

What's New

As with previous editions, this 8th biennial edition of *Appraising Personal Property: Principles and Methodology* is packed with expanded discussions and countless edits which help to improve clarity of complex issues. Changes also include loads of 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 2018-2019 edition of USPAP which is in effect from January 1, 2018 through December 31, 2019.

Nearly fifteen hundred changes have been incorporated into to this 8th edition. All major changes made since the preceding 7th edition of this book are highlighted and easy to locate. Just look for this "Updated!" icon:



New and Expanded Discussions

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

- Accrued depreciation
- Actual cash value
- Age-life depreciation
- Appraisal practice
- Appraisal process
- Appraisal reviews
- Appraiser's tasks
- Appraisals
- Approaches to value
- Assignment conditions
- Assignment results
- Assisting appraisers
- Best practices
- Broad evidence rule
- Client-requested revisions
- Co-clients
- Confidential information
- Cost
- Definitions
- Describing property
- Estate taxes appraisals
- Ethics Rule
- Evaluations
- Extraordinary assumptions
- Fair market value
- Gift taxes appraisals
- Highest and best use
- Intended use
- Intended user
- Loss-of-value
- Market perspective on value
- Market value & types
- Mass appraisals
- Oral reports
- Pagination
- Personal Property Appraiser Qualification Criteria
- Property characteristics
- Record keeping
- Replacement value
- Report content
- Report options
- Report structure
- Reports
- Sample wording
- Sampling technique
- Scope of work
- The market
- Updating a report
- User perspective on value
- USPAP certification
- USPAP compliance
- USPAP Standards 1-10
- Valuation principles
- Valuation services
- Value types & definitions
- Workfiles

Footnotes

One of the most significant improvements to this 8th edition is a global change—the addition of over 530 helpful footnotes. These footnotes provide supplementary information about the topic at hand and will often direct the reader to other parts of this book that contain complimentary discussions.

USPAP Changes



In addition to the above, updates resulting specifically from changes incorporated by the ASB into the 2018-2019 edition of USPAP can be found sprinkled throughout this book in the relevant locations, particularly in Chapter 7. The changes that were made to the 2018-2019 edition of USPAP include the following:

- **Revising the definition of *Report* and edits to the ETHICS RULE and the RECORD KEEPING RULE**

The Board made revisions to the definition of *Report* to clarify that the client may authorize other parties to receive a report. Also, edits applicable to the communication of assignment results were made to the ETHICS RULE and the RECORD KEEPING RULE.

- **Creating a definition of *Assignment Conditions*, revising the definitions of *Assignment*, *Intended Use* and *Intended User*, and related edits to the COMPETENCY RULE**

The Board created a definition of *Assignment Conditions*, a term that had only been previously referenced in the SCOPE OF WORK RULE. The Board also made revisions intended to clarify the definitions of *Assignment*, *Intended Use*, and *Intended User*, as well as making related edits to the COMPETENCY RULE to clarify an appraiser's obligations prior to agreeing to perform an assignment.

- **Removing the definition of *Assumption* and revising the definition of *Extraordinary Assumption***

The Board deleted the definition of *Assumption*, as its use is not intended to differ from the generally accepted meaning of the word. The Board also revised the definition of *Extraordinary Assumption*, with administrative edits, in an effort to clarify that term and its applicability.

- **Revising the definition of *Appraisal Review*, and dividing STANDARD 3, *Appraisal Review*, into STANDARD 3, *Appraisal Review, Development* and STANDARD 4, *Appraisal Review, Reporting*.**

The Board made changes to edit the definition of *Appraisal Review* to include its use as an adjective. The Board also divided STANDARD 3, *Appraisal Review*, into STANDARD 3, *Appraisal Review, Development* and STANDARD 4, *Appraisal Review,*

Reporting. The edits are intended to improve consistency with the other development and reporting standards.

- **Dividing STANDARD 6, *Mass Appraisal*, into STANDARD 5, *Mass Appraisal, Development* and STANDARD 6, *Mass Appraisal, Reporting***

The Board divided STANDARD 6, *Mass Appraisal*, into STANDARD 5, *Mass Appraisal, Development* and STANDARD 6, *Mass Appraisal, Reporting*. This change is intended to create greater consistency among the other development and reporting standards. For example, the term “describe” used in the reporting requirement of a mass appraisal was changed to “summarize” to be more consistent with the requirements of an Appraisal Report.

- **Removing the term *Market Value* from STANDARDS 7 and 8**

The Board made changes to the personal property Standards Rules 7-2(c), 7-5, 8-2(a)(v), 8-2(a)(viii) and 8-2(b)(viii) which remove the term market value from the personal property development and reporting standards, in order to clarify that certain requirements are not limited to market value assignments but are required whenever necessary for credible assignment results.

- **Revision to the personal property certification requirements in Standards Rule 8-3**

The Board made revisions to the personal property certification in Standards Rule 8-3 to allow personal property appraisers, in assignments involving different types of specialties, to sign the certification without making them accountable for the assignment results of items which they did not appraise.

- **Revision to illustration in Advisory Opinion 21, *USPAP Compliance***

The Board adopted the addition of a new graphic in Advisory Opinion 21, *USPAP Compliance* which replaces the Valuation Services chart. The new chart better illustrates the relationship between Valuation Services and Appraisal Practice.

- **Creation of Advisory Opinion 37, *Computer Assisted Valuation Tools***

The Board created Advisory Opinion 37, *Computer Assisted Valuation Tools* which addresses an appraiser’s obligations when relying upon adjustments, trend analyses, or other information generated by software or various online services.

- **Revisions to Advisory Opinion 31, *Assignments Involving More than One Appraiser***

The Board made revisions to Advisory Opinion 31, *Assignments Involving More than One Appraiser* to help clarify guidance related to significant appraisal assistance.

- **Revisions to Advisory Opinion 1, *Sales History***

The Board made revisions to Advisory Opinion 1, *Sales History* to help clarify guidance related to an appraiser’s proper analysis and reporting related to a subject property’s prior

and pending sales and current listings.

- **Revisions to Advisory Opinion 32, *Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments***

The Board made revisions to Advisory Opinion 32, *Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments* to reflect the changes made to STANDARDS 5 and 6.

Expanded Table of Contents and Index

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

All these updates make this 8th 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.