Public Board Meeting
Tuesday July 7, 2026
AGENDA

Location: 76 Northern Ave Gardiner, ME 04345

Room: Central Conference Room

Time: 9:00 a.m.

Contact: Heidi Lincoln- 207-624-8522 or Heidi.Lincoln@maine.gov

Option for Virtual Attendance by the Public:

In addition, though not required by law, this meeting is being made virtually available using the Zoom platform to members of the public who do not attend in-person. A link for the public to access the Board of Real Estate Appraisers meeting virtually will be posted on the Real Estate Appraisers Board website at: https://www.maine.gov/pfr/professionallicensing/professions/board-real-estate-appraisers/home/board-meeting- information

The Board of Real Estate Appraisers expects that members of the public who attend the meeting virtually will be able to provide public comment to the same extent as members of the public who attend in-person.

I. **CALL TO ORDER**

II. **AGENDA MODIFICATIONS**

III. **MINUTES REVIEW AND APPROVAL**
- Review and approval of May 5, 2026, Minutes

IV. **COMPLAINT/HEARING TRAINING PRESENTED BY JOHN BELISLE**

V. **COMPLAINT'S PRESENTATION**
- Re-presentation 2025-REA-21102

VI. **ADMINISTRATOR'S REPORT**
- ASC Compliance Review
- Limited Delegation of Authorization
- Scope of License Memo

- AQB 2^{nd} Exposure Draft of Proposed Changes to the Criteria
- AF Workforce Report

VII. PUBLIC COMMENT

Under this item, the Board will offer an opportunity to members of the public in attendance to comment on any public matter under the jurisdiction of the Board, except for any open application or complaint. While the Board cannot take action on any issues presented, the Board will listen to comments and may ask staff to place the issue on a subsequent agenda. At the discretion of the Board Chair, a time limit on comments may be set.

VIII. MEETING SCHEDULE

Next meeting scheduled for Tuesday August 4, 2026.

IX. ADJOURNMENT

DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION
76 Northern Ave, Gardiner, Maine

MAINE BOARD OF REAL ESTATE APPRAISERS
PUBLIC MEETING
May 5, 2026
MINUTES

MEMBERS PRESENT	**STAFF PRESENT**
Wendyann Boston, Chair	John Belisle, Assistant Attorney General
Russell Barrows, Vice Chair	Catherine E. Pendergast, Administrator
Nathaniel Shipley, Complaint Officer	Jazmyne Marks, Licensing Supervisor
Alan Johnson	Heidi Lincoln, Office Specialist I
Heather Cote	Shara Chesley, Office Specialist I
MEMBERS ABSENT	

Location: 76 Northern Ave., Gardiner, ME

Start: 9:01 a.m. **Adjourn: 10:38 a.m.**

I. CALL TO ORDER
The meeting was called to order by the Chair at 9:01 a.m.

II. AGENDA MODIFICATIONS
- A motion was made by Johnson and seconded by Shipley to add a memo regarding Appraisal Foundation Corrective Courses to the Administrator's Report for discussion. Board Member Barrows joined the meeting.
  Unanimous. Motion Carried.

III. MINUTES REVIEW AND APPROVAL
A motion was made by Barrows and seconded by Shipley to approve March 3, 2026, Minutes. Barrows, Cote, and Shipley voted in the affirmative. Boston and Johnson abstained. Motion carried.

IV. COMPLAINT PRESENTATIONS
- 2025-REA-21102 – A motion was made by Barrows and seconded by Johnson to dismiss with a Letter of Guidance regarding adhering to Scope of Work, to remain on file for ten (10) years. Boston, Cote, Barrows, and Johnson voted in the affirmative. Shipley recused. Motion carried.

- 2026-REA-21173 – A motion was made by Barrows and seconded by Cote set for hearing and offer a consent agreement for forfeiture of license for violations of USPAP

Standard 1-1(a), (b) and (c); 1-2(e); 1-3(a)(v) and (b); 1-4 (a) and (b); 1-5 (a) and (b); Standard 2-1(a), (b), and (c); 2-2 (a)(iv), (v) and (x) (3) and (5); Scope of Work Rule 1, 2 and 3 (the extent to which the property is identified, the type and extent of data researched & the type and extent of analysis applied to arrive at opinions or conclusions), Problem Identification (subject of the assignment and its relative characteristics & assignment conditions), Acceptability (what an appraiser's peers' actions would be in performing the same or a similar assignment); Ethics Rule – Conduct (must not perform an assignment in a grossly negligent manner); 32 M.R.S. §14014-A (7) & (8); and 10 M.R.S.A § 8003 (5-A)(2).

