

Appraisal Subcommittee
Federal Financial Institutions Examination Council

May 14, 1996

Mr. W. David Snook, Chair
The Appraisal Standards Board
The Appraisal Foundation
1029 Vermont Ave. NW, Suite 900
Washington, DC 90005

Dear Mr. Snook:

This letter is in response to your April 8, 1996, Request For Written Comments on **A Proposed Advisory Opinion on *Appraisal of Real Property with Proposed Improvements***. The following are comments from the Appraisal Subcommittee.

Page 1, line 94: We suggest inserting "providing an opinion of" between than and market value for clarification.

Pace 4, line 83 and 84: We suggest that the phrase "the nature of the hypothetical condition" in this sentence is unnecessary. The condition is to be disclosed that would seem to describe its "nature."

Page 4, lines 85 through 89: The purpose of these two parallel sentences is not apparent to us. We suggest that they be eliminated and we believe that the remaining sentence will provide sufficient guidance required on the subject of Supplemental Standards.

Page 6, line 139: Analyses assume or analysis assumes.

Page 6, lines 141 through 145: Having already alerted the appraiser to the need to comply with the requirements of the Ethics and Competency Provisions, we believe that this reminder is redundant and interferes with the examples.

Finally, having only **Yes** examples suggests that the appraiser can do "anything" and be in compliance with USPAP. Unless this is the correct message, we would suggest the inclusion of an example in which the answer is **No**.

Thank you for the opportunity to comment on this Exposure Draft. If there are any questions regarding our comments, feel free to contact the staff.

Sincerely,

Diana L. Garmus
Chairperson