MAY 2013

THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA

AND INTERPRETATIONS OF THE CRITERIA

Real Property Appraiser Qualification Criteria
Effective January 1, 2008

Appendix (2008 Criteria):
AQB Guide Notes
AQB Q&A

+

Plus:
Real Property Appraiser Qualification Criteria
Effective January 1, 2015

Appendix (2015 Criteria):
AQB Guide Notes
AQB Q&A

THE APPRAISAL FOUNDATION
Authorized by Congress as the Source of Appraisal Standards and Appraiser Qualifications
APPRAISER QUALIFICATIONS BOARD

The Appraisal Foundation, a non-profit organization established in 1989, is dedicated to the advancement of professional valuation. The Foundation accomplishes its mission through the work of its three independent boards: the Appraisal Practices Board (APB), the Appraiser Qualifications Board (AQB) and the Appraisal Standards Board (ASB).

VISION AND MISSION STATEMENT OF THE APPRAISAL FOUNDATION

VISION STATEMENT

To ensure public trust in the valuation profession.

Mission Statement

The Appraisal Foundation is dedicated to promoting professionalism and ensuring public trust in the valuation profession. This is accomplished through the promulgation of standards, appraiser qualifications, and guidance regarding valuation methods and techniques.

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WHAT IS THE AQB?

The Appraiser Qualifications Board (AQB) is an independent board of The Appraisal Foundation (TAF). The AQB is comprised of at least five practicing appraisers who are appointed by the Foundation's Board of Trustees for one- to three-year terms.

Under the provisions of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), the AQB establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state license or certification. In addition, the AQB performs a number of ancillary duties related to real property and personal property appraiser qualifications (see "Other AQB Work" on page 3).

REAL PROPERTY APPRAISER QUALIFICATION CRITERIA, INTERPRETATIONS OF THE *CRITERIA* AND GUIDE NOTES

States are required to implement appraiser licensing and certification requirements that are no less stringent than those issued by the AQB in the *Real Property Appraiser Qualification Criteria* (*Criteria)*.

The AQB has statutory authority to develop mandatory *Criteria* for Supervisory Appraisers (not an appraiser credential classification) and the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General appraiser classifications. If a state has these classifications, they are required to adopt these *Criteria* at a minimum.

The original *Criteria*, adopted by the AQB in March 1991, included the following classifications: Licensed Residential, Certified Residential and Certified General. Each of these classifications included education, experience, examination, and continuing education requirements. The Trainee Appraiser classification was later adopted by the AQB in 1993 and does not include experience or examination requirements.

After public exposure, the AQB adopted revisions to all classifications in early 1994 for implementation in January 1998. Major components of the revised *Criteria* included:

- An increase in the qualifying education requirements for the Licensed Residential and Certified General classifications;
- The requirement that all real property appraisers take the *15-Hour National Uniform Standards of Professional Appraisal Practice* (USPAP) *Course*;
- An increase in the experience requirements for the Certified Residential and Certified General Classifications from 2,000 to 2,500 hours, and from 2,000 to 3,000 hours, respectively; and
- An increase in the annual continuing education requirement from 10 to 14 classroom hours for all classifications.

To further clarify AQB intent to users of the *Criteria*, the AQB periodically issues Interpretations of the *Criteria*. Interpretations are essential to properly understanding the *Criteria* and are, therefore, binding on users of the Criteria. Interpretations are added to the text of this document subsequent to their adoption by the AQB.

In late 1999, the AQB approved the concept of offering Supplementary Information (or Supplements) to the *Criteria* as a mechanism to offer additional guidance. These Supplements (now termed "Guide Notes") can be found in the Appendix of this document. They explain, describe and further interpret the *Criteria* and all binding requirements. It is important to note that Guide Notes are not binding and are intended to provide guidance to appraisers and state appraiser regulatory agencies.

After thorough public exposure, the AQB adopted significant revisions to the *Criteria* in early 2004 for implementation in January 2008. Highlights of the major revisions include:

- An increase in the qualifying education requirements for the Licensed Residential, Certified Residential, and Certified General classifications. The required education hours were raised from 90 to 150 hours for the Licensed Residential classification, 120 to 200 hours for the Certified Residential classification, and 180 to 300 hours for the Certified General classification; and

- A requirement for college-level education for the Certified Residential and Certified General classifications. The Certified Residential classification required an Associate degree or higher; or in lieu of a degree, a minimum of 21 college semester hours in specified coursework. The Certified General classification required a Bachelor's degree or higher; or in lieu of a degree, a minimum of 30 college semester hours in specified coursework.

After five exposure drafts, in December 2011 the AQB adopted revisions to the *Criteria* for implementation in January 2015. Major revisions include:

- Education and experience must be completed prior to taking the National Uniform Licensing and Certification Examinations;
- Applicants for the Certified Residential and Certified General classifications must have a Bachelor's degree or higher from an accredited college or university;
- Applicants for the Licensed Residential classification shall successfully complete 30 semester hours of college-level education from an accredited college, junior college, community college, or university; or have an Associate's degree or higher from an accredited college, junior college, community college, or university;
- All candidates for an initial credential must undergo a background check;
- Recognition of university degree programs as counting toward the education requirements in the *Real Property Appraiser Qualification Criteria*;
- Removal of the "Segmented" Approach to implementation of the *Real Property Appraiser Qualification Criteria*;
- Prohibition of repetitive continuing education within the same continuing education cycle;
- Clarification of the term "written examination";
- Revisions to the Trainee Appraiser classification that include a requirement to take a course oriented to the requirements and responsibilities of Trainee Appraisers and Supervisory Appraisers;
- New Supervisory Appraiser requirements;
- Revisions to Guide Note 1; and
- Additions to the illustrative list of educational topics acceptable for continuing education.

The *Criteria* may include Interpretations following each section (Education, Experience, Examination and Continuing Education). These Interpretations are listed in subject matter order, which is designed to follow the applicable Criteria. As a result, the dates reflecting the adoption of some Interpretations will not follow a chronological sequence.

Supporting the Work of the AQB

The AQB strongly encourages input from appraisers, users of appraisal services and the public through the exposure draft process, public meetings, speaking engagements and correspondence. Detailed information on how to support the work of the AQB is available online via the Foundation's website at **www.appraisalfoundation.org**, or by contacting the Board's staff at the Foundation by calling (202) 347-7722, or via e-mail at **staff@appraisalfoundation.org.**

Exposure Draft Process

In recognition of the public authority of the AQB, all proposed revisions to the *Real Property Appraiser Qualification Criteria* must be exposed for public comment prior to adoption. The AQB considers all comments in public meetings prior to taking final action.

Public Meetings

The AQB conducts periodic public meetings. Observers are encouraged to attend and, if time permits, address the Board regarding an agenda item.

Speaking Engagements

Members of the AQB are available for speaking engagements and presentations on the current work of the Board. Invitations to speak may be submitted via the "Request a Speaker" section on The Appraisal Foundation's website (**www.appraisalfoundation.org**). These requests should be extended as early as possible in order to facilitate scheduling.

Correspondence

Specific questions regarding the *Real Property Appraiser Qualification Criteria* or any other AQB matters may be submitted in writing to the AQB in care of the Foundation. Electronic comments may be submitted directly from the website or via regular mail.

Other AQB Work

In addition to its work on the *Real Property Appraiser Qualification Criteria*, the AQB is involved in numerous other ongoing projects including:

- Maintenance and periodic updating of the National Uniform Examination Content Outlines (ECO's). These ECO's are used in the development of state licensure and certification examinations.
- Maintenance and periodic updates to the National Uniform Licensing and Certification Examinations.
- Development of and enhancements to the Program to Improve USPAP Education.
- Administration of the Course Approval Program (CAP).
- Development of ***voluntary*** minimum *Personal Property Appraiser Qualification Criteria*.

More information on The Appraisal Foundation and the activities of the AQB is available online at **www.appraisalfoundation.org** or by contacting the Board's staff at The Appraisal Foundation by phone at (202) 347-7722 or via e-mail at **staff@appraisalfoundation.org**.

REAL PROPERTY APPRAISER QUALIFICATION CRITERIA

EFFECTIVE JANUARY 1, 2008 – DECEMBER 31, 2014

GENERAL INTERPRETATIONS

For the purpose of the Real Property Appraiser Qualification Criteria, the following definitions apply:

Real Property Appraiser Qualification Criteria (Criteria):
Established by the Appraiser Qualifications Board (AQB) of The Appraisal Foundation, these Criteria set forth the minimum education, experience and examination requirements for real property appraisers.

Required Core Curriculum:
A set of appraisal subject matter major headings known as "modules" which requires a specified number of educational hours at each credential level.

Comment: For example, as part of the Required Core Curriculum, a minimum of 30 hours of coverage of the module "Basic Appraisal Principles" is required, as stated in the Criteria effective January 1, 2008.

There is no requirement that the title of courses match the title of the modules in the Required Core Curriculum. Some providers may choose to develop courses using the module titles, while others may not. The title of the course is not the important factor. What matters is how many hours of each of the modules in the Required Core Curriculum are in the course. For example, a provider may have a course that contains 30 hours of the Required Course Curriculum module, "Basic Appraisal Principles." Another provider may structure their education so that multiple courses combine to provide the 30 hours of coverage required for the "Basic Appraisal Principles" module.

Subtopics:
Areas of appraisal education (as identified in AQB Guide Note 1) that should be included within the modules of the Required Core Curriculum.

Comment: As Guide Note 1 is guidance and not a requirement, coverage of the subtopics is not required for educational offerings to be valid; however, individuals will be expected to demonstrate competency in the subtopics in order to pass the revised licensing/certification examinations.

Interpretations:
Elaborations or clarifications of the Real Property Appraiser Qualification Criteria issued by the AQB. Interpretations are essential to a proper understanding of the requirements set forth in the Criteria and are, therefore, binding upon users of the Criteria.

Guide Notes:
Guidance or advice provided by the AQB for assisting in understanding and implementing the Criteria. Comment: For example, AQB Guide Note 1 (GN-1) "AQB Guidance for Curriculum Content" provides state regulators, students and educators suggested subtopics and items of coverage for each module in the Required Core Curriculum. The subtopics identified in Guide Note 1 represent those areas of education in which appraisers should be able to demonstrate competency to pass the licensing/certification examinations. (adopted, September 2005)

The following are the only acceptable alternatives for implementing the 2008 Real Property Appraiser Qualification Criteria:

"Firm Date" Scenario
Any credential issued by a state appraiser regulatory body on or after January 1, 2008, must be in compliance with all components of the 2008 AQB Real Property Appraiser Qualification Criteria.

Under this scenario, it would not matter when an applicant completed his or her education, examination, and experience; if the credential is issued on or after January 1, 2008, the applicant must meet the requirements for all components of the 2008 Criteria.

"Segmented" Scenario
The requirements for a credential are broken down by the three components: education, experience, and examination. An applicant would have to meet the Criteria requirements in effect at the time he or she completes a particular component. Any component completed prior to January 1, 2008, would satisfy the current Criteria, while any component not completed by January 1, 2008, would have to conform to the 2008 Criteria. Note: Examination results are only valid for a maximum period of 24 months.

Example: An applicant for a Certified General credential completes the required 180 hours of qualifying education and passes the state's Certified General examination in 2007, but does not possess the required 30 months and 3,000 hours of experience. Since the applicant completed the education and examination components prior to January 1, 2008, he or she would be deemed to have satisfied those components. Therefore, the only component which the applicant would have to satisfy under the 2008 Criteria would be experience. (adopted, September 2005)

CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS

I. Appraisers in all classifications shall perform and practice in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP).

II. Existing Credential Holders

Existing credential holders in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board criteria if they have passed an AQB approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential in another jurisdiction. All credential holders must comply with ongoing requirements for Continuing Education, and state renewal procedures.

III. Generic Education Criteria

A. Class hour
   1. A class hour is defined as 60 minutes, of which at least 50 minutes are instruction attended by the student.
   2. The prescribed number of class hours includes time for examinations.

B. Credit for the class hour requirements may be obtained only from the following providers:
   1. Colleges or universities
   2. Community or junior colleges
   3. Real estate appraisal or real estate related organizations
   4. State or federal agencies or commissions
   5. Proprietary schools
   6. Providers approved by state certification/ licensing agencies
   7. The Appraisal Foundation or its Boards

C. Experience may not be substituted for education.

D. Distance Education is defined as any education process based on the geographical separation of student and instructor. A distance education course is acceptable to meet class hour requirements if:
   1. The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor; and

   2. Content approval is obtained from the AQB, a state licensing jurisdiction, or an accredited college, community college, or University that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state licensing jurisdiction; and

   3. Course delivery mechanism approval is obtained from one of the following sources:
      i. AQB approved organizations providing approval of course design and delivery; or
      ii. a college that qualifies for content approval in paragraph 2 above that awards academic credit for the distance education course; or
      iii. a qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

E. Criteria specific to Qualifying Education
   1. Class hours will be credited only for educational offerings with content that follows the *Required Core Curriculum* in the Appendix for each respective credential. Course content requirements may be general or specific to property types. The *Required Core Curriculum* is to be followed by major headings with the classroom hours for each. Guide Note (GN-1) contains guidance for curriculum contents with subtopics listed under each major module listed in the Appendix. Guide Note (GN-1) with subtopics will be used for developing examination content outlines for each applicable credential level and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge. Guide Note (GN-1) is not mandatory for meeting the *Required Core Curriculum* in the Appendix.

   2. Class hours may be obtained only where:
      i. the minimum length of the educational offering is at least 15 hours, and
      ii. the individual successfully completes an approved closed-book examination pertinent to that educational offering.

3. Where the qualifying education course includes multiple modules as listed in the *Required Core Curriculum*, there must be appropriate testing of each module included in a course.

4. Courses taken to satisfy the qualifying education requirements must not be repetitive. USPAP Courses taken in different years are not repetitive. Courses shall foster problem-solving skills in the education process by utilizing case studies as a major teaching method when applicable.

5. Applicants must take the *15-Hour National USPAP Course*, or its equivalent, and pass the associated *15-Hour National USPAP Course* Examination. At least one of the course instructors must be an AQB Certified USPAP Instructor who is also a state certified appraiser. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. USPAP education presented in a distance education format must be designed to foster appropriate student-to-student, student to instructor, and student to material interaction.

6. In addition to the generic requirements described in III. D, distance education courses intended for use as qualifying education must include a written examination proctored by an official approved by the college or university, or by the sponsoring organization. The testing must be in compliance with the examination requirements of this section.

QUALIFYING EDUCATION INTERPRETATION

1. Credit toward qualifying education requirements may also be obtained via the completion of a graduate (masters or doctoral) degree in Real Estate from an accredited college or University approved by the American Association of Collegiate Schools of Business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.

The AQB may maintain a list of approved college or University graduate degree programs, including the Required Core Curriculum and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for the Trainee, Licensed, Certified Residential or Certified General credential who are awarded graduate degrees from approved institutions are required to complete all additional education required for the credential, in which the approved degree is judged to be deficient by the AQB. (adopted February 2009; effective January 1, 2010)

F. Criteria Specific to Continuing Education

1. The purpose of continuing education is to ensure that appraisers participate in a program that maintains and increases their skill, knowledge, and competency in real property appraising.

2. Credit towards the continuing education hour requirements for each appraiser classification may be granted only where the length of the educational offering is at least two (2) hours.

3. Credit may be granted for education offerings that are consistent with the purpose of continuing education and cover those real property related appraisal topics, including, but not limited to:
   i. Ad valorem taxation;
   ii. Arbitration, dispute resolution;
   iii. Courses related to the practice of real estate appraisal or consulting;
   iv. Development cost estimating;
   v. Ethics and standards of professional practice, USPAP;
   vi. Land use planning, zoning;
   vii. Management, leasing, timesharing;
   viii. Property development, partial interests,
   ix. Real estate law, easements, and legal interests;
   x. Real estate litigation, damages, condemnation;
   xi. Real estate financing and investment;
   xii. Real estate appraisal related computer applications; and/or
   xiii. Real estate securities and syndication.

4. Up to one half of an individual's continuing education requirement may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities that are determined to be equivalent to obtaining continuing education. Credit for instructing any given course or seminar can only be awarded once during a continuing education cycle.

5. Educational offerings taken by an individual in order to fulfill the class hour requirement for a different classification than his/her current classification may be simultaneously counted towards the continuing education requirement of his/her current classification.

6. In addition to the generic requirements described in III.D., distance education courses intended for use as continuing education must include at least one of the following:
   i. A written examination proctored by an official approved by the college or university, or by the sponsoring organization; or
   ii. Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter.

7. Real estate appraisal related field trips may be acceptable for credit toward the continuing education requirements. However, transit time to or from the field trip should not be included when awarding credit unless instruction occurs during said transit time.

8. Appraisers must successfully complete the *7-Hour National USPAP Update Course*, or its equivalent, every two calendar years. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB.

9. Individuals who are credentialed in more than one jurisdiction shall not have to take more than one *7-Hour National USPAP Update Course* within a two calendar year period for the purposes of meeting AQB *Criteria*.

10. USPAP continuing education credit shall only be awarded when the course is instructed by at least one AQB certified instructor who is also a state certified appraiser.

11. The equivalent of fourteen class hours of instruction in courses or seminars for each year during the period preceding the renewal is required. For example, a two-year continuing education cycle would require twenty-eight hours. The class hour requirement can be fulfilled at any time during the cycle.

CONTINUING EDUCATION INTERPRETATIONS

1. *AQB Certified USPAP Instructors successfully completing the 7-Hour Instructor Recertification Course and exam (if required) within the current continuing education cycle, have satisfied the 7-Hour National USPAP Update Course continuing education requirement. (adopted September 2004)*

2. *Appraiser regulatory agencies with the appropriate authority to do so, may place a credential holder in an "inactive status" in the event that the state determines that a deficiency in continuing education was due to extenuating circumstances.*

   Prior to reactivation, credential holders in an inactive status must complete all required continuing education hours that would have been required if the credential holder was in an active status. The required hours must also include the most recent edition of a 7-Hour National USPAP Update Course.

   Waivers may not be granted to credential holders who have failed to meet the continuing education requirements.

   Deferrals may not be granted to credential holders, except in the case of individuals returning from active military duty, or individuals impacted by a state- or federally-declared disaster. State appraiser regulatory agencies may allow credential holders returning from active military duty to be placed in active status for a period of up to 90 days pending completion of all continuing education requirements. State appraiser regulatory agencies may allow credential holders impacted by a state- or federally-declared disaster that occurs within 90 days prior to the end of the continuing education cycle to remain (or be placed in) active status for a period of up to 90 days after the end of the credential holder's continuing education cycle, pending completion of all continuing education requirements. (adopted, May 2013)

3. *Credentialed appraisers are required to complete continuing education for a partial year in a continuing education cycle as follows:*

   For continuing education cycle periods of 185 days or more, 14 hours of continuing education is required.

   For continuing education cycle periods of less than 185 days, no hours of continuing education are required.

   Example #1: A credential issued on August 15 that expires on December 31 of the same year would not require any continuing education hours for that year.

   Example #2: A credential issued on May 15 that expires on December 31 of the same year would require 14 continuing education hours for that year.

Example #3: A credential issued on August 15 that expires on December 31 of the following year would require 14 hours of continuing education to renew. (adopted, May 2006)

4. *State appraiser regulatory agencies may award continuing education credit to credentialed appraisers who attend a state appraiser regulatory agency meeting, under the following conditions:*

   Credit may be awarded for a single state appraiser regulatory agency meeting per continuing education cycle. The meeting must be open to the public and must be a minimum of two (2) hours in length. The total credit cannot exceed seven (7) hours.

   The state appraiser regulatory agency must ensure that the credentialed appraiser attends the meeting for the required period of time. (adopted, January 2007)

IV. Generic Examination Criteria

A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months, and the applicant must meet the requisite experience requirement within 24 months.

V. Generic Experience Criteria

A. Education may not be substituted for experience, except as shown below in Section D below.

B. The quantitative experience requirements must be satisfied by time spent on the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP.

C. Hours may be treated as cumulative in order to achieve the necessary number of hours of appraisal experience.
   1. Cumulative is defined as meaning that experience may be acquired over any time period.
   2. The following is an example of cumulative experience:

Year 1	200 Hours
Year 2	800 Hours
Year 3	600 Hours
Year 4	400 Hours
Year 5	500 Hours
Total	2500 Hours

D. There need not be a client in a traditional sense (i.e. a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement.

   Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category. Experience credit shall be granted for the actual classroom hours of instruction, and hours of documented research and analysis as awarded from the practicum course approval process.

E. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal practice. Acceptable real property appraisal practice for experience credit includes appraisal, appraisal review, appraisal consulting, and mass appraisal. All experience must be obtained after January 30, 1989, and must be USPAP compliant. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.

F. Documentation in the form of reports, certifications, or file memoranda, or, if such reports and memoranda are unavailable for good cause, other evidence at the credentialing authority's discretion that the work is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.

G. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:
   1. Type of property;
   2. Date of report;
   3. Address of appraised property;
   4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;
   5. Number of actual work hours by the trainee/applicant on the assignment; and
   6. The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.

H. There is no maximum time limit during which experience may be obtained.

VI. Guide Notes (GN)

From time to time, the AQB may issue new interpretations to these *Criteria* (binding); or Guide Notes (advisory) on interpretations, or application of these qualification *Criteria*.

TRAINEE REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements.

I. General

A. The scope of practice for the Appraiser Trainee Classification is the appraisal of those properties which the supervising Certified appraiser is permitted by his/her current credential and that the supervising appraiser is qualified to appraise.

B. The Appraiser Trainee shall be entitled to obtain copies of appraisal reports he/she prepared. The supervising appraiser shall keep copies of appraisal reports for a period of five years, or at least two years after final disposition of any judicial proceedings in which the appraiser provided testimony related to the assignment, whichever period expires last.

C. All Appraiser Trainees must comply with the COMPETENCY RULE of USPAP.

II. Examination:

There is no examination requirement for the Appraiser Trainee Classification, but the trainee shall pass examinations in the prerequisite courses in order to earn credit for core education courses.

III. Qualifying Education:

As the prerequisite for application, an applicant must have completed 75 creditable class hours as specified in the required Core Curriculum Appendix. Additionally, applicants must pass the Core Curriculum examinations and pass the *15-Hour National USPAP Course*, or its equivalent, and examination as part of the 75 creditable class hours.

QUALIFYING EDUCATION INTERPRETATION

1. *Appraisers holding a valid Licensed Residential Real Property Appraiser credential satisfy the educational requirements for the Trainee Real Property Appraiser credential.*

   Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirements for the Trainee Real Property Appraiser credential.

   Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Trainee Real Property Appraiser credential. (adopted, November 2006)

IV. Experience:

No experience is required as a prerequisite for the Appraiser Trainee Classification.

V. Training

A. The Appraiser Trainee shall be subject to direct supervision by a supervising appraiser in good standing, who shall be state certified.

B. The supervising appraiser shall be responsible for the training, guidance, and direct supervision of the Appraiser Trainee by:
   1. Accepting responsibility for the appraisal report by signing and certifying the report complies with USPAP;
   2. Reviewing and signing the Appraiser Trainee appraisal report(s); and
   3. Personally inspecting each appraised property with the Appraiser Trainee until the supervising appraiser determines the Appraiser Trainee is competent, in accordance with the COMPETENCY RULE of USPAP for the property type.

C. The Appraiser Trainee is permitted to have more than one supervising appraiser, but a supervising appraiser may not supervise more than three trainees, at one time, unless a state program in the licensing jurisdiction provides for progress monitoring, supervising certified appraiser qualifications, and supervision and oversight requirements for supervising appraisers.

D. An appraisal log shall be maintained by the Appraiser Trainee and the supervising appraiser jointly. At a minimum, the appraisal log requirements are:
   1. Type of property;
   2. Date of report;
   3. Address of appraised property;
   4. Description of work performed by the trainee and scope of the review and supervision of the supervising appraiser;
   5. Number of actual work hours by the trainee on the assignment; and
   6. The signature and state certification number of the supervising appraiser. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.

E. The supervising certified appraiser shall be in good standing in the training jurisdiction and not subject to any disciplinary action within the last two years that affects the supervisor's legal eligibility to engage in appraisal practice.

LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements.