Boston, Cote, Johnson and Barrows voted in the affirmative. Shipley abstained. Motion carried.

- 2026-REA-21200 – A motion was made Barrows and seconded by Johnson to dismiss for lack of evidence of a violation. Boston, Barrows, Johnson and Cote voted in the affirmative. Shipley abstained. Motion carried.

V. ADMINISTRATOR'S REPORT

- Board Members reviewed and discussed licensing statistics provided by board staff.
- Administrator presented information regarding Appraisal Foundation Corrective Courses developed by the Appraisal Foundation for disciplinary action use.

VI. PUBLIC COMMENT

None

VII. MEETING SCHEDULE

Next meeting scheduled for Tuesday, June 2, 2026.

VIII. ADJOURNMENT

A motion was made by Barrows and seconded by Johnson to adjourn the meeting. Unanimous.

Being no further board business, the meeting was adjourned at 10:38 a.m.

Maine Board of Real Estate Appraisers
35 State House Station
Augusta, ME 04333
Phone: (207) 624-8518
Email: catherine.pendergast@maine.gov

Department of Professional & Financial Regulation

To: Board Members
From: Catherine E. Pendergast
Date: July 1, 2026
Subject: Limited Delegation of Authority

The Director of the Office of Professional and Occupational Regulation (OPOR) requested a comprehensive delegation which includes the current delegation of authority to board staff to prepare letters of guidance for resolving complaints regarding failure to report convictions/discipline, failure to comply with the continuing education requirement, the current application process and, as a result of a law which recently went into effect, complaint dismissal (in consultation with AAG) when conduct described in a complaint is not within the Board's authority

Maine Board of Licensure for Appraisers – Board Policy

Limited Delegation of Authority to Board Staff

Effective Date:	**Expiration Date**:
July 7, 2026	June 30, 2028, unless rescinded earlier

I. Summary

Pursuant to 10 M.R.S. § 8003(5-A)(D)(6) and (6-A), the Maine Board of Licensure of Real Estate Appraisers adopts the following policy delegating to Board staff certain actions, including but not limited to the review and approval of certain applications and the determination of whether a pending complaint is within the Board's authority to enforce.

This policy expires on June 30, 2028, but may be revisited by the Board at any time.

II. Relevant Law

Pursuant to 10 M.R.S. § 8003(5-A)(D)(6), the Board may "[d]elegate to staff the authority to review and approve applications for licensure pursuant to procedures and criteria established by rule."

Pursuant to 10 M.R.S. § 8003(5-A)(D)(6-A), the Board may "[d]elegate to staff the authority to determine if a pending complaint describes a violation of law or rule that is not within the authority of the … board … to enforce."

Pursuant to 32 M.R.S. §14014-A(11), the Board may deny a license, refuse to renew a license or impose the disciplinary sanctions authorized by Title 10, section 8003, subsection 5-A for "Failure to meet the professional qualifications for licensure as provided in this subchapter or failure to submit a complete application within 30 days after being notified of the materials needed to complete the application.

Pursuant to 32 M.R.S. § 14027, "[a]s a prerequisite to renewal of a license, an applicant must have completed continuing education as set for by rules adopted by the board. An applicant may not repeat for credit the same continuing education course offering within a license renewal cycle."

Pursuant to 32 M.R.S. §§ 14035; 14036; 14037; and 14038 an applicant "must meet the licensing requirements established by the appraiser qualifications board."

Pursuant to 10 M.R.S. § 8003(5-A)(3) and 5 M.R.S. §§ 5301-5303, the Board may refuse to approve an application for licensure if the applicant was convicted of a crime described in 5 M.R.S. § 5301(2) and the application was submitted within 3 years of the applicant's discharge from the correctional system. For purposes of this Delegation Order, such crimes will be referred to as "Potentially Disqualifying Crimes."

