



STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL  
AND FINANCIAL REGULATION  
BOARD OF REAL ESTATE APPRAISERS  
35 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0035

Janet T. Mills  
Governor

Anne L. Head  
Commissioner

**Public Board Meeting  
Tuesday, March 5, 2024  
AGENDA**

**Location:** 76 Northern Ave Gardiner, ME 04345  
**Room:** Central Conference Room  
**Time:** 9:00 a.m.  
**Contact:** Shara Chesley- 207-624-8521 or [Shara.Chesley@maine.gov](mailto:Shara.Chesley@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 January 2, 2024 Minutes

**IV. ADJUDICATORY HEARING**

2023-REA-19191 Brian C. Underwood

**V. COMPLAINT PRESENTATIONS**

2023-REA-19594  
2023-REA-19605  
2023-REA-19612  
2023-REA-19661

## **VI. ADMINISTRATOR'S REPORT**

- Unacceptable Appraisal Practices Email
- Appraisal Review Inquiry
- Draft Initial Application and Upgrade Appraisal Sample Form
- Experience Requirements Memo
- Board Meeting Rules of Conduct

## **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, April 2, 2024.

## **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**  
January 2, 2024  
MINUTES

<b><u>MEMBERS PRESENT</u></b>	<b><u>STAFF PRESENT</u></b>
Wendy Boston, Chair	Cathy Pendergast, Administrator
Nathan Shipley, Vice-Chair	John Belisle, Assistant Attorney General
Alan Johnson, Complaint Officer	Shara Chesley, Office Specialist I
Russell Barrows	Regina Ritchie, Licensing Supervisor
Jacques Weinstein	
<b><u>MEMBERS ABSENT</u></b>	<b><u>OTHERS PRESENT</u></b>
	<u>None</u>

**Location:** 76 Northern Ave. Gardiner ME

**Start:** 9:00 a.m.

**Adjourn:** 1:16 p.m.

**I. CALL TO ORDER**

The meeting was called to order by the Chair at 9:00 a.m.

**II. AGENDA MODIFICATIONS**

A motion was made by Weinstein and seconded by Johnson to add Election of Officers to the agenda. Unanimous.

**III. MINUTES REVIEW AND APPROVAL**

A motion was made by Johnson and seconded by Weinstein to approve the December 5, 2023 minutes as presented. Boston, Barrows, Weinstein and Johnson voted in the affirmative. Shipley abstained. Motion carried.

**IV. ADUDICATORY HEARING**

2023-REA-18924 Peyton A. Penney

Hearing officer- Rebekah Smith opened the hearing at 9:04 a.m. Peyton A. Penney was present, represented by Scott Lynch. AAG Katie Johnson presented the Board's case.

Shipley recused.

Public deliberations were conducted at the close of the hearing.

1. A motion was made by Johnson and seconded by Weinstein that a violation of 32 M.R.S. §1404-A(11) was not proven by a preponderance of the evidence. Barrows, Weinstein, Johnson and Boston voted in the affirmative.
2. A motion was made by Johnson and seconded by Weinstein that a violation of 10 M.R.S. § 8003(5-A)(A)(4) and (5) were not proven by a preponderance of the evidence. Barrows, Weinstein, Johnson and Boston voted in the affirmative.

A motion was made by Weinstein and seconded by Johnson to approve the license application. Barrows, Weinstein, Johnson and Boston voted in the affirmative.

A motion was made by Johnson and seconded by Weinstein to allow Chair Boston to sign the Decision and Order when it is written. Barrows, Weinstein, Johnson and Boston voted in the affirmative.

Hearing ended at 1:02 p.m. Recording was stopped.

Shiplely rejoined the meeting.

**V. ELECTION OF OFFICERS**

A motion was made by Johnson and seconded by Barrows to elect Boston as Chair, Johnson as Vice-Chair and Shipley as Complaint officer. Unanimous

**VI. ADMINISTRATOR'S REPORT**

The board discussed AMC Disclosure Memo. A motion was made by Johnson and seconded by Weinstein to administer a warning and a \$1500 fine for failure to report with in 10 days. Unanimous.

The board discussed the Vermont Appraiser Board. No action taken.

**VI. PUBLIC COMMENT**

None.

**VII. MEETING SCHEDULE**

The next meeting is currently scheduled for Tuesday, February 6, 2024.

**VIII. ADJOURN**

A motion was made by Weinstein and seconded by Shipley to adjourn the meeting. Unanimous. Being no further board business, the meeting was adjourned at 1:16 p.m.

## Pendergast, Catherine

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**From:** Neal Fenochietti <neal@asc.gov>  
**Sent:** Thursday, February 8, 2024 3:31 PM  
**To:** don; Dillon, Loretta@BREA; Pendergast, Catherine; Renenger, Patricia; Hector B. West; Rouse, Ronald; KOCH Chad \* ACLB; Craig Coffee; nick.barker1@wyo.gov; Bratsch, Peter (COMM)  
**Subject:** FW: Unacceptable Appraisal Practices Updates from the GSEs  
**Attachments:** Addressing\_Unacceptable\_Appraisal\_Practices\_Final.pdf

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hi all,

Just thought I'd share that the GSEs have recently provided a couple of updates on Unacceptable Appraisal Practices. This information may be helpful background in working with states on related complaint investigation cases.

- Late last month, Freddie Mac conducted a webinar highlighting potential bias related to subjective and unsuitable words. A recording of the webinar (about 60 minutes in length) can be viewed on YouTube at <https://youtu.be/tAzCanpFfgg?si=dTecwE-KekvUezY7> and I've attached a PDF of the presentation to this email.
- Yesterday, Fannie Mae issued *Selling Guide* Announcement SEL-2024-01, which included adding "crime rate or related data" and "crime (and its variants)" as examples to the list of unacceptable appraisal practices.

I hope you find this helpful.

Neal Fenochietti  
ASC Policy Manager



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# Addressing Unacceptable Appraisal Practices

January 2024



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## Our Agenda



### 1. Big Picture

Equitable Mortgage Process

### 2. Summary of Changes

Feedback Messages

### 3. Deep Dive

Systems, Scenarios, Process

### 4. Resources

Tools, Reports, Training, Best Practices

# Big Picture – Equitable Mortgage Process



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## A Focus on Eliminating Appraisal Bias