I. General

A. The Licensed Residential Real Property Appraiser Classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than $1,000,000 and complex one-to-four residential units having a transaction value less than $250,000.

B. Complex one-to-four family residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical.[1]

C. For non-federally related transaction appraisals, transaction value shall mean market value.
   1. The classification includes the appraisal of vacant or unimproved land that is utilized for one to four family purposes or for which the highest and best use is for one to four family purposes.
   2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.

II. All Licensed Residential Real Property Appraisers must comply with the COMPETENCY RULE of USPAP.

III. Examination

The AQB approved Licensed Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Licensed Residential examination is the successful completion of the Certified Residential or Certified General examination.

IV. Qualifying Education

The prerequisite for taking the AQB approved examination is completion of one hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum* Appendix. The applicant shall complete the *15-Hour National USPAP Course,* or its equivalent, and examination. There is no alternative to successful completion of the examination.

QUALIFYING EDUCATION INTERPRETATION

Appraisers holding a valid Trainee Appraiser credential may satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential by completing the following additional educational hours:

1. Residential Market Analysis and Highest and Best Use		*15 Hours*
2. Residential Appraiser Site Valuation and Cost Approach		*15 Hours*
3. Residential Sales Comparison and Income Approaches		*30 Hours*
4. Residential Report Writing and Case Studies		*15 Hours*
	TOTAL	***75 Hours***

Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.

Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential. (adopted November 2006)

V. Experience:

Two thousand (2,000) hours of experience are required to be obtained in no fewer than 12 months.

1 Bank Holding Company Supervision Manual, 12 C.F.R. 225.63(d)

CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements.

I. GENERAL

A. The Certified Residential Real Property Appraiser Classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.

1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four family purposes or for which the highest and best use is for one-to-four family purposes.
2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.

B. All Certified Residential appraisers must comply with the COMPETENCY RULE of USPAP.

II. Examination

The AQB approved Certified Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Certified Residential examination is the successful completion of the Certified General examination.

III. Qualifying Education

A. Applicants for the Certified Residential license must hold an Associate degree, or higher, from an accredited college, junior college, community college, or university, unless the requirements of Section III.B are satisfied.

or

B. In lieu of the Associate degree, an applicant for the Certified Residential license shall successfully pass all of the following collegiate subject matter courses from an accredited college, junior college, community college, or university:

1. English Composition;
2. Principles of Economics (Micro or Macro);
3. Finance;
4. Algebra, Geometry, or higher mathematics;
5. Statistics;
6. Computer Science; and
7. Business or Real Estate Law.

Total hours of equivalent college courses in lieu of an Associate degree: 21 semester credit hours or its equivalent for the certified residential appraiser. If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

and

C. The prerequisite for taking the AQB approved examination is completion of two hundred (200) creditable class hours as specified in the required Core Curriculum Appendix. The applicant shall complete the *15-Hour National USPAP Course*, or its equivalent, and the examination.

QUALIFYING EDUCATION INTERPRETATIONS

1. *For college level courses taken in a quarterly system versus a semester system, one quarter hour credit is equivalent to .67 semester credit hours. Conversely, one semester credit hour is equivalent to 1.5 quarter credit hours.*

   For example, if a student wishes to satisfy the 21 semester credit hour requirement in lieu of an Associate Degree for the Certified Residential classification, he or she needs to successfully pass those applicable courses that generate 31.5 quarter credit hours, (i.e. 21 semester credit hours x 1.5 conversion factor).

   For the Certified General classification, if a student wishes to satisfy the 30 semester credit hour requirement in lieu of a Bachelor's Degree, he or she needs to successfully pass those applicable courses that generate 45 quarter credit hours, (i.e. 30 semester credit hours x 1.5 conversion factor). (adopted September 2005)

2. *Appraisers holding a valid Trainee Real Property Appraiser credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by completing the following additional educational hours:*

Residential Market Analysis and Highest and Best Use		*15 Hours*
Residential Appraiser Site Valuation and Cost Approach		*15 Hours*
Residential Sales Comparison and Income Approaches		*30 Hours*
Residential Report Writing and Case Studies		*15 Hours*
Statistics, Modeling and Finance		*15 Hours*
Advanced Residential Applications and Case Studies		*15 Hours*
Appraisal Subject Matter Electives		*20 Hours*
	TOTAL	**125 Hours**

   Appraisers holding a valid Licensed Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by completing the following additional educational hours:

Statistics, Modeling and Finance		*15 Hours*
Advanced Residential Applications and Case Studies		*15 Hours*
Appraisal Subject Matter Electives		*20 Hours*
	TOTAL	**50 Hours**

   Trainee Real Property Appraisers and Licensed Residential Real Property Appraisers wishing to change to the Certified Residential Real Property Appraiser classification must also satisfy the college-level educational requirements as specified in III.A or III.B.

   Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Certified Residential Real Property Appraiser credential. (adopted, November 2006)

3. *All courses used in lieu of the required degree must have been completed at a college or university that is an accredited, degree-granting institution. The degree-granting accreditation must have been obtained from an entity identified in Section III.B. (adopted, May 2009; effective January 1, 2010)*

4. *The in lieu of education shall include at least three (3) semester credit hours (or equivalent) in each subject matter area located in Section III. B. (adopted, October 2009; effective July 1, 2010)*

IV. Experience:

Two thousand five hundred (2,500) hours of experience obtained during no fewer than twenty-four (24) months is required. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

CERTIFIED GENERAL REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements.

I. General

A. The Certified General Real Property Appraiser Classification qualifies the appraiser to appraise all types of real property.

B. All Certified General appraisers must comply with the COMPETENCY RULE of USPAP.

II. Examination

The AQB approved Uniform State Certified General Real Property Appraiser examination must be successfully completed. There is no alternative to successful completion of the examination.

III. Qualifying Education

A. Applicants for the Certified General license must hold a Bachelor's degree or higher from an accredited college or university, unless the requirements of the following Section III.B are satisfied.

or

B. In lieu of the Bachelor's degree, an applicant for the Certified General credential shall successfully pass all of the following collegiate level subject matter courses from an accredited college, junior college, community college or university:

1. English Composition;
2. Micro Economics;
3. Macro Economics;
4. Finance;
5. Algebra, Geometry, or higher mathematics;
6. Statistics;
7. Computer Science;
8. Business or Real Estate Law; and
9. Two elective courses in accounting, geography, agricultural economics, business management, or real estate.

Total hours of equivalent college courses in lieu of a Bachelor's degree: 30 semester credit hours or its equivalent for the certified general appraiser. If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

and

C. The prerequisite for taking the AQB approved examination is completion of three hundred (300) creditable class hours as specified in the required Core Curriculum Appendix. The applicant shall complete the *15-Hour National USPAP Course*, or its equivalent, and examination.

and

D. Applicants must demonstrate that their education includes the core courses listed in these criteria, with particular emphasis on non-residential properties. Residential is defined as "composed of one to four residential units."

QUALIFYING EDUCATION INTERPRETATIONS

1. *For college level courses taken in a quarterly system versus a semester system, one quarter hour credit is equivalent to .67 semester credit hours. Conversely, one semester credit hour is equivalent to 1.5 quarter credit hours.*

   For example, if a student wishes to satisfy the 21 semester credit hour requirement in lieu of an Associate Degree for the Certified Residential classification, he or she needs to successfully pass those applicable courses that generate 31.5 quarter credit hours, (i.e. 21 semester credit hours x 1.5 conversion factor).

   For the Certified General classification, if a student wishes to satisfy the 30 semester credit hour requirement in lieu of a Bachelor's degree, he or she needs to successfully pass those applicable courses that generate 45 quarter credit hours, (i.e. 30 semester credit hours x 1.5 conversion factor). (adopted, September 2005)

2. *Appraisers holding a valid Trainee Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by completing the following additional educational hours:*

General Appraiser Market Analysis and Highest and Best Use	*30 Hours*
Statistics, Modeling and Finance	*15 Hours*
General Appraiser Sales Comparison Approach	*30 Hours*
General Appraiser Site Valuation and Cost Approach	*30 Hours*
General Appraiser Income Approach	*60 Hours*
General Appraiser Report Writing and Case Studies	*30 Hours*
Appraisal Subject Matter Electives	*30 Hours*
TOTAL	**225 Hours**

Appraisers holding a valid Licensed Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by completing the following additional educational hours:

General Appraiser Market Analysis and Highest and Best Use	*15 Hours*
Statistics, Modeling and Finance	*15 Hours*
General Appraiser Sales Comparison Approach	*15 Hours*
General Appraiser Site Valuation and Cost Approach	*15 Hours*
General Appraiser Income Approach	*45 Hours*
General Appraiser Report Writing and Case Studies	*15 Hours*
Appraisal Subject Matter Electives	*30 Hours*
TOTAL	**150 Hours**

Appraisers holding a valid Certified Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by completing the following additional educational hours:

General Appraiser Market Analysis and Highest and Best Use	*15 Hours*
General Appraiser Sales Comparison Approach	*15 Hours*
General Appraiser Site Valuation and Cost Approach	*15 Hours*
General Appraiser Income Approach	*45 Hours*
General Appraiser Report Writing and Case Studies	*10 Hours*
TOTAL	**100 Hours**

Trainee Real Property Appraisers, Licensed Residential Real Property Appraisers, and Certified Residential Real Property Appraisers wishing to change to the Certified General Real Property Appraiser classification must satisfy the requirement in III.D.

In addition, Trainee Real Property Appraisers, Licensed Residential Real Property Appraisers, and Certified Residential Real Property Appraisers wishing to change to the Certified General Real Property Appraiser classification must also satisfy the college-level educational requirements as specified in III.A or III.B. (adopted November 2006)

3. All courses used in lieu of the required degree must have been completed at a college or university that is an accredited, degree-granting institution. The degree-granting accreditation must have been obtained from an entity identified in Section III.B. (adopted May 2009; effective January 1, 2010)

4. The in lieu of education shall include at least three (3) semester credit hours (or equivalent) in each subject matter area located in Section III. B. (adopted October 2009; effective July 1, 2010)

IV. Experience:

Three thousand (3,000) hours of experience obtained during no fewer than thirty (30) months is required, of which, one thousand five hundred (1,500) hours must be in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

REQUIRED CORE CURRICULUM
EFFECTIVE JANUARY 1, 2008

TRAINEE	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
TRAINEE EDUCATION REQUIREMENTS	75 HOURS

LICENSED	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
LICENSED EDUCATION REQUIREMENTS	150 HOURS

CERTIFIED RESIDENTIAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES	15 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	20 HOURS
CERTIFIED RESIDENTIAL EDUCATION REQUIREMENTS	200 HOURS

CERTIFIED GENERAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE	30 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
GENERAL APPRAISER SALES COMPARISON APPROACH	30 HOURS
GENERAL APPRAISER SITE VALUATION AND COST APPROACH	30 HOURS
GENERAL APPRAISER INCOME APPROACH	60 HOURS
GENERAL APPRAISER REPORT WRITING AND CASE STUDIES	30 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	30 HOURS
CERTIFIED GENERAL EDUCATION REQUIREMENTS	300 HOURS

APPENDIX
(2008 CRITERIA)

GUIDE NOTES
Q&A

GUIDE NOTES

AQB GUIDE NOTE 1 (GN-1)

AQB GUIDANCE FOR REQUIRED CORE CURRICULUM CONTENT

EFFECTIVE JANUARY 1, 2008

Guide Note 1 (GN-1) contains guidance for curriculum content with subtopics listed under each major module listed in the Appendix. The subtopics in Guide Note 1 will be used for developing examination content outlines for each applicable credential level and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge.

BASIC APPRAISAL PRINCIPLES

30 HOURS

A. Real Property Concepts and Characteristics
   1. Basic Real Property Concepts
   2. Real Property Characteristics
   3. Legal Description

B. Legal Consideration
   1. Forms of Ownership
   2. Public and Private Controls
   3. Real Estate Contracts
   4. Leases

C. Influences on Real Estate Values
   1. Governmental
   2. Economic
   3. Social
   4. Environmental, Geographic and Physical

D. Types of Value
   1. Market Value
   2. Other Value Types

E. Economic Principles
   1. Classic Economic Principles
   2. Application and Illustrations of the Economic Principles

F. Overview of Real Estate Markets and Analysis
   1. Market Fundamentals, Characteristics, and Definitions
   2. Supply Analysis
   3. Demand Analysis
   4. Use of Market Analysis

G. Ethics and How They Apply in Appraisal Theory and Practice

BASIC APPRAISAL PROCEDURES

30 HOURS

A. Overview of Approaches to Value

B. Valuation Procedures
   1. Defining the Problem
   2. Collecting and Selecting Data
   3. Analyzing
   4. Reconciling and Final Value Opinion
   5. Communicating the Appraisal

C. Property Description
   1. Geographic Characteristics of the Land/Site
   2. Geologic Characteristics of the Land/Site
   3. Location and Neighborhood Characteristics
   4. Land/Site Considerations for Highest and Best Use
   5. Improvements - Architectural Styles and Types of Construction

D. Residential Applications

15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT

15 HOURS

A. Preamble and Ethics Rules

B. Standard 1

C. Standard 2

D. Standards 3 to 10

E. Statements and Advisory Opinions

RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE

15 HOURS

A. Residential Markets and Analysis
   1. Market Fundamentals, Characteristics and Definitions
   2. Supply Analysis
   3. Demand Analysis
   4. Use of Market Analysis

B. Highest and Best Use
   1. Test Constraints
   2. Application of Highest and Best Use
   3. Special Considerations
   4. Market Analysis
   5. Case Studies

RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH

15 HOURS

A. Site Valuation
   1. Methods
   2. Case Studies

B. Cost Approach
   1. Concepts and Definitions
   2. Replacement/Reproduction Cost New
   3. Accrued Depreciation
   4. Methods of Estimating Accrued Depreciation
   5. Case Studies

RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES

30 HOURS

A. Valuation Principles & Procedures - Sales Comparison Approach
B. Valuation Principles & Procedures - Income Approach
C. Finance and Cash Equivalency
D. Financial Calculator Introduction
E. Identification, Derivation and Measurement of Adjustments
F. Gross Rent Multipliers
G. Partial Interests
H. Reconciliation
I. Case Studies and Applications

RESIDENTIAL REPORT WRITING AND CASE STUDIES

15 HOURS

A. Writing and Reasoning Skills
B. Common Writing Problems
C. Form Reports
D. Report Options and USPAP Compliance
E. Case Studies

STATISTICS, MODELING AND FINANCE

15 HOURS

A. Statistics
B. Valuation Models (AVM's and Mass Appraisal)
C. Real Estate Finance

ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES

15 HOURS

A. Complex Property, Ownership and Market Conditions
B. Deriving and Supporting Adjustments
C. Residential Market Analysis
D. Advanced Case Studies

GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE

30 HOURS

A. Real Estate Markets and Analysis
   1. Market Fundamentals, Characteristics and Definitions
   2. Supply Analysis
   3. Demand Analysis
   4. Use of Market Analysis

B. Highest and Best Use
   1. Test Constraints
   2. Application of Highest and Best Use
   3. Special Considerations
   4. Market Analysis
   5. Case Studies

GENERAL APPRAISER SALES COMPARISON APPROACH

30 HOURS

A. Value Principles
B. Procedures
C. Identification and Measurement of Adjustments
D. Reconciliation
E. Case Studies

GENERAL APPRAISER SITE VALUATION AND COST APPROACH

30 HOURS

A. Site Valuation
   1. Methods
   2. Case Studies

B. Cost Approach
   1. Concepts and Definitions
   2. Replacement/Reproduction Cost New
   3. Accrued Depreciation
   4. Methods of Estimating Accrued Depreciation
   5. Case Studies

GENERAL APPRAISER INCOME APPROACH

60 HOURS

A. Overview
B. Compound Interest
C. Lease Analysis
D. Income Analysis
E. Vacancy and Collection Loss
F. Estimating Operating Expenses and Reserves
G. Reconstructed Income and Expense Statement
H. Stabilized Net Operating Income Estimate
I. Direct Capitalization
J. Discounted Cash Flow
K. Yield Capitalization
L. Partial Interests
M. Case Studies

GENERAL APPRAISER REPORT WRITING AND CASE STUDIES

30 HOURS

A. Writing and Reasoning Skills
B. Common Writing Problems
C. Report Options and USPAP Compliance
D. Case Studies

AQB GUIDE NOTE 2 (GN-2)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

RETIRED, OCTOBER 2005

AQB GUIDE NOTE 3 (GN-3)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO THE SCOPE OF PRACTICE FOR THE LICENSED AND CERTIFIED RESIDENTIAL CLASSIFICATIONS IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE JANUARY 1, 2008.

In the existing (pre-2008) *Criteria* for these two classifications, the following paragraph appears in the scope of practice section:

The scope of practice identified herein represents the consensus of the Appraiser Qualifications Board. The Federal Financial Institutions Regulatory Agencies, as well as other agencies and regulatory bodies permit the Certified Residential (or Licensed) classification to appraise properties other than those identified within these Criteria. Individuals should refer to agency regulations and state law to determine the type of property that may be appraised by the Certified Residential (or Licensed) appraiser.

During the *Criteria* Exposure Draft and revision process, the AQB determined that this paragraph was more of explanatory guidance than actual AQB *Criteria*. As a result, it was removed from the *Criteria* effective January 1, 2008.

However, while it is not contained in the 2008 *Criteria*, it should be noted that the paragraph italicized above still reflects the consensus of the AQB. The scope of practice for the Licensed and Certified Residential classifications does not change in 2008. Federal and state agencies continue to establish scope of practice thresholds that are specific to their particular needs.

For example, because federally related transactions less than $250,000 fall below the regulatory de minimus established by the Federal Financial Institution Regulatory Agencies, the scope of practice restrictions placed on individuals who can appraise commercial and residential properties below that threshold for financial institutions are few, if any.

The AQB continues to encourage individuals to refer to agency regulations and state law to determine the type of property that may be appraised by the Licensed and Certified Residential classifications.

AQB GUIDE NOTE 4 (GN-4)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO PRACTICUM COURSES TO BE USED FOR EXPERIENCE CREDIT, AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE JANUARY 1, 2008.

Under "Criteria Applicable to All Appraiser Classifications" in the 2008 *Criteria*, Section V Generic Experience Criteria, Paragraph D, reads as follows:

There need not be a client in a traditional sense (i.e. a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement. Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-client experience requirement. ***A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category.*** *Experience credit shall be granted for the actual classroom hours of instruction, and hours of documented research and analysis as awarded from the practicum course approval process. (Bold added for emphasis)*

The bolded language above sets forth the broad requirements for practicum courses. However, more detailed guidance is needed for developers of such courses, as well as state appraiser regulatory agencies seeking to approve such courses. The following is designed to offer this guidance:

1. General Practicum Course Guidelines
   a. The time period for any non-residential practicum course should be consistent with the type and complexity of the assignment.
   b. The time period for a residential practicum course should be consistent with the type and complexity of the assignment.
   c. Practicum courses that cover multiple property types should allocate appropriate times for each assignment and subject properties should be significantly different from one another to provide appropriate training.
   d. The maximum number of students per course should be consistent with best practices for proper student/instructor ratios.
   e. In order for this type of experience to be compliant with USPAP, the student/appraiser must list the course provider for the practicum course as the client and the intended user.
   f. The intended use of the report should be indicated as, "For experience credit."

2. Appraisal Assignment Guidelines
   a. The appraisal should employ all of the approaches to value applicable to the assignment.
   b. Property types and complexity should be those typically encountered by an appraiser seeking experience within the specified credential category.
   c. The appraisal should indicate the intended user, intended use and should solve typical appraisal problems - eg., mortgage assignments, tax appeals, estates, etc.
   d. There should be an identifiable subject property and the student should inspect it.
   e. The actual subject property may change from time to time, but the property type should remain the same.
   f. All comparable data researched, analyzed, and used in the assignment should be actual and identifiable market data.
   g. All comparables utilized should be verified with at least one market participant of the sale/rent – e.g. buyer, seller, or broker – and the student should also inspect the exterior of each comparable utilized.
   h. The final assignment should be communicated in compliance with either the Self-Contained or Summary Appraisal Report options of STANDARD 2 of USPAP.
   i. The final reports should be maintained by the student according to the Record Keeping section of the ETHICS RULE of USPAP.
   j. The practicum course should result in an appraisal and appraisal report completed in accordance with the current version of USPAP.

3. Instructor Guidelines
    a. An instructor conducting a residential experience practicum course should hold either a Certified Residential or Certified General credential in good standing.
    b. An instructor conducting a general experience practicum course should hold a Certified General credential in good standing.
    c. The instructor should demonstrate compliance with the COMPETENCY RULE of USPAP for the type of assignment.
    d. The instructor should grade and correct all assignments and should ensure USPAP compliance.
    e. The instructor should meet with the students a minimum of 50% of the course hours during the course.

There is an underlying assumption that experience is valuable because clients and instructors tend to demand competency. Because experience in a classroom setting calls this assumption into question, credentialing authorities should carefully assess the quality and adequacy of appraisals made under such circumstances. They should also give consideration to restricting the percentage of this type of experience.

Therefore, while practicum course appraisals are eligible to qualify for experience credit, the credentialing authority should audit a significant sample of appraisals made in such instances for quality and conformance with USPAP.

AQB GUIDE NOTE 5 (GN-5)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO RECIPROCITY, TEMPORARY PRACTICE, RENEWALS, AND APPLICATIONS FOR THE SAME CREDENTIAL IN ANOTHER JURISDICTION, AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE JANUARY 1, 2008.

Under "Criteria Applicable to All Appraiser Classifications" in the 2008 *Criteria*, Section II Existing Credential Holders, reads as follows:

Existing credential holders in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board criteria if they have passed an AQB approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential in another jurisdiction. All credential holders must comply with ongoing requirements for Continuing Education, and state renewal procedures.

The intent of the AQB is to allow current credential holders who are in good standing within their jurisdictions to obtain reciprocal credentials, temporary practice permits, renewals of existing credentials, and an equivalent credential in another jurisdiction on or after January 1, 2008 without having to meet the 2008 AQB *Criteria*. If an appraiser holds a valid appraiser credential supported by an AQB approved examination, the appraiser will be deemed by the AQB to be in full compliance with the 2008 *Criteria*.

For example, if a Certified General credential holder who received a credential prior to January 1, 2008 in one jurisdiction were to relocate to another jurisdiction after January 1, 2008, for AQB purposes that existing "home" state credential would be sufficient to support an equivalent credential in the "new" state. The credential holder would be deemed to have met the 2008 *Criteria* for education, experience and examination.

The AQB understands that the individual Title XI jurisdictions must operate in compliance with applicable state laws with regard to reciprocity, temporary practice, renewals and applications for the same credential in another jurisdiction. While Title XI jurisdictions are only required to meet the AQB *Criteria*, existing state laws may require that these minimums be exceeded. It is possible that a jurisdiction, because of existing law, might require an applicant for an equivalent credential from another jurisdiction meet all of the January 1, 2008 AQB *Criteria* (i.e., education, experience, and examination) in order to obtain the credential in their jurisdiction.

For example, consider an appraiser who holds a Certified General credential in State A and decides to relocate to State B. State B must apply both AQB *Criteria* and State law in determining whether the appraiser from State A qualifies for an appraiser credential in State B. While the AQB considers the valid existing credential in State A to be adequate documentation of conformance to AQB *Criteria*, some State laws might require the appraiser to submit a complete application, including appropriate documentation of experience, education, and successful exam completion. This new application requirement might involve some of the following issues:

- Depending on the wording of the State law, this could mean that the appraiser from State A would have to conform to the 2008 *Criteria* to obtain a credential from State B. Among other things, the appraiser would have to reconstruct his/her appraisal education, perhaps going back as much as 20 to 30 years. The State, then, would have to determine whether that education conformed to the 2008 AQB *Criteria* as implemented by State law.

- Virtually all appraiser education obtained in the past was provided in what is considered the "integrated" approach for 2008 *Criteria*. If State B does not accept integrated educational courses, the appraiser from State A would be required to obtain 300 hours of education acceptable under 2008 *Criteria*, plus a college degree or acceptable college course work, to qualify for a Certified General credential in State B.