Pursuant to 10 M.R.S. § 8003(5-A)(A)(11), the Board has the authority to impose discipline against an applicant or licensee for any violation of the reporting requirements imposed in 10 M.R.S. § 8003-G(2), including the duty to report disciplinary action and criminal convictions within 10 days.

Pursuant to 10 M.R.S. § 8003(5-A)(B), the forms of discipline that the Board may impose include: the denial or refusal to renew a license; a warning, censure, or reprimand; imposition of probation; suspension of a license; revocation of a license or registration; and civil penalties of up to $1,500 for each violation.

Pursuant to 10 M.R.S. § 8003(5-A)(C), the Board "may execute a consent agreement that resolves a complaint or investigation without further proceedings."

III. Limited delegation of authority to Board staff

The Board delegates limited authority to Board staff as outlined below and in Attachment 1:

1. Application Reviews: Board staff may conduct reviews of applications as identified in Attachment 1.

2. Criminal Conviction – Disclosure on Application: Board staff may issue a license to an otherwise qualified applicant who discloses a criminal conviction on an application for licensure that is not a Potentially Disqualifying Crime after consultation with the Assistant Attorney General assigned to the Board.

3. Criminal Conviction – Failure to report: Board staff may renew a license and issue a letter of guidance to a licensee who discloses a criminal conviction for a non-Potentially Disqualifying Crime on a renewal application that the licensee failed to previously report within 10 days of the conviction, after consultation with an Assistant Attorney General assigned to the Board.

4. Previously Reviewed Disclosures: Applications on which an applicant discloses criminal convictions that have been previously reviewed and approved by the Board can be reviewed and approved by Board staff.

5. Requests to Withdraw application: If an applicant requests to withdraw an application for licensure for reasons other than to avoid the Board's preliminary denial based on a potential violation of either a statutory provision or a Board rule, then Board staff is authorized to grant such request for withdrawal.

6. Complaints: Board staff may review pending complaints and administratively dismiss those that deal with issues exclusively outside the authority of the Board.

7. Subpoenas: The Board administrator may, in the aid of the Board's investigative authority, issue subpoenas on behalf of the Board in accordance with 10 M.R.S. § 8003-A(2) and 5 M.R.S. § 9060, only after consultation with the Assistant Attorney General assigned to the Board.

- In the event a subpoenaed party fails to comply with a Board subpoena, the Board administrator may seek to compel compliance with the advice and assistance of the Assistant Attorney General assigned to the Board.

Adoption

Adopted by the Board on July 7, 2026 by a vote of _ in favor, _ opposed, _ abstained.

Date: July 7, 2026 ____________________________________

Chair

Members of the Board voting:

WendyAnn Boston, Chair
Russell Barrows
Nathan Shipley
Heather Cote
Brentley Martin

Delegation of Authority to Board Staff – Attachment 1		
Actions	**Considerations**	**Prerequisites**
Application Review:		
Board Staff may review initial applications for Trainee, Licensed Residential, Certified Residential and Temporary Licenses.	License upgrades require work sample review for USPAP compliance.	
Board Staff may review renewal and reinstatement applications for Trainee, Licensed Residential and Certified Residential.	Renewal applications submitted more than 90 days and within 2 years after renewal date must include proof of completion of continuing education, late fee, renewal fee and additional late fee.	
Board Staff may issue a license to a renewal applicant who fails to complete continuing education	• No prior failure to comply with continuing education • No other violation of law is alleged • Consent Agreement to include a Warning, $200 civil penalty and completion of continuing education	Consult with AAG
Board Staff may issue license to initial applicant who discloses conviction	Must be non-Potentially Disqualifying Crime	Consult with AAG
Board Staff may renew license for licensee who discloses discipline or conviction that was not timely reported	▪ Must be non-Potentially Disqualifying Crime ▪ No prior failure to timely report ▪ Failure to report is the only violation	Consult with AAG
Board Staff may approve applications that include disclosures that were previously reviewed and approved by the Board		
Board Staff may administratively close applications that exceed the statutory time limit	Check 32 M.R.S. § 14014-A(11) currently 30 days after notification of requested materials	
Board Staff may grant requests for application withdrawal	So long as not trying to avoid denial based on violation	

Complaints:		
Board Staff is authorized to dismiss a pending complaint describing		Consult with AAG

conduct that is not within the authority of the Board		

Maine Board of Real Estate Appraisers
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Department of Professional & Financial Regulation

To: Board Members
From: Catherine E. Pendergast
Date: June 16, 2026
Subject: 2nd Exposure Draft - Changes to the Criteria for discussion

The 2nd Exposure Draft of Proposed Changes to the Criteria are out for comment. Following is a notice from the Appraisal Subcommittee with links to the draft, July 9, 2026 AQB webinar and link to submit comments.