Reduce risk, improve appraisal  
quality and fairness

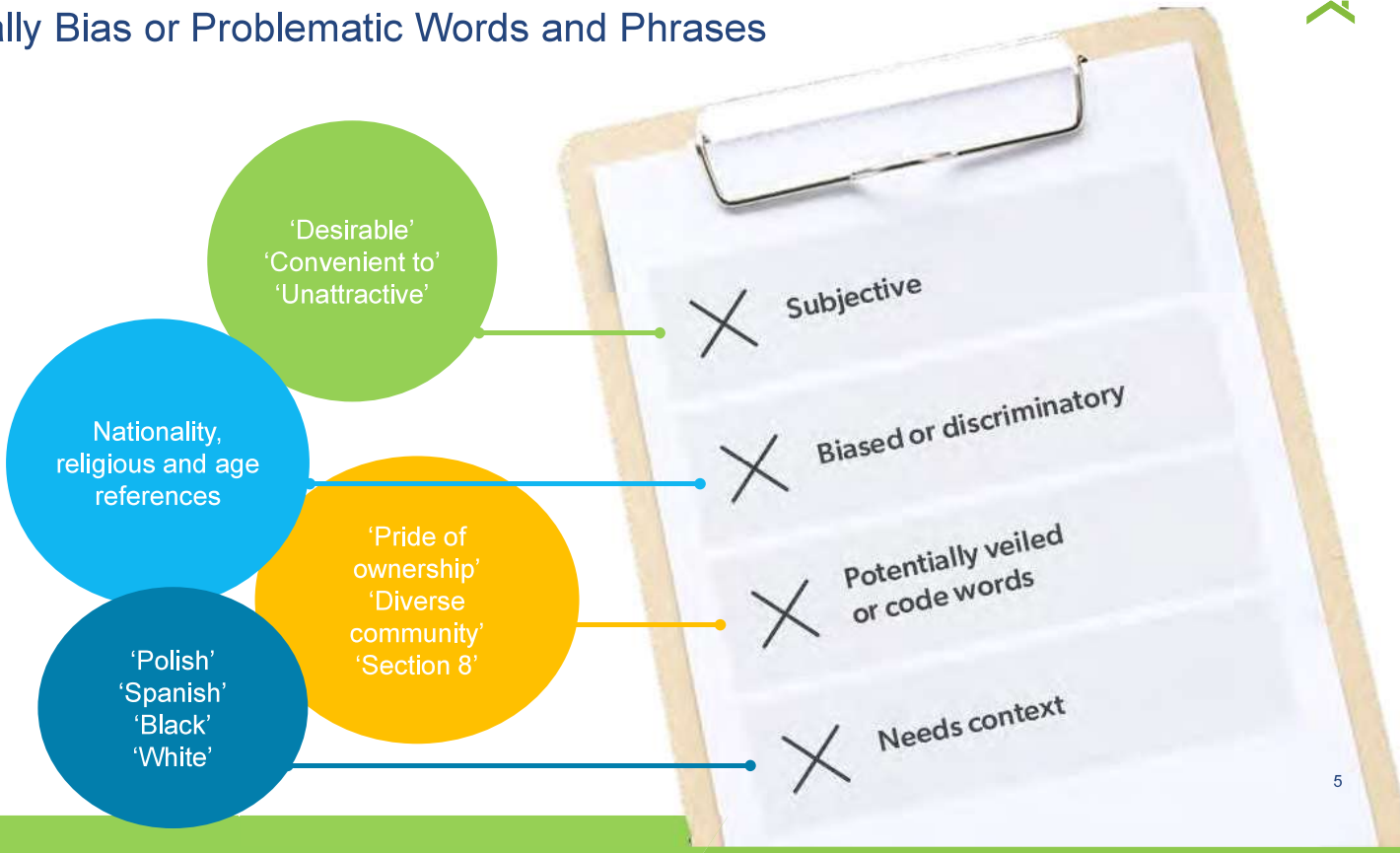


Get a more transparent and  
precise housing finance process



Create more homeownership  
opportunities and better borrower  
experiences

# Potentially Bias or Problematic Words and Phrases



Today’s Landscape



Data suggests that lenders and appraisers are taking action to eliminate use of potentially biased or problematic words and phrases

Text Detection Trigger Rates\*  
for Subjective Words (FRE4609) and Unsuitable Words (FRE4610)

	Week of 7/7/23	Week of 9/15/23	Week of 10/6/23	Week of 11/3/23	Week of 11/17/23	Week of 12/31/23
Trigger Rate for Subjective Words (FRE4609)	7.76%	4.94%	4.12%	3.84%	3.62%	3.10%
Trigger Rate for Unsuitable Words (FRE4610) <i>("Unsuitable" words will transition to the "Explicit/Fatal" category on 1/26/24)</i>	6.02%	3.61%	0.31%	0.30%	0.21%	0.10%

\*The reduction in trigger rates can be attributed to a combination of new Text Detection releases (with improved logic), lender and appraiser education and changed behavior by appraisers.

# Summary of Changes – Feedback Messages



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## Appraisal Bias Feedback Messages



### What are the message codes?

Warning Severity

**FRE4609**

**FRE4610**

Fatal Severity

**FRE4611**

### Where will I see the codes?

**Loan Collateral & Uniform Collateral  
Advisor<sup>®</sup> Data Portal<sup>®</sup>  
(UCDP<sup>®</sup>)**

### When is this effective?

**January 26, 2024**

# Appraisal Bias Findings



## Examples

### “Staging”

**FRE4609**  
(Warning)

Attractive  
Convenient to  
Chinese  
Crime  
Walking distance  
Well kept  
Spanish  
Retirement  
Retired

**FRE4610**  
(Warning, will become fatal)

Church  
Criminal  
Disability  
Gentrification  
Lower income  
Inner City  
Temple  
Theft  
Working class

**FRE4611**  
(Fatal)

Starting January 26, 2024, any words and/or phrases that received a FRE4610 warning severity message that were not fixed in the appraisal/resubmitted

After January 26, 2024, there may be new words/phrases

# Deep Dive – Systems, Scenarios, Process



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# Appraisal Bias Feedback Messages



Loan Collateral Advisor®

SEARCH

Quick Search

99

1

5

Very LowLowModerateHighVery High

NOT ELIGIBLE

NOT SUCCESSFUL

LCA Findings

Comparables

UCDP Hard Stops

UAD Findings

MSG ID ^	CATEGORY	DETAILS	LCA SEVERITY ^
FRE4611	Compliance	Re-gentrification was located in IMPROVEMENTS ADDITIONAL FEATURES. Please ensure these subjective words/phrases are excluded from the appraisal report and resubmit.	Fatal
FRE4005	Risk Level	This appraisal is not for use in representation and warranty relief.	Severe
FRE4100			Severe

Feedback message will include:

Word or phrase

Location on appraisal report (field name)

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# Appraisal Bias Feedback Messages