It was not the AQB's intent to impose such hardships on appraisers or regulatory agencies. It was the intent of the AQB in drafting the language in Section II that the jurisdictions would recognize those appraisers that held credentials prior to the adoption of the 2008 *Criteria*. The acceptance of the existing credential holders would provide for a smooth transition from the pre-2008 *Criteria* to the 2008 *Criteria*.

The AQB encourages the jurisdictions to examine their statutes and regulations and initiate any changes that might be necessary to facilitate a smooth transition.

AQB GUIDE NOTE 6 (GN-6)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO THE VERIFICATION OF EXPERIENCE CREDIT AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2008.

Under "Criteria Applicable to All Appraiser Classifications" in the 2008 *Criteria*, Section V.G. (Generic Experience Criteria) reads as follows:

> *G. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:*
>
> *1. Type of property;*
> *2. Date of report;*
> *3. Address of appraised property;*
> ***4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;***
> *5. Number of actual work hours by the trainee/applicant on the assignment; and*
> *6. The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.*
>
> *(Bold added for emphasis)*

As indicated above, the *Criteria* mandates that the forms used to verify experience credit include <u>all</u> of the identified items. Five of the six items listed are fairly self-explanatory; however, the AQB has received inquiries regarding the intent of item #4 above (the bolded text).

It is the intent of the AQB that the verification of experience clearly identifies three things under item #4:

1) A description of the work performed by the trainee or applicant;
2) The scope of the review performed by the supervising appraiser; and
3) The level of supervision performed by the supervising appraiser.

Although the scope of review and level of supervision performed by the supervising appraiser might appear to be redundant at first glance, they are not. For example, in certain assignments a supervising appraiser might determine that a lesser level of supervision is required, but that might not impact the level of review performed.

The AQB recognizes that assignments may differ significantly; therefore the level of review and supervision by the supervising appraiser may also differ from assignment to assignment. Also, depending on the assignments involved, it might be expected that the supervising appraiser's level of review and supervision diminish over time as the trainee/applicant gains competency.

The following page includes an example of an experience log that includes the information required by the *Criteria*. The attached is merely one possible example of an experience log. Any format that includes the items listed under Section V.G., Generic Experience Criteria, as specified in the 2008 *Real Property Appraiser Qualification Criteria* is acceptable.

It should be noted that experience logs or other forms prescribed by a state appraiser regulatory agency to verify experience credit might appear very different, including requiring substantially more information than is identified in the example on the following page. However, as stated above, all forms must, at a minimum, include the items listed under Section V.G., Generic Experience Criteria, as specified in the 2008 *Real Property Appraiser Qualification Criteria*.

Date of Report	Property Address, City, State, Zip	Type of Property (SFR, Condo, 2-4 Units)	Description Of Applicant's Work Performed	Scope of Supervising Appraiser's Review	Scope of Supervising Appraiser's Supervision	Number of Actual Hours Worked By Applicant
1/3/06	123 Oak Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/ exterior property inspection, cost/sales comparison approaches, final reconciliation	Reviewed workfile and report, verified subject sales history, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first SFR appraisal for applicant)	7
6/7/06	455 Pine Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/ exterior property inspection, cost/ sales comparison approach, final reconciliation	Reviewed workfile and report, verified all comparable data and analyses, verified homeowner's association info, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in site value analysis used in cost approach, did not physically inspect subject property	7
1/10/07	202 Spruce Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	10
1/24/07	115 Pennsylvania Ave. Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first commercial appraisal for applicant)	30
8/14/07	200 S Broadway Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in DCF analysis used in income approach, did not physically inspect subject property	40

1/10/08	300 Capitol Avenue Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation n	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	40
2/12/08	144 Elm Avenue Washington, DC 20005	Golf Course	Completed entire appraisal process	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process	60

Thomas D. Trainee
Applicant/Trainee Appraiser

Sally A. Supervisor
Supervisory Appraiser

State
Certification No.

AQB GUIDE NOTE 7 (GN-7)

THIS GUIDE NOTE RELATES TO GRADUATE DEGREE PROGRAMS IN REAL ESTATE REVIEWED BY THE AQB, AND THEIR APPLICABILITY TOWARDS THE QUALIFYING EDUCATION SPECIFIED IN THE REQUIRED CORE CURRICULUM.

Under Criteria Applicable to All Appraiser Classifications in the 2008 *Real Property Appraiser Qualification Criteria*, the Interpretation following Section III(E)(1) "Criteria Specific to Qualifying Education" reads as follows:

> *Credit toward qualifying education requirements may also be obtained via the completion of a graduate (masters or doctoral) degree in Real Estate from an accredited college or University approved by The Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.*
>
> *The AQB may maintain a list of approved college or University graduate degree programs, including the Required Core Curriculum and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for the Trainee, Licensed, Certified Residential or Certified General credential who are awarded graduate degrees from approved institutions are required to complete all additional education required for the credential, in which the approved degree is judged to be deficient by the AQB.*

It is the consensus of the AQB that graduate degree holders in real estate-related studies have already invested significant post-baccalaureate effort to become educated in core real estate and appraisal subject matter. Further, it is the position of the AQB that requiring such degree holders to subsequently pursue the entire qualifying education *Required Core Curriculum* is, in many instances, redundant and counter-productive.

The intent of the AQB is to allow graduates with masters or doctoral degrees in Real Estate from approved, accredited colleges or universities whose programs have been reviewed by the AQB, to have their degree(s) satisfy the applicable portions of the qualifying education *Required Core Curriculum* for the various credentials.

The AQB understands that it may be unlikely that any graduate degree will satisfy all requirements of the *Required Core Curriculum* for a credential, but believes that some graduate degree programs may cover a large portion of the required education.

AQB GUIDE NOTE 8 (GN-8)

THIS GUIDE NOTE RELATES TO THE COLLEGE-LEVEL EDUCATIONAL REQUIREMENTS AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2008.

Under "Certified Residential Real Property Appraiser" in the 2008 *Criteria*, Sections III.A and III.B (Qualifying Education) read as follows:

A. Applicants for the Certified Residential license must hold an Associate degree, or higher, from an accredited college, junior college, community college, or university, unless the requirements of Section III.B are satisfied.
or
B. In lieu of the Associate degree, an applicant for the Certified Residential license shall successfully pass all of the following collegiate subject matter courses from an accredited college, junior college, community college, or university:
1. *English Composition;*
2. *Principles of Economics (Micro or Macro);*
3. *Finance;*
4. *Algebra, Geometry, or higher mathematics;*
5. *Statistics;*
6. *Computer Science; and*
7. *Business or Real Estate Law.*

Total hours of equivalent college courses in lieu of an Associate degree: 21 semester credit hours or its equivalent for the certified residential appraiser. If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

Likewise, under "Certified General Real Property Appraiser" in the 2008 *Criteria*, Sections III.A and III.B (Qualifying Education) read as follows:

A. Applicants for the Certified General license must hold a Bachelor's degree or higher from an accredited college or university, unless the requirements of the following Section III.B are satisfied.
or
B. In lieu of the Bachelor's degree, an applicant for the Certified General credential shall successfully pass all of the following collegiate level subject matter courses from an accredited college, junior college, community college or university:
1. *English Composition;*
2. *Micro Economics;*
3. *Macro Economics;*
4. *Finance;*
5. *Algebra, Geometry, or higher mathematics;*
6. *Statistics;*
7. *Computer Science;*
8. *Business or Real Estate Law; and*
9. *Two elective courses in accounting, geography, agricultural economics, business management, or real estate.*

Total hours of equivalent college courses in lieu of a Bachelor's degree: 30 semester credit hours or its equivalent for the certified general appraiser. If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

As indicated above, the *Criteria* requires college-level education (whether a degree or the specified "in lieu" courses) to be obtained from an accredited college or university. The *Criteria* further specifies that the institution of higher learning must be accredited through an accepted accrediting body in the United States. Therefore, applicants possessing degrees (or the specified "in lieu" education) from foreign countries find that their education is often deemed by state appraiser regulatory agencies to not meet the requirements of the *Criteria*.

To address this issue, the AQB encourages applicants with college-level education from a foreign country to have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
- The American Association of Collegiate Registrars and Admissions Officers (AACRAO);
- A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.

The AQB further encourages state appraiser regulatory agencies to recognize such an evaluation towards an applicant's educational qualifications.

It is the intent of the AQB for state appraiser regulatory agencies to accept college-level education completed at a foreign college or university, if that education has been evaluated and deemed equivalent.

COMPILATION OF AQB Q&A'S (2008 CRITERIA)

APPRAISER QUALIFICATIONS BOARD Q&A

The Appraiser Qualifications Board (AQB) of The Appraisal Foundation establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state certification. The AQB Q&A is a form of guidance issued by the AQB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of the Real Property Appraiser Qualification Criteria and Interpretations of the Criteria in specific situations and to offer advice from the AQB for the resolution of appraisal issues and problems. The AQB Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. AQB Q&A does not establish new Criteria. AQB Q&A is not part of the Real Property Appraiser Qualification Criteria. AQB Q&A is approved by the AQB without public exposure and comment.

GENERAL REQUIREMENTS

Question 1:
Does the AQB *Real Property Appraiser Qualification Criteria* require an applicant to undergo a criminal background check prior to obtaining an appraiser credential?

Response:
No. However, some states may require a criminal background check as a part of the application process. Therefore, you'll need to check with the specific state in which you are seeking a credential to verify their application requirements.

NOTE: Although the current *Criteria* do not address this issue, you should be aware that the AQB will require background checks for all applicants for a real property appraiser credential effective on January 1, 2015.

Question 2:
I am very interested in a career in real estate appraisal. However, I have one problem…I have a felony conviction on my criminal record. Can I still become a licensed appraiser?

Response:
The *Real Property Appraiser Qualification Criteria* does not currently address this issue. However, the state in which you are seeking a credential may have restrictions on the issuance of a real property appraiser credential depending upon the substantive matters contained within your background. Check with your state appraiser regulatory agency for further information.

NOTE: Although the current *Criteria* do not address this issue, you should be aware that the AQB will require background checks for all applicants for a real property appraiser credential effective on January 1, 2015.

Question 3:
I would like to get a Certified General appraiser credential. I am from another country and have a student visa, but don't have a Social Security card or Taxpayer ID Number. If I fulfill the education and experience requirements, can I get a Certified General appraiser credential without possessing a Social Security card or similar document?

Response:
The *Real Property Appraiser Qualification Criteria* does not specifically address residency, citizenship or identification issues. However, be sure to check with the state appraiser regulatory agency in the state where you plan to seek the credential to confirm the state's requirements for licensure, as states may have their own residency or citizenship requirements.

Question 4:
I am pursuing a Certified General credential in my state. I have already satisfied the college education (via the in-lieu of option) and the 300 hours of qualifying education requirements under the current 2008 *Real Property Appraiser Qualification Criteria*. I expect to complete (pass) the National Uniform Certification Exam next year. At my current pace of work, it will take until late 2014 to finish my experience. If I submit my application to my state at that time, will my state have adequate time to process my application?

Response:
Effective January 1, 2015, a Bachelor's degree (or higher) will be required for the Certified General classification. January 1, 2015 is a firm date, which means that all required components (education, experience, and examination) must be completed prior to January 1, 2015. You should check with your state appraiser regulatory agency to determine when your application must be submitted.

SCOPE OF PRACTICE

Question 1:
I am a Certified Residential appraiser and I have been asked to appraise a home on 40 acres, which includes a "hobby farm" that is not used for commercial purposes. The zoning requires a minimum lot size of 40 acres, so the lot cannot be subdivided and used for other purposes. Does my Certified Residential credential permit me to appraise this property?

Response:
Yes, as long as you can do so in compliance with the COMPETENCY RULE and all other applicable provisions in USPAP.

Question 2:
I am a Certified Residential appraiser and I have been asked to appraise a home on 40 acres. The zoning requires a minimum lot size of 5 acres, and I have confirmed with the local planning department that the lot could be subdivided into eight 5-acre parcels. In addition, my preliminary research confirms that the highest and best use of the property would be for an eight-lot subdivision. Does my Certified Residential credential permit me to appraise this property?

Response:
If the appraisal report will be utilized to support a Federally-Related Transaction (FRT), then you may not appraise this property under your Certified Residential credential. Since the highest and best use of the site is for something greater than a 1-4 unit residential property, the appraisal must be prepared by (or, at a minimum, co-signed by) a Certified General appraiser. If this is not an FRT, and you can do so in compliance with the COMPETENCY RULE and all other provisions of USPAP, then check with your state appraiser regulatory agency to see if state regulations permit you to value a property with these characteristics.

Question 3:
I am a Licensed Residential appraiser and I have been asked to appraise a home on 40 acres in a marketplace where there are no other home sites larger than 5 acres. The appraisal is being requested by a federally-chartered bank in order to evaluate the subject property as collateral for a $1.5 million mortgage loan. Does my Licensed Residential credential permit me to appraise this property?

Response:
No. The scope of practice for the Licensed Residential classification allows for appraisals of "complex" 1-4 unit residential properties up to a transaction value of $250,000, and it appears this assignment would qualify as "complex." However, even if it does not qualify as "complex," the Licensed Residential classification only allows for appraisals of "non-complex" 1-4 unit residential properties up to a transaction value of $1 million.

Therefore, this property could not be appraised by a Licensed Residential appraiser to support a federally-related transaction (FRT). If this were not an FRT, and you could do so in compliance with the COMPETENCY RULE and all other provisions of USPAP, then check with your state appraiser regulatory agency to see if state regulations permit you to value a property with these characteristics.

QUALIFYING EDUCATION

Question 1:
I understand that as part of the *Required Core Curriculum* for either the 200 hours for a Certified Residential credential or the 300 hours for a Certified General credential, that I am required to take Appraisal Subject Matter Electives. What courses qualify as Electives?

Response:
Any course approved as qualifying education by your State Regulatory Agency may be utilized as an Appraisal Subject Matter Elective, provided you have not already used the course toward licensure and certification requirements. As an example, a candidate seeking a Certified Residential credential could fulfill the Appraisal Subject Matter Elective requirement by taking one or more of the courses required for the Certified General credential, or vice versa. In addition, a course could be approved by a state for more than the minimum number of hours required in one of the *Required Core Curriculum* modules. If, for example, you took a 25-hour course on Residential Appraiser Site Valuation and Cost Approach, 15 of those hours would satisfy the Core Curriculum Requirement for that topic and the other 10 could be applied toward the Appraisal Subject Matter Elective module.

Refer to Guide Note 1 (GN-1) in the *Real Property Appraiser Qualification Criteria* handbook for a complete listing of qualifying education topics and subtopics under the *Required Core Curriculum*.

Question 2:
I was going to become a Certified Residential appraiser but after taking 45 hours of residential classes I decided to go for my Certified General credential instead. How many hours out of the 45 can be utilized in satisfying the 300-hour requirement?

Response:
You will be able to utilize at least 30 hours, and possibly all 45. Four courses totaling 90 hours are part of the *Required Core Curriculum* for both the Certified Residential and Certified General credentials: *Basic Appraisal Principles* (30 hours), *Basic Appraisal Procedures* (30 hours), the *15-Hour National USPAP Course* or its equivalent (15 hours) and *Statistics, Modeling and Finance* (15 Hours). If your 45 hours were earned among these four courses, all of your hours will apply towards the Certified General credential.

In addition to specifically-required courses for the Certified General credential, students are required to earn 30 hours of Appraisal Subject Matter Electives. Thus, if the 45 hours you completed consist of other courses specific to the Certified Residential curriculum, then 30 of these hours can be utilized to satisfy the Appraisal Subject Matter Electives requirement of the Certified General credential.

Question 3:
I am interested in beginning an appraisal career. I found some real estate appraisal courses offered at a local community college, but found out they are not AQB CAP-approved courses. Is it true that the only courses I can take are AQB CAP-approved courses?

Response:
The AQB Course Approval Program (CAP) is a voluntary program to which educational providers may apply for approval of courses. CAP review and approval is designed to assist state appraiser regulatory agencies in approving courses by eliminating some of the administrative burden of course review; however, states have the final authority/responsibility with regard to approval of coursework. Check with your state appraiser regulatory agency to see whether the specific community college courses you are considering have been approved for qualifying education.

Question 4:
I received my Certified Residential appraiser credential in 2004, and now I would like to get my Certified General credential. According to my state appraiser regulatory agency, because I did not satisfy the qualifying educational requirements for the Certified General credential prior to January 1, 2008, I am required to start from the beginning and complete all the qualifying education required for a Certified General credential. I am told this even includes the classes I originally took to get my Certified Residential credential (e.g. *Basic Appraisal Principles* and *Basic Appraisal Procedures*). Is this correct?

Response:
Per the *Real Property Appraiser Qualification Criteria*, appraisers holding a valid Certified Residential credential may satisfy the educational requirements for the Certified General credential by completing the following additional educational hours: *General Appraiser Market Analysis and Highest and Best Use* (15 hours); *General Appraiser Sales Comparison Approach* (15 hours); *General Appraiser Site Valuation and Cost Approach* (15 hours); *General Appraiser Income Approach* (45 hours); and *General Appraiser Report Writing and Case Studies* (15 hours).

The noted 100 total hours of additional qualifying education is the minimum that must be completed. In addition, you will need to satisfy the college degree requirement, complete the additional hours of experience, and successfully complete the National Uniform Licensing and Certification Examination for the Certified General classification. As with all of the Criteria established by the AQB, states may create requirements that are greater than those established by the AQB. As a result, you will need to check with your state appraiser regulatory agency to determine the exact education required to change your credential.

Question 5:
I was pursuing a Certified General credential and completed a 30-hour qualifying education course on "General Appraiser Market Analysis and Highest and Best Use" approved by my state. I decided to pursue a Certified Residential credential instead, which requires 15 Hours of "Residential Market Analysis and Highest and Best Use." Can I use the General Appraiser course to count as my qualifying education in this category?

Response:
The *Real Property Appraiser Qualification Criteria* sets forth module names of the *Required Core Curriculum* areas which must be covered in a candidate's qualifying education for each appraiser classification sought. Furthermore, Guide Note 1 of the *Criteria* provides guidance on subtopic areas that should be covered under each of the modules of the *Required Core Curriculum*, in order to prepare the candidate to pass the National Uniform Licensing and Certification Examination for the specific credential. However, coverage of all of the subtopics under each module is not required in order for a course to be approved by your state appraiser regulatory agency as qualifying education.

Thus, given the commonality between the subtopics covered in the respective General and Residential Highest and Best Use courses, under the *Criteria*, a state could approve the General course toward the *Required Core Curriculum* for the Residential classification. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their specific requirements and course approvals, which could be more specific.

Question 6:
I understand the Certified General and Certified Residential *Criteria* require a college-level degree or specified college-level education in lieu thereof. I do not possess a degree, and I am pursuing the "in lieu" option. My local college requires certain prerequisites for several of the specific topic areas required by the AQB, meaning that I will have to take more than the required 21 semester hours for the Certified Residential classification, or the 30 semester hours for the Certified General classification to satisfy the education requirement. Are these prerequisite courses required by the AQB?

Response:
The *Real Property Appraiser Qualification Criteria* sets forth specific course topic areas for the in-lieu education, but does not specify individual courses. If the degree-granting college or university has prerequisites for a course you plan to utilize to satisfy one of the required educational topics, the college may require you to successfully complete the prerequisite course(s) before enrolling in the specific in-lieu course. This is not an AQB requirement, but may be a requirement of the educational institution you choose to attend.

Question 7:
I hold a Licensed Residential credential and I am pursuing an upgrade to Certified Residential. I do not have a college degree so I'm pursuing the "in-lieu" option. I have heard the AQB has exposed potential changes to the *Real Property Appraiser Qualification Criteria* that would eliminate this option in the future. What happens if I do not complete all of my "in lieu" education prior to the changes being adopted by the AQB?

Response:
The AQB examines the *Real Property Appraiser Qualification Criteria* every 5-7 years to make sure the *Criteria* continue to serve the purposes for which they are intended under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA). Updates/changes are proposed in response to issues raised by appraisers, regulators, and the public. The proposed change to require Bachelor's degrees at the Certified Residential and Certified General levels was adopted by the AQB in December 2011 to go into effect January 1, 2015. Thus, you would have until the effective date to fulfill all of the necessary requirements to earn your Certified Residential credential.

Question 8:
I have an appraisal credential in my home state and I am now seeking to obtain a credential in a new state where I will be relocating. My appraisal coursework was approved in my home state, but I am having difficulty getting my qualifying education approved in my new state. If one state approved my courses doesn't that mean they are automatically accepted by other states?

Response:
Under the *Real Property Appraiser Qualification Criteria*, one state may recognize the credential awarded by another jurisdiction and award the same credential upon application by the credential-holder. However, as each state has the right to regulate commerce within its boundaries, their laws may require an applicant to "start from scratch" and fulfill all of the current requirements for licensure or certification.

Each state has the responsibility to approve qualifying education courses leading toward real property appraiser credentials. Individual course providers (e.g. colleges/universities, proprietary schools, designation organizations) must seek approval of their courses by individual states. As such, it is possible one state may have approved a course, while another has not.

Question 9:
I am a state regulator responsible for evaluating courses submitted for qualifying education for state appraiser licensure and certification. I recently received a submission of a course entitled *Advanced Residential Applications and Case Studies*. I reviewed Guide Note 1 of the *Real Property Appraiser Qualification Criteria* and understand one of the subtopics for this course is "Advanced Case Studies." What qualifies a case study as "advanced?"

Response:
An *Advanced Residential Applications and Case Studies* course should serve to provide the student with practical instruction demonstrating how to handle complex and high-value residential properties.

Guide Note 1 of the *Criteria* provides curriculum guidance including the following subtopics for this course:

A. Complex Property, Ownership and Market Conditions
B. Deriving and Supporting Adjustments
C. Residential Market Analysis
D. Advanced Case Studies

Thus, the case studies in this type of course should include issues dealing with complex and/or high-value residential properties such as:

- Atypical properties in a given market;
- Residences with unique architecture or historic properties;
- Properties which may be stigmatized due to internal or external circumstances; and/or
- Properties of such value and/or unusual characteristics that their competitive market may be regional as opposed to an immediate neighborhood.

Other advanced case study topics could include complex ownership situations, such as the appraisal of fractional interests in a property; material dealing with more complex market conditions such as declining neighborhoods within a generally improving market; properties affected by a government acquisition program; or properties within markets which may be impacted by foreclosure sales or tax sales.

Advanced case studies may involve advanced statistical analysis; appropriate handling of unusual sales concessions; atypical markets; and markets with scarce data.

Please be advised that the above is not meant to be an exhaustive list of possible topics for *Advanced Residential Applications and Case Studies*. Course developers are encouraged to explore a variety of topics relevant to complex residential issues in order to differentiate an *Advanced Residential Applications and Case Study* course from more basic-level course topics.

Question 10:
I am a Trainee Appraiser preparing to get my Certified Residential credential. For my initial qualifying education to become a Trainee Appraiser, I completed 80 hours of Basic Appraisal Principles and Procedures in 2003 from a proprietary school that no longer exists. My state appraiser regulatory agency said any courses taken before the current edition of the *Real Property Appraiser Qualification Criteria* were no longer considered valid according to the AQB. Why can't these original hours count toward the qualifying education requirement for my Certified Residential credential?

Response:
The current edition of the *Real Property Appraiser Qualification Criteria* went into effect January 1, 2008. However, the *Criteria* do not contain any provision that invalidates qualifying education successfully completed prior to that date. As with all AQB *Criteria*, states may create requirements that are more restrictive; if so, you'll need to clarify this with your state. From the AQB's perspective, courses that were eligible in 2003 would remain valid towards the 2008 *Criteria*.

Question 11:
I have been a commercial real estate professional for over 20 years, have my broker's license and am a Certified Commercial Investment Member (CCIM). I am interested in pursuing a Certified General real property appraiser credential. I would prefer to do my education on my own time with an online educator. I have my Bachelor's degree in business from a state university. With my licensing, education, and experience, is there a way to "fast track" the required coursework?

Response:
Many qualifying education (QE) courses required under the *Real Property Appraiser Qualification Criteria* are available online. Your state appraiser regulatory agency maintains a list of approved QE courses and providers. Also, it is possible your university may have sought and received QE approval from your state appraiser regulatory agency for some of the courses you took when earning your degree.

