



Request for Change (RFC)

Introduction and Instructions

OSCRE invites anyone wishing to suggest an official change to an OS CRE publicly-available standard or document to use this form to submit single or multiple Requests for Change. All submissions are subject to OS CRE's Intellectual Property Policy. Please also review the full Request For Change Procedure.

Complete all areas of the form to the fullest extent possible. If you have questions or need help finding or interpreting information that is available from OS CRE.org please contact ChangeRequests@OSCRE.org.

Mandatory Information

Submitter must provide the following information in order for the Change Request to be considered

* Name:	<i>Glen Almcrantz, Senior Associate</i>
*Organization you are representing in making this request.	<i>Tropical Realty Appraisal Services</i>
*Your E-mail Address:	galmcrantz@tropicalappraisal.com
*Contact Phone Number:	<i>813-335-1707 (mobile) 813-915-1569 (office)</i>
*Change Description: Describe the Change/s are needed here. Where possible, be specific to xsd documents,(include the namespace) and elements within those documents.	discussed my questions/ suggestions for improvement in three general areas: <ul style="list-style-type: none">• Property Location Coordinates• Clients• Final Values The details of these changes are provided in the appended document.



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<p>*Why is Change Needed?</p>	<p><u>Property Location:</u> Methods of defining location provided in the APP spec are dated. Newer methods for geocoding locations are available and in use.</p> <p><u>Clients:</u> In my experience, a client must have a business entity name or a person name, but not both as currently required by the standard.</p> <p><u>Final Values:</u></p> <ul style="list-style-type: none">• The standard offers a value type code and a value, with separate groups for Land, Approach, Deferred Maintenance and Non-Realty item values.• The structure seems in conflict. [It is not clear] Is deferred maintenance just a memo footnote item, or a separate value conclusion?• I could not find a reference to the “value type” code in the associated code value worksheet, so I am uncertain what element of a value conclusion was intended.• In our experience, every value conclusion contains up to nine components (see appended doc for listing). <p>Suggested follow-on work item:</p> <ul style="list-style-type: none">• ..portability of confirmed comparable data, as we currently spent a disproportionate amount of our professional time gathering data from various public and private sources, then re-keying virtually all of it into a proprietary database design, and virtually every other appraisal firm is doing the same thing. A real-world solution may still be years away, but this is a madness that makes it very difficult to drive cost out of writing commercial appraisals
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Supplementary Information

<p>Additional Requesters: Names and Company Affiliations of others who join in this RFC.</p>	
<p>RFC Source/s: Such as: Workgroups or Members with responsibility for the Standard, Non-member organization or activity group.</p>	None specified.
<p>Dependencies: Are other Workgroups, or other adoption or implementation activities dependent on the requested changes?.</p>	Not aware of any.
<p>OSCRE Documents Affected: List specific OSCRE Standards affected by this RFC.</p>	APP v1.0.
<p>Program or Activities Affected:</p>	
<p>Other Documents: Name any additional documents which relate to this/these RFC including references and/or URLs where the documents can be sourced. For multiple documents zip together and email, along with this RFC document to 'changerequest@oscre.org'</p>	Additional pages are appended to this document.
<p>Other Notes or Comments:</p>	



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OSCRE Staff and Working Group Use

*Record of Status:	Status:	*Date	Notes
	<i>Received</i>	3/30/2011	Notes received by e-mail
	<i>Staff Review</i>	4/1/2011	Comments are relevant and have merit. Additional work is required to target specific elements in published standard requiring revision.
	<i>Accepted</i>	4/1/2011	APP-WG is inactive. RFC will be posted and suggestions added to consortium planning.
	<i>Accepted with Changes</i>		
	<i>Deferred</i>		
	<i>Rejected</i>		
	<i>Forwarded to Workgroup</i>		
	<i>Complete</i>		
	<i>Closed</i>		
Additional Notes:	Date	Note	
Critical Events: Describe critical events, dates, and dependencies.			
Consequences: If RFCs are not incorporated. *Required if Criticality is High			
*Assigned/Referred To: Provide name of OSCRE staff, member staff, name of one or more Workgroup, name of other OSCRE group, or name of other non-OSCRE group.	Director of Standards.		



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Attachment 1:

E-mail from Glen Almcrant, 3/30/2011 (excerpted):

We briefly discussed the documentation components supporting the Appraisal Report 1.0 Standard (APP-1.0) and then discussed my questions/ suggestions for improvement in three general areas:

- Property Location Coordinates
- Clients
- Final Values

As we agreed on the phone call, I am providing written commentary with my feedback and suggestions for improvement as follows:

Property Location Coordinates

The property location elements appear to support a possibly dated view of geocoding that seems overly cumbersome. The following should be considered:

- We currently utilize geocoding to capture map pushpin points representing both subjects and comparables. This is important for automated generation of regional, market area and comparable location maps, especially since many properties lack street addresses and real street addresses tend to point to a spot adjacent to a thoroughfare, missing the true property location that may be offset such as an inline retail center behind outparcels. Mapping services also use interpolation between known address points, while geocodes are more positionally definitive.
- I believe expression of geocodes with separate elements for degrees, minutes and directional (east-west or north-south) attributes should be replaced by either (1) two signed numeric fields for latitude and longitude utilizing decimal degrees, or (2) a single string geocode field containing two signed numbers separated by a comma. Perhaps further analysis should be undertaken to also validate the appraisal standard for compliance with current kml standards. Option 1 may be easier to validate using traditional business logic (null, not null, is numeric, etc.). However, option 2 requires a more complex data entry validation (does it contain a comma, does the left side exist and is it numerically valid, same for right side) while offering some advantage in being a complete geocode representation (what's a latitude without a longitude?) and structurally compatible with the geocode data type in Microsoft SQL Server and possibly other database systems.
- While this might be either beyond the scope of the standard or beyond my GIS knowledge, it seems the standard, or some business process adjunct to the standard should specify a common coordinate reference system, rather than just providing a placeholder. Google and Bing maps both use "WGS84", so perhaps this is the answer, but possibly this represents a localized (U.S.) perspective. The alternative is that there needs to be a discourse of the various available coordinate reference systems explaining which one or ones could or should be utilized under which circumstances. Possibly the answer lies within the current kml standard published at <http://www.opengeospatial.org/standards/kml>
- There seems to be a provision in the standard for geocoding single reference (pushpin) points or polygons, but not both at the same time. I believe that if a polygon (consisting of a series of

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geocoded points) is supported, it should NOT be at the expense of also providing a pushpin point, as each method solves different problems. Thus separate coordinate fields should be available to convey both pushpin and polygon coordinates.

- Single point pushpin = Where is the property generally located, possibly in relation to other properties (e.g. comparables location map)
- Polygon = What does the property parcel outline look like?
- I believe pushpin points are more valuable than a property address and should be considered mandatory elements. In my opinion, pushpins should point to the physical center of a property (and just not a point on an adjacent thoroughfare), but determining the physically central point of a property is subjective. Perhaps there are alternative views on pushpins but this approach is currently working well within my organization.
- Polygons, which don't equate to legal parcel descriptions should remain optional.
- If a subject consists of multiple subcomponents, with each identified and associated with respective value estimates within the scope of one appraisal report, then there is likely a need for more than one pushpin and more than one polygon, each referring to an individual subject subcomponent. This might depend on the answer to a larger question regarding whether the appraisal standard was designed to support the appraisal of more than one subject property subcomponent, or whether each subcomponent for which a value opinion is being rendered constitutes a separate appraisal. In the latter case, the standard needs to support an "Appraisal Assignment", consisting of one or more bundled individual "Appraisals", each complete with respective subject subcomponent identification, site data, improvement data, valuation analysis, etc. Some data, such as Client contacts, market analysis, etc. could be associated with the Appraisal Assignment while other data (subcomponent site, improvements, valuation analysis) remains in each included Appraisal. Support for multiple property appraisal assignments needs to be figured out.

Clients

- In my experience, a client must have a business entity name or a person name, but not both as currently required by the standard. If a business entity name is employed, then a related person name should be incorporated as a Contact (e.g. Client Account Manager). If separate fields are to be provided for capturing company and person name, one and only one should be populated. In addition, if a person name is used, consideration should be given to more fully exploding the person name into its various subcomponents including salutation, first name, middle name, last name, name suffix and title.
- It's unclear from the standard how some of the address subcomponents (e.g. plot, complex name, building name, etc.) could be automatically assembled (or possibly ignored) by a process that would eventually recreate a viable postal mailing address from the data. Possibly the standard is overly granular, or possibly some business rules are needed in addition to the data standard to define how to decompose and reassemble a valid postal address. I'm unclear regarding the demarcation between where the standard ends and proprietary business rules take over.

Final Values

- The standard offers a value type code and a value, with separate groups for Land, Approach, Deferred Maintenance and Non-Realty item values. The structure seems in conflict (i.e. We use a sales comparison approach to establish a land value, but the sales analysis may get embedded within a Cost Approach in a traditional narrative report). Regardless of whether



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a land value estimate contributes to a conclusion via another approach or not, it is not fundamentally different. Perhaps a subcomponent property type indicator is also needed in addition to the nine components of a value conclusion I have noted below.

- Is deferred maintenance just a memo footnote item, or a separate value conclusion? If the scope of appraisal includes establishment of a separate value estimate for deferred maintenance, then this is just another instance of the nine-point value conclusion as outlined below. Ditto for Non-Realty item values.
- I could not find a reference to the “value type” code in the associated code value worksheet, so I am uncertain what element of a value conclusion was intended.
- In our experience, every value conclusion contains up to nine components:
 - Sequence Number (for presentation ordering purposes)
 - Value Condition (i.e. “as is”)
 - Value Type (i.e. “market value”)
 - Property Interest (may be optional depending on value type, i.e. “fee simple”)
 - An optional Prospective Reference Point (i.e. “upon economic stabilization”)
 - An Effective Date of Value
 - A brief Description identifying of the subject (essential in appraisals that value multiple elements of a subject)
 - Individual valuation approach values (a repeating group consisting of the specific approach type and corresponding value estimate)
 - Final reconciled value estimate

I hope you find this feedback productive. Please share your thoughts on next steps. My feeling is that unless there are one or more large volume buyers of commercial appraisals itching to leverage a complete, robust standard and ready to demand their appraisal supplier(s) do the same, the motivation required to improve the current standard may be lacking. Perhaps you have some additional insight regarding market participants who are motivated and actively engaged to make this happen?

My greater interest lies in the portability of confirmed comparable data, as we currently spent a disproportionate amount of our professional time gathering data from various public and private sources, then re-keying virtually all of it into a proprietary database design, and virtually every other appraisal firm is doing the same thing. A real-world solution may still be years away, but this is a madness that makes it very difficult to drive cost out of writing commercial appraisals.

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