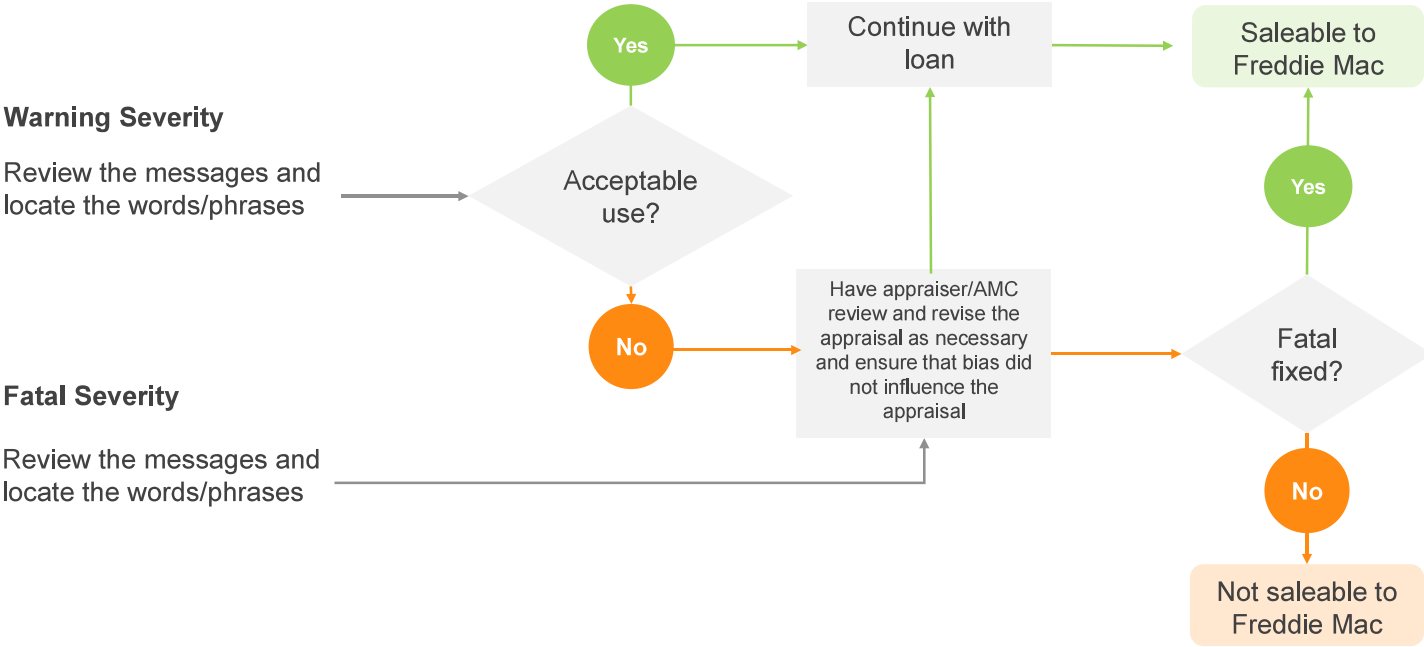


Appraisal 1: Hard Stops						
UCDP Freddie Mac						
Appraisal 1: Findings						
UAD Compliance Freddie Mac						
Message ID	Form Section	Form Field Name	Datapoint Name	Property Affected	Action Message	Severity
FRE4611	N/A	N/A	N/A	N/A	Re-gentrification was located in IMPROVEMENTS ADDITIONAL FEATURES. Please ensure these subjective words/phrases are excluded from the appraisal report and resubmit.	Fatal
FRE4005	N/A	N/A	N/A	N/A	This appraisal is not eligible for collateral representation and warranty relief.	Warning
FRE4040	N/A	N/A	N/A	N/A	LCA Risk could not be assessed for this submission. Please review the Freddie Mac findings for additional information.	Warning
FRE4100	N/A	N/A	N/A	N/A	HVE results are not available for this property or FSD exceeds defined thresholds for the assignment type. This finding cannot be resolved with a resubmission.	Warning
FRE4103	N/A	N/A	N/A	N/A	HVE results are not available. The subject property address is not located in HVE. \$10/SE vary significantly	Warning

Feedback message will include:  
Word or phrase  
Location on appraisal report (field name)

# Appraisal Bias Findings Messages

## How it works and what to do



## Appraisal Bias Feedback Messages



### Frequently asked questions

#### **How do I provide feedback on these messages and flagged words/phrases?**

Provide your feedback to the Customer Support Contact Center (800-FREDDIE) or your account representative.

#### **Is there a dispute process?**

There is no exception process. The appraiser should be instructed to correct the word and/or phrase and resubmit the appraisal report.

#### **What reports are available to view all warning and fatal messages?**

- Loan Collateral Advisor – Feedback messages ('Findings' tab). Users can also run a loan level report and export results.
- UCDP – SSR report

#### **Are you publishing a list of subjective words/phrases?**

No but we provide guidance, examples and best practices.

# Resources – Tools, Training, Best Practices



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Resources



Tools	Get Access	Training
<a href="#">Loan Collateral Advisor</a>	<a href="#">Access Manager</a>	<a href="#">Tutorials, job aids, videos</a>
<a href="#">UCDP</a>	<a href="#">Managing Users</a>	<a href="#">User Guide</a>

## Best Practices



[Practical Guide for Appraisers: More Objective Appraisals](#)

[Q&A: Unacceptable Appraisal Practices Fatal Messages](#)

# Stay Informed

Sign up for Appraisals and Collateral Valuation to receive the latest trends, insights, offerings and best practices.



## Collateral Valuation and Appraisal Resources

Freddie Mac is committed to reinforcing the integral role of appraisers and appraisals in the mortgage process, while developing new and enhancing existing valuation methods. Our goal is to purchase loans supported by the most reliable and appropriate valuation methods available to mitigate the risk associated with default.

### Appraiser Capacity

Get monthly insight into the number of appraisals submitted to the Uniform Collateral Data Portal® (UCDP®) in comparison to the number of active appraisers.

[APPRaiser CAPACITY PDF](#)

### SPECTRUM OF VALUATION OPTIONS

#### No Appraisal Needed

##### Automated Collateral Evaluation (ACE)

Loan Product Advisor® leverages data science and proprietary models to determine the acceptability of residential and commercial loans without a traditional appraisal.

##### ACE+ PDR

ACE+ is the Property Data Report (PDR) powered by a hybrid data collector to use the appraiser's check sheet and photography.

#### Appraisal

##### ResidAppr Appraisal

ResidAppr appraisers use proprietary models and data to determine the value of residential properties.

##### Hybrid Appraisal

Hybrid appraisers use a combination of data science and traditional appraisal methods to determine the value of residential properties.

##### Traditional Appraisal

Traditional appraisers use a traditional appraisal method to determine the value of residential properties.

[Sign up](#) to receive emails on collateral valuation and appraisal trends, best practices and insights.

### Top Resources

#### Automated Collateral Valuation (ACE)

Loan Product Advisor® ACE leverages our proprietary models, along with historical data and public records to let you originate Freddie Mac-eligible loans without a traditional appraisal.

→

#### ACE+ PDR

ACE+ PDR is one of five collateral valuation offerings that allows lenders to originate certain loans without an appraisal. Additional property information is physically collected on-site by trained data collectors using the proprietary Freddie Mac PDR dataset, in lieu of an appraisal.

→

#### Collateral Policy FAQs

Find answers to your collateral-related questions and access relevant Single-Family Seller/Service Guide sections.

→

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# Your Input

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# Questions



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## **Pendergast, Catherine**

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**From:** Christopher Shuka <cshuka@gmail.com>  
**Sent:** Wednesday, January 31, 2024 9:44 AM  
**To:** Ritchie, Regina A  
**Cc:** Pendergast, Catherine  
**Subject:** Re: Real Estate Appraiser Inquiry

**EXTERNAL:** This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Regina (& Catherine),  
Thank you for the email.

I am seeking confirmation whether I do, or do not, under the following conditions, need a Maine CG appraiser license to review appraisals for properties in located Maine for which my employer may be providing financing for. My understanding is there are carve outs for bank employees (and government employees) if they are not providing an opinion of value, but rather just speaking to the quality of a given appraisal, but it is state by state.

- I am currently CG licensed in MA
- Work as a salaried employee at a bank as an appraisal reviewer
- Provide my employer with standard 3 & 4 compliant appraisal reviews
- Not providing an opinion of value within the reviews (but speaking to and developing an opinion of the quality/reasonableness of the appraisal)
- Not stepping foot in the State of Maine but the property which was appraised would be located in Maine

Please don't hesitate to reach out with any questions.

Best Regards,  
Christopher Shuka, MAI, AI-GRS  
508-246-5171

## Pendergast, Catherine

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**From:** Christopher Shuka <cshuka@gmail.com>  
**Sent:** Monday, February 26, 2024 5:19 PM  
**To:** Ritchie, Regina A  
**Cc:** Pendergast, Catherine  
**Subject:** Re: Real Estate Appraiser Inquiry

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Good Afternoon Regina and Catherine,  
I hope you are both well.

I wanted to pass along the below additional info related to my inquiry which will be addressed at the upcoming board meeting. Please don't hesitate to inquire with any questions and as always thank you both for your time!

I see the below on the Maine website related to this and wanted to reinforce that I am not providing an opinion of value in my reviews.

### Notice to Review Appraisers

Maine is a mandatory state. If you are reviewing an appraisal of a property located in Maine and "opining" a value conclusion, you need a Maine license.

My understanding is that, according to Advisory Opinion 20, stating whether or not a value conclusion within an appraisal is appropriate and reasonable given the data and analyses presented is language whereas a reviewer is not giving an opinion of value.

Thanks so much for your time and have a nice night!