Alternatively, some of the education you completed for your other real estate credentials/designations might be approved by your state appraiser regulatory agency as real property appraiser QE. If so, you may already have some of the 300 hours of required QE for the Certified General credential completed.

Question 12:
I hold a Licensed Residential credential and need to upgrade to a Certified Residential credential to remain on the FHA roster. What courses do I need to take?

Response:
The additional *Required Core Curriculum* coursework required of those appraisers holding a valid Licensed Residential credential are as follows: *Statistics, Modeling & Finance* (15 hours), *Advanced Residential Applications and Case Studies* (15 hours) and *Appraisal Subject Matter Electives* (20 hours).

In addition to the *Required Core Curriculum* requirements, candidates must also meet the college-level education (see below), experience and examination requirements for the Certified Residential credential.

Applicants for the Certified Residential credential must hold an Associate degree from an accredited college, junior college community college or university, or have obtained 21 semester hours (or their equivalent) as demonstrated by passing the following courses at an accredited, degree-granting institution: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Computer Science; and Business or Real Estate Law.

The minimum experience requirement is 2,500 hours obtained during not less than twenty-four (24) months.

The AQB-approved Certified Residential Real Property Appraiser Examination must also be successfully completed.

COLLEGE DEGREE OR EDUCATION IN LIEU OF A DEGREE

Question 1:
I have a 4-year undergraduate degree from the University of Mexico and wonder if my degree meets the college requirements of the Certified General *Real Property Appraiser Criteria*?

Response:
Guide Note 8 of the *Real Property Appraiser Qualification Criteria* encourages applicants with college-level education from a foreign country to have their education evaluated for "equivalency" by an accredited degree-granting domestic college or university. The AQB further encourages state appraiser regulatory agencies to recognize such an evaluation by an accredited degree-granting college or university towards an applicant's educational qualifications.

It is the intent of the AQB for state appraiser regulatory agencies to accept college-level education completed at a foreign degree-granting college or university, if that education has been evaluated and deemed equivalent by an accredited degree-granting U.S. college or university.

Please check with your State Appraiser Regulatory Agency to determine whether they recognize the recommended equivalency evaluation.

Question 2:
I hold a Certified Residential credential and now I plan to pursue a Certified General credential. How can I fulfill the college degree or coursework "in lieu of" the degree requirement specified in the *Real Property Appraiser Qualification Criteria?*

Response:
The *Real Property Appraiser Qualification Criteria* requires an applicant for a Certified General credential to hold a Bachelor's degree or 30 semester hours of specific collegiate-level coursework from an accredited degree-granting college or university.

If you obtained your Certified Residential credential without having successfully completed any of the required college education, then you must either obtain or demonstrate you have been awarded a Bachelor's degree, or complete or have successfully completed the required 30 hours of specific collegiate level coursework, from an accredited degree-granting college or university.

If you have an Associate's degree, then you must either pursue a Bachelor's degree, or you must examine the specific coursework required by the *Criteria* and determine if you have taken those specific courses, and then pursue additional coursework as necessary at an accredited degree-granting college or university.

If you obtained your Certified Residential credential by completing the 21 hours of "in lieu of" education, then you must either pursue a Bachelor's degree or you must demonstrate you have successfully completed the additional 9 hours of "in lieu of" education from an accredited degree-granting college or university.

Question 3:
I have completed a 3 hour pre-licensure Real Estate Law course at a local community college. Does this count toward the required "Business or Real Estate Law" course required in lieu of a college degree?

Response:
If the course consists of only 3 total hours of in class time then it would not count toward the in lieu of college education even though you attended class at a college. Per the *Real Property Appraiser Qualification Criteria* the course work must be a "collegiate subject matter" course spanning a semester from a degree-granting college or university for which you receive credit from the college or university toward a degree.

Question 4:
I do not hold a college degree, but I have taken courses from a degree-granting college/university. How do I know if the courses I have taken satisfy the in lieu of education required by the *Real Property Appraiser Qualification Criteria* toward the Certified Residential or Certified General classifications?

Response:
The *Real Property Appraiser Certification Criteria* contains a course subject matter list setting forth the courses leading to the 21 semester credit hours in lieu of education required for the Certified Residential credential and the 30 semester credit hours in lieu of education required for the Certified General credential. The subject matter course listing is sufficiently broad so as to provide State Appraiser Regulatory Agencies with some latitude in the specific course titles that are acceptable. For example, a course does not have to be specifically titled "English Composition." Any English course, which requires significant writing as a main feature of the course may be accepted by a State Regulatory Agency. Similarly, a course does not have to be titled "Finance," to be acceptable. However, a qualifying in lieu of course must be a semester course on finance, such as "Money and Banking," "Real Estate Finance," etc. Please check with your State Appraiser Regulatory Agency for specific approvals.

Question 5:
The *Real Property Appraiser Qualification Criteria* requires a "Business or Real Estate Law" course (among other courses) in lieu of a college degree as college education for the Certified Residential and the Certified General credentials. Does this mean any course in "Business" or a specific course in "Real Estate Law" or does this mean a specific course in "Business Law" or a specific course in "Real Estate Law?"

Response:
The in lieu of education must include successful completion of a specific course in "Business Law" or a specific course in "Real Estate Law" from an accredited degree-granting college or university for which you receive credit from the college or university toward a degree.

Question 6:
The *Real Property Appraiser Qualification Criteria* lists seven (7) courses totaling 21 hours of education in lieu of an Associate degree as college education for the Certified Residential credential. Can I take 15 semester hours of one subject matter course (i.e. "Statistics") and one hour each of the other six (6) required subject areas and still satisfy the 21-hour requirement?

Response:
No. The intent of the *Real Property Appraiser Qualification Criteria* is for candidates for Certification to have a broad educational background. Thus, the candidate is required to earn at least three (3) semester hours in each of the subject matter courses noted in lieu of the degree. The same holds true for the ten subject matter courses required for the Certified General credential. Please see the September 2009 *Criteria* Interpretation on this subject.

EXPERIENCE

Question 1:
I am a Trainee Appraiser in a state that has adopted the Trainee *Real Property Appraiser Qualification Criteria* accumulating experience under a Certified Residential supervising appraiser. I understand that for my experience to be eligible for credit it must be performed with a certified appraiser; however, we occasionally receive assignments that I do not intend to use for experience credit. In assignments where I don't intend to claim experience credit, can I perform the assignment under the direction of a Licensed Residential appraiser, or even on my own without a supervising appraiser?

Response:
No. Regardless of whether an assignment is being claimed for experience credit, a Trainee Appraiser must work under the direct supervision of a Certified Residential or Certified General appraiser. *The Real Property Appraiser Qualification Criteria* states:

> *The scope of practice for the Trainee Appraiser Classification is the appraisal of those properties which the* ***supervising Certified appraiser*** *is permitted by his/her current credential and that the supervising appraiser is qualified to appraise. (Bold added for emphasis.)*

Question 2:
I am pursuing a Certified General credential. The firm I work with has a diverse appraisal practice including the valuation of real property and the valuation of personal property. Can I claim experience for personal property appraisal assignments where I am not appraising the real property interest?

Response:
No. Per the *Real Property Appraiser Qualification Criteria*, experience must be gained in the performance of acceptable real property appraisal practice. Specifically, an applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5 and/or 6.

Standard 1 (the Real Property Appraisal Development Standard) does provide for the valuation of personal property as a part of a *real property valuation assignment*. Thus, a state may accept personal property valuations that are part of a real property appraisal, such as the valuation of furniture, fixtures and equipment (personal property) as part of a hotel going concern valuation. However, always be sure to check with the specific state appraisal regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements which could be more restrictive.

Question 3:
Is there an assumption that a typical residential appraisal takes "X" hours to develop and report? If someone submits a log to the state and says they have acquired 3,000 hours of experience by doing ten "URAR" form reports, would they be believed? Or, is there a range that makes sense, like between 4 and 12 hours for a "typical" assignment?

Response:
The *Real Property Appraiser Qualification Criteria* does not specify the amount of experience hours which may be claimed per assignment. The state appraiser regulatory agency in the jurisdiction where you are seeking a credential is responsible for examining your experience log and must be

satisfied there is a reasonable relationship between the amount of time you claim to have spent on an assignment and your description of work performed. Some states have established typical hours for specific types of appraisal assignment types, which they use as a benchmark to identify potentially excessive experience claims. Be sure to check with your supervisory appraiser and your state appraiser regulatory agency to make sure you comply with the hourly requirements when claiming experience.

Question 4:

I am employed by a county appraisal district where we value properties for ad valorem tax purposes. My job requirements include valuing real property using the sales comparison approach, performing on-site inspections of properties, using mass appraisal tools to assign real property values, analyzing sales on an annual basis, etc. Our state requires that my appraisal experience for state licensure or certification must comply with the Appraiser Qualifications Board *Criteria* for acceptable experience. Does my position as a Residential Appraiser at the appraisal district meet the AQB *Criteria* for acceptable experience?

Response:

Just by serving in a municipal appraisal position, you are not automatically granted credit. Per the *Real Property Appraiser Qualification Criteria* the quantitative experience requirements must be satisfied by time spent on the appraisal process: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP. Based upon the minimum criteria set forth by the AQB, a state could, after review of your work log and work samples, grant you experience credit for work completed in ad valorem, mass appraisal assignments. However, check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 5:

I am presently a Certified Residential appraiser and I am pursuing a change to Certified General. I realize a Trainee who applies to become Certified General is required to accumulate 3,000 hours of experience (with at least 1,500 being non-residential). However, does this mean that a Certified Residential appraiser would only have to accumulate 1,500 hours of commercial experience to satisfy the experience requirement?

Response:

The *Real Property Appraiser Qualification Criteria* requires 3,000 hours of experience accumulated during no fewer than 30 months, of which 1,500 hours must be non-residential. Under the *Criteria*, experience gained in pursuit of a credential is not exclusive to that specific credential. Thus, based upon the minimum criteria set forth by the AQB, a state appraiser regulatory agency could, after review, count the experience earned toward your Certified Residential credential along with additional experience earned toward the 3,000-hour requirement for the Certified General credential. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 6:

I have been a Licensed Real Estate agent for several years and also a Trainee Appraiser for over one year. I have a supervisor for whom I do appraisals and I also get paid by a bank to do Broker Price Opinions (BPOs) that require very similar information as an appraisal (including providing six comps). I act as a completely unbiased person doing these BPO's and have no interest in the properties. Can these BPOs be counted on my appraisal experience log?

Response:

If the BPOs do not comply with USPAP, regardless of the level of detail or the scope of work performed, they are ineligible for experience credit. (Refer to USPAP for further information on not misrepresenting your role when acting as an appraiser versus a broker/sales person/mortgage broker.)

If, however, the development and reporting of the BPO complies with USPAP, and your supervisory appraiser provides direct supervision over your preparation thereof, reviews and signs your work product, it is possible a state appraiser regulatory agency might count these as appraisal experience. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 7:

I am a licensed forester and a Trainee Appraiser. My Supervisory Appraiser is a forester and a Certified General appraiser. As a part of my company's forestry practice, I often perform timber inventory and valuation reports (timber cruises) to estimate the value of timber. Can I utilize my timber cruise experience to satisfy the 3,000 hours of required real property appraisal experience toward earning a Certified General credential?

Response:
Solely developing a timber inventory and valuation report (aka "timber cruise") does not qualify for real property valuation experience. However, if you develop a timber inventory and valuation report and appropriately utilize this information in an appraisal of real property, it may qualify for real property valuation experience provided the appraisal complies with USPAP. Furthermore, as with other types of appraisal assignments, an individual providing significant real property appraisal assistance in the appraisal may receive credit for these assignments, provided the individual is duly acknowledged in the certification of the report as having provided significant real property appraisal assistance, and the description of their assistance is included in the appraisal report. Be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 8:
I am a Trainee Appraiser working towards my license. If I do not sign an appraisal report due to my company's policies or a client's assignment conditions, what verbiage is required in the report in order for the time I spent on the appraisal to count toward the experience requirements in the *Real Property Appraiser Qualification Criteria*?

Response:
If you provide significant real property appraisal assistance for a supervisory appraiser but do not sign the report certification, your supervisory appraiser must disclose that you provided significant real property appraisal assistance within the certification of the report. In addition, the supervisory appraiser must describe the extent of your assistance in the report (refer to the Uniform Standards of Professional Appraisal Practice [USPAP], Standards Rules 2-2 and 2-3, as well as Advisory Opinion 31, *Assignments Involving More Than One Appraiser*, for additional details).

Furthermore, the experience log you submit to your state appraiser regulatory agency must describe the work you performed in support of the hours of experience you claim for each assignment. Documentation in the form of reports, certifications, or file memoranda, or other evidence that the time you spent on the appraisal process is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.

Question 9:
I hold a Certified Residential credential and I am pursuing a Certified General credential in the same jurisdiction. Does the AQB require any supervised experience to upgrade from a Certified Residential appraiser to a Certified General appraiser?

Response:
The *Real Property Appraiser Qualification Criteria* does not specifically address a formal Supervisory Appraiser relationship for Certified or Licensed appraisers seeking an upgrade to their credential. However, you must comply with the COMPETENCY RULE of USPAP when you obtain your non-residential property experience, which may require that you work with an existing Certified General appraiser who is competent in the property type and geographic area. Be sure to check with the state appraiser regulatory agency in the state where you plan to seek the credential to confirm the state's requirements, as states may implement more stringent requirements.

Question 10:
I am a Supervisory Appraiser and I hold a Certified General credential in two states: State A and State B. One of my Trainees has a Trainee Appraiser's credential in State A only. I have an assignment in State B, and plan to take my Trainee with me to work on the assignment. Will State A grant experience to my Trainee Appraiser for work performed in State B?

Response:
The *Real Property Appraiser Qualification Criteria* specifies experience must be gained under the supervision of the Supervisory Appraiser and the work must comply with USPAP. Thus, the *Real Property Appraiser Qualification Criteria* would not prohibit State A from granting the Trainee Appraiser credit in this case. However, be sure to check with the state appraiser regulatory agency in State A to confirm the state's requirements, which could be more restrictive.

NATIONAL UNIFORM LICENSING AND CERTIFICATION EXAMINATIONS

Question 1:
Is there a study guide for the Licensed Residential, Certified Residential or Certified General examinations?

Response:
The Appraisal Foundation does not publish a study guide for the National Uniform Licensing and Certification Examinations. The questions on the examinations are based upon the body of knowledge covered in the *Required Core Curriculum* as noted in Guide Note 1 (GN-1) of the *Real Property Appraiser Qualification Criteria*. Sample questions are available on The Appraisal Foundation website at *www.appraisalfoundation.org*.

Question 2:
I hold a Certified Residential credential, which I obtained prior to the implementation of the 2008 *Real Property Appraiser Qualification Criteria* and now I plan to pursue a Certified General credential. The *Criteria* indicate I am required to successfully complete 100 additional hours of qualifying education. Will these additional hours make me qualified to pass the National Uniform Licensing and Certification Examination for the Certified General classification?

Response:
The National Uniform Licensing and Certification Examination for the Certified General classification is based upon the 300 hours of *Required Core Curriculum* coursework as outlined in the *Real Property Appraiser Qualification Criteria*. Depending upon when you completed your original education and the nature of your practice, you may be able to pass the National General Certification Exam. However, the AQB urges you to examine the *Required Core Curriculum* to identify any possible areas of perceived weakness in your education, and prepare yourself by taking additional qualifying education courses in those areas.

CONTINUING EDUCATION

Question 1:
I am a state-certified appraiser and was told by my state appraiser regulatory agency the *15-Hour National USPAP Course* would not satisfy my continuing education requirement to complete the *7-Hour National USPAP Update Course*. Why can't I take the 15-Hour course in lieu of the 7-Hour course?

Response:
The *Real Property Appraiser Qualification Criteria* require the 7-*Hour National USPAP Update Course* be taken for continuing education (CE) every two calendar years. The *7-Hour National USPAP Update Course* concentrates on the most recent changes to USPAP, common problem areas, and application of USPAP to real world situations. This course is appropriate for practicing appraisers who already have a baseline understanding of USPAP, but need to be apprised of recent developments and updates affecting their appraisal practice. The *15-Hour National USPAP Course* is geared to the beginning appraiser who has a limited understanding of USPAP. The coverage and treatment of changes or emerging issues is not the focus of this course; thus it does not meet the educational objectives of the 7-Hour course.

Question 2:
I took some courses as qualifying education in order to obtain my appraiser credential. Am I allowed to re-take these same courses again for continuing education (CE) purposes now that I'm credentialed?

Response:
If a course is approved by your state appraiser regulatory agency as (CE), you should be able to receive CE credit for taking the course, regardless of whether you previously took the course as qualifying education. However, some states prohibit re-taking the same course for CE purposes. Confirm with your state appraiser regulatory agency whether the course is eligible for CE.

Question 3:
I am a state regulator charged with reviewing and approving courses for continuing education (CE) for my state. An education provider submitted CE courses for review that are designed to prepare candidates for the National Uniform Licensing and Certification Examinations. Can the state approve an "exam prep" course for CE?

Response:
Nothing would prohibit a state from approving a course that prepares individuals for the National Uniform Licensing and Certification Examinations, provided the course adheres to the CE requirements as outlined in the *Real Property Appraiser Qualification Criteria* (i.e. the course covers applicable appraisal-related topics and is a minimum of 2 hours in length).

Question 4:
I am certified in multiple states. If I attend and successfully complete a continuing education (CE) course in one state, can I use it to count toward my recertification in another state?

Response:
In the event the course, provider and delivery mechanism (classroom or distance education) are approved in both states, then each state may grant you CE credit for taking the one course. Each state has a unique method of approving courses. Thus, be sure to check with the specific state appraiser regulatory agency in the jurisdictions in which you are seeking to recertify your credentials to verify their requirements.

Question 5:
The *Real Property Appraiser Qualification Criteria* require that I take the *7-Hour National USPAP Update Course* once every two calendar years. If I do not take the course until 18 months after the new version of USPAP goes into effect, does that mean I can continue to follow the prior version of USPAP until I take the update course?

Response:
No. You are responsible to comply with the current version of USPAP from the date it becomes effective, regardless of when you complete the *7-Hour National USPAP Update Course*. For this reason, the AQB encourages all credential holders to complete the *7-Hour National USPAP Update Course* as soon as possible, to ensure proper understanding of any revisions made to USPAP.

Question 6:
I am an AQB Certified USPAP Instructor and I recently taught the *7-Hour National USPAP Update Course*. Can I be granted continuing education credit toward my credential renewal for successfully completing the *7-Hour National USPAP Update Course* during my current renewal cycle?

Response:
Per the *Real Property Appraiser Qualification Criteria* a state appraiser regulatory agency may allow you to receive credit for successfully completing the *7-Hour National USPAP Update Course* in this case, provided that you do not receive credit for more than half of your total required continuing education (CE) during any one CE cycle by teaching or in any other manner, other than as a student in a CE course. However, check with your state appraiser regulatory agency to confirm whether any additional restrictions may apply.

Question 7:
I am an instructor of courses approved for qualifying education (QE) and/or continuing education (CE) in the state in which I hold an appraiser credential. Can I obtain CE credit for time I spend preparing to teach courses?

Response:
No, *preparing to instruct* does not qualify for CE credit. However, a jurisdiction may award up to one-half of your required continuing education credit in a CE cycle for your activities during the cycle as a program or course developer or for authorship of an appraisal textbook.

Question 8:
I am a certified appraiser in a state with a 2-year licensure cycle. As such, I am required to complete 28 hours of approved continuing education (CE) in order to be eligible to renew my certification. If I complete more than the required 28 hours, can I carryover the extra hours to my next certification renewal?

Response:
The *Real Property Appraiser Qualification Criteria* (2008) does not provide for any carryover of CE hours from one renewal period to the next. Specifically, under *Section F. Criteria Specific to Continuing Education, Item 11* requires the instruction for which CE is sought to take place "… during the period preceding the renewal."

Question 9:
I am a certified appraiser and my certification does not need to be renewed until next year. I have not yet taken the latest *7-Hour National USPAP Update Course*. Does this mean that my credential is invalid until I complete the course?

Response:
The Uniform Standards of Professional Appraisal Practice go into effect January 1, of the even year. You are responsible for understanding and complying with the current version of USPAP when you complete an appraisal, whether or not you have taken the relevant 7-Hour course. Under the *Real Property Appraiser Qualification Criteria*, you are required to successfully complete the 7-Hour course every two calendar years. The *Criteria* do not otherwise define the timeframe during which you must complete the course. However, please check with your state appraiser regulatory agency as states may implement more stringent requirements.

Question 10:
My appraiser license renewal date is September 3, 2012. Is continuing education I completed in February 2010 too old? Where can I find the timeframe during which my continuing education must be completed?

Response:
Your state appraiser regulatory agency determines the continuing education cycle for credentials within the state. The *Real Property Appraiser Qualification Criteria* do not allow carryover of any CE hours from one renewal period to the next.

Question 11:
Does the AQB require successful completion of a final exam in order to receive continuing education (CE) credit for an online appraisal course?

Response:
The *Real Property Appraiser Qualification Criteria* require course providers of distance learning (online) CE courses to track students' attendance and measure their comprehension of the material. One way this can be accomplished is via a proctored, final examination. The other, more common method is for the CE course to include embedded quizzes or other exercises to be completed by the student during the course offering.

Please note that several states have adopted an exam requirement for all continuing education distance learning courses. If you are located in one of these states, you are required to comply with the state's examination requirement in order to obtain your CE credit.

In addition, all synchronous USPAP courses do require a proctored final examination.

The AQB Q&A is posted on The Appraisal Foundation website (www.appraisalfoundation.org)

For further information regarding AQB Q&A, please contact:
John S. Brenan, Director of Appraisal Issues
The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005
(202) 624-3044
(202) 347-7727 fax
john@appraisalfoundation.org

REAL PROPERTY APPRAISER QUALIFICATION CRITERIA

EFFECTIVE JANUARY 1, 2015

DEFINITIONS:

Real Property Appraiser Qualification Criteria (Criteria): Established by the Appraiser Qualifications Board (AQB) of The Appraisal Foundation, these *Criteria* set forth the minimum education, experience and examination requirements for real property appraisers.

Required Core Curriculum: A set of appraisal subject matter major headings known as "modules" which require a specified number of educational hours at each credential level.

For example, as part of the Required Core Curriculum, a minimum of 30 hours of coverage of the module "Basic Appraisal Principles" is required.

Subtopics: Areas of appraisal education (as identified in AQB Guide Note 1) that may be included within the modules of the *Required Core Curriculum.*

As Guide Note 1 is not a binding requirement, coverage of the subtopics is not required for educational offerings to be valid; however, individuals will be expected to demonstrate competency in the subtopics in order to pass the respective licensing or certification examinations.

Interpretations: Elaborations or clarifications of the *Criteria* issued by the AQB. Interpretations are essential to a proper understanding of the requirements set forth in the *Criteria* and are, therefore, binding upon users of the *Criteria.*

Guide Notes: Guidance or advice provided by the AQB for assistance in understanding and implementing the *Criteria.*

For example, AQB Guide Note 1 (GN-1) "AQB Guidance for Curriculum Content" provides state appraiser regulators, students and educators suggested subtopics and items of coverage for each module in the Required Core Curriculum. The subtopics identified in Guide Note 1 represent those areas of education in which appraisers should be able to demonstrate competency to pass the respective licensing or certification examinations.

CRITERIA APPLICABLE TO ALL REAL PROPERTY APPRAISER CLASSIFICATIONS

I. Standards of Practice

Appraisers in all classifications shall perform and practice in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP).

II. Existing Credential Holders

Existing credential holders (with the exception of Trainee Appraisers) in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board *Real Property Appraiser Qualification Criteria* (*Criteria*) if they have passed an AQB-approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential (with the exception of Trainee Appraisers) in another jurisdiction. All credential holders must comply with ongoing requirements for continuing education, and state renewal procedures.

III. Generic Education Criteria

A. Class hour
   1. A class hour is defined as 60 minutes, of which at least 50 minutes are instruction attended by the student.
   2. The prescribed number of class hours includes time for examinations.

B. Credit for the class hour requirements may be obtained only from the following providers:
   1. Colleges or universities;
   2. Community or junior colleges;
   3. Real estate appraisal or real estate related organizations;
   4. State or federal agencies or commissions;
   5. Proprietary schools;
   6. Providers approved by state certification/ licensing agencies; or
   7. The Appraisal Foundation or its Boards.

