

## USPAP REPORT OVERVIEW

On May 30, 2006, the Governor signed HB1206, which established guidelines for revaluations by July 1, 2006 based on the 2005 edition of USPAP Standard 6. One of the key elements of this legislation is the requirement that, on or after the April 1, 2007 assessment year, the assessing profession in New Hampshire must adhere to the assessing guidelines codified in “Standard 6” of the 2005 “Uniform Standards of Professional Appraisal Practice” (USPAP).

The NH Assessing Standards Board (ASB) has tasked the DRA with incorporating this requirement into its ongoing assessment monitoring and review practices. Therefore, recognizing the difficulty associated with transitioning to a USPAP-compliant report, DRA has prepared a report template that provides: 1) the overall structure for a USPAP-compliant report; 2) a narrative “boilerplate” to assist the report’s author in supporting the analysis; 3) and “placeholders” throughout the report to remind the report’s author when/where a detailed explanation is required.

“USPAP” is published by the “Appraisal Foundation”, a not-for-profit and nationally recognized educational organization dedicated to the advancement of professional valuation. Founded in 1987, the Appraisal Foundation has worked to foster professionalism in the appraising profession by: 1) establishing, improving, and promoting USPAP; and 2) disseminating information on USPAP to the appraisal profession, state and federal government agencies, users of appraisal services, related industries and industry groups, and the general public.

Specifically, USPAP identifies and publishes the generally accepted standards for professional appraisal and assessment practices in North America. For example, USPAP requires that the appraiser/assessor must correctly employ recognized methods that are necessary to produce a credible appraisal, and that the appraiser/assessor prepare a report that effectively communicates the critical issues, assumptions, and techniques adopted in the analysis. Therefore, a USPAP “compliant” report is one that effectively documents the entire assessment process - from the negotiated contractual assumptions identified in the scope of work (or documented in the in-house assessor’s work file); through the derivation of base values, factors and adjustments; the development of values; to the final development and writing of the report.