Best,  
Christopher Shuka, MAI, AI-GRS



Virus-free. [www.avg.com](http://www.avg.com)

On Mon, Feb 12, 2024 at 9:43 AM Christopher Shuka <[cshuka@gmail.com](mailto:cshuka@gmail.com)> wrote:

Thanks so much - have a nice week!

Sent from my iPhone



STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL  
AND FINANCIAL REGULATION  
BOARD OF REAL ESTATE APPRAISERS  
35 STATE HOUSE STATION  
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04333-0035

**EXPERIENCE INVESTIGATION FOR WORK SAMPLE**

The following information is provided to determine compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) for assignments completed after January 1, 2024. The requirements of USPAP shall not apply to the board, its agents, and employees when preparing an investigation for enforcement and disciplinary cases in accordance with the exception established in the Jurisdictional Exception Rule of USPAP if it applies. As there is no client Standards 3 and 4 do not apply to this competency assessment. This form is not applicable for samples of appraisal reviews.

Appraisal Type/Report Format:

Appraiser

Supervisor:

Property Address:

City, State:

Date of App. Report:

Investigator:

Date of Investigation:

Recommendation: ☐ Accept ☐ Reject See Comments section of this report

**Scope of the Experience Investigation**

The individual performing this investigation is a ☐ Certified General real property appraiser ☐ Certified Residential Real Property Appraiser by the Maine Real Estate Appraisers Board.

The scope of this investigation is limited to an in-office examination of the document itself to determine its compliance relative to the edition of USPAP approved by the Maine Real Estate Appraisers Board at the time the report was prepared.

The purpose of the investigation is to determine if the appraisal report is in compliance with USPAP and thus acceptable for recommendation to the Maine Real Estate Appraisers Board as an example of work experience in the course of documenting the statutory requirements for becoming licensed/certified in accordance with Title 32 Chapter 124.

The Maine Real Estate Appraisers Board is the only intended user of this investigation for regulatory compliance only.

There is no client.

## USPAP Appraisal and Reporting Checklist

V=violation

Refer to the Comments section of this report for a brief explanation of non-compliant items, if applicable.

USPAP Standard	USPAP	V	NA
1-1 (a)	A real property appraiser must be aware of and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal		
1-1(b)	Not commit a substantial error of omission or commission that significantly affects an appraisal		
1-1 (c )	Not render appraisal service in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal, in the aggregate affects the credibility of those results.		
1-2 (a) (b)	Identify the client and other intended users, identify the intended use		
1-2 (c )	Identify the type and definition of value, and ascertain whether the value is to be the most probable price in accordance with lines 525 -528		
1-2 (d)	Identify the effective date of the appraiser's opinions and conclusions		
1-2 (e)	Identify, from sources the appraiser reasonably believes to be reliable, the characteristics of the property that are relevant to the type and definition of value and intended use including (i) –(v) lines 534-542		
1-2 (f)	Identify any extra ordinary assumptions necessary in the assignment and correctly applied Lines 553-557		
1-2 (g)	Identify any hypothetical conditions necessary in the assignment and correctly applied lines 558-562		
1-2 (h)	Determine the scope of work necessary to produce credible assignment results in accordance with the scope of work rule		
1-3 (a)	Identify and analyze the effect on use and value of (i) existing land use regulation (ii) reasonable probability of modifications of such land use regulations (iii) economic supply and demand (iv) the physical adaptability of the real estate		
1-3 (b)	Develop an opinion of highest and best use of the real estate		
1-4	In developing a real property appraisal, an appraiser must collect, verify,		

	and analyze all information necessary for credible assignment results.		
1-4 (a)	When a sales comparison approach is necessary for credible assignment results, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion.		
1-4 (b)	When a cost approach is necessary for credible assignment results, an appraiser must (i) develop an opinion of site value by an appropriate method or technique (ii) analyze such comparable cost data as are available to estimate the cost new of the improvements (if any) (iii) analyze such comparable data as are available to estimate the difference between cost new of the improvement and the present worth of the improvements		
1-4 (c)	When the income approach is necessary for credible assignment results, and appraiser must (i) analyze such comparable rental data as are available and/or the potential earnings capacity of the property to estimate gross income potential of the property(ii) analyze such comparable operating expense data as are available to estimate the operation expenses of the property (iii) analyze such comparable data as are available to estimate rates of capitalization and/or rates of discount (iv) base projections of future rent and/or income potential and expenses on reasonably clear and appropriate evidence and (v) weigh historical trends and current supply and demand factors affecting such trends, and anticipated events such as competition from developments under construction, when developing income and expense statements and cash flow projections		

1-4 (d)	When developing an opinion of the value of the leased fee estate or a leasehold estate and appraiser must analyze the effect on value, if any, of the terms and conditions of the lease(s)		
1-4 (e)	When analyzing the assemblage of the various estates or component parts of the property, an appraiser must analyze the effect on value, if any, of the assemblage. An appraiser must refrain from valuing the solely by adding together the individual values of the various estates or component parts		
1-4 (f)	When analyzing anticipated public or private improvements, located on or off site, appraiser must analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions		
1-4 (g)	When personal property, trade fixtures, or intangible assets are included in the appraisal, the appraiser must analyze the effect on value		
1-5 (a) (b)	When the value opinion to be developed is market value, an appraiser must, if such information is available in the normal course of business (a) analyze all agreements of sale, options, and listings of the subject property current as of the effective date and (b) analyze all sales and other transfers of the subject property that occurred within three years prior to the effective date of the appraisal.		
1-6 (a) (b)	In developing a real property appraisal, an appraiser must (a) reconcile the quality and quantity of data available and analyzed within the approaches used; and (b) reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value		

	conclusion(s) in reporting the results of a real property appraisal , an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.		

Standard 2	Each report must clearly and accurately set forth the appraisal in a manner that will not be misleading	---	
2-1 (b)	Each report must contain sufficient information to enable the intended user(s) of the appraisal to understand the report properly		
2-1 (c )	Clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment.		
2-2	Each report must be prepared under the following options and prominently state which option was used: appraisal report or restricted appraisal report.		
2-2(a)(i)	Content of an Appraisal Report must be appropriate for the intended use of the appraisal and at minimum state the identity of the client (or state identity is withheld at client request and is in work file		
2-2(a)(ii)	State the identity of any other intended user(s) by name or type		
2-2(a)(iii)	State the intended use of the appraisal		
2-2(a)(iv)	Contain information, documents, and/or exhibits sufficient to identify the real estate involved in the appraisal		
2-2(a)(v)	State the real property interest appraised.		
2-2(a)(vi)	State the type and definition of value and cite the source of the definition		
2-2(a)(vii)	State the effective date of the appraisal and the date of the report		
2-2(a)(viii)	Summarize the scope of work used to develop the appraisal.		
2-2(a)(xi)	Summarize the extent of any significant real property appraisal assistance		
2-2(a)(x)	Provide sufficient information to indicate that the appraiser complied with the requirements of Standard 1		
2-2 (a) (x) 1	Summarize methods and techniques employed		
2-2 (a) (x) 2	State the reasons for excluding the sales comparison, cost or income approach(es) if any have not been developed.		
2-2(a) (x)3	Summarizing the results of analyzing the subject sales and other transfers, agreements of sale, options, and listings in accordance with Standards rule 1-5		
2-2a) (x) 4	State the value opinion(s) and Conclusions		
2-2(a) (x) 5	Summarizing the information analyzed and the reasoning that supports		