C. Experience may not be substituted for education.

D. Distance education is defined as any education process based on the geographical separation of student and instructor. A distance education course is acceptable to meet class hour requirements if:

1. The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor; and

2. Content approval is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction; and

3. Course delivery mechanism approval is obtained from one of the following sources:
   a. AQB approved organizations providing approval of course design and delivery; or
   b. a college or university that qualifies for content approval in paragraph 2 above that awards academic credit for the distance education course; or
   c. a qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

E. Criteria specific to Qualifying Education

1. Class hours will be credited only for educational offerings with content that follows the *Required Core Curriculum* for each respective credential classification. Course content requirements may be general or specific to property types. The *Required Core Curriculum* is to be followed by major headings with the classroom hours for each. Guide Note (GN-1) contains guidance for curriculum content with subtopics listed under each major module. The subtopics listed in GN-1 are used for developing Examination Content Outlines for each applicable credential classification, and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge. GN-1 is not mandatory for meeting the *Required Core Curriculum*.

2. Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, **provided that the college or university has had its curriculum reviewed and approved by the AQB.**

   The AQB may maintain a list of approved college or university degree programs, including the *Required Core Curriculum* and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for the Trainee Appraiser, Licensed Residential, Certified Residential or Certified General credential who are awarded degrees from approved institutions are required to complete all additional education required for the credential, in which the approved degree is judged to be deficient by the AQB.

3. Class hours may be obtained only where:
   a. the minimum length of the educational offering is at least 15 hours; and
   b. the individual successfully completes a proctored, closed-book final examination pertinent to that educational offering.

4. Where the qualifying education course includes multiple modules as listed in the *Required Core Curriculum*, there must be appropriate testing of each module included in the course.

5. Courses taken to satisfy the qualifying education requirements must not be repetitive. Courses shall foster problem-solving skills in the education process by utilizing case studies as a major teaching method when applicable.

6. Applicants must take the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and pass the associated *15-Hour National USPAP Course* examination. At least one of the course instructors must be an AQB Certified USPAP Instructor who is also a state certified appraiser in good standing. Course equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. USPAP education presented in a distance education format must be designed to foster appropriate student-to-student, student-to-instructor, and student-to-material interaction.

7. In addition to the generic requirements described in III. D, distance education courses intended for use as qualifying education must include a written, closed-book final examination (proctored by an official approved by the college or university, or by the sponsoring organization). The term "written" as used herein refers to an exam that might be written on paper, or administered electronically on a computer workstation or other device. Oral exams are not acceptable. The testing must be in compliance with the examination requirements of this section.

F. Criteria Specific to Continuing Education

1. The purpose of continuing education is to ensure that appraisers participate in a program that maintains and increases their skill, knowledge, and competency in real property appraising.

   Aside from complying with the requirements to complete the *7-Hour National USPAP Update Course*, or its equivalent, appraisers may not receive credit for completion of the same continuing education course offering within an appraiser's continuing education cycle.

2. Credit towards the continuing education hour requirements for each appraiser classification may be granted only where the length of the educational offering is at least two (2) hours.

3. Credit may be granted for education offerings that are consistent with the purpose of continuing education and cover those real property related appraisal topics, including, but not limited to:
   a. Ad valorem taxation;
   b. Arbitration, dispute resolution;
   c. Courses related to the practice of real estate appraisal or consulting;
   d. Development cost estimating;
   e. Ethics and standards of professional practice, USPAP;
   f. Land use planning, zoning;
   g. Management, leasing, timesharing;
   h. Property development, partial interests,
   i. Real estate law, easements, and legal interests;
   j. Real estate litigation, damages, condemnation;
   k. Real estate financing and investment;
   l. Real estate appraisal related computer applications;
   m. Real estate securities and syndication;
   n. Developing opinions of real property value in appraisals that also include personal property and/or business value;
   o. Seller concessions and impact on value; and/or
   p. Energy efficient items and "green building" appraisals.

4. Up to one half of an individual's continuing education requirement may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities that are determined to be equivalent to obtaining continuing education. Credit for instructing any given course or seminar can only be awarded once during a continuing education cycle.

5. Educational offerings taken by an individual in order to fulfill the class hour requirement for a different classification than his/her current classification may be simultaneously counted towards the continuing education requirement of his/her current classification.

6. In addition to the generic requirements described in III.D., distance education courses intended for use as continuing education must include at least one of the following:
   a. A written examination proctored by an official approved by the college or university, or by the sponsoring organization. The term "written" as used herein refers to an exam that might be written on paper, or administered electronically on a computer workstation or other device. Oral exams are not acceptable; or
   b. Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter.

7. Real estate appraisal-related field trips may be acceptable for credit toward the continuing education requirements. However, transit time to or from the field trip may not be included when awarding credit unless instruction occurs during said transit time.

8. Appraisers must successfully complete the *7-Hour National USPAP Update Course*, or its AQB-approved equivalent, every two calendar years. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB.

9. Individuals who are credentialed in more than one jurisdiction shall not have to take more than one *7-Hour National USPAP Update Course* within a two calendar year period for the purposes of meeting AQB *Criteria*.

10. USPAP continuing education credit shall only be awarded when the course is instructed by at least one AQB Certified USPAP Instructor who is also a state certified appraiser in good standing.

11. The equivalent of fourteen class hours of instruction in courses or seminars for each year during the period preceding the renewal is required. For example, a two-year continuing education cycle would require twenty-eight hours. The class hour requirement can be fulfilled at any time during the cycle.

12. AQB Certified USPAP Instructors successfully completing a *7-Hour Instructor Recertification Course* and exam (if required) within their current continuing education cycle have satisfied the *7-Hour National USPAP Update Course* continuing education requirement.

13. State appraiser regulatory agencies with the appropriate authority to do so, may place a credential holder in an "inactive status" in the event the state determines a deficiency in continuing education was due to extenuating circumstances.

    Prior to reactivation, credential holders in an inactive status must complete all required continuing education hours that would have been required if the credential holder was in an active status. The required hours must also include the most recent edition of a *7-Hour National USPAP Update Course* (or its AQB-approved equivalent).

    Waivers may not be granted to credential holders who have failed to meet the continuing education requirements.

    Deferrals may not be granted to credential holders, except in the case of individuals returning from active military duty, or individuals impacted by a state- or federally-declared disaster. State appraiser regulatory agencies may allow credential holders returning from active military duty to be placed in active status for a period of up to 90 days pending completion of all continuing education requirements. State appraiser regulatory agencies may allow credential holders impacted by a state- or federally-declared disaster that occurs within 90 days prior to the end of the continuing education cycle to remain (or be placed in) active status for a period of up to 90 days after the end of the credential holder's continuing education cycle, pending completion of all continuing education requirements.

14. Credentialed appraisers are required to complete continuing education for a partial year in a continuing education cycle as follows:

    For continuing education cycle periods of 185 days or more, 14 hours of continuing education is required.

    For continuing education cycle periods of less than 185 days, no hours of continuing education are required.

    Example #1: A credential issued on August 15 that expires on December 31 of the same year would not require any continuing education hours for that year.

    Example #2: A credential issued on May 15 that expires on December 31 of the same year would require 14 continuing education hours for that year.

    Example #3: A credential issued on August 15 that expires on December 31 of the following year would require 14 hours of continuing education to renew.

15. State appraiser regulatory agencies may award continuing education credit to credentialed appraisers who attend a state appraiser regulatory agency meeting, under the following conditions:
    a. Credit may be awarded for a single state appraiser regulatory agency meeting per continuing education cycle. The meeting must be open to the public and must be a minimum of two (2) hours in length. The total credit cannot exceed seven (7) hours; and
    b. The state appraiser regulatory agency must ensure that the credentialed appraiser attends the meeting for the required period of time.

IV. Generic Examination Criteria

A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB-approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

V. Generic Experience Criteria

A. Education may not be substituted for experience, except as shown below in Section D below.

B. The quantitative experience requirements must be satisfied by time spent on the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP.

C. Hours may be treated as cumulative in order to achieve the necessary number of hours of appraisal experience.
   1. Cumulative is defined as meaning that experience may be acquired over any time period.
   2. The following is an example of cumulative experience:

Year 1	200 Hours
Year 2	800 Hours
Year 3	600 Hours
Year 4	400 Hours
Year 5	500 Hours
Total	**2,500 Hours**

D. There need not be a client in a traditional sense (i.e. a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement.

   Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category. Experience credit shall be granted for the actual classroom hours of instruction, and hours of documented research and analysis as awarded from the practicum course approval process.

E. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal practice. Acceptable real property appraisal practice for experience credit includes appraisal, appraisal review, appraisal consulting, and mass appraisal. All experience must be obtained after January 30, 1989, and must be USPAP-compliant. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.

F. Documentation in the form of reports, certifications, or file memoranda, or, if such reports and memoranda are unavailable for good cause, other evidence at the credentialing authority's discretion that the work is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.

G. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:
   1. Type of property;
   2. Date of report;
   3. Address of appraised property;
   4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;
   5. Number of actual work hours by the trainee/applicant on the assignment; and
   6. The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.

H. There is no maximum time limit during which experience may be obtained.

VI. Background Checks

A. All candidates for a real property appraiser credential must undergo background screening. State appraiser regulatory agencies shall, at a *minimum*, obtain fingerprints of the individual, in digital form if practicable, and any appropriate identifying information for submission to the Federal Bureau of Investigation and/or any governmental agency or entity authorized to receive such information in connection with a State and national background check.

B. In addition to all applicants for new credentials, state appraiser regulatory agencies are strongly encouraged to perform background checks on *existing* credential holders as well.

C. State appraiser regulatory agencies must ensure that all candidates for a real property appraiser credential do not possess a background that could call into question public trust. State appraiser regulatory agencies must take proper steps to ensure those applicants found to possess a background which calls into question the applicant's ability to maintain public trust are not issued a real property appraiser credential. State appraiser regulatory agencies shall not issue a real property appraiser credential if:

1. The applicant has had an appraiser license or certification revoked in any governmental jurisdiction within the five (5) year period immediately preceding the date of application.

2. The applicant has been convicted of, or pled guilty or *nolo contendere* to, a felony in a domestic, or foreign court:
   a. during the five (5) year period immediately preceding the date of the application for licensing or certification; or
   b. at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering.

3. The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly, fairly, and efficiently within the purposes of these *Criteria*.

D. Additional background issues that a state appraiser regulatory agency shall evaluate and consider prior to issuing (or taking disciplinary action against) a real property appraiser credential include, but are not limited to:

1. Convictions of any criminal offense involving dishonesty, breach of trust, or money laundering against the individual or organizations controlled by the individual, or agreements to enter into a pretrial diversion or similar program in connection with the prosecution for such offense(s);

2. Civil judicial actions against the individual in connection with financial services-related activities, dismissals with settlements, or judicial findings that the individual violated financial services-related statutes or regulations, except for actions dismissed without a settlement agreement;

3. Actions or orders by a State or Federal regulatory agency or foreign financial regulatory authority that:
   a. Found the individual to have made a false statement or omission or been dishonest, unfair or unethical; to have been involved in a violation of a financial services-related regulation or statute; or to have been a cause of a financial services-related business having its authorization to do business denied, suspended, revoked, or restricted;
   b. Are entered against the individual in connection with a financial services-related activity;
   c. Denied, suspended, or revoked the individual's registration or license to engage in a financial services-related activity; disciplined the individual or otherwise by order prevented the individual from associating with a financial services-related business or restricted the individual activities; or
   d. Barred the individual from association with an entity or its officers regulated by the agency or authority or from engaging in a financial services-related business;

4. Final orders issued by a State or Federal regulatory agency or foreign financial regulatory authority based on violations of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct;

5. Revocation or suspension of the individual's authorization to act as an attorney, accountant, or State or Federal contractor; and

6. Customer-initiated financial services-related arbitration or civil action against the individual that required action, including settlements, or which resulted in a judgment.

VII. Interpretations and Guide Notes (GN)

From time to time, the AQB may issue Interpretations to the Criteria (binding); or Guide Notes (advisory) on interpretations or application of the *Criteria*.

SUPERVISORY APPRAISER REQUIREMENTS

(APPLICABLE TO SUPERVISION OF **TRAINEE APPRAISERS** ONLY)

Supervisory Appraisers provide a critical role in the mentoring, training and development of future valuation professionals. It is inherently important to strike a proper balance between enhancing public trust by ensuring Supervisory Appraisers are competent and qualified to supervise Trainee Appraisers without making the criteria too stringent and restrictive as to discourage or prevent qualified Supervisory Appraisers from actually participating in the training and supervision of Trainee Appraisers.

I. General

A. Supervisory Appraisers shall be responsible for the training, guidance, and direct supervision of the Trainee Appraiser by:

1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;

2. Reviewing and signing the Trainee Appraiser appraisal report(s); and

3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.

B. Supervisory Appraisers shall be state-certified and in "good standing" in the jurisdiction in which the Trainee Appraiser practices for a period of at least three (3) years. Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in "good standing" three (3) years *after* the successful completion/termination of the sanction imposed against the appraiser.

C. Supervisory Appraisers shall have been state-certified for a minimum of three (3) years prior to being eligible to become a Supervisory Appraiser.

D. Supervisory Appraisers must comply with the COMPETENCY RULE of USPAP for the property type and geographic location the Trainee Appraiser is being supervised.

E. Whereas a Trainee Appraiser is permitted to have more than one Supervisory Appraiser, Supervisory Appraisers may not supervise more than three (3) Trainee Appraisers at one time, unless a state program in the credentialing jurisdiction provides for progress monitoring, supervisory certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.

F. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Trainee Appraiser. It is the responsibility of both the Supervisory Appraiser and Trainee Appraiser to ensure the experience log is accurate, current and complies with the requirements of the Trainee Appraiser's credentialing jurisdiction. At a minimum, the appraisal log requirements shall include:

1. Type of property;
2. Date of report;
3. Address of appraised property;
4. Description of work performed by the Trainee Appraiser and the scope of the review and supervision of the Supervisory Appraiser;
5. Number of actual work hours by the Trainee Appraiser on the assignment; and
6. The signature and state certification number of the Supervisory Appraiser. Separate appraisal logs shall be maintained for each Supervisory Appraiser, if applicable.

G. Supervisory Appraisers shall be required to complete a course that, at a minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course is to be completed by the Supervisory Appraiser prior to supervising a Trainee Appraiser.*

* Please refer to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline in this booklet for more information.

REAL PROPERTY APPRAISER CLASSIFICATIONS

TRAINEE REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements

I. General

A. The Trainee Appraiser classification is intended to incorporate any documented non-certified/non-licensed real property appraisers who are subject to the *Real Property Appraiser Qualification Criteria*. Recognizing that individual credentialing jurisdictions may use different terminologies, "Trainee Appraisers" include, but are not limited to: registered appraisers, apprentice appraisers, provisional appraisers, or other similar designations created by state appraiser regulatory agencies.

B. The scope of practice for the Trainee Appraiser classification is the appraisal of those properties which the state-certified Supervisory Appraiser is permitted by his/her current credential and that the Supervisory Appraiser is competent to appraise.

C. The Trainee Appraiser, as well as the Supervisory Appraiser, shall be entitled to obtain copies of appraisal reports and/or permitted appropriate access and retrieval arrangements for all workfiles for appraisals in which he or she participated, in accordance with the RECORD KEEPING RULE of USPAP.

D. All Trainee Appraisers must comply with the COMPETENCY RULE of USPAP for all assignments.

II. Examination

There is no examination requirement for the Trainee Appraiser classification, but the Trainee Appraiser shall pass the appropriate end-of-course examinations in all of the prerequisite courses in order to earn credit for those courses.

III. Qualifying Education

A. As the prerequisite for application, an applicant must have completed 75 creditable hours of qualifying education as specified in the *Required Core Curriculum*. Additionally, applicants must pass the course examinations and pass the *15-Hour National USPAP Course* (or its AQB-approved equivalent) and examination as part of the 75 creditable hours. All qualifying education must be completed within the five (5) year period prior to the date of submission of a Trainee Appraiser application.

B. Appraisers holding a valid Licensed Residential Real Property Appraiser credential satisfy the educational requirements for the Trainee Appraiser credential.

C. Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirements for the Trainee Appraiser credential.

D. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Trainee Appraiser credential.

IV. Experience

No experience is required as a prerequisite for the Trainee Appraiser classification.

V. Training

A. The Trainee Appraiser shall be subject to direct control and supervision by a Supervisory Appraiser in good standing, who shall be state-certified. A Trainee Appraiser is permitted to have more than one Supervisory Appraiser.

B. The Supervisory Appraiser shall be responsible for the training, guidance, and direct control and supervision of the Trainee Appraiser by:
   1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;
   2. Reviewing and signing the Trainee Appraiser appraisal report(s); and
   3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.

C. The Trainee Appraiser is permitted to have more than one Supervisory Appraiser, but a Supervisory Appraiser may not supervise more than three (3) Trainee Appraisers, at one time, unless a program in the state appraiser regulatory jurisdiction provides for progress monitoring, supervising certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.

D. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Trainee Appraiser. It is the responsibility of both the Supervisory Appraiser and the Trainee Appraiser to ensure the appraisal experience log is accurate, current and complies with the requirements of the Trainee Appraiser's credentialing jurisdiction. At a minimum, the appraisal log requirements are:
   1. Type of property;
   2. Date of report;
   3. Address of appraised property;
   4. Description of work performed by the Trainee Appraiser and scope of the review and supervision of the Supervisory Appraiser;
   5. Number of actual work hours by the Trainee Appraiser on the assignment; and
   6. The signature and state certification number of the Supervisory Appraiser. Separate appraisal logs shall be maintained for each Supervisory Appraiser, if applicable.

E. The state-certified Supervisory Appraiser shall be in good standing in the training jurisdiction and not subject to any disciplinary action within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice.

F. Trainee Appraisers shall be required to complete a course that, at minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course must be completed by the Trainee Appraiser prior to obtaining a Trainee Appraiser credential from the individual credentialing jurisdiction. Further, the Trainee Appraiser course is not eligible towards the 75 hours of qualifying education required.*

*Please refer to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline in this booklet for more information.

LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

Please consult the CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS for additional requirements.

I. General

A. The Licensed Residential Real Property Appraiser classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than $1,000,000, and complex one-to-four residential units having a transaction value less than $250,000.

B. Complex one-to-four unit residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical.[1]

C. For non-federally related transaction appraisals, transaction value shall mean market value.

1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units, or for which the highest and best use is for one-to-four residential units.
2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.

D. All Licensed Residential Real Property Appraisers must comply with the COMPETENCY RULE of USPAP.

II. Examination

A. The AQB-approved Licensed Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Licensed Residential examination is the successful completion of the Certified Residential or Certified General examination.

B. The prerequisites for taking the AQB-approved examination are completion of:

1. One hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum*; and
2. Completion of the college-level education requirements specified in III.A. "Qualifying Education"; and
3. Two thousand (2,000) hours of qualifying experience in no fewer than twelve (12) months.

III. Qualifying Education

A. Applicants for the Licensed Residential credential shall successfully complete 30 semester hours of college-level education, from an accredited college, junior college, community college, or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. If an accredited college or university accepts the College-Level Examination Program® (CLEP) and examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

Applicants holding an Associate degree, or higher, from an accredited college, junior college, community college, or university satisfy the 30-hour college-level education requirement.

Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
- The American Association of Collegiate Registrars and Admissions Officers (AACRAO);
- A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.

B. The Licensed Residential Real Property Appraiser classification requires completion of one hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum*. As part of the 150 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination.

C. For college -level courses taken in a quarterly system versus a semester system, one quarter hour credit is equivalent to .67 semester credit hours. Conversely, one semester credit hour is equivalent to 1.5 quarter credit hours.

For example, to satisfy the 30 semester credit hour requirement for the Licensed Residential Real Property Appraiser classification, an applicant needs to successfully pass those applicable courses that generate 45 quarter credit hours, (i.e. 30 semester credit hours x 1.5 conversion factor).

D. Appraisers holding a valid Trainee Appraiser credential may satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential by completing the following additional educational hours:

1. Residential Market Analysis and Highest and Best Use		15 Hours
2. Residential Appraiser Site Valuation and Cost Approach		15 Hours
3. Residential Sales Comparison and Income Approaches		30 Hours
4. Residential Report Writing and Case Studies		15 Hours
	TOTAL	**75 Hours**

E. Trainee Appraisers wishing to change to the Licensed Residential Real Property Appraiser classification must also satisfy the college-level education requirements as specified in III.A.

F. Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.

G. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.

IV. Experience:

Two thousand (2,000) hours of experience are required to be obtained in no fewer than 12 months.

1 Bank Holding Company Supervision Manual, 12 C.F.R. 225.63(d)

CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

Please consult the CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS for additional requirements.

I. General

A. The Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.

1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units purposes or for which the highest and best use is for one-to-four residential units.
2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.

B. All Certified Residential appraisers must comply with the COMPETENCY RULE of USPAP.

II. Examination

A. The AQB-approved Certified Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Certified Residential examination is the successful completion of the Certified General examination.

B. The prerequisites for taking the AQB-approved examination are completion of:

1. Two hundred (200) creditable class hours as specified in the *Required Core Curriculum*;
2. Completion of the college-level education requirements specified in III.A. "Qualifying Education"; and
3. Two thousand five hundred (2,500) hours of qualifying experience obtained in no fewer than twenty-four (24) months.

III. Qualifying Education

A. Applicants for the Certified Residential credential must hold a Bachelor's degree, or higher, from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education.

Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
- The American Association of Collegiate Registrars and Admissions Officers (AACRAO);
- A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.

B. The Certified Residential Real Property Appraiser classification requires completion of two hundred (200) creditable class hours as specified in the Required Core Curriculum. As part of the 200 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination.

C. Appraisers holding a valid Trainee Appraiser credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by completing the following additional educational hours:

1.	Residential Market Analysis and Highest and Best Use	15 Hours
2.	Residential Appraiser Site Valuation and Cost Approach	15 Hours
3.	Residential Sales Comparison and Income Approaches	30 Hours
4.	Residential Report Writing and Case Studies	15 Hours
5.	Statistics, Modeling and Finance	15 Hours
6.	Advanced Residential Applications and Case Studies	15 Hours
7.	Appraisal Subject Matter Electives	20 Hours
	TOTAL	**125 Hours**

D. Appraisers holding a valid Licensed Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by completing the following additional educational hours:

1.	Statistics, Modeling and Finance	15 Hours
2.	Advanced Residential Applications and Case Studies	15 Hours
3.	Appraisal Subject Matter Electives	20 Hours
	TOTAL	**50 Hours**

E. Trainee Appraisers and Licensed Residential Real Property Appraisers wishing to change to the Certified Residential Real Property Appraiser classification must also satisfy the college degree requirements as specified in III.A.

F. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Certified Residential Real Property Appraiser credential.

IV. Experience

Two thousand five hundred (2,500) hours of experience obtained during no fewer than twenty-four (24) months is required. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

CERTIFIED GENERAL REAL PROPERTY APPRAISER

Please consult the CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS for additional requirements.

I. General

A. The Certified General Real Property Appraiser classification qualifies the appraiser to appraise all types of real property.

B. All Certified General appraisers must comply with the COMPETENCY RULE of USPAP.

II. Examination

A. The AQB-approved Certified General Real Property Appraiser examination must be successfully completed. There is no alternative to successful completion of the exam.

B. The prerequisites for taking the AQB-approved examination are completion of:

1. Three hundred (300) creditable class hours as specified in the *Required Core Curriculum*; and
2. Completion of the college-level education requirements specified in III.A. "Qualifying Education"; and
3. Three thousand (3,000) hours of qualifying experience obtained in no fewer than thirty (30) months, where a minimum of one thousand five hundred (1,500) hours must be obtained in non-residential appraisal work.

III. Qualifying Education

A. Applicants for the Certified General credential must hold a Bachelor's degree or higher from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education.

Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
- The American Association of Collegiate Registrars and Admissions Officers (AACRAO);
- A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.

B. The Certified General Real Property Appraiser classification requires completion of three hundred (300) creditable class hours as specified in the Required Core Curriculum. As part of the 300 required hours, the applicant shall complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination.

