THE WORKFILE LETTER

What the rule says, what the boards found, and what goes in your file.

THE ONE IDEA

When the state asks for your workfile, the file you already have is what decides it.

THE RULE

The workfile must include "...all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation."

USPAP 2024 Edition, Record Keeping Rule (also quoted in Advisory Opinion 41, April 23, 2026, lines 338 to 342)

HOW LONG

Retain the workfile "for a period of at least five years after preparation or at least two years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires last."

USPAP 2024 Edition, Record Keeping Rule. The rule also says: "A workfile must be in existence prior to the issuance of any report or other communication of assignment results."

WHO CAN ASK

"A workfile must be made available by the appraiser when required by a state appraiser regulatory agency or due process of law."

USPAP 2024 Edition, Record Keeping Rule, Comment

IF YOU USE A TOOL

If a tool's output was relied upon, "examples of items you may need to retain in your workfile might include" "The specific output generated by the tool ... and the related data and information used when prompting the tool," "The prompts or instructions provided to the tool," and "Sufficient information to explain how the tool's output was relied upon." Formatting and grammar tools that don't contribute to your opinions don't need to be documented.

Advisory Opinion 41, Questions 6 and 7

SCORE YOUR CALLS

Call 1: A. Colorado lists building the file after a complaint among common workfile mistakes, and California treats adding to it after a complaint as aggravating. If you supplement, disclose that it wasn't originally in the file.

Call 2: C. If you relied on a tool's output, keep the output and the data behind it, your prompts, and enough to explain how you relied on it (AO-41, Answer 6).

YOUR WORKFILE CHECKLIST, EVERY ASSIGNMENT

- [ ] The engagement letter and the client's instructions.
- [ ] The MLS sheet and photos for every comp and listing you relied on, saved the day you relied on them.
- [ ] The support for every adjustment, or a reference in the file to exactly where it is kept.
- [ ] Every report you sent, including each revision. Make sure your software doesn't save over the original.
- [ ] Your field notes and inspection photos.
- [ ] For any tool you relied on: its output, the data, your prompts, and how you used it.
- [ ] A backup somewhere else, kept at least five years (or two years after any testimony, whichever is later).

WHAT THE FIELD SAYS

What boards and insurers report, and what to do the day the letter comes.

WHAT THE BOARDS FOUND

COLORADO

"Roughly 48% of the complaints investigated by the Division of Real Estate ... are non-compliant with the Record Keeping Rule of USPAP."

Colorado Division of Real Estate, Real Estate Appraiser Practice Guidance, Understanding Appraiser Workfile Requirements

ALABAMA

All five appraiser consent settlement orders in the July 9, 2026 disciplinary report cite the Record Keeping Rule. In one: "The original report was not contained in the workfile. The appraiser indicated that apparently the software saved over the original appraisal with the new corrections."

Alabama Real Estate Appraisers Board, Disciplinary Report, July 9, 2026

NEVADA

A license revoked for 10 years for "failing to produce his work file and any documents after being requested to do so numerous times" (order, Feb. 12, 2026). In a Las Vegas case settled in 2025 without an admission, the complaint said "the workfile omitted corresponding interior photos contained in the MLS listing."

Nevada Commission of Appraisers, Case 2024-645 order; Case 2022-427 complaint

OHIO

An appeals court upheld a revocation on records violations. The appraiser testified: "During all this I had a basement flood and water damage to the file."

Abrahamson v. Ohio Dept. of Commerce, 2025-Ohio-4581 (7th Dist., Oct. 1, 2025)

THE INSURERS

LIA: in 2025, "disciplinary proceedings accounted for nearly 70% of all new matters reported by insured appraisers," and "Fewer than 10% of reported disciplinary proceedings result in formal discipline." OREP: a state request for your workfile "is an investigation, and it needs to be reported to your insurance carrier right away."

LIA Administrators & Insurance Services, Appraisal Institute blog (sponsored), Aug. 31, 2026; Isaac Peck, president of OREP, Working RE, Jan. 22, 2025

THE DAY THE LETTER COMES

- [ ] Call your E&O carrier. A request for your workfile is an investigation.
- [ ] Note the deadline. Ask for an extension in writing if you need one.
- [ ] Send the workfile you have. If you add anything, say plainly that it wasn't in the original file.
- [ ] Organize it before you send it: the report, then the support in the order the report uses it.
- [ ] Talk to an attorney if you're unsure. Education, not legal advice.

SOURCES

USPAP 2024 Edition, Record Keeping Rule and Comment; Advisory Opinion 41, Use of Technology in an Appraisal or Appraisal Review Assignment (ASB, April 23, 2026).

Colorado Division of Real Estate, Real Estate Appraiser Practice Guidance. Alabama Real Estate Appraisers Board, Disciplinary Report, July 9, 2026. Nevada Commission of Appraisers, Cases 2024-645 and 2022-427. Abrahamson v. Ohio Dept. of Commerce, 2025-Ohio-4581. Wisconsin Real Estate Appraisers Board, 21 APP 068 (Jan. 30, 2024). California BREA, Disciplinary Guidelines (2024). Texas TALCB, enforcement presentation (Sept. 12, 2017).

LIA Administrators, "A Complaint Is Not a Verdict," Appraisal Institute blog, Aug. 31, 2026. Isaac Peck, "Why Report a State Board Investigation or Complaint?," Working RE, Jan. 22, 2025. Joshua Walitt, "The Appraiser's Workfile, Part II," Appraisal Buzz.