	the analyses		
2-2(a) (xi)	State the use of the real estate existing as of the effective date and the use of the real estate reflected in the appraisal		
2-2(a) (xii)	If an opinion of highest and best use is developed by the appraiser, state that opinion and summarize the support and rationale for that opinion		
2-2 (a) (xiii)	Clearly and conspicuously state all assumptions and hypothetical conditions; and state that their use might have affected the assignment results		
2-2 (b)	Content of a Restricted Appraisal Report must be appropriate for the intended use of the appraisal		
2-2 (b) (i)	At minimum state the identity of the client (or if requested protect anonymity in work file)		
2-2 (b) (ii)	State the intended user(s) by name or by type		
2-2 (b) (iii)	Clearly and conspicuously state a restriction that limits use of the report to the client and the named intended user(s)		
2-2 (b) (iv)	Clearly and conspicuously warn that the report may not contain supporting rationale for all the opinions and conclusions set forth in the report.		
2-2 (b) (v)	State the intended use of the appraisal;		
2-2 (b) (vi)	State information sufficient to identify the real estate involved in the appraisal		
2-2 (b) (vii)	State the real property interest of the appraised		
2-2 (b) (viii)	State the type of value and cite the source of its definition		
2-2(b) (ix)	State the effective date of the appraisal and the date of the report.		
2-2 (b) (x)	State the scope of work used to develop the appraisal		
2-2 (b) (xi)	State the extent of any real property appraisal assistance		
2-2 (b) (xii)	Provide sufficient information to indicate that the appraiser complied with the requirements of Standard 1		
2-2 (b) (xii) 1	Stating the appraisal methods and techniques employed		
2-2 (b) (xii) 2	Stating the reasons for excluding any approaches to value , if any, that have not been developed.		
2-2 (b) (xii) 3	Summarizing the results of the analyzing the subject sales and other transfers, agreements of sale, options, and listings in accordance with Standards Rule 1-5		
2-2 (b) (xii) 4	Stating the opinion(s) and conclusions(s)		
2-2 (b) (xiii)	State the use of the real estate existing as of the effective date and the use of the real estate reflected in the appraisal.		
2-2 (b) (xiv)	When an opinion of H&BU was developed, state that opinion		
2-2(b) (xv)	Clearly and conspicuously state all extraordinary assumptions and hypothetical conditions; and state that their use might have affected the assignment results		
2-2 (b) xvi	Include a signed certification in accordance with standard 2-3		



2-3	Certification:		
a, b c and d	Proper signatures on report and certifications		
Ethics Rule	Non discrimination		
	Apparent violation of any Federal, State or local fair housing laws		
	Conduct lines 252-275		
Ethics Rule	Management lines 283-306		
	Confidentiality Lines 307-329		
Record Keeping	Adequate work file Lines 330-362		
Competency	Being competent lines 369-382		
	If not competent, Disclosing and Acquiring 383-403		
	Recognizing lack of competency		
Scope of Work Rule	the scope of work requirements, acceptability and disclosures lines 407-473		

**Overall Comments:**

Person conducting assessment

Date of assessment

To: Board Members  
From: Catherine E. Pendergast  
Date: February 26, 2024  
Subject: Appraiser License Experience Requirements

Experience hour requirement are set forth in the Real Property Appraiser Qualifications Criteria (Criteria) as follows:

Licensed Residential Real Property Appraiser: 1,000 hours in no fewer than 6 months.

Certified Residential Real Property Appraiser: 1,500 hours in no fewer than 12 months.

Certified General Real Property Appraiser: 3,000 hours in no less than 18 months (1,500 must be non-residential).

Some states have experience hour requirements beyond those set by the Criteria such as the number of months required to complete experience hours, a cap on hours allowed per appraisal type, a limitation on the number of hours allowed for performing review appraisals and completion of a minimum percentage of the of the appraisal preparation for experience consideration.

The following information regarding appraisal license experience requirements is provided for the Boards information.

## **New Hampshire Experience Requirements**

### Rab 302.04 Experience Hour Standards.

(a) The number of hours of experience that a licensed or certified residential real estate appraiser applicant can claim shall be the actual number of hours required to complete each assignment, up to the maximum number of hours as indicated in Table 3.2.1 “Appraisal Type and Maximum Experience Hours For Licensed Or Certified Residential Real Estate Appraiser” below for each appraisal type:

Table 3.2.1 Appraisal Type and Maximum Experience Hours  
For Licensed Or Certified Residential Real Estate Appraiser Applicants

<u>Appraisal Type</u>	<u>Maximum Hours</u>
Residential report, single family	8 hours
Residential report, 2 to 4 family	12 hours
Residential report, building lot	6 hours
Any written narrative appraisal report of a residential property	20 Hours

(b) Reports prepared pursuant to (a) above shall, unless they are narratives, be on forms such as those developed by Fannie Mae, provided that all reports are made to comply with USPAP.

(c) The number of hours of experience that a certified general real estate appraiser applicant can claim shall be the actual number of hours required to complete each assignment, up to the maximum number of hours as indicated in Table 3.2.2 “Appraisal Type and Credit Hours For Certified General Real Estate Appraiser Applicants” below for each appraisal regardless of value:

Table 3.2.2 Appraisal Type and Maximum Credit Hours  
For Certified General Real Estate Appraiser Applicants

<u>Appraisal Type</u>	<u>Maximum Hours</u>
Undeveloped land	24 hours
Single occupant Commercial / industrial property	32 hours
Multi occupant Commercial / industrial property	40 hours
Add for absorption analysis	+10 hours
Add for performing both “as is” and “value upon completion”	+10 hours

(d) For any appraisal that requires valuation “before-and-after” such as in condemnation work or in the valuation of easements, 150% of the hours cited in 302.04(a) – (c) may be claimed.

(e) Applicants shall be awarded credit for the actual hours, up to a maximum of 40, spent in the preparation of feasibility studies, market analysis, cash flow analysis, investment analysis and other appraisal consulting assignments provided the reports conform to USPAP Standards 4 and 5, if applicable, and if such work demonstrates proficiency in appraisal principles, techniques, or skills used by appraisers practicing under USPAP Standard 1.

(f) It shall not be necessary that there be a client for an appraisal to qualify for experience, but experience gained for work without a client shall not exceed 50% of the total experience requirement.

Source. (See Revision Note at chapter heading for Rab 100) #5435, eff 7-15-92; ss by #6787, INTERIM, eff 7-15-98, EXPIRED: 11-12-98

New. #6958, eff 3-23-99, EXPIRED: 3-23-07

New. #8854, INTERIM, eff 3-24-07, EXPIRED: 9-20-07

New. #9018, eff 11-1-07; ss by #10270, eff 2-2-13 (from Rab 302.03)

Rab 302.05 Limitation for Certified General Real Estate Appraiser Applicants. For certified general real estate appraiser applicants, 1500 hours of the experience requirement may be credited from the types of appraisals set forth in Rab 302.04 (a). However, a minimum of 1500 hours shall be from the types of appraisals set forth in 302.04 (c). Certified general real estate appraiser applicants who claim experience for residential property types as set forth in Rab 302.04 (a) shall demonstrate appraisal proficiency in appraising those property types to satisfy the experience requirements for general certification.

Source. (See Revision Note at chapter heading for Rab 100) #5435, eff 7-15-92; ss by #6787, INTERIM, eff 7-15-98, EXPIRED: 11-12-98

New. #6958, eff 3-23-99, EXPIRED: 3-23-07

New. #8854, INTERIM, eff 3-24-07, EXPIRED: 9-20-07

New. #9018, eff 11-1-07; ss by #10270, eff 2-2-13 (from Rab 302.04)

Rab 302.06 Review Experience. Applicants may claim the actual time spent for reviews of appraisals prepared in compliance with USPAP Standard 3. However, such time claimed shall not exceed 50 percent of the credit hours listed in Rab 302.04 (a) - (c), for the type of appraisal reviewed. -

Source. (See Revision Note at chapter heading for Rab 100) #5435, eff 7-15-92; ss by #6787, INTERIM, eff 7-15-98, EXPIRED: 11-12-98

New. #6958, eff 3-23-99, EXPIRED: 3-23-07

New. #8854, INTERIM, eff 3-24-07, EXPIRED: 9-20-07

New. #9018, eff 11-1-07; ss by #10270, eff 2-2-13 (from Rab 302.05)

Rab 302.07 Assessor Experience. Experience as a real estate assessor shall not be substituted for real estate appraisal experience as required under this part.