C. Applicants must demonstrate that their education includes the core courses listed in these criteria, with particular emphasis on non-residential properties. Residential is defined as "composed of one-to-four residential units."

D. Appraisers holding a valid Trainee Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by completing the following additional educational hours:

1. General Appraiser Market Analysis and Highest and Best Use		30 Hours
2. Statistics, Modeling and Finance		15 Hours
3. General Appraiser Sales Comparison Approach		30 Hours
4. General Appraiser Site Valuation and Cost Approach		30 Hours
5. General Appraiser Income Approach		60 Hours
6. General Appraiser Report Writing and Case Studies		30 Hours
7. Appraisal Subject Matter Electives		30 Hours
	TOTAL	**225 Hours**

E. Appraisers holding a valid Licensed Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by completing the following additional educational hours:

1. General Appraiser Market Analysis and Highest and Best Use		15 Hours
2. Statistics, Modeling and Finance		15 Hours
3. General Appraiser Sales Comparison Approach		15 Hours
4. General Appraiser Site Valuation and Cost Approach		15 Hours
5. General Appraiser Income Approach		45 Hours
6. General Appraiser Report Writing and Case Studies		15 Hours
7. Appraisal Subject Matter Electives		30 Hours
	TOTAL	**150 Hours**

F. Appraisers holding a valid Certified Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by completing the following additional educational hours:

1. General Appraiser Market Analysis and Highest and Best Use		15 Hours
2. General Appraiser Sales Comparison Approach		15 Hours
3. General Appraiser Site Valuation and Cost Approach		15 Hours
4. General Appraiser Income Approach		45 Hours
5. General Appraiser Report Writing and Case Studies		10 Hours
	TOTAL	**100 Hours**

G. Trainee Appraisers, Licensed Residential Real Property Appraisers, and Certified Residential Real Property Appraisers wishing to change to the Certified General Real Property Appraiser classification must also satisfy the requirements in III.A. and III.C.

IV. Experience

Three thousand (3,000) hours of experience obtained during no fewer than thirty (30) months is required, of which, one thousand five hundred (1,500) hours must be in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

REQUIRED CORE CURRICULUM

TRAINEE APPRAISER	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
TRAINEE APPRAISER EDUCATION REQUIREMENTS	75 HOURS

LICENSED RESIDENTIAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
LICENSED RESIDENTIAL EDUCATION REQUIREMENTS	150 HOURS

CERTIFIED RESIDENTIAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES	15 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	20 HOURS
CERTIFIED RESIDENTIAL EDUCATION REQUIREMENTS	200 HOURS

CERTIFIED GENERAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE	30 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
GENERAL APPRAISER SALES COMPARISON APPROACH	30 HOURS
GENERAL APPRAISER SITE VALUATION AND COST APPROACH	30 HOURS
GENERAL APPRAISER INCOME APPROACH	60 HOURS
GENERAL APPRAISER REPORT WRITING AND CASE STUDIES	30 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	30 HOURS
CERTIFIED GENERAL EDUCATION REQUIREMENTS	300 HOURS

SUPERVISORY APPRAISER / TRAINEE APPRAISER COURSE OBJECTIVES AND OUTLINE

COURSE OBJECTIVES

In developing the course, providers must include the following course objectives addressing both the Supervisory Appraiser and Trainee Appraiser.

Supervisory Appraiser Objectives

The course must provide adequate information to ensure the Supervisory Appraiser understands the qualifications and responsibilities of that role. Specifically, the objective of the course shall be that the student understands:

- AQB minimum qualifications for becoming and remaining a Supervisory Appraiser;
- Jurisdictional credentialing requirements for both Supervisory Appraisers and Trainee Appraisers that may exceed those of the *Criteria*;
- Expectations and responsibilities of being a Supervisory Appraiser;
- Responsibilities and requirements of a Supervisory Appraiser in maintaining and signing all appropriate Trainee Appraiser experience logs; and
- Expectations and responsibilities of the Trainee Appraiser.

Trainee Appraiser Objectives

The course must provide adequate information to ensure the Trainee Appraiser understands the qualifications and responsibilities of that role. Specifically, the objective of the course shall be that the student understands:

- AQB minimum qualifications for becoming a Trainee Appraiser;
- Jurisdictional credentialing requirements for Trainee Appraisers that may exceed those of the *Criteria*;
- AQB minimum qualifications for becoming and remaining a Supervisory Appraiser, as well as jurisdictional credentialing requirements that may exceed those of the Criteria;
- Processes and roles of the entities involved in establishing qualifications for credentialed appraisers;
- Expectations and responsibilities of the Trainee Appraiser;
- Qualifications to become a credentialed appraiser;
- Basics of the Uniform Standards of Professional Appraisal Practice (USPAP); and
- Responsibilities and requirements of a Trainee Appraiser's role in maintaining and signing all appropriate Trainee Appraiser experience logs.

COURSE CONTENT OUTLINE

In developing a course, developers must include the topics contained in the following outline when creating course content:

I. Table of Contents

II. Course Introduction and Overview

III. Qualification and Credentialing Entities

A. The Appraisal Foundation
   1. Overview of the creation and role of The Appraisal Foundation

B. The Appraiser Qualifications Board (AQB)
   1. Overview of the role of the AQB in establishing qualifications for real property appraisers

C. Individual State or Territory Credentialing Authorities
   1. Overview of a jurisdiction's role in issuing appraiser credentials and disciplining appraisers.
   2. Specific information regarding the regulatory structure of the individual jurisdiction (optional)

D. Professional Appraiser Organizations
   1. Overview of the role of professional appraiser organizations
   2. Explain difference between required regulatory state appraiser credentials and "voluntary" professional appraiser organization designations

IV. Qualifications for Appraiser Credentials

A. AQB Qualifications
   1. Overview of the AQB minimum qualifications for real property appraisers, including the education, experience and examination requirements for the following categories:
      a) Trainee Appraiser
      b) Licensed Residential
      c) Certified Residential
      d) Certified General

   Comment: Course developers shall include a summary matrix outlining the minimum education, experience and examination requirements necessary for each of the different credentials.

   2. Overview of Supervisory Appraiser Qualifications
      a) AQB minimum qualifications
      b) Discussion noting individual credentialing jurisdictions could have qualifications that may exceed AQB minimum qualifications

B. Individual Jurisdiction Qualifications
   1. Overview explaining how AQB sets minimum qualifications, but states may have qualifications that exceed AQB *Criteria*

   2. Outline and explain the specific steps/requirements to becoming licensed or certified in the particular jurisdiction in which the course is being provided

V. Overview of USPAP

A. Provide brief overview of sections of USPAP relevant to Trainee Appraisers including overviews of:
   1. ETHICS RULE
   2. COMPETENCY RULE
   3. SCOPE OF WORK RULE
   4. RECORD KEEPING RULE
   5. STANDARD 1 (Development) and STANDARD 2 (Reporting)

   Comment: This section is not intended to be a substitute for the *15-Hour National USPAP Course* (or its equivalent).

VI. Overview of Supervisory Appraiser Expectations and Responsibilities

A. The course material must include a presentation of the requirements, expectations and responsibilities of Supervisory Appraiser. At a minimum, the course materials must include and discuss the following topics:

1. The expectations and responsibilities of the Supervisory Appraiser to provide the Trainee Appraiser with a basic understanding of USPAP requirements

2. The expectations and responsibilities of the Supervisory Appraiser to understand the AQB minimum requirements of both the Supervisory Appraiser and Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the Criteria

3. The expectations and responsibilities of the Supervisory Appraiser to provide proper guidance to the Trainee Appraiser when he or she selects a specific credentialing path (i.e., Licensed Residential, Certified Residential or Certified General)

4. The expectations and responsibilities of the Supervisory Appraiser to monitor the Trainee Appraiser's progress in satisfying both the education and experience requirements necessary to achieve his or her selected credentialing path

5. The expectations and responsibilities of the Supervisory Appraiser to verify that the Supervisory Appraiser and Trainee Appraiser are properly documenting all appropriate experience logs

6. The expectations and responsibilities of the Supervisory Appraiser to accompany the Trainee Appraiser on all inspections until the Trainee Appraiser is competent to conduct inspections independently, and has met all specific requirements pertaining to property inspection established by the credentialing jurisdiction

7. The expectations and responsibilities of the Supervisory Appraiser to monitor and provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value

8. The expectations and responsibilities of the Supervisory Appraiser to verify that the Trainee Appraiser is properly identified and acknowledged in the appraisal report in compliance with USPAP requirements

9. The expectations and responsibilities of the Supervisory Appraiser to immediately notify the Trainee Appraiser if the Supervisory Appraiser is no longer qualified to supervise and/or sign the Trainee Appraiser's experience log

VII. Overview of Trainee Appraiser Expectations and Responsibilities

A. The course material must include a presentation of the requirements, expectations and responsibilities of the Trainee Appraiser. At a minimum, the course materials must include and discuss the following topics:

1. The expectations and responsibilities of the Trainee Appraiser to have a basic understanding of the AQB minimum requirements to become a Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the Criteria

2. The expectations and responsibilities of the Trainee Appraiser to have an understanding about the importance of selecting an appropriate Supervisory Appraiser. Points covered shall include:
   a) The Supervisory Appraiser-Trainee Appraiser relationship is a long-term commitment by both parties
   b) The Trainee Appraiser is inherently connected to the "good standing" of the Supervisory Appraiser
   c) The importance of selecting a Supervisory Appraiser with the experience and competency that best matches the Trainee Appraiser's selected credentialing path
   d) Options for the Trainee Appraiser if a Supervisory Appraiser is no longer qualified to serve as a Supervisory Appraiser

3. The expectations and responsibilities of the Trainee Appraiser to have an understanding of how to determine if an appraiser is qualified and in good standing to be a Supervisory Appraiser by searching the Appraisal Subcommittee (ASC) National Registry and/or jurisdictional websites

4. The expectations and responsibilities of the Trainee Appraiser to understand it is the Supervisory Appraiser's responsibility to monitor the progression of the Trainee Appraiser's education and experience necessary to achieve the Trainee Appraiser's selected credentialing path

5. The expectations and responsibilities of the Trainee Appraiser to understand it is the Supervisory Appraiser's responsibility to provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value

6. The expectations and responsibilities of the Trainee Appraiser to understand the responsibilities of both the Trainee Appraiser and the Supervisory Appraiser in properly documenting all appropriate Trainee Appraiser's experience logs

7. The expectations and responsibilities of the Trainee Appraiser to understand the Supervisory Appraiser must accompany the Trainee Appraiser on all inspections until he or she is competent to conduct inspections independently, and has met all requirements pertaining to property inspection established by the credentialing jurisdiction

VIII. Overview of Jurisdictional Requirements for Supervisory Appraiser and Trainee Appraiser Requirements

A. Provide summary of jurisdictional requirements that may exceed those of the AQB *Criteria*

B. Course developers may elect to present jurisdictional requirements as a separate add-on module, or incorporate differences between AQB minimum and jurisdictional requirements in each appropriate section of the outline

IX. Summary/Quiz (optional)

X. Definitions

A. Provide glossary of definitions utilized throughout the course

APPENDIX
(2015 CRITERIA)

GUIDE NOTES
Q&A[1]

1 The Q&A developed by the AQB in this section have been revised to comply with the Criteria effective January 1, 2015.

GUIDE NOTES

AQB GUIDE NOTE 1 (GN-1)

AQB GUIDANCE FOR REQUIRED CORE CURRICULUM CONTENT

Guide Note 1 (GN-1) contains guidance for curriculum content with subtopics listed under each education module (I through XIV) listed. The subtopics in Guide Note 1 are used in developing examination content outlines for each respective credential level and may also be amended from time-to-time to reflect changes in technology or in the Body of Knowledge. The hours shown for each educational module are the minimums required; students may complete more than the minimum required for each module.

Candidates for a real property appraiser credential should carefully review the educational modules below, keeping mind that some modules only apply to certain classifications. For example, education module IX (*Advanced Residential Applications and Case Studies*) is only required for the Certified Residential classification. Also, education module XIII (*General Appraiser Income Approach*) is required for the Certified General classification but no others. As a result, candidates should structure their education program giving careful consideration to the credential being sought.

I. BASIC APPRAISAL PRINCIPLES (required for the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General classifications)
30 HOURS

A. Real Property Concepts and Characteristics
   1. Basic Real Property Concepts
   2. Real Property Characteristics
   3. Legal Description

B. Legal Consideration
   1. Forms of Ownership
   2. Public and Private Controls
   3. Real Estate Contracts
   4. Leases

C. Influences on Real Estate Values
   1. Governmental
   2. Economic
   3. Social
   4. Environmental, Geographic and Physical

D. Types of Value
   1. Market Value
   2. Other Value Types

E. Economic Principles
   1. Classic Economic Principles
   2. Application and Illustrations of the Economic Principles

F. Overview of Real Estate Markets and Analysis
   1. Market Fundamentals, Characteristics, and Definitions
   2. Supply Analysis
   3. Demand Analysis
   4. Use of Market Analysis

G. Ethics and How They Apply in Appraisal Theory and Practice

II. BASIC APPRAISAL PROCEDURES (required for the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General classifications)
30 HOURS

A. Overview of Approaches to Value

B. Valuation Procedures
   1. Defining the Problem
   2. Collecting and Selecting Data
   3. Analyzing
   4. Reconciling and Final Value Opinion
   5. Communicating the Appraisal

C. Property Description
   1. Geographic Characteristics of the Land/Site
   2. Geologic Characteristics of the Land/Site
   3. Location and Neighborhood Characteristics
   4. Land/Site Considerations for Highest and Best Use
   5. Improvements - Architectural Styles and Types of Construction
   6. Special Energy Efficient Characteristics of the Improvements

D. Residential or General Applications

III. *15-HOUR NATIONAL USPAP COURSE* OR ITS EQUIVALENT (required for the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General classifications)
15 HOURS

IV. RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE (required for the Licensed Residential and Certified Residential classifications)
15 HOURS

A. Residential Markets and Analysis
   1. Market Fundamentals, Characteristics and Definitions
   2. Supply Analysis
   3. Demand Analysis
   4. Use of Market Analysis

B. Highest and Best Use
   1. Test Constraints
   2. Application of Highest and Best Use
   3. Special Considerations
   4. Market Analysis
   5. Case Studies

V. RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH (required for the Licensed Residential and Certified Residential classifications)
15 HOURS

A. Site Valuation
   1. Methods
   2. Case Studies

B. Cost Approach
   1. Concepts and Definitions
   2. Replacement/Reproduction Cost New
   3. Accrued Depreciation
   4. Methods of Estimating Accrued Depreciation
   5. Case Studies

VI. RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES (required for the Licensed Residential and Certified Residential classifications)
30 HOURS

A. Valuation Principles & Procedures - Sales Comparison Approach
B. Valuation Principles & Procedures - Income Approach
C. Finance and Cash Equivalency
   1. Identification of Seller Concessions and Their Impact on Value
D. Financial Calculator Introduction
E. Identification, Derivation and Measurement of Adjustments
F. Gross Rent Multipliers
G. Partial Interests
H. Reconciliation
I. Case Studies and Applications

VII. RESIDENTIAL REPORT WRITING AND CASE STUDIES (required for the Licensed Residential and Certified Residential classifications)
15 HOURS

A. Writing and Reasoning Skills
B. Common Writing Problems
C. Form Reports
D. Report Options and USPAP Compliance
E. Case Studies

VIII. STATISTICS, MODELING AND FINANCE (required for the Certified Residential and Certified General classifications)
15 HOURS

A. Statistics
B. Valuation Models (AVM's and Mass Appraisal)
C. Real Estate Finance

IX. ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES (required for the Certified Residential classification)
15 HOURS

A. Complex Property, Ownership and Market Conditions
B. Deriving and Supporting Adjustments
C. Residential Market Analysis
D. Advanced Case Studies
   1. Seller Concessions
   2. Special Energy Efficient Items (i.e. "Green Buildings")

X. GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE (required for the Certified General classification)
30 HOURS

A. Real Estate Markets and Analysis
   1. Market Fundamentals, Characteristics and Definitions
   2. Supply Analysis
   3. Demand Analysis
   4. Use of Market Analysis

B. Highest and Best Use
   1. Test Constraints
   2. Application of Highest and Best Use
   3. Special Considerations
   4. Market Analysis
   5. Case Studies

XI. GENERAL APPRAISER SALES COMPARISON APPROACH (required for the Certified General classification)
30 HOURS

A. Value Principles
B. Procedures
C. Identification and Measurement of Adjustments
D. Reconciliation
E. Case Studies
   1. Seller Concessions
   2. Special Energy Efficient Items (i.e. "Green Buildings")

XII. GENERAL APPRAISER SITE VALUATION AND COST APPROACH (required for the Certified General classification)
30 HOURS

A. Site Valuation
   1. Methods
   2. Case Studies

B. Cost Approach
   1. Concepts and Definitions
   2. Replacement/Reproduction Cost New
   3. Accrued Depreciation
   4. Methods of Estimating Accrued Depreciation
   5. Case Studies

XIII. GENERAL APPRAISER INCOME APPROACH (required for the Certified General classification)
60 HOURS

A. Overview
B. Compound Interest
C. Lease Analysis
D. Income Analysis
E. Vacancy and Collection Loss
F. Estimating Operating Expenses and Reserves
G. Reconstructed Income and Expense Statement
H. Stabilized Net Operating Income Estimate
I. Direct Capitalization
J. Discounted Cash Flow
K. Yield Capitalization
L. Partial Interests
M. Case Studies

XIV. GENERAL APPRAISER REPORT WRITING AND CASE STUDIES (required for the Certified General classification)
30 HOURS

A. Writing and Reasoning Skills
B. Common Writing Problems
C. Report Options and USPAP Compliance
D. Case Studies

AQB GUIDE NOTE 2 (GN-2)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

RETIRED, OCTOBER 2005

AQB GUIDE NOTE 3 (GN-3)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO THE SCOPE OF PRACTICE FOR THE LICENSED RESIDENTIAL AND CERTIFIED RESIDENTIAL CLASSIFICATIONS IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA.

In pre-January 1, 2008 *Real Property Appraiser Qualification Criteria* for the Licensed Residential and Certified Residential classifications, the following paragraph appeared in the scope of practice section:

The scope of practice identified herein represents the consensus of the Appraiser Qualifications Board. The Federal Financial Institutions Regulatory Agencies, as well as other agencies and regulatory bodies permit the Certified Residential (or Licensed) classification to appraise properties other than those identified within these Criteria. Individuals should refer to agency regulations and state law to determine the type of property that may be appraised by the Certified Residential (or Licensed) appraiser.

During the *Criteria* Exposure Draft and revision process, the AQB determined that this paragraph was more explanatory guidance than actual AQB *Criteria*. As a result, it was removed from the *Criteria* effective January 1, 2008.

However, while it is not contained in the post-2008 *Criteria*, it should be noted that the paragraph italicized above still reflects the consensus of the AQB. The scope of practice for the Licensed Residential and Certified Residential classifications did not change in 2008. Federal and state agencies continue to establish scope of practice thresholds that are specific to their particular needs.

For example, because federally-related transactions less than $250,000 fall below the regulatory de minimus established by the Federal Financial Institution Regulatory Agencies, the scope of practice restrictions placed on individuals who can appraise commercial and residential properties below that threshold for financial institutions are few, if any.

The AQB continues to encourage individuals to refer to agency regulations and state law to determine the type of property that may be appraised by the Licensed Residential and Certified Residential classifications.

AQB GUIDE NOTE 4 (GN-4)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO PRACTICUM COURSES TO BE USED FOR EXPERIENCE CREDIT, AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA.

Under "Criteria Applicable to All Appraiser Classifications" in the *Real Property Appraiser Qualification Criteria*, Section V Generic Experience Criteria, Paragraph D, reads as follows:

There need not be a client in a traditional sense (i.e. a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement.

Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-client experience requirement. ***A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category.*** *Experience credit shall be granted for the actual classroom hours of instruction, and hours of documented research and analysis as awarded from the practicum course approval process. (Bold added for emphasis)*

The bolded language above sets forth the broad requirements for practicum courses. However, more detailed guidance is needed for developers of such courses, as well as state appraiser regulatory agencies seeking to approve such courses. The following is designed to offer this guidance:

1. General Practicum Course Guidelines
   a. The time period for any non-residential practicum course should be consistent with the type and complexity of the assignment.

   b. The time period for a residential practicum course should be consistent with the type and complexity of the assignment.

   c. Practicum courses that cover multiple property types should allocate appropriate times for each assignment and subject properties should be significantly different from one another to provide appropriate training.

   d. The maximum number of students per course should be consistent with best practices for proper student/instructor ratios.

   e. In order for this type of experience to be compliant with USPAP, the student/appraiser must list the course provider for the practicum course as the client and the intended user.

   f. The intended use of the report should be indicated as, "For experience credit."

2. Appraisal Assignment Guidelines
   a. The appraisal should employ all of the approaches to value applicable to the assignment.

   b. Property types and complexity should be those typically encountered by an appraiser seeking experience within the specified credential category.

   c. The appraisal should indicate the intended user, intended use and should solve typical appraisal problems – e.g., mortgage assignments, tax appeals, estates, etc.

   d. There should be an identifiable subject property and the student should inspect it.

   e. The actual subject property may change from time to time, but the property type should remain the same.

f. All comparable data researched, analyzed, and used in the assignment should be actual and identifiable market data.

g. All comparables utilized should be verified with at least one market participant of the sale/rent – e.g. buyer, seller, or broker – and the student should also inspect the exterior of each comparable utilized.

h. The final assignment should be communicated in compliance with either the Self-Contained or Summary Appraisal Report options of STANDARD 2 of USPAP.

i. The final reports should be maintained by the student according to the Record Keeping section of the ETHICS RULE of USPAP.

j. The practicum course should result in an appraisal and appraisal report completed in accordance with the current version of USPAP.

3. Instructor Guidelines
   a. An instructor conducting a residential experience practicum course should hold either a Certified Residential or Certified General credential in good standing.

   b. An instructor conducting a general experience practicum course should hold a Certified General credential in good standing.

   c. The instructor should demonstrate compliance with the COMPETENCY RULE of USPAP for the type of assignment.

   d. The instructor should grade and correct all assignments and should ensure USPAP compliance.

   e. The instructor should meet with the students a minimum of 50% of the course hours during the course.

There is an underlying assumption that experience is valuable because clients and instructors tend to demand competency. Because experience in a classroom setting calls this assumption into question, credentialing authorities should carefully assess the quality and adequacy of appraisals made under such circumstances. They should also give consideration to restricting the percentage of this type of experience.

Therefore, while practicum course appraisals are eligible to qualify for experience credit, the credentialing authority should audit a significant sample of appraisals made in such instances for quality and conformance with USPAP.

AQB GUIDE NOTE 5 (GN-5)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO RECIPROCITY, TEMPORARY PRACTICE, RENEWALS, AND APPLICATIONS FOR THE SAME CREDENTIAL IN ANOTHER JURISDICTION, AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA.

Under "Criteria Applicable to All Appraiser Classifications" in the *Criteria*, Section II Existing Credential Holders, reads as follows:

Existing credential holders in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board Real Property Appraiser Qualification Criteria if they have passed an AQB approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential in another jurisdiction. All credential holders must comply with ongoing requirements for continuing education, and state renewal procedures.

The intent of the AQB is to allow current credential holders who are in good standing within their jurisdictions to obtain reciprocal credentials, temporary practice permits, renewals of existing credentials, and an equivalent credential in another jurisdiction on or after January 1, 2015 without having to meet the 2015 AQB *Criteria*. If an appraiser holds a valid appraiser credential supported by an AQB approved examination, the appraiser will be deemed by the AQB to be in full compliance with the 2015 *Criteria*.

For example, if a Certified General credential holder who received a credential prior to January 1, 2015 in one jurisdiction were to relocate to another jurisdiction after January 1, 2015, for AQB purposes that existing "home" state credential would be sufficient to support an equivalent credential in the "new" state. The credential holder would be deemed to have met the 2015 *Criteria* for education, experience and examination.

