

# E-Demo Application Requirements and Process Overview

The Online General Demonstration Report program (also known as “E-Demo”) is an alternative for the General Demonstration Appraisal Report requirement. The E-Demo will still require the general Associate Member to write a demonstration report but gives more structure and guidance along the way. The E-Demo varies from the traditional Demonstration Report in several ways:

- E-Demo includes an Advisor to give feedback throughout the process.
- E-Demo includes a schedule to complete each section of the report, up to and including the final reconciliation. All sections must be completed within 6 months of admission to the E-Demo program.
- E-Demo includes a personalized Community of Practice (CoP) on the Appraisal Institute Web site for the Associate Member and Advisor to communicate, share resources, and upload report sections for feedback.

To learn more about the E-Demo and the other options available to meet your General Demonstration Appraisal Report requirement, please see [The Official Guide to Demonstration Appraisal Report: General](#) and our free [Associate Guidance Webinar Series: Demo Report](#) for more information.

## **E-Demo Eligibility Requirements**

Before completing the [E-Demo Preliminary Submission Application](#), general Associate Members must meet the following eligibility requirements towards the MAI:

1. Passed the courses and exams required for the MAI designation
2. Met the college degree requirement
3. Current with Standards and Ethics Courses requirements
4. Attended the 7-Hour [General Demonstration Appraisal Report Writing Seminar](#)

\* You can confirm your compliance with eligibility requirements 1-3 by logging into your My AI account and checking your Associate Status Report. You can confirm eligibility requirement 4 by checking your AI Education Transcript, also available on My AI.

## **E-Demo Application Process**

[The E-Demo Preliminary Submission Application](#) is an online application general Associate Members can access on the [Designation Requirement Tools page](#) of our Web site. A member login to My AI is required to complete the application.

[The E-Demo Preliminary Submission Application](#) asks general Associate Members to summarize the initial research they have completed on their property and a proposed timeline to submit each of the sections of the report. You will need to indicate your level of progress for each of the requirements listed below:

1. The property that is the subject of the demonstration appraisal report must allow for the demonstration of the proper methods of handling physical incurable depreciation and must allow the proper analysis and development of a net income. All forms of depreciation present in the subject property must be identified and measured completely and properly in all three (3) approaches to value.
2. Preliminary description of the site, site improvements, and building improvements. This relates to the subject property productivity analysis, also known as Step 1 of the six step fundamental market analysis process (FMA).
3. The Associate Member should decide at this juncture between demonstrating a Level C or D FMA or some form of obsolescence as is now currently allowed per Regulation No. 1. Though the Associate Member is encouraged to perform FMA at a Level C or D, the Associate Member now has a choice. If the Associate Member chooses to demonstrate obsolescence, the Associate Member will still have to perform at least a level B market analysis.
4. If the Associate Member is demonstrating fundamental market analysis it should be at least to a minimum of Level C. This component of the appraisal relates to Steps 2 through 6 of the market analysis process. This information is intended to provide the basis for analysis of a supply and demand study as currently taught in Appraisal Institute courses and publications. The region and neighborhood analysis as historically done for many years will not be acceptable. It is highly recommended that attendees be very comfortable with fundamental market analysis techniques. We further recommend a review of the material outlined in the current edition of [Market Analysis for Real Estate](#) by Stephen F. Fanning, MAI, which can be obtained from the Appraisal Institute. A significant portion of the data and/or analysis should already be compiled for the FMA.
5. If one chooses the alternative of demonstrating obsolescence however, as opposed to performing Fundamental Market Analysis, please identify the type of obsolescence. In addition, identify the methodology for supporting the impact of the obsolescence.
6. Comparable data [inclusive]:
  - a. land sales and/or listings;
  - b. improved sales and/or listings; and,
  - c. income/expense comparables and/or listings.
7. Preliminary cost data for reproduction cost new. Ideally, this will include multiple sources along with support for all sources of depreciation. (Breakdown depreciation is required.)

Applicants will also be required to have a phone interview with an Advisor prior to enrollment in the E-Demo program to determine the subject property is appropriate and that sufficient data exists to complete the demo requirements. Please note that acceptance of your E-Demo Preliminary Submission Application by the Appraisal Institute is not an acceptance into the E-Demo program. Acceptance into the E-Demo program is subject to Advisor availability, review of your eligibility requirements, and an interview and approval by an Advisor.

**Acceptance to Program**

E-Demo applicants who are accepted to begin the E-Demo process must remit the E-Demo program fee in full prior to commencement of the program. The fee for general Associate Members accepted to the E-Demo program prior to December 31, 2009 is \$695. As with all other Appraisal Institute fees, the pricing is subject to change and this amount may be different for those approved to begin the E-Demo program after December 31, 2009.