Source. (See Revision Note at chapter heading for Rab 100) #5435, eff 7-15-92; ss by #6787, INTERIM, eff 7-15-98, EXPIRED: 11-12-98

New. #6958, eff 3-23-99, EXPIRED: 3-23-07

New. #8854, INTERIM, eff 3-24-07, EXPIRED: 9-20-07

New. #9018, eff 11-1-07; ss by #10270, eff 2-2-13 (from Rab 302.06)

Rab 302.08 Reports, Documentation and Criteria.

(a) Experience shall be documented in the form of appraisal reports. Applicants presenting such experience documents shall be prepared to provide further substantiation to verify appraisal experience documentation, and its conformity to USPAP.

(b) To be credited with the hours outlined in Rab 302.04 (a) – (c) appraisal reports shall conform to USPAP.

Source. (See Revision Note at chapter heading for Rab 100) #5435, eff 7-15-92; ss by #6787, INTERIM, eff 7-15-98, EXPIRED: 11-12-98

New. #6958, eff 3-23-99, EXPIRED: 3-23-07

New. #8854, INTERIM, eff 3-24-07, EXPIRED: 9-20-07

New. #9018, eff 11-1-07; ss by #10270, eff 2-2-13 (from Rab 302.07)

## **Massachusetts Experience Requirements**

### **5.06: Experience Criteria**

The following specifications apply to the experience requirements for all classifications of licensure and certification:

- (1) To meet experience requirements, applicants must demonstrate they have obtained the required amount of experience as described in 264 CMR 5.00.
- (2) All experience to be utilized for purposes of obtaining a license must have been obtained after January 31, 1989 and must be USPAP compliant.
- (3) All experience must be earned as an appraisal trainee or appraiser-in-training in compliance with 264 CMR 6.00: *Practice of Real Estate Appraisal*.
- (4) Amount of work experience required for State-licenses and Certification:
  - (a) State-licensed Real Estate Appraiser. At least 1,000 credited hours in no fewer than six months.
  - (b) State-certified Residential Real Estate Appraiser. 1,500 credited hours in no fewer than 12 months.
  - (c) State-certified General Real Estate Appraiser. 3,000 credited hours in no fewer than 18 months. At least 50% of the experience must be nonresidential appraisal experience.
- (5) Tracking of Work Experience Hours. For purposes of obtaining a state license or certification, hours may only be credited in the manner outlined in 264 CMR 5.06(6) as documented by the supervisor. However, due to the possibility that an applicant could be credited with more hours than he or she actually worked, both credited hours and actual hours worked must meet or exceed the hour requirement in 264 CMR 5.06(4).
- (6) Credited Hours. All hours credited to an appraiser trainee or appraiser-in-training must adhere to the following provisions:
  - (a) Credited Hours for appraisal work where trainee or appraiser-in-training has prepared at least 75% of an Appraisal Report in compliance with USPAP Standard 2. At least 50% of a trainee or appraiser-in-training's credited hours must come from this category:

5.06: continued

Type of Property	Credited Hours
1. one unit residential properties with full interior inspection	8
2. one unit residential properties having a transaction value of more than \$1,000,000 and complex one unit residential properties having a transaction value of more than \$250,000 with full interior inspection	10
3. one unit residential properties with exterior only inspection	6
4. two to four unit residential properties with full interior inspection	12
5. two to four unit residential properties having a transaction value of more than \$1,000,000 and complex two to four unit residential properties having a transaction value of more than \$250,000 with full interior inspection	14
6. two to four unit residential properties with exterior only inspection	6
7. vacant or unimproved land that is to be utilized for one to four unit residential properties, and where the highest and best use is for one to four unit residential purposes (one to 25 acres)	6
8. vacant or unimproved land that is to be utilized for one to four unit residential properties, and where the highest and best use is for one to four unit residential purposes (more than 25 acres)	10
9. vacant or unimproved land that is to be utilized for nonresidential (commercial) properties	40
10. Residential Multi-family (five to 12 units): Apartments, condominiums, townhouses and mobile home parks	40
11. Residential Multi-family (13 or more units): Apartments, condominiums, townhouses, and mobile home parks	45
12. Commercial (one to five tenants) [Office building, retail store, restaurant, service station, bank, day-care, <i>etc.</i> ]	40
13. Commercial (six or more tenants) [Office building, shopping center, hotel/motel, <i>etc.</i> ]	60
14. Industrial [Warehouse, manufacturing plant, <i>etc.</i> ] - One tenant	40
15. Industrial [Warehouse, manufacturing plant, <i>etc.</i> ] - Multi-tenant	60
16. Institutional [Nursing home, hospital, school, church, government building, <i>etc.</i> ]	64
17. Other special use properties deemed complex by the supervisor (this shall include feasibility analysis)	Up to 80*
18. Other special use properties deemed non-complex by the supervisor	Up to 40*

\* A maximum of 25% of credited hours may be earned in categories 17 and 18.

(b) Review Appraisals shall be credited as follows:

1. Review Appraisals may not be credited unless performed in compliance with Standard 3 of the USPAP.
2. A Review Appraisal shall be credited with 20% of the hours that would have been credited for performing the appraisal itself.
3. All required hours (100%) to become a State-licensed Real Estate Appraiser may be satisfied by performing Review Appraisals.
4. Up to 50% of required hours to become a State-certified Residential Real Estate Appraiser or State-certified General Real Estate Appraiser may be satisfied by performing Review Appraisals.

5.06: continued

(c) Credited Hours for other types of appraisal work. No more than 50% of a trainee or appraiser-in-training's hours may come from this category:

Type of Appraisal Work	Credited Hours
1. Restricted Appraisal Reports	25% of credited hours that would have been awarded for the appraisal had it not been restricted.
2. <i>Ad valorem</i> tax appraisals	16
3. Mass appraisals performed in accordance with USPAP Standards Rule 6	24
4. Market analysis or consulting analysis completed in accordance with USPAP	8
5. Comparative Market Analysis in which a value is prepared in conformity with USPAP Standards Rules 1 and 2	4

(d) Appraisal work where trainee or appraiser-in-training has not prepared at least 75% of an Appraisal Report, provided, however, that specific work is attributed to the trainee or appraiser-in-training in the certification. No more than 25% of a trainee or appraiser-in-training's credited hours may come from this category. For tasks performed in conjunction with a residential appraisal, a trainee or appraiser-in-training may be awarded by their supervisor a range of one to five hours per subject property. For tasks performed in conjunction with a nonresidential appraisal, a trainee or appraiser-in-training may be awarded by their supervisor a range of one to 20 hours per subject property. For purposes of 264 CMR 5.06(6), only the following tasks are eligible for credit:

1. Physical Inspection of the Property;
2. Site Description and Description of the Improvements;
3. Regional and Local Area Analysis;
4. Zoning and Real Estate Taxes;
5. Research Ownership and History of the subject property;
6. Develop Market Analysis and Highest and Best Use;
7. Research and photograph comparable data;
8. Develop Land Valuation;
9. Develop Cost Approach;
10. Develop Sales Comparison Approach;
11. Develop Income Approach; and
12. Reconcile Approaches/Conclusion of Value.