APPRAISAL SUBCOMMITTEE
FFIEC

1717 K Street, NW, Suite 900
Washington, DC 20006
www.asc.gov

IMPORTANT NOTICE

Dear State Appraiser Regulators,

We are reaching out to make sure you are all aware of the "2nd Exposure Draft of Proposed Changes to the *Real Property Appraiser Qualification Criteria*" that was published by the Appraiser Qualifications Board (AQB) on June 22, 2026. We are taking this step because **the deadline for submitting written comments is July 27, 2026**, and the 2nd Exposure Draft contains proposals that, if adopted, could have a significant impact on your State Appraiser Regulatory Agencies. We also understand that some States must obtain Board approval to submit written comments, so ***time is of the essence***.

The ASC strongly recommends that each State takes the following three actions:

1) Thoroughly review the 2nd Exposure Draft, which can be downloaded by clicking on the following link to The Appraisal Foundation's website: https://appraisalfoundation.sharefile.com/public/share/web-s39712a2b1f42469b91333e7714dcf860).
2) Sign up to attend the free AQB webinar discussing the 2nd Exposure Draft, which is scheduled for Thursday, July 9th, at 2:00pm Eastern. Registration for the webinar is available by clicking on the following link to The Appraisal Foundation's website: https://us02web.zoom.us/webinar/register/WN_TIVxy2vPS_Oo2OdzruywOg#/registration.
3) Submit a written comment letter to the AQB in advance of the July 27th deadline, conveying your State's thoughts and opinions on some or all of the various proposals contained in the 2nd Exposure Draft, including the rationale for those opinions. Written comments on the 2nd Exposure Draft may be submitted by clicking on the following link to The Appraisal Foundation's website: https://www.surveymonkey.com/r/AQBComments.

As your Title XI compliance partner, the ASC is providing this notice in the hope of making certain each State is fully aware of the changes to the *Real Property Appraiser Qualification Criteria* that are being proposed, and that each State truly has an opportunity for its voice to be heard prior to the comment deadline.

The U.S. Real Property Appraiser Workforce

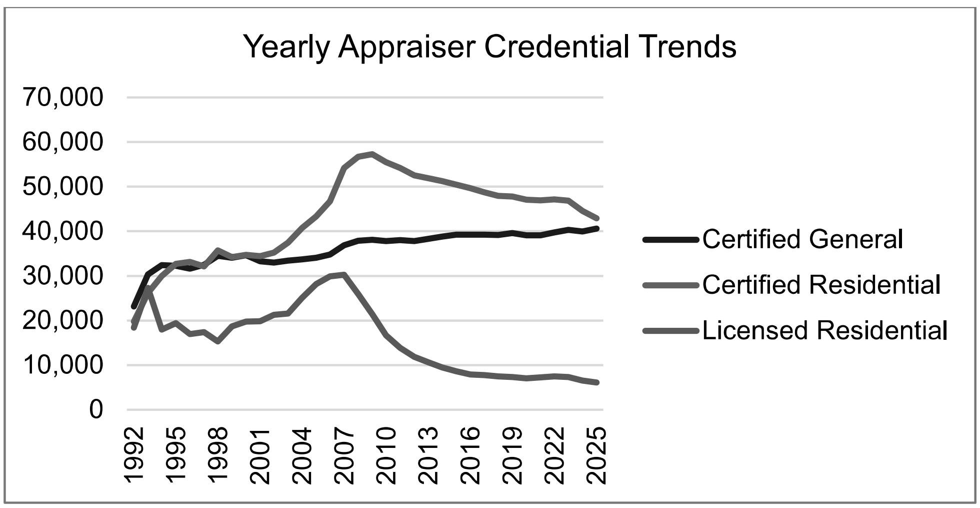
Facts, forecasts, and collaborative pathways supporting the President's Executive Order on Promoting Access to Mortgage Credit

The Appraisal Foundation - May 2026

1. EXECUTIVE SUMMARY

Independent, credible opinions of value protect the borrower from over-paying, the lender from under-collateralized loans, and the taxpayer from systemic risk in the secondary mortgage market. The workforce that delivers those opinions is therefore a key federal interest. As federal regulators implement the President's March 13, 2026 Executive Order on Promoting Access to Mortgage Credit, examination of whether the workforce is sufficient to deliver reliable valuations across the country where federal lending programs operate (and what specific federal actions could best expand that capacity) is key.

Today's national appraiser workforce is balanced with the GSEs currently reporting no capacity issues. In 2025, the United States had 89,618 active appraiser credentials held by approximately 66,700 unique individuals (Appraisal Subcommittee National Registry). Certified General credentials, required for commercial transactions, are at a 30-year high of 40,583. Certified Residential credentials, at 42,912, sit below their 2009 peak of 57,253 but well above the 1992 baseline.



The slow decline from the 2007 housing-bubble peak is concentrated in one category: Licensed Residential. The credential dropped from a 2007 peak of 30,286 to 6,123 in 2025, a decline driven by the unintended consequences of the Housing and Economic Recovery Act of 2008 (HERA) which prevented appraisers with the credential from conducting Federal Housing Administration work, combined with the disappearance of the small-firm business model that historically gave these appraisers a path to sustained work. That model was widely replaced by the Appraisal Management Company model following the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Licensed Residential credentials were disproportionately held by rural appraisers, meaning rural America has absorbed the most impact from this loss in credentials.

As we focus on the future, the Foundation, hand-in-hand with 22 Partner organizations and a wider network of over 100 affiliated groups, is actively watching workforce trends, reassessing the *Criteria* to open pathways into the profession, and building the next generation of appraisers through modernized education and experience pathways and partnerships.

2. THE WORKFORCE IN CONTEXT

89,618 Active appraiser credentials, 2025 (ASC[1])	**47.9-53.2** Median age range, 2011-2025 (BLS[2])	**4%** Projected employment growth, 2024-2034 (BLS[2])	**73%** of appraisers report no fee increase in 15 years (VOA[3])

The median age of the active workforce has stayed essentially flat for 15 years, meaning the workforce has been replenishing itself at roughly the rate retirements have created openings. The forecast discussion below extends this data point through 2035 using Bureau of Labor Statistic (BLS) projections.

3. ECONOMIC DRIVERS SHAPING THE WORKFORCE

Today's appraiser workforce reflects today's economic conditions, a trend we have seen for decades. Policies that address the underlying economic environment tend to have more measurable effect on appraiser supply than policies aimed at increasing credential counts.

- **Cyclicality.** Residential appraisal volume is highly cyclical and tied to mortgage origination. Freddie Mac's UCDP data show volume more than doubled during the 2020-2021 refinance boom and contracted sharply in 2023-2024 as rates rose.

- **Post-Dodd-Frank changes to assignment and disclosure.** Prior to Dodd-Frank, lenders typically engaged small independent appraisal firms directly. The firm would spread the work among its appraisers and trainees. Implementation of Dodd-Frank's appraiser-independence provisions drove broad adoption of Appraisal Management Companies (AMCs) as the intermediary, and over time these AMCs began assigning orders directly to individual appraisers rather than to the firms that employ them. Fee transparency also changed. The single line item the consumer sees on the Closing Disclosure as an "appraisal fee" today bundles the AMC's management fee with the appraiser's compensation. Dodd-Frank requires lenders to compensate appraisers at "customary and reasonable" rates (15 U.S.C. § 1639e). In the most recent industry survey, 73% of responding appraisers reported no increase in their fees in the 15 years since customary-and-reasonable took effect (October Research, *2025 Voice of the Appraiser*, 15th annual survey). The headline "appraisal fee" the consumer pays has grown over those 15 years; the portion reaching the appraiser has not.

Typical Residential Appraisal Fees: 2011 vs. 2025[4]

Year	Typical Residential Appraisal Fee	2011 Fee Adjusted for Inflation (2025$)	Primary Source
2011	$400	~$575	Working RE / OREP industry fee survey (2010–2011)
2025	~$425	—	October Research / current industry reporting (2025)

[1] Appraisal Subcommittee (ASC)
[2] U.S. Bureau of Labor Statistics (BLS)
[3] Voice of the Appraiser (VOA)
[4] Sources: (1) Working RE Magazine / OREP (Organization of Real Estate Professionals) survey data indicated many standard residential appraisal fees clustered in the $401–$450 range during 2010–2011. (2) October Research and related 2025 industry reporting indicate many standard residential appraisal fees remain in the approximate $400–$450 range. (3) Inflation adjustment calculated using U.S. Bureau of Labor Statistics CPI-U data.

- **Entry-pathway capacity.** The supervisor-trainee model has historically produced the majority of working appraisers. BLS data indicate the broader "property appraisers and assessors" occupation will see approximately 6,300 openings per year through 2034, with most resulting from retirements and occupational transfers. To narrow this group to the professionally credentialed appraiser population, Appraiser Qualifications Board (AQB) National Exam first-time test takers averaged 1,994 per year from 2008-2025 and 1,606 per year from 2015-2025, **a gap the Foundation's alternative pathways have the potential to close.**

- **Geographic fragmentation.** State-level overlays on the *Real Property Appraiser Qualification Criteria* fragment the workforce geographically. Only about 16% of appraisers are licensed in more than one state, and most of those are commercial specialists at large national firms. Cross-state portability matters for that small group, but it isn't the reform that would move the needle for the rest of the profession. **The Foundation's State Harmonization Task Force is engaging directly on this point** (Section 8).

4. TECHNOLOGY AND PER-APPRAISER ANALYTICAL CAPACITY

BLS's 2024-2034 occupational outlook specifically notes that "productivity may rise with greater use of mobile technology and automated valuation models, which enable workers to appraise and assess properties more efficiently." **The Foundation sees this productivity gain not as a replacement for human judgment but as a multiplier of individual appraiser capacity in markets where that capacity is constrained**:

- **Digital data collection and third-party data-collector models.** Reduce field time per assignment and support more complete property data capture.
- **Hybrid and desktop appraisal products.** Now expanded by Federal Housing Finance Agency (FHFA), Fannie Mae, and Freddie Mac for an increasing share of risk-appropriate transactions, allowing analytical work to occur remotely from the property.
- **AVMs and AI-assisted comparable selection.** Compress the analytical components of an assignment that previously consumed significant appraiser time.
- **Report-writing automation and integrated form software.** Reduce administrative overhead per report.

Net effect: Today's 30,000-40,000 active monthly GSE producers complete a volume of work that, **under 2010-era methods, would have required materially more practitioners**. Continued, well-governed expansion of these tools is itself a workforce-development lever - particularly in rural and capacity-constrained markets where individual-appraiser headcount cannot rapidly grow.

5. RURAL: WHERE CAPACITY IS THINNEST AND RISK CONCENTRATES

Why automated valuation cannot fill the rural gap: AVMs are trained on dense, repeated transactions in homogeneous neighborhoods. They perform well on tract suburban housing and break down precisely where appraisers are scarcest: agricultural and mixed-use parcels, unique or non-conforming homes, properties with outbuildings or acreage, manufactured housing, owner-built homes, and markets with sparse comparable sales. **The markets that most need human appraisal judgment are the same markets where individual-appraiser capacity has thinned out.** Substituting AVMs for appraisers in those markets does not solve the capacity problem - it transfers collateral risk onto the lender, the borrower, and eventually the taxpayer.

The downstream economic effect on rural communities follows directly:

- **Longer closing times.** In rural markets where one or two appraisers cover multi-county service areas, appraisal turnaround may stretch from days to weeks, exceeding rate-lock windows and **pushing borrowers into lock-extension fees or financing fall-through**.

- **Higher borrower costs.** Scarcity pricing, long travel distances, and limited competition push rural appraisal fees above urban-suburban baselines. **Costs borne disproportionately by lower-income rural borrowers and small-business owners.**

- **Reduced credit availability.** Some lenders pull back from rural originations entirely when appraisal-related operational risk is high enough, **reducing competition and credit availability in the markets least able to absorb that withdrawal.**

- **Single-point-of-failure exposure.** When a single appraiser retires, a county can lose adequate coverage overnight. The same is true of supervising appraisers: the loss of one willing supervisor can collapse a county's entire trainee pipeline.

6. THE WORKFORCE AHEAD: 2030, 2035, 2040

Looking forward, three sources together support a reasonable projection of where the workforce will sit at five-year intervals:

- **BLS Occupational Outlook Handbook.** Projects 4% growth in combined property appraiser and assessor employment from 2024 to 2034 (77,300 to 80,200 jobs), with approximately 6,300 openings per year over the decade. BLS specifically anticipates rising per-worker productivity from mobile technology and AVMs.

- **AQB entrant data.** Approximately 1,600 first-time National Exam takers per year (2015-2025 median) traditionally feed the credentialed pipeline; Foundation-sponsored alternative pathways are now adding incremental increases in graduates each year (Section 8).

- **ASC trend.** ASC National Registry shows the aggregate credentialed workforce trending modestly downward as the Licensed Residential category continues to clear, partially offset by continued growth in Certified General and stability in Certified Residential.

Projection summary: By 2030: the aggregate credentialed professional appraiser workforce is likely to settle in the 85,000-90,000 range, with Certified General continuing modest growth, Certified Residential stable to slightly down, and Licensed Residential significantly restored **if the 21st Century ROAD to Housing Act takes effect.** Per-appraiser productivity continues to rise.

By 2035 - BLS-projected employment across the broader category of property appraisers and assessors reaches roughly 80,200 individuals (some with multiple credentials); rural capacity gains depend materially on scaling of alternative pathways and on continued state harmonization.

By 2040 - the workforce is projected to be modestly smaller in headcount but materially more productive per appraiser; the work mix has shifted toward complex, high-stakes, and rural-specialist assignments where human judgment is crucial.

7. SMALL STEPS - BIG IMPACT: WHERE FEDERAL ACTION MOVES THE NEEDLE

The following potential federal investment, supervisory attention, and policy refinement could produce the largest measurable improvement in workforce capacity and collateral-risk management. **These align with the modernization aims of the President's Executive Order and with the 21st Century ROAD to Housing Act of 2026.**

1. **Direct workforce-development resources to rural and capacity-constrained markets.** Federal support for **appraiser training pathways** in low-volume counties (PAREA, practicum programs, college partnerships, structured experience options) gives candidates routes into the profession that do not require finding a supervising appraiser in markets where supervisors are already scarce. **Federal investment directed to these markets, alongside state-level reciprocity arrangements and structured rural-serving practicum models, would produce the greatest return on collateral-risk reduction available in valuation policy today.**

2. **Restore and operationalize the Licensed Residential credential for rural use.** The Licensed Residential credential historically served rural markets where appraisal capacity is now most strained. The 21st Century ROAD to Housing Act of 2026 would restore federal recognition of the credential for FHA transactions, a direct response to rural capacity loss. The Foundation supports this restoration and is prepared to provide technical assistance on implementation that maintains USPAP and *Criteria* alignment.

3. **Increase transparency in the consumer-facing "appraisal fee."** Federal agencies could explore consumer-facing disclosure: separately presenting the AMC management fee and the appraiser's compensation on consumer disclosure documents and in supervisory reporting. A narrow disclosure change has no fee-setting implications and improves insights into the economics of entry into the profession.

4. **Enable assignment to appraisal firms, not only to individual appraisers.** Federal and GSE policy that permits and encourages assignment to firms, with the firm bearing the engagement and the supervising individual appraiser responsible for the report under USPAP, would re-enable a small-business pathway that historically produced a steady flow of new appraisers, particularly in rural and small-metro markets.

5. **Continue measured modernization of valuation products.** Measured FHFA expansion of hybrid and desktop products for lowest risk transactions, paired with safety-and-soundness data and the bias-mitigation safeguards in place, would align with the Executive Order and enable appraisers to take on a greater volume of work over time.

8. THE FOUNDATION AS A PARTNER IN WORKFORCE SOLUTIONS

The Foundation works hand-in-hand with 22 Partner organizations and a wider network of affiliated state and community groups to strengthen the workforce and serve the public trust. The network spans the full breadth of the valuation profession from appraiser membership organizations to lenders, to consumer advocates, and many others. The workforce-development initiatives below are products of this collaborative work, not Foundation actions alone.

Two priorities also sit squarely on the Foundation's own plate: completing the comprehensive update to the *Real Property Appraiser Qualification Criteria* and supporting the scaling of the pathways and partnerships detailed below.

These initiatives are intentionally designed to address the gaps identified above: rural capacity, supervisor scarcity, geographic fragmentation, and the cost-of-entry barriers that have constrained the traditional pathway. **Federal support for these successful initiatives could scale their reach.**

Practical Applications of Real Estate Appraisal (PAREA)

A structured, simulation-based experience pathway that operates alongside the traditional supervisor-trainee model. The Appraisal Institute launched its Licensed Residential PAREA on September 12, 2023 and its Certified Residential PAREA on October 2, 2025. After resolving initial start-up issues of this groundbreaking option, PAREA success is expanding.

Results: *77 graduates as of March 2026 (49 LR credentials and 5 CR credentials issued). 100% first-time pass rate on the national exam among graduates. 241 currently enrolled: 82 women, 17 veterans, and 59 who plan to serve rural markets.*

Pathways to Success (P2S) Scholarships + Appraiser Development Initiative (ADI)

P2S scholarships cover PAREA program costs. ADI is a collaboration of Fannie Mae, Freddie Mac, the National Urban League, and the Appraisal Institute, with community-level partnerships.

Results: *Foundation pledge: $1.22M over three years. As of April 30, 2026, 128 scholarships awarded ($1.12M total): 118 LR PAREA, 10 CR PAREA. One LR PAREA scholarship recipient has graduated.*

Mississippi Practical Appraiser Training Program (MPAT)

A practicum accumulating 1,000 experience hours toward national licensure. Combines virtual learning, on-site sessions, and supervised report development.

Results: *Accepted in four states, with three more pending. 94% pass rate on the national exam, approximately 30 points above national average. Graduate count is 63 and growing.*

RSDS AppraisalU

Hands-on, in-depth training program; completion fulfills experience hours for licensure via the practicum pathway. Three current course offerings with scholarships available.

Results: *94 graduates to date.*

West Los Angeles College California Appraiser Career Experience (WLAC CA ACE)

A State of California partnership with a community college. Practicum I aligns with the California Residential License Appraiser (AL) experience requirement; Practicum II aligns with the Certified Residential (AR) requirement. Low state college fees and student loans available.

Results: *Launched in 2025. One-year completion timeline.*

Rural Appraiser Practicum Model

Framework the Foundation developed to help education providers build practicum courses serving rural markets - a foundational starting point rather than a turnkey course.

Results: *In active use as a template for rural-serving education providers.*

Real Estate Degree Review Program

Streamlined evaluation that gives students earning real estate degrees direct credit toward the Required Core Curriculum, rather than course-by-course review.

Results: *49 degrees approved: 1 associate, 35 undergraduate, 13 graduate.*

State Harmonization Task Force

Engages with state appraiser boards to identify and remove state overlays on the Appraiser Qualifications Board's minimum criteria, directly addressing the geographic fragmentation identified above.

Results: *25 states engaged to date. Alabama is the first to formally remove overlays; conversations are active in several others.*

National Society of Real Estate Appraisers (NSREA) Partnership and College Outreach

The National Society of Real Estate Appraisers connects college and community-college programs, veterans, and aspiring appraisers with practicing professionals. The Foundation's Industry Advisory Council has held campus-based outreach events at Clark Atlanta University and Florida Memorial University.

Results: *30-40 students at each event. Direct connection to ADI scholarships and PAREA pathways.*

Comprehensive Reassessment of the *Real Property Appraiser Qualification Criteria*

The most comprehensive reassessment in more than three decades is currently underway. Two structural examinations are on the AQB agenda: (1) development of a fourth qualification pathway that doesn't require a supervisor and (2) a review of the hours- and time-based experience requirements that have historically governed entry into the profession.

Results: *Both efforts under active discussion. Aim is to keep the qualification framework rigorous and current with how the profession is practiced today.*