPAP
- c. Emphasis on one – to four-unit residential properties
- d. 200 classroom hours of courses that are Appraiser Qualification Board approved
- e. 180 classroom hours of courses that are Appraiser Qualification Board approved

Answer =d. Note: For Certified Residential Real Property Appraisers need 120 hours.

Q =# 9

The applicant for the Certified Residential Real Property appraiser certificate shall:

- a. Accumulate a total of 3000 hours of appraisal experience.
- b. Have at least 50 % be in nonresidential appraisal work
- c. Must wait at least two calendar years to apply.
- d. Accumulate a total of 2000 hours of appraisal experience.
- e. Accumulate a total of 2500 hours of appraisal experience.

Answer = e. 2500 hours are required and a minimum of two calendar years are required in order to obtain the experience. A Certified General Real Property Appraiser needs a total of 3000 hours of appraisal experience with at least 50% (1500) hours in the nonresidential area. A minimum of 30 months is required in order to obtain the experience.

Q = #10

In Iowa, an association of appraiser have formed an association called:

- a. Appraiser's "R" us.
- b. Association of Valuators and Assessors
- c. Appraiser's of Iowa
- d. Iowa Appraisal Advisory Council
- e. None of the Above

Answer = d. For more information call 641-755-3442