5.07: Experience Audits

(1) The Board or its agents may conduct an audit or request additional documentation to verify an applicant's claimed experience. Applicants may only claim verifiable experience for which they can provide reports or file data upon a request from the Board.

(2) If an applicant fails to appear before the Board for a scheduled audit or otherwise respond to the Board without good cause within six months of such request, the Board may deny an application for licensure. If an application is denied for failure to appear before the Board for a scheduled audit or provide requested documentation or otherwise respond to the Board within six months of such request, a new application must be filed and application fee paid by the applicant.

(3) Notwithstanding the provisions of 264 CMR 5.06, appraisal logs required by 264 CMR 6.01(1)(c) that include any appraisal reports dated before May 1, 2020 shall not be required to include the itemization of creditable hours described in 264 CMR 5.06(6), and appraisal logs that include only appraisal reports dated on and after May 1, 2020 shall utilize such itemization for all work recorded in the appraisal log.



## **North Carolina Experience Requirements**

### **21 NCAC 57A .0604 TYPES OF APPRAISAL EXPERIENCE**

- (a) An applicant may receive experience credit for standard appraisals, supervising appraiser's reviews, review appraisals, and condemnation appraisals.
- (b) If the applicant performed at least 75 percent of the work associated with an appraisal, including a field inspection and preparation of the appraisal report, full credit shall be given for that appraisal. Except as provided in Paragraphs (d) and (e) of this Rule, no credit shall be awarded if the applicant performed less than 75 percent of the work on an appraisal.
- (c) A "standard appraisal" means the process of developing an appraisal in accordance with Standard Rule 1 of USPAP and preparing a written appraisal report or file memorandum describing the appraisal and reporting the estimate of value.
- (d) A "supervising appraiser's review" means the process of reviewing an appraisal report prepared by an affiliated appraiser and signing the appraisal report, including signing as "review appraiser" on a Uniform Residential Appraisal Report form. It shall not include signing a report that a real estate appraiser trainee has prepared.
- (e) A "review appraisal" means the process of reviewing an appraisal report prepared by another appraiser and preparing a separate written appraisal report or file memorandum setting forth the results of the review process. No more than 50 percent of an applicant's appraisal experience credit shall be from preparing review appraisals.
- (f) A "condemnation appraisal" means an appraisal of real property for eminent domain proceedings where a partial taking is involved and the appraiser must develop both a "before taking" and an "after taking" value.
- (g) A "demonstration appraisal" means an appraisal performed without a client. No more than 25 percent of the applicant's experience shall be from preparing demonstration appraisals. If a trainee performs a demonstration appraisal, the trainee's supervisor shall sign the appraisal in order for the trainee to receive experience credit for it.

(b) The scope of practice for a licensed residential real estate appraiser includes the appraisal of vacant or unimproved land that is to be utilized for a 1-4 family residential unit or vacant or unimproved land for which the highest and best use is a 1-4 family residential unit. In either case, the scope of practice is limited to the appraisal of vacant or unimproved land having a transaction value of less than \$1,000,000.

**§1101.4 Scope of practice for a licensed real estate appraiser assistant**

- (a) The scope of practice for a licensed real estate appraiser assistant is the appraisal of those real properties that the supervising appraiser is permitted to appraise.
- (b) A licensed real estate appraiser assistant shall be directly supervised by a supervising real estate appraiser who shall be a State certified real estate appraiser and who shall be registered with the department in accordance with 19 NYCRR 1103.4. The supervising real estate appraiser shall be responsible for the training and direct supervision of the appraiser assistant by:
  - (1) accepting responsibility for the appraisal report by signing and certifying the report;
  - (2) reviewing the appraiser assistant’s work and reports; and
  - (3) personally inspecting each appraised property with the appraiser assistant until the supervising appraiser determines that the appraiser assistant is competent to conduct inspection on his or her own, in accordance with the competency rule of USPAP for the property type.
- (c) An appraiser assistant may have more than one supervising appraiser, but an appraiser assist must have at least one supervising appraiser for each appraisal assignment.
- (d) An appraiser assistant and his or her supervising appraiser shall jointly maintain an appraisal log, which shall include, at a minimum, the following for each appraisal:
  - (1) the type of property;
  - (2) the client name and address;
  - (3) the address of the appraised property;
  - (4) a description of the work performed by the appraiser assistant and the scope of review and supervision of the supervising appraiser;
  - (5) the number of work hours;
  - (6) the signature and the State certification number of the supervising appraiser; and
  - (7) the date of the report.
- (e) An appraiser assistant shall maintain a separate appraisal log for each supervising appraiser.
- (f) An appraiser assistant shall be entitled to obtain copies of the appraisal reports he or she prepared. The supervising appraiser shall keep copies of those appraisal reports, in written or electronic form, for a period of five years or at least two years after final disposition of any judicial proceedings in which the supervising appraiser provided testimony related to the assignment, whichever period expires last.

**PART 1102**  
**QUALIFYING EXPERIENCE**

**§1102.1 Qualifying experience**

(a) Applicants for residential licensing must possess at least two years of full-time experience. Applicants for residential certification must possess at least two years of full-time experience. Applicants for general certification must possess at least two and one-half years of full-time experience. Applicants will not receive credit for any experience gained more than five years prior to the submission of an application for licensing or certification to the Department of State. In addition, applicants must attain the hours of experience required under §1102.2 of this Part.

**§1102.2 Hourly experience requirements**

- (a) Applicants for residential licensing must have at least 1,000 hours of real estate appraisal experience over a period of not less than 24 months.
- (b) Applicants for residential certification must have at least 1,500 hours of real estate appraisal experience over a period of not less than 24 months. The residential experience must include experience in single-family, two- to four-family, cooperatives, condominiums, or other residential experience.
- (c) Applicants for general certification must have at least 3,000 hours of experience over a period of not less than 24 months, of which a minimum of 1,500 hours must be in non-residential appraisal work.
- (d) Upon request by the Department of State, either prior to licensing or certification; or after licensing or certification, an applicant must provide documentation or other proof, satisfactory to the Department of State, to substantiate any or all of the experience claimed by the applicant. Failure to provide the requested documentation or proof promptly shall be grounds for the Department of State to deny the application, or if the applicant has been licensed or certified, shall be grounds for the Department of State to suspend or revoke the license or certification. Any false claim of experience shall be grounds for the Department of State to deny the application, or if the applicant has been licensed or certified, shall be grounds for the Department of State to suspend or revoke the license or certification.

**§1102.3 Appraisal experience schedule**

(a) Hours of experience shall be credited to an applicant based on actual time spent on appraisal assignments up to a maximum number of hours in accordance with the following schedule. Except as provided for by paragraph (b) of this section, experience credits may only be granted for the following types of appraisal assignments.