The AQB understands that the individual Title XI jurisdictions must operate in compliance with applicable state laws with regard to reciprocity, temporary practice, renewals and applications for the same credential in another jurisdiction. While Title XI jurisdictions are only required to meet the AQB *Criteria*, existing state laws may require that these minimums be exceeded. It is possible that a jurisdiction, because of existing law, might require an applicant for an equivalent credential from another jurisdiction meet all of the January 1, 2015 AQB *Criteria* (i.e., education, experience, and examination) in order to obtain the credential in their jurisdiction.

For example, consider an appraiser who holds a Certified General credential in State A and decides to relocate to State B. State B must apply both AQB *Criteria* and State law in determining whether the appraiser from State A qualifies for an appraiser credential in State B. While the AQB considers the valid existing credential in State A to be adequate documentation of conformance to AQB *Criteria*, some State laws might require the appraiser to submit a complete application, including appropriate documentation of experience, education, and successful exam completion. This new application requirement might involve some of the following issues:

- Depending on the wording of the State law, this could mean that the appraiser from State A would have to conform to the 2015 *Criteria* to obtain a credential from State B. Among other things, the appraiser would have to reconstruct his/her appraisal education, perhaps going back as much as 20 to 30 years. The State, then, would have to determine whether that education conformed to the 2015 AQB *Criteria* as implemented by State law.

- Virtually all appraiser education obtained in the past was provided in what is considered the "integrated" approach for 2008 *Criteria*. If State B does not accept integrated educational courses, the appraiser from State A would be required to obtain 300 hours of education acceptable under 2015 *Criteria*, plus a college degree, to qualify for a Certified General credential in State B.

It was not the AQB's intent to impose such hardships on appraisers or regulatory agencies. It was the intent of the AQB in drafting the language in Section II of "Existing Credential Holders" that the jurisdictions would recognize those appraisers that held credentials prior to the adoption of the 2015 *Criteria*. The acceptance of the existing credential holders would provide for a smooth transition from the pre-2015 *Criteria* to the 2015 (and beyond) *Criteria*.

The AQB encourages the jurisdictions to examine their statutes and regulations and initiate any changes that might be necessary to facilitate a smooth transition.

AQB GUIDE NOTE 6 (GN-6)

AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO THE VERIFICATION OF EXPERIENCE CREDIT AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA.

Under "Criteria Applicable to All Appraiser Classifications" in the *Criteria*, Section V.G. (Generic Experience Criteria) reads as follows:

> *G. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:*
>
> *1. Type of property;*
>
> *2. Date of report;*
>
> *3. Address of appraised property;*
>
> ***4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;***
>
> *5. Number of actual work hours by the trainee/applicant on the assignment; and*
>
> *6. The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.*
>
> *(Bold added for emphasis)*

As indicated above, the *Criteria* mandates that the forms used to verify experience credit include all of the identified items. Five of the six items listed are fairly self-explanatory; however, the AQB has received inquiries regarding the intent of item #4 above (the bolded text).

It is the intent of the AQB that the verification of experience clearly identifies three things under item #4:

1) A description of the work performed by the trainee or applicant;
2) The scope of the review performed by the supervising appraiser; and
3) The level of supervision performed by the supervising appraiser.

Although the scope of review and level of supervision performed by the supervising appraiser might appear to be redundant at first glance, they are not. For example, in certain assignments a supervising appraiser might determine that a lesser level of supervision is required, but that might not impact the level of review performed.

The AQB recognizes that assignments may differ significantly; therefore the level of review and supervision by the supervising appraiser may also differ from assignment to assignment. Also, depending on the assignments involved, it might be expected that the supervising appraiser's level of review and supervision diminish over time as the trainee/applicant gains competency.

The following page includes an example of an experience log that includes the information required by the *Criteria*. The attached is merely one possible example of an experience log. Any format that includes the items listed under Section V.G., Generic Experience Criteria, as specified in the *Real Property Appraiser Qualification Criteria* is acceptable.

It should be noted that experience logs or other forms prescribed by a state appraiser regulatory agency to verify experience credit might appear very different, including requiring substantially more information than is identified in the example on the following page. However, as stated above, all forms must, at a minimum, include the items listed under Section V.G., "Generic Experience Criteria," as specified in the *Real Property Appraiser Qualification Criteria*.

Date of Report	Property Address, City, State, Zip	Type of Property (SFR, Condo, 2-4 Units)	Description Of Applicant's Work Performed	Scope of Supervising Appraiser's Review	Scope of Supervising Appraiser's Supervision	Number of Actual Hours Worked By Applicant
1/3/08	123 Oak Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/ exterior property inspection, cost/sales comparison approaches, final reconciliation	Reviewed workfile and report, verified subject sales history, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first SFR appraisal for applicant)	7
6/7/08	455 Pine Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/ exterior property inspection, cost/ sales comparison approach, final reconciliation	Reviewed workfile and report, verified all comparable data and analyses, verified homeowner's association info, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in site value analysis used in cost approach, did not physically inspect subject property	7
1/10/09	202 Spruce Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	10
1/24/09	115 Pennsylvania Ave. Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first commercial appraisal for applicant)	30
8/14/09	200 S Broadway Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in DCF analysis used in income approach, did not physically inspect subject property	40

1/10/10	300 Capitol Avenue Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation n	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	40
2/12/10	144 Elm Avenue Washington, DC 20005	Golf Course	Completed entire appraisal process	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal	Completed entire appraisal process	60

Thomas D. Trainee
Applicant/Trainee Appraiser

Sally A. Supervisor
Supervisory Appraiser

State
Certification No.

AQB GUIDE NOTE 7 (GN-7)

THIS GUIDE NOTE RELATES TO DEGREE PROGRAMS IN REAL ESTATE REVIEWED BY THE AQB, AND THEIR APPLICABILITY TOWARDS THE QUALIFYING EDUCATION SPECIFIED IN THE REQUIRED CORE CURRICULUM.

RETIRED, JANUARY 2015

AQB GUIDE NOTE 8 (GN-8)

THIS GUIDE NOTE RELATES TO THE COLLEGE-LEVEL EDUCATIONAL REQUIREMENTS AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2008.

RETIRED, JANUARY 2015

COMPILATION OF AQB Q&A'S
(2015 CRITERIA)

APPRAISER QUALIFICATIONS BOARD Q&A

The Appraiser Qualifications Board (AQB) of The Appraisal Foundation establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state certification. The AQB Q&A is a form of guidance issued by the AQB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of the Real Property Appraiser Qualification Criteria and Interpretations of the Criteria in specific situations and to offer advice from the AQB for the resolution of appraisal issues and problems. The AQB Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. AQB Q&A does not establish new Criteria. AQB Q&A is not part of the Real Property Appraiser Qualification Criteria. AQB Q&A is approved by the AQB without public exposure and comment.

GENERAL REQUIREMENTS

Question 1:
I am very interested in a career in real estate appraisal. However, I have one problem…I have a felony conviction on my criminal record. Can I still become a credentialed appraiser?

Response:
Depending upon the nature of your felony conviction, you may be prohibited from obtaining a real property appraiser credential. The *Real Property Appraiser Qualification Criteria* specifies the following:

> *State appraiser regulatory agencies shall not issue a real property appraiser credential if:*
> 1. *The applicant has had an appraiser license or certification revoked in any governmental jurisdiction within the five (5) year period immediately preceding the date of application.*
> 2. *The applicant has been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, or foreign court:*
> a. *during the five (5) year period immediately preceding the date of the application for licensing or certification; or*
> b. *at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering.*
> 3. *The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly, fairly, and efficiently within the purposes of this Criteria.*

The state in which you are seeking a credential may have restrictions on the issuance of a real property appraiser credential depending upon the substantive matters contained within your background. Check with your state appraiser regulatory agency for further information.

Question 2:
I would like to get a Certified General appraiser credential. I am from another country and have a student visa, but don't have a Social Security card or Taxpayer ID Number. If I fulfill the education and experience requirements, can I get a Certified General appraiser credential without possessing a Social Security card or similar document?

Response:
The *Real Property Appraiser Qualification Criteria* does not specifically address residency, citizenship or identification issues. However, be sure to check with the state appraiser regulatory agency in the jurisdiction where you plan to seek the credential to confirm the requirements for licensure, as states may have their own residency or citizenship requirements.

SCOPE OF PRACTICE

Question 1:
I am a Certified Residential appraiser and I have been asked to appraise a home on 40 acres, which includes a "hobby farm" that is not used for commercial purposes. The zoning requires a minimum lot size of 40 acres, so the lot cannot be subdivided and used for other purposes. Does my Certified Residential credential permit me to appraise this property?

Response:
Yes, as long as you can do so in compliance with the COMPETENCY RULE and all other applicable provisions in USPAP.

Question 2:
I am a Certified Residential appraiser and I have been asked to appraise a home on 40 acres. The zoning requires a minimum lot size of 5 acres, and I have confirmed with the local planning department that the lot could be subdivided into eight 5-acre parcels. In addition, my preliminary research confirms the highest and best use of the property would be for an eight-lot subdivision. Does my Certified Residential credential permit me to appraise this property?

Response:
If the appraisal report will be utilized to support a federally-related transaction (FRT), then you may not appraise this property under your Certified Residential credential. Since the highest and best use of the site is for something greater than a 1-4 unit residential property, the appraisal must be prepared by (or, at a minimum, co-signed by) a Certified General appraiser. If the appraisal is not for a FRT, and you can do so in compliance with the COMPETENCY RULE and all other provisions of USPAP, then check with your state appraiser regulatory agency to see if the state permits you to value a property with these characteristics.

Question 3:
I am a Licensed Residential appraiser and I have been asked to appraise a home on 40 acres in a marketplace where there are no other home sites larger than 5 acres. The appraisal is being requested by a federally-chartered bank in order to evaluate the subject property as collateral for a $1.5 million mortgage loan. Does my Licensed Residential credential permit me to appraise this property?

Response:
No. The scope of practice for the Licensed Residential classification allows for appraisals of "complex" 1-4 unit residential properties up to a transaction value of $250,000, and it appears this assignment would qualify as "complex." However, even if it does not qualify as "complex," the Licensed Residential classification only allows for appraisals of "non-complex" 1-4 unit residential properties up to a transaction value of $1 million. Therefore, this property could not be appraised by a Licensed Residential appraiser to support a federally-related transaction (FRT). If this appraisal was not being performed for a FRT, and you could do so in compliance with the COMPETENCY RULE and all other provisions of USPAP, then check with your state appraiser regulatory agency to see if the state permits you to value a property with these characteristics.

QUALIFYING EDUCATION

Question 1:
I understand that as part of the *Required Core Curriculum* for either the 200 hours for a Certified Residential credential or the 300 hours for a Certified General credential, I am required to take Appraisal Subject Matter Electives. What courses qualify as Electives?

Response:

Any course approved as qualifying education by your state appraiser regulatory agency may be utilized as an Appraisal Subject Matter Elective, provided you have not already used the course toward licensure and certification requirements. As an example, a candidate seeking a Certified Residential credential could fulfill the Appraisal Subject Matter Elective requirement by taking one or more of the courses required for the Certified General credential, or vice versa. In addition, a course could be approved by a state for more than the minimum number of hours required in one of the *Required Core Curriculum* modules. If, for example, you took a 25-hour course on *Residential Appraiser Site Valuation and Cost Approach*, 15 of those hours would satisfy the Core Curriculum Requirement for that topic and the other 10 could be applied toward the Appraisal Subject Matter Elective module.

Refer to Guide Note 1 (GN-1) in the *Real Property Appraiser Qualification Criteria* for a complete listing of qualifying education topics and subtopics under the *Required Core Curriculum*.

Question 2:

I was going to become a Certified Residential appraiser but after taking 45 hours of residential classes I decided to go for my Certified General credential instead. How many hours out of the 45 can be utilized in satisfying the 300-hour requirement?

Response:

You will be able to utilize at least 30 hours, and possibly all 45. Four courses totaling 90 hours are part of the *Required Core Curriculum* for both the Certified Residential and Certified General credentials: *Basic Appraisal Principles* (30 hours), *Basic Appraisal Procedures* (30 hours), the *15-Hour National USPAP Course* or its equivalent (15 hours) and *Statistics, Modeling and Finance* (15 Hours). If your 45 hours were earned among these four courses, all of your hours will apply towards the Certified General credential.

In addition to specifically-required courses for the Certified General credential, students are required to earn 30 hours of Appraisal Subject Matter Electives. Thus, if the 45 hours you completed consist of other courses specific to the Certified Residential curriculum, then 30 of these hours can be utilized to satisfy the Appraisal Subject Matter Electives requirement of the Certified General credential.

Question 3:

I am interested in beginning an appraisal career. I found some real estate appraisal courses offered at a local community college, but found out they are not AQB CAP-approved courses. Is it true that the only courses I can take are AQB CAP-approved courses?

Response:

The AQB Course Approval Program (CAP) is a voluntary program to which educational providers may apply for approval of courses. CAP review and approval is designed to assist state appraiser regulatory agencies in approving courses by eliminating some of the administrative burden of course review; however, states have the final authority/responsibility with regard to approval of coursework. Check with your state appraiser regulatory agency to see whether the specific community college courses you are considering have been approved for qualifying education.

Question 4:

I received my Certified Residential appraiser credential in 2004, and now I would like to get my Certified General credential. According to my state appraiser regulatory agency, because I did not satisfy the qualifying educational requirements for the Certified General credential prior to January 1, 2015, I am required to start from the beginning and complete all the qualifying education required for a Certified General credential. I am told this even includes the classes I originally took to get my Certified Residential credential (e.g. *Basic Appraisal Principles* and *Basic Appraisal Procedures*). Is this correct?

Response:

Per the *Real Property Appraiser Qualification Criteria*, appraisers holding a valid Certified Residential appraiser credential may satisfy the educational requirements for the Certified General appraiser credential by completing the following additional educational hours: *General Appraiser Market Analysis and Highest and Best Use* (15 hours); *General Appraiser Sales Comparison Approach* (15 hours); *General Appraiser Site Valuation and Cost Approach* (15 hours); *General Appraiser Income Approach* (45 hours); and *General Appraiser Report Writing and Case Studies* (15 hours).

The noted 100 total hours of additional qualifying education is the minimum that must be completed. In addition, you will need to satisfy the college degree requirement, complete the additional hours of experience, and successfully complete the National Uniform Licensing and Certification exam for the Certified General classification. As with all of the *Criteria* established by the AQB, states may create requirements that are greater than those established by the AQB. As a result, you will need to check with your state appraiser regulatory agency to determine the exact requirements to change your credential.

Question 5:
I was pursuing a Certified General credential and completed a 30-hour qualifying education course on *General Appraiser Market Analysis and Highest and Best Use* that was approved by my state. I decided to pursue a Certified Residential credential instead, which requires 15 hours of *Residential Market Analysis and Highest and Best Use*. Can I use the General Appraiser course to count as my qualifying education in this category?

Response:
The *Real Property Appraiser Qualification Criteria* sets forth module names of the *Required Core Curriculum* areas which must be covered in a candidate's qualifying education for each appraiser classification sought. Furthermore, Guide Note 1 of the criteria provides guidance on subtopic areas that should be covered under each of the modules of the *Required Core Curriculum*, in order to prepare the candidate to pass the National Uniform Licensing and Certification examination for the specific credential. However, coverage of all of the subtopics under each module is not required in order for a course to be approved by your state appraiser regulatory agency as qualifying education.

Thus, given the commonality between the subtopics covered in the respective *General and Residential Highest and Best Use courses*, under the *Criteria*, a state could approve the General course toward the *Required Core Curriculum* for the Residential classification. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their specific requirements and course approvals, which could be more specific.

Question 6:
I have an appraisal credential in my home state and I am now seeking to obtain a credential in a new state where I will be relocating. My appraisal coursework was approved in my home state, but I am having difficulty getting my qualifying education approved in my new state. If one state approved my courses doesn't that mean they are automatically accepted by other states?

Response:
The *Real Property Appraiser Qualification Criteria* states "Existing credential holders (with the exception of Trainee Appraisers) in good standing in any jurisdiction shall be considered in compliance with current *Real Property Appraiser Qualification Criteria* (*Criteria*) if they have passed an AQB-approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential (with the exception of Trainee Appraisers) in another jurisdiction."

However, while the above represents the position of the Appraiser Qualifications Board, each state has the right to regulate commerce within its boundaries. Thus, their laws may require an applicant to "start from scratch" and fulfill all of the current requirements for licensure or certification.

Furthermore, each state has the responsibility to approve qualifying education courses leading toward real property appraiser credentials. Individual course providers (e.g. colleges/universities, proprietary schools, designation organizations) must seek approval of their courses by individual states. As such, it is possible one state may have approved a course, while another has not.

Question 7:
I am a state regulator responsible for evaluating courses submitted for qualifying education for state appraiser licensure and certification. I recently received a submission of a course entitled *Advanced Residential Applications and Case Studies*. I reviewed Guide Note 1 of the *Real Property Appraiser Qualification Criteria* and understand one of the subtopics for this course is "Advanced Case Studies." What qualifies a case study as "advanced?"

Response:
An *Advanced Residential Applications and Case Studies* course should serve to provide the student with practical instruction demonstrating how to handle complex and high-value residential properties.

Guide Note 1 of the *Criteria* provides curriculum guidance including the following subtopics for this course:

A. Complex Property, Ownership and Market Conditions
B. Deriving and Supporting Adjustments
C. Residential Market Analysis
D. <u>Advanced Case Studies</u>

Thus, the case studies in this type of course should include issues dealing with complex and/or high-value residential properties such as:

- Atypical properties in a given market;
- Residences with unique architecture or historic properties;
- Properties which may be stigmatized due to internal or external circumstances; and/or
- Properties of such value and/or unusual characteristics that their competitive market may be regional as opposed to an immediate neighborhood.

Other advanced case study topics could include complex ownership situations, such as the appraisal of fractional interests in a property; material dealing with more complex market conditions such as declining neighborhoods within a generally improving market; properties affected by a government acquisition program; or properties within markets which may be impacted by foreclosure sales or tax sales.

Advanced case studies may involve advanced statistical analysis; appropriate handling of unusual sales concessions; atypical markets; and markets with scarce data.

Please be advised that the above is not meant to be an exhaustive list of possible topics for *Advanced Residential Applications and Case Studies*. Course developers are encouraged to explore a variety of topics relevant to complex residential issues in order to differentiate an *Advanced Residential Applications and Case Study* course from more basic level course topics.

Question 8:

I am a Trainee Appraiser preparing to get my Certified Residential credential. For my initial qualifying education to become a Trainee Appraiser, I completed 80 hours of *Basic Appraisal Principles and Procedures* in 2003 from a proprietary school that no longer exists. My state appraiser regulatory agency said any courses taken before the current edition of the *Real Property Appraiser Qualification Criteria* were no longer considered valid according to the AQB. Why can't these original hours count toward the qualifying education requirement for my Certified Residential credential?

Response:

The *Criteria* do not contain any provision that invalidates qualifying education successfully completed prior to the effective date of the *Criteria* for existing credential holders. As with all AQB *Criteria*, states may create requirements that are more restrictive; if so, you'll need to clarify this with your state. From the AQB's perspective, in this case courses that were eligible in 2003 would remain valid towards the current *Criteria*.

However, the *Criteria* do include the following provision affecting non-credentialed appraisers: "All qualifying education must be completed within the five (5) year period prior to the date of submission of a Trainee Appraiser application." In this case, an appraiser pursuing a Trainee Appraiser credential would not be able to use courses more than 5 years old at the time of submission of the application to become a Trainee Appraiser.

Question 9:

I have been a commercial real estate professional for over 20 years, have my broker's license and am a Certified Commercial Investment Member (CCIM). I am interested in pursuing a Certified General real property appraiser credential. I would prefer to do my education on my own time with an online educator. I have my Bachelor's degree in business from a state university. With my licensing, education, and experience, is there a way to "fast track" the required coursework?

Response:

Many qualifying education (QE) courses required under the *Real Property Appraiser Qualification Criteria* are available online. Your state appraiser regulatory agency maintains a list of approved QE courses and providers. Also, it is possible your university may have sought and received QE approval from your state appraiser regulatory agency for some of the courses you took when earning your degree.

Alternatively, some of the education you completed for your other real estate credentials/designations might be approved by your state appraiser regulatory agency as real property appraiser QE. If so, you may already have some of the 300 hours of required QE for the Certified General credential completed.

Question 10:

I hold a Licensed Residential credential and plan to upgrade to a Certified Residential credential. What courses do I need to take?

Response:

The additional *Required Core Curriculum* coursework required of those appraisers holding a valid Licensed Residential credential are as follows: *Statistics, Modeling & Finance* (15 hours), *Advanced Residential Applications and Case Studies* (15 hours) and *Appraisal Subject Matter Electives* (20 hours).

In addition to the *Required Core Curriculum* requirements, candidates must also meet the college degree, experience and examination requirements for the Certified Residential credential.

Applicants for the Certified Residential credential must hold a Bachelor's degree from an accredited college or university.

The minimum experience requirement is 2,500 hours obtained during not less than twenty-four (24) months.

The AQB-approved Certified Residential Real Property Appraiser Examination must also be successfully completed.

EXPERIENCE

Question 1:
I am a Trainee Appraiser accumulating experience under a Certified Residential Supervisory Appraiser. I understand that for my experience to be eligible for credit it must be performed with a certified appraiser; however, we occasionally receive assignments that I do not intend to use for experience credit. In assignments where I don't intend to claim experience credit, can I perform the assignment under the direction of a Licensed Residential appraiser, or even on my own without a Supervisory Appraiser?

Response:
No. Regardless of whether an assignment is being claimed for experience credit, a Trainee Appraiser must work under the direct supervision of a Certified Residential or Certified General appraiser. The *Real Property Appraiser Qualification Criteria* states:

> *The scope of practice for the Trainee Appraiser Classification is the appraisal of those properties which the* ***supervising Certified appraiser*** *is permitted by his/her current credential and that the supervising appraiser is qualified to appraise. (Bold added for emphasis.)*

Question 2:
I am pursuing a Certified General credential. The firm I work with has a diverse appraisal practice including the valuation of real property and the valuation of personal property. Can I claim experience for personal property appraisal assignments where I am not appraising the real property interest?

Response:
No. The *Real Property Appraiser Qualification Criteria* requires that experience must be gained in the performance of acceptable real property appraisal practice. Specifically, an applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5 and/or 6.

Standard 1 (the Real Property Appraisal Development Standard) does provide for the valuation of personal property *as a part of a real property valuation assignment*. Thus, a state may accept personal property valuations that are part of a real property appraisal, such as the valuation of furniture, fixtures and equipment (personal property) as part of a hotel going concern valuation. However, always be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which could be more restrictive.

Question 3:
Is there an assumption that a typical residential appraisal takes "X" hours to develop and report? If someone submits a log to the state and says they have acquired 3,000 hours of experience by doing ten "URAR" form reports, would they be believed? Or, is there a range that makes sense, like between four and twelve hours for a "typical" assignment?

Response:
The *Real Property Appraiser Qualification Criteria* does not specify the amount of experience hours which may be claimed per assignment. The state appraiser regulatory agency in the jurisdiction where you are seeking a credential is responsible for examining your experience log and must be satisfied there is a reasonable relationship between the amounts of time you claim to have spent on an assignment and your description of work performed. Some states have established typical hours for specific types of appraisal assignment types, which they use as a benchmark to identify potentially excessive experience claims. Be sure to check with your Supervisory Appraiser (if applicable) and your state appraiser regulatory agency to make sure you comply with the hourly requirements when claiming experience.

Question 4:
I am employed by a county appraisal district where we value properties for ad valorem tax purposes. My job requirements include valuing real property using the sales comparison approach, performing on-site inspections of properties, using mass appraisal tools to assign real property values, analyzing sales on an annual basis, etc. Our state requires appraisal experience for state licensure or certification to comply with the Appraiser Qualifications Board (AQB) *Criteria* for acceptable experience. Does my position as a Residential Appraiser at the appraisal district meet the AQB *Criteria* for acceptable experience?

Response:
Just by serving in a municipal appraisal position, you are not automatically granted credit. Per the *Real Property Appraiser Qualification Criteria* the quantitative experience requirements must be satisfied by time spent on the appraisal process: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP. Based upon the minimum criteria set forth by the AQB, a state could, after review of your work log and work samples, grant you experience credit for work completed in ad valorem, mass appraisal assignments. However, check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 5:
I am presently a Certified Residential appraiser and I am pursuing a change to Certified General. I realize a Trainee who applies to become Certified General is required to accumulate 3,000 hours of experience (with at least 1,500 being non-residential). However, does this mean that a Certified Residential appraiser would only have to accumulate 1,500 hours of commercial experience to satisfy the experience requirement?

Response:
The *Real Property Appraiser Qualification Criteria* require 3,000 hours of experience accumulated during no fewer than 30 months, of which 1,500 hours must be non-residential. Under the *Criteria*, experience gained in pursuit of a credential is not exclusive to that specific credential. Thus, based upon the minimum criteria set forth by the AQB, a state appraiser regulatory agency could, after review, count the experience earned toward your Certified Residential credential along with additional experience earned toward the 3,000-hour requirement for the Certified General credential. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 6:
I have been a Licensed Real Estate agent for several years and also a Trainee Appraiser for over one year. I have a Supervisory Appraiser for whom I perform appraisals and I also get paid by a bank to perform Broker Price Opinions (BPOs) that require very similar information as an appraisal (including providing six comps). I act as a completely unbiased person doing these BPOs and have no interest in the properties. Can these BPOs be counted on my appraisal experience log?

Response:
If the BPOs do not comply with USPAP, regardless of the level of detail or the scope of work performed, they are ineligible for experience credit. (Refer to USPAP for further information on not misrepresenting your role when acting as an appraiser versus a broker/sales person/mortgage broker.)

If, however, the development and reporting of the BPO complies with USPAP, and your Supervisory Appraiser provides direct supervision over your preparation thereof, reviews and signs your work product, it is possible a state appraiser regulatory agency might count these as appraisal experience. However, be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 7:
I am a licensed forester and a Trainee Appraiser. My Supervisory Appraiser is a forester and a Certified General appraiser. As a part of my company's forestry practice, I often perform timber inventory and valuation reports (timber cruises) to estimate the value of timber. Can I utilize my timber cruise experience to satisfy the 3,000 hours of required real property appraisal experience toward earning a Certified General credential?

Response:
Solely developing a timber inventory and valuation report (aka "timber cruise") does not qualify for real property valuation experience. However, if you develop a timber inventory and valuation report and appropriately utilize this information in an appraisal of real property, it may qualify for real property valuation experience provided the appraisal complies with USPAP. Furthermore, as with other types of appraisal assignments, an individual providing significant real property appraisal assistance in the appraisal may receive credit for these assignments, provided the individual is duly acknowledged in the certification of the report as having provided significant real property appraisal assistance, and the description of their assistance is included in the appraisal report. Be sure to check with the specific state appraiser regulatory agency in the jurisdiction in which you are seeking a credential to verify their requirements, which may be more restrictive.

Question 8:
I am a Trainee Appraiser working towards my license. If I do not sign an appraisal report due to my company's policies or a client's assignment conditions, what verbiage is required in the report in order for the time I spent on the appraisal to count toward the experience requirements in the *Real Property Appraiser Qualification Criteria*?

Response:
If you provide significant real property appraisal assistance to a Supervisory Appraiser but do not sign the report certification, your Supervisory Appraiser must disclose that you provided significant real property appraisal assistance within the certification of the report. In addition, the Supervisory Appraiser must describe the extent of your assistance in the report (refer to the Uniform Standards of Professional Appraisal Practice [USPAP], Standards Rules 2-2 and 2-3, as well as Advisory Opinion 31, *Assignments Involving More Than One Appraiser*, for additional details).

Furthermore, the experience log you submit to your state appraiser regulatory agency must describe the work you performed in support of the hours of experience you claim for each assignment. Documentation in the form of reports, certifications, or file memoranda, or other evidence that the time you spent on the appraisal process is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.

Question 9:
I hold a Certified Residential credential and I am pursuing a Certified General credential in the same jurisdiction. Does the AQB require any supervised experience to upgrade from a Certified Residential appraiser to a Certified General appraiser?

Response:
The *Real Property Appraiser Qualification Criteria* does not specifically address a formal Supervisory Appraiser relationship for Certified or Licensed appraisers seeking an upgrade to their credential. However, you must comply with the COMPETENCY RULE of USPAP when you obtain your non-residential property experience, which may require that you work with an existing Certified General appraiser who is competent in the property type and geographic area. Be sure to check with the state appraiser regulatory agency in the state where you plan to seek the credential to confirm the state's requirements, as states may implement more stringent requirements.

Question 10:
I am a Supervisory Appraiser and I hold a Certified General credential in two states: State A and State B. One of my Trainees has a Trainee Appraiser's credential in State A only. I have an assignment in State B, and plan to take my Trainee with me to work on the assignment. Will State A grant experience to my Trainee Appraiser for work performed in State B?

Response:
The *Real Property Appraiser Qualification Criteria* specifies experience must be gained under the supervision of the Supervisory Appraiser and the work must comply with USPAP. Thus, the *Real Property Appraiser Qualification Criteria* would not prohibit State A from granting the Trainee Appraiser credit in this case. However, be sure to check with the state appraiser regulatory agency in State A to confirm the state's requirements, which could be more restrictive.

NATIONAL UNIFORM LICENSING AND CERTIFICATION EXAMINATIONS

Question 1:
Is there a study guide for the Licensed Residential, Certified Residential or Certified General examinations?

Response:
The Appraisal Foundation does not publish a study guide for the National Uniform Licensing and Certification Examinations. The questions on the examinations are based upon the body of knowledge covered in the *Required Core Curriculum* as noted in Guide Note 1 (GN-1) of the *Real Property Appraiser Qualification Criteria*. Sample questions are available on The Appraisal Foundation website at *www.appraisalfoundation.org*.

Question 2:
I hold a Certified Residential credential and now I plan to pursue a Certified General credential. The *Criteria* indicate I am required to successfully complete 100 additional hours of qualifying education. Will these additional hours make me qualified to pass the National Uniform Licensing and Certification Examination for the Certified General classification?

Response:
The National Uniform Licensing and Certification Examination for the Certified General classification is based upon the 300 hours of *Required Core Curriculum* coursework as outlined in the *Real Property Appraiser Qualification Criteria*. Depending upon when you completed your original education and the nature of your practice, you may be able to pass the National General Certification Exam. However, the AQB urges you to examine the *Required Core Curriculum* to identify any possible areas of perceived weakness in your education, and prepare yourself by taking additional qualifying education courses in those areas.

CONTINUING EDUCATION

Question 1:
I am a state-certified appraiser and was told by my state appraiser regulatory agency the *15-Hour National USPAP Course* would not satisfy my continuing education requirement to complete the *7-Hour National USPAP Update Course*. Why can't I take the 15-Hour course in lieu of the 7-Hour course?

Response:
The *Real Property Appraiser Qualification Criteria* require the *7-Hour National USPAP Update Course* be taken for continuing education (CE) every two calendar years. The *7-Hour National USPAP Update Course* concentrates on the most recent changes to USPAP, common problem areas, and application of USPAP to real world situations. This course is appropriate for practicing appraisers who already have a baseline understanding of USPAP, but need

to be apprised of recent developments and updates affecting their appraisal practice. The *15-Hour National USPAP Course* is geared to the beginning appraiser who has a limited understanding of USPAP. The coverage and treatment of changes or emerging issues is not the focus of this course; thus it does not meet the educational objectives of the 7-Hour course.

Question 2:
I took some courses as qualifying education in order to obtain my appraiser credential. Am I allowed to re-take these same courses again for continuing education (CE) purposes now that I'm credentialed?

Response:
If a course is approved by your state appraiser regulatory agency as CE you should be able to receive CE credit for taking the course, regardless of whether you previously took the course as qualifying education. However, some states prohibit re-taking the same course for CE purposes. Confirm with your state appraiser regulatory agency whether the course is eligible for CE.

Question 3:
I am a state regulator charged with reviewing and approving courses for continuing education (CE) for my state. An education provider submitted CE courses for review that are designed to prepare candidates for the *National Uniform Licensing and Certification Examinations*. Can the state approve an "exam prep" course for CE?

Response:
Nothing would prohibit a state from approving a course that prepares individuals for the National Uniform Licensing and Certification Examinations, provided the course adheres to the CE requirements as outlined in the *Real Property Appraiser Qualification Criteria* (i.e. the course covers applicable appraisal-related topics and is a minimum of 2 hours in length).

Question 4:
I am certified in multiple states. If I attend and successfully complete a continuing education course (CE) in one state, can I use it to count toward my recertification in another state?

Response:
In the event the course, provider and delivery mechanism (classroom or distance education) are approved in both states, then each state may grant you CE credit for taking the one course. However, each state has a unique method of approving courses. Thus, be sure to check with the specific state appraiser regulatory agency in the jurisdictions in which you are seeking to recertify your credentials to verify their requirements.

Question 5:
The *Real Property Appraiser Qualification Criteria* require that I take the *7-Hour National USPAP Update Course* every two calendar years. If I do not take the course until 18 months after the new version of USPAP goes into effect, does that mean I can continue to follow the prior version of USPAP until I take the update course?

Response:
No. You are responsible to comply with the version of USPAP from the date it becomes effective, regardless of when you complete the *7-Hour National USPAP Update Course*. For this reason, the AQB encourages all credential holders to complete the course as soon as possible, to ensure proper understanding of any revisions made to USPAP.

Question 6:
I am an AQB Certified USPAP Instructor and I recently taught the *7-Hour National USPAP Update Course*. Can I be granted continuing education credit toward my credential renewal for successfully completing the *7-Hour National USPAP Update Course* during my current renewal cycle?

Response:
Per the *Real Property Appraiser Qualification Criteria* a state appraiser regulatory agency may allow you to receive credit for successfully completing the *7-Hour National USPAP Update Course* in this case, provided that you do not receive credit for more than half of your total required continuing education during any one continuing education (CE) cycle by teaching or in any other manner, other than as a student in a CE course. However, check with your state appraiser regulatory agency to confirm whether any additional restrictions may apply.

Question 7:
I am an instructor of courses approved for qualifying education (QE) and/or continuing education (CE) in the state in which I hold an appraiser credential. Can I obtain CE credit for time I spend preparing to teach courses?

Response:
No, *preparing to instruct* does not qualify for CE credit. However, a jurisdiction may award up to one-half of your required continuing education credit in a CE cycle for your activities during the cycle as a program or course developer or for authorship of an appraisal textbook.

Question 8:
I am a certified appraiser in a state with a 2-year licensure cycle. As such, I am required to complete 28 hours of approved continuing education (CE) in order to be eligible to renew my certification. If I complete more than the required 28 hours, can I carryover the extra hours to my next certification renewal?

Response:
No. The *Real Property Appraiser Qualification Criteria* does not provide for any carryover of CE hours from one renewal period to the next. Specifically, it states under *Section F. Criteria Specific to Continuing Education, Item 11* the instruction for which CE is sought to take place "…during the period preceding the renewal…."

Question 9:
I am a certified appraiser and my certification does not need to be renewed until next year. The edition of USPAP just came out and I have not yet taken the latest *7-Hour National USPAP Update Course*. Does this mean that my credential is invalid until I complete the course?

Response:
The Uniform Standards of Professional Appraisal Practice go into effect January 1 of the even year. You are responsible for understanding and complying with the current version of USPAP when you complete an appraisal, whether or not you have taken the relevant 7-Hour course. Under the *Real Property Appraiser Qualification Criteria*, you are required to successfully complete the 7-Hour course every two calendar years. The *Criteria* do not otherwise define the timeframe during which you must complete the course. However, please check with your state appraiser regulatory agency as states may implement more stringent requirements.

Question 10:
My appraiser license renewal date is September 3, 2015. Is continuing education (CE) I completed in February 2013 too old? Where can I find the timeframe during which my CE must be completed?

Response:
Your state appraiser regulatory agency determines the continuing education cycle for credentials within the state. The *Real Property Appraiser Qualification Criteria* do not allow carryover of any CE hours from one renewal period to the next.

Question 11:
Does the AQB require successful completion of a final exam in order to receive continuing education (CE) credit for an online appraisal course?

Response:
The *Real Property Appraiser Qualification Criteria* require course providers of distance learning (online) continuing education courses to track students' attendance and measure their comprehension of the material. One way this can be accomplished is via a proctored, final examination. The other, more common method is for the CE course to include embedded quizzes or other exercises to be completed by the student during the course offering.

Please note that several states have adopted an exam requirement for all continuing education distance learning courses. If you are located in one of these states, you are required to comply with the state's examination requirement in order to obtain your CE credit.

In addition, all synchronous USPAP courses do require a proctored final examination.

Q&A'S

2015 *REAL PROPERTY APPRAISER QUALIFICATION CRITERIA* IMPLEMENTATION ISSUES

GENERAL REQUIREMENTS

Question:
I am a state appraiser regulatory official. The 2015 *Real Property Appraiser Qualification Criteria* require applicants for new credentials to undergo a background check. Does this apply to credential holders from other states seeking reciprocal licensure and/or temporary practice permits in my state?

Response:
The *Real Property Appraiser Qualification Criteria* encourage states to grant reciprocity and/or allow temporary practice to those who hold valid credentials in other states. As such, the *Criteria* do not require a state to examine the specifics of the original application in the credential holder's existing jurisdiction; i.e. what and/or how much education they completed and when, when the examination was completed, whether the applicant holds a college degree, what level of experience the applicant was required to complete, and/or whether the credential was issued with or without a background check.

However, as with all AQB *Criteria*, a state may adopt a more stringent rule with regard to background checks.

SUPERVISORY APPRAISER/TRAINEE APPRAISER EDUCATION

Question 1:
I am currently a credentialed Trainee Appraiser. Am I required to take a Supervisory Appraiser and Trainee Appraiser course prior to January 1, 2015, in order to remain a Trainee Appraiser?

Response:
While the AQB encourages existing Trainee Appraisers to take the course, the 2015 *Real Property Appraiser Qualification Criteria* do not require currently-credentialed Trainee Appraisers to do so (i.e., you are "grandfathered" from the AQB's perspective). However, check with your state appraiser regulatory agency, since it may adopt more stringent requirements.

Question 2:
I am currently a Supervisory Appraiser of a Trainee Appraiser. Am I required to take a Supervisory Appraiser and Trainee Appraiser course prior to January 1, 2015, in order to continue to supervise Trainee Appraisers?

Response:
While the AQB encourages existing Supervisory Appraisers to take the course, the 2015 *Real Property Appraiser Qualification Criteria* do not require current Supervisory Appraisers to do so (i.e., you are "grandfathered" from the AQB's perspective). However, check with your state appraiser regulatory agency, since it may adopt more stringent requirements.

Please note however, if you seek to serve as a Supervisory Appraiser of any additional Trainee Appraiser(s) after the implementation date (e.g., January 1, 2015) you must fulfill all of the 2015 *Criteria* requirements to become a Supervisory Appraiser at that time.

Question 3:
I am a state appraiser regulatory official and I have reviewed the AQB course content outline for the required 2015 Supervisory Appraiser/Trainee Appraiser course. Does the AQB require a minimum or maximum length for this course?

Response:
The AQB has not established a minimum or maximum timeframe for this course offering. The intent of the course is to cover areas of general applicability to all Supervisory Appraiser/Trainee Appraiser relationships, and to allow each state to consider including material specific to the local jurisdiction regarding state law and/or areas of practice eliciting the highest number of disciplinary actions/complaints.

Question 4:
I am a state appraiser regulatory official. A course provider submitted a 2015 Supervisory Appraiser/Trainee Appraiser course for Continuing Education (CE) approval. Does the AQB allow this course to be utilized for appraiser CE?

Response:
Yes, upon review and approval by the state appraiser regulatory agency, a Supervisory Appraiser/Trainee Appraiser course may be utilized for CE for existing credential holders. However, the 2015 *Real Property Appraiser Qualification Criteria* prohibit the course from being utilized as counted toward Qualifying Education (QE).

Question 5:
I am an education provider and noticed that the majority of the course content in Section III of the Supervisory Appraiser/Trainee Appraiser Course Outline, Qualification and Credentialing Entities, is currently contained within the first section of The Appraisal Foundation's *15-Hour National USPAP Course*.

Will there a copyright problem if an education provider incorporates a large part of that material into the course so long as credit is given in footnotes and course content references?

Response:
Provided proper attribution to the *15-Hour National USPAP Course* is provided in the Supervisory Appraiser/Trainee Appraiser Course, there is not a problem incorporating material from the *15-Hour National USPAP Course* into the Supervisory Appraiser/Trainee Appraiser Course.

SUPERVISORY APPRAISER ELIGIBILITY

Question 1:
I am a state-certified appraiser who is also a Supervisory Appraiser. My appraiser credential has been suspended. Is this considered a sanction that restricts the Supervisory Appraiser's "legal eligibility to engage in appraisal practice?"

Response:
Yes. An appraiser would not be able to act as a Supervisory Appraiser for the length of the suspension plus an additional three years beyond the date the suspension is lifted.

Question 2:
I am a state-certified appraiser who is also a Supervisory Appraiser. My appraiser credential has been placed on "probation" by the state which limits the types of assignments I am allowed to appraise. Is this considered a sanction that restricts the Supervisory Appraiser's "legal" eligibility to engage in appraisal practice?"

Response:
Yes. An appraiser would not be able to act as a Supervisory Appraiser for the length of the "probation" plus an additional three years beyond the date the "probation" is lifted.

Question 3:
I am a state-certified appraiser who is also a Supervisory Appraiser. My state appraiser regulatory agency has levied a fine against me and required me to take an additional course. Is this considered a sanction that restricts the Supervisory Appraiser's "legal" eligibility to engage in appraisal practice?"

Response:
No. As long as the fine is paid and remedial education is completed and no further action is taken (probation or suspension), the Supervisory Appraiser could continue to supervise Trainee Appraisers. However, please check with your state appraiser regulatory agency, since it may adopt more stringent requirements.

Question 4:
Is a Supervisory Appraiser's eligibility to supervise Trainee Appraisers only evaluated when they initially become a Supervisory Appraiser, or is the Supervisory Appraiser's eligibility evaluated on an ongoing basis?

Response:
The Supervisory Appraiser's eligibility is evaluated on an ongoing basis. Thus, if any sanction is levied against a Supervisory Appraiser during the term of supervision that affects the Supervisory Appraiser's eligibility to practice, the Supervisory Appraiser would immediately lose the right to supervise Trainee Appraisers for the length of the sanction, plus an additional three years beyond the date the sanction is lifted.

Question 5:
I have been a Certified Residential appraiser for the past five (5) years. Last month, I was issued a Certified General credential in the same jurisdiction. Am I able to supervise a Trainee Appraiser working on commercial properties?

Response:
The *Real Property Appraiser Qualification Criteria* states Supervisory Appraisers shall be state-certified and in "good standing" in the jurisdiction in which the Trainee Appraiser practices for a period of at least three (3) years. The *Criteria* do not specify that a Supervisory Appraiser have a specific Certified Residential or Certified General credential, so you may be eligible to supervise a Trainee Appraiser performing commercial appraisals. However, the Supervisory Appraiser must comply with the COMPETENCY RULE of USPAP for the property type and geographic location the Trainee Appraiser is being supervised.

Question 6:
I am a state-certified real property appraiser and I am supervising a Trainee Appraiser. I notice the *Real Property Appraiser Qualification Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice. Can you provide examples of disciplinary actions that **would** affect my legal eligibility to engage in appraisal practice?

Response:
The AQB has interpreted a *disciplinary action* to mean any adverse, final, and non-appealable decision by a state regulatory, administrative, or judicial authority of competent jurisdiction, which affects an individual's *ability to practice*. Sanctions imposed may vary between jurisdictions and may consist of those that do and do not affect an appraiser's legal eligibility to practice.

Sanctions that would affect an appraiser's legal eligibility to engage in appraisal practice may include, but are not limited to:

- Any limitation preventing or restricting an appraiser from engaging in appraisal practice until a specified condition has been met.
- Any limitation preventing or restricting an appraiser from engaging in appraisal practice of specific property types for any duration of time.
- Suspension of a Certified General or Certified Residential credential in any jurisdiction.
- Revocation of a Certified General or Certified Residential credential in any jurisdiction.

However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Question 7:
Can you provide examples of disciplinary actions that **would not** affect my legal eligibility to engage in appraisal practice?

Response:
Sanctions that would not affect an appraiser's legal eligibility to engage in appraisal practice may include, but are not limited to:

- A monetary fine or penalty (without additional sanctions limiting the appraiser's legal eligibility to engage in appraisal practice).
- A letter of warning or reprimand.
- An educational requirement.

However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Question 8:
I am a state-certified real property appraiser and I am supervising a Trainee Appraiser. I was recently investigated by my state board for an alleged violation of USPAP. The case was subsequently dismissed without merit and no violations were substantiated. Does an investigation by a state board or other duly authorized entity preclude my continued supervision of the Trainee Appraiser?

Response:
No, the *Real Property Appraiser Qualification Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice. Although an investigation has occurred in your case, there has been no *disciplinary* action taken that would preclude your continued supervision of your Trainee Appraiser. However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Question 9:
I am a state-certified real property appraiser and I am supervising a Trainee Appraiser. I also carry a designation issued by a professional appraiser organization. I was recently investigated by my organization for an alleged violation of the organization's professional ethics requirements, and subsequently, my professional designation was revoked. Does a revocation of my designation by the professional organization preclude my continued supervision of the Trainee Appraiser?

Response:
No, the *Real Property Appraiser Qualification Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's *legal eligibility* to engage in appraisal practice. Although your appraiser organization has imposed a disciplinary sanction by revoking your designation, this action does not, in and of itself, affect your legal eligibility to engage in appraisal practice in your credentialing jurisdiction. However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Question 10:
I am a state-certified real property appraiser in States A and B. I am also supervising a Trainee Appraiser in State A. I was recently investigated by the state board in State B for an alleged violation of USPAP and it was determined a violation was found to exist. Subsequently, State B suspended my appraiser certification for a period of one (1) year. Does this action preclude my continued supervision of the Trainee Appraiser in State A?

Response:
Yes, the *Real Property Appraiser Qualification Criteria* specifies Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice. Although you may currently be in "good standing" in State A, your legal eligibility to engage in appraisal practice in State B has been suspended and you are no longer able to act as a Supervisory Appraiser in any jurisdiction until a minimum of three (3) years after the successful completion/termination of the sanction imposed against you. However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

Question 11:
I am a Trainee Appraiser seeking a Supervisory Appraiser. I live in a state where appraisers are not required to be state-licensed or certified for appraisal assignments that do not involve federally related transactions. I have found an appraiser that is willing to supervise my work and sign my appraisal experience log, but he does not possess a state license or certification. Would this individual qualify as my Supervisory Appraiser?

Response:
No, the *Real Property Appraiser Qualification Criteria* specifies Supervisory Appraisers shall be state-certified and in "good standing" in the jurisdiction in which the Trainee Appraiser practices for a period of at least three (3) years. The fact this individual is not a state-certified appraiser precludes this appraiser from acting as your Supervisory Appraiser and signing your appraisal experience log. However, be sure to check with your state appraiser regulatory agency to confirm the state's requirements, which could be more restrictive.

NATIONAL UNIFORM LICENSING AND CERTIFICATION EXAMINATIONS

Question:
Under the 2015 *Real Property Appraiser Qualification Criteria*, I understand that all education and experience must be completed and approved prior to taking the National Uniform Licensing and Certification Examination. Once I pass the examination, within what time period must I submit the application for my credential?

Response:
Examination results are valid for 24 months. If your state appraiser regulatory agency has a separate post-examination application (i.e., you are not awarded the credential "automatically" by virtue of successfully passing the examination) you would need to submit your complete application within 24 months of successful completion of the exam. You should be sure to check with your state appraiser regulatory agency to determine when your application must be submitted.

The AQB Q&A is posted on The Appraisal Foundation website (www.appraisalfoundation.org)

For further information regarding AQB Q&A, please contact:
John S. Brenan, Director of Appraisal Issues
The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005
(202) 624-3044
(202) 347-7727 fax
john@appraisalfoundation.org

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THE APPRAISAL FOUNDATION
The Madison Building
1155 15th Street, NW, Suite 1111
Washington, DC 20005

tel 202 347 7722
fax 202 347 7727

www.appraisalfoundation.org

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