APPRAISAL EXPERIENCE SCHEDULE			
Type of Property Appraised	Assigned hours cannot exceed		
	Standard Appraisal	Review Appraisal	
Residential			
Residential Single-Family			
(Single Co-op or Condo) .....	6	1.5	
Residential Single-Family Complex			
(Waterfront or Unique) .....	20	5	
Residential Single-Family Complex			
(Over \$5,000,000) .....	40	10	

Residential Multi-Family (2-4 units) .....	12 .....	3
Vacant Lot (Residential, 1-4 units) .....	6 .....	1.5
Farm (Less than 100 acres, with residence) .....	18 .....	4.5

#### General

Land: Farms of 100 acres or more in size, undeveloped tracts, residential multi-family sites, commercial sites, industrial sites .....	30 .....	7.5
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#### Complex Farms

100 acres or more in size, multi-building with Processing facilities .....	40 .....	10
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#### Residential Multi-Family

(5-12 units): Apartments, condominiums, townhouses and mobile home parks .....	36 .....	9
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#### Residential Multi-Family

(13 or more units): Apartments, condominiums, townhouses and mobile home parks .....	48 .....	12
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#### Commercial/Industrial Single-Tenant:

Office buildings, R&D, retail stores, restaurants, service stations, warehouses, day care centers, and other similar buildings .....	48 .....	12
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#### Commercial/Industrial Multi-Tenant:

Office buildings, R&D, shopping centers, hotels, warehouses .....	60 .....	15
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Manufacturing plants .....	48 .....	12
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Institutional: Rest homes, nursing homes, hospitals, schools, churches, government buildings .....	48 .....	12
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(b) If an applicant has appraisal experience for a type of property that is not listed in the appraisal experience schedule, the applicant may receive credit for the appraisal experience if the Department of State determines that the appraisal experience is substantially equivalent, for experience purposes, to an appraisal for one of the types of property that is listed in the appraisal experience schedule. However, the burden shall be on the applicant to establish to the satisfaction of the Department of State that the appraisal experience is substantially equivalent to an appraisal of one of the types of properties listed in the appraisal experience schedule.

### §1102.4 Acceptable experience

(a) An applicant shall have the burden of establishing to the satisfaction of the Department of State that the applicant actually performed the work associated with the appraisal or appraisals which the applicant claims appraisal-experience credit. Experience credit will only be granted for hours actually worked on an appraisal assignment provided that no applicant shall be permitted to claim experience hours in excess of the maximum hours per assignment as provided for by Section 1102.3 of this Part.

(b) For review appraisals, an applicant shall receive 25 percent of the hours normally credited for an appraisal if the applicant performed a review appraisal, which shall include a field review, a documentary review, or a combination of both. However, experience gained by performing review appraisals may not exceed 25 percent

of the total number of hours of experience required for licensing or certification.

### §1102.5 [Repealed]

### §1102.6 Nonqualifying experience

An applicant shall not receive experience credit for residential certification or for general certification for performing any of the following activities:

(a) market value estimates performed by a real estate licensee where such estimates are made in connection with the listing and/or sale of real estate. Market value estimates shall include estimates commonly known as comparative market analysis;

(b) [RESERVED]

(c) business appraisals. However, an applicant shall receive credit for appraisals of individual parcels of real estate;

(d) personal property appraisals; and

(e) feasibility or market analysis, except to the extent that the market value of a real estate project is being estimated.

### §1102.7 Mass appraisals

(a) Applicants for residential licensing, residential certification or general certification will receive credit for mass appraisal experience according to the provisions of this section.

(b)(1) Experience requirements.

(i) An applicant for residential licensing must document that the applicant has at least 2,000 hours over a period of at least two years performing mass appraisals or the equivalent thereof. The applicant's documentation must demonstrate that the applicant was engaged for at least 1,500 hours performing mass appraisals of properties in the residential categories set forth in paragraph (c)(2) of this section.

(ii) An applicant for residential certification must document that the applicant has at least 2,500 hours over a period of at least two years performing mass appraisals or the equivalent thereof. The applicant's documentation must demonstrate that the applicant was engaged for at least 1,875 hours performing mass appraisals of properties in the residential categories set forth in paragraph (c)(2) of this section.

(iii) An applicant for general certification must document that the applicant has at least 3,000 hours of over a period of at least 2½ years performing mass appraisals or the equivalent thereof. The applicant's documentation must demonstrate that the applicant was engaged for at least 2,250 hours performing mass appraisals of properties in the general categories set forth in paragraph (c)(3) of this section.

(2) An applicant must demonstrate experience in each of the three essential tasks of a mass appraisal. The applicant's experience in each category, as a percentage of the total required experience, must be within the following maximum and minimum:

Mass Appraisal Tasks	Minimum Experience Required	Maximum Experience Allowed
Data collection	20%	25%
Modeling and value analysis	30%	50%
Valuation and final review	30%	50%

(c)(1) An applicant must demonstrate the effectiveness of the applicant's mass appraisal models by submitting single property appraisals from separate neighborhoods. These single property appraisals must demonstrate compliance with the appraisal standards set forth in Part 1106 of this Title.

(2) An applicant for residential licensing or residential certification must submit one single property appraisal in three of the residential categories listed below:

- (i) residential single family,
- (ii) residential 2 to 4 family,
- (iii) residential vacant land, or
- (iv) farms less than 100 acres.

(3) An applicant for general certification must submit one single-property appraisal in four of the general categories listed below:

- (i) apartment buildings (more than four units),
- (ii) land (undeveloped tracts, commercial sites, industrial sites, or utility sites),
- (iii) farms greater than 100 acres,
- (iv) townhouse complexes,
- (v) condominium complexes,
- (vi) mobile home parks,
- (vii) manufacturing plants,
- (viii) office buildings (single tenant),
- (ix) office buildings (multiple tenants),
- (x) retail and shopping centers,
- (xi) warehouses,
- (xii) restaurants,
- (xiii) R&D facilities,
- (xiv) day care centers,
- (xv) hotels or motels,
- (xvi) gas or service stations,
- (xvii) hospitals, nursing homes, and health care centers,
- (xviii) schools, churches or government buildings, and
- (xix) other commercial, industrial or utility real property.

## PART 1103

### QUALIFYING COURSE REGULATIONS

#### §1103.1 Definitions

As used in this Part, the following terms shall have the following meanings:

(a) Appraisal course - the term "appraisal course" shall refer to a course that has either been approved by the Department or has been submitted to the Department for approval pursuant to Section 1103.3 of this Part.

(b) Appraisal school - the term "appraisal school" shall refer to a person or institution that has either been approved by the Department or has submitted a request to the Department for approval to offer one or more appraisal courses pursuant to Section 1103.3(b) of this Part.

(c) Appraiser assistant - the term "appraiser assistant" shall refer to a NYS licensed real estate appraiser assistant as defined in Section 160-a of the Executive Law.

(d) Certified residential real estate appraiser - the term "certified residential real estate appraiser" shall refer to a NYS certified residential real estate appraiser as defined in Section 160-a of the Executive Law.

(e) Certified general real estate appraiser- the term, "certified general real estate appraiser" shall refer to a NYS certified general real estate appraiser as defined in Section 160-a of the Executive Law.

(f) Department - the term "Department" shall refer to the NYS Department of State.

(g) Education Coordinator - the term "Education Coordinator" shall refer to that individual who shall be responsible for submitting applications to the Department for approval of appraisal schools and appraisal courses. This person shall also be responsible for compliance, by the school and its instructors, of the provisions of this Part and Part 1107.

(h) Licensed real estate appraisers - the term "licensed real estate appraiser" shall refer to a NYS licensed real estate appraiser as defined in Section 160-a of the Executive Law.

(i) Licensee- the term "licensee" shall refer to a NYS appraiser assistant, NYS licensed real estate appraiser, NYS certified residential real estate appraiser or a NYS certified general real estate appraiser depending on the context.

(j) Prospective licensee - the term "prospective licensee" shall refer to an individual who undertakes a course of study as provided in this Part, the satisfactory completion of which would satisfy the NYS educational requirements for licensure or certification as a NYS real estate appraiser assistant, NYS licensed real estate appraiser, NYS certified residential real estate appraiser or a NYS certified general real estate appraiser.

(k) USPAP- the acronym "USPAP" means the national Uniform Standards of Professional Appraisal Practice.

#### §1103.2 Prospective licensees

(a) Education requirements for New York State appraiser assistants. An applicant must satisfactorily complete the following courses within the five (5) year period prior to the date of submission of an appraiser assistant application: