

## **Comparison of Whether and How Other States Regulate the Occupation**

The Appraisal Subcommittee of the Federal Financial Institutions Examination Council monitors the requirements established by the states, territories, and the District of Columbia and their appraiser regulatory agencies for the certification and licensing of appraisers, and the registration of appraisal management companies, and reviews each state's compliance with the requirements of Title XI. The ASC is authorized by Title XI to take action against a non-complying state appraiser regulatory program if the policies, practices and procedures in place are inconsistent with the requirements of Title XI. The Appraisal Foundation is authorized by the U.S. Congress to develop the Real Property Appraiser Qualification Criteria and Course Approval Processes and Procedures through its Appraiser Qualifications Board, and USPAP, through its Appraisal Standards Board. All fifty U.S. states and territories must adopt the minimum Real Property Appraiser Qualifications Criteria. States may be more burdensome than the minimum found in the Real Property Appraiser Qualifications Criteria, but most, including the State of Nebraska, are not. It is also important to note that the administrative functions related to implementing and enforcing the Real Property Appraiser Qualifications Criteria, along with federal compliance, may vary from state to state. The latest ASC compliance review reports for Nebraska and each surrounding state are attached. The real property appraiser requirements and appraisal management company registration requirements for the surrounding states are listed below:

### **Colorado**

Real Property Appraisers and Appraisal Management Companies -

<https://dre.colorado.gov/sites/dre/files/documents/2025%20Colorado%20Real%20Estate%20Manual-Chapter%2006.pdf>

<https://dre.colorado.gov/sites/dre/files/documents/2025%20Colorado%20Real%20Estate%20Manual-Chapter%2007.pdf>

### **Iowa**

Real Property Appraisers - <https://www.legis.iowa.gov/docs/ico/code/543d.pdf>

Appraisal Management Companies - <https://www.legis.iowa.gov/docs/code/543E.pdf>

### **Kansas**

Real Property Appraisers –

<https://kreab.kansas.gov/wp-content/uploads/2021/02/Appraiser-Statutes.pdf>

<https://kreab.kansas.gov/wp-content/uploads/2021/02/Appraiser-Regulations.pdf>

Appraisal Management Companies –

<https://kreab.kansas.gov/wp-content/uploads/2021/02/AMC-Statutes.pdf>

<https://kreab.kansas.gov/wp-content/uploads/2021/02/AMC-Regulations.pdf>

### **Missouri**

Real Property Appraisers and Appraisal Management Companies –

<https://revisor.mo.gov/main/OneChapter.aspx?chapter=339>

<https://www.sos.mo.gov/adrules/csr/current/20csr/20csr.asp#20-2245>

**South Dakota**

Real Property Appraisers –

<https://sdlegislature.gov/Statutes/36-21B>

<https://sdlegislature.gov/Rules/Administrative/20:14>

Appraisal Management Companies –

<https://sdlegislature.gov/Statutes/36-21D>

<https://sdlegislature.gov/Rules/Administrative/20:77>

**Wyoming**

Real Property Appraisers –

<https://realestate.wyo.gov/certified-appraiser-board/rules-regulations>

Appraisal Management Companies –

<https://realestate.wyo.gov/amcs/rules-regulations>

# THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA AND INTERPRETATIONS OF THE CRITERIA

Real Property Appraiser Qualification Criteria  
Effective January 1, 2022

Appendix:  
AQB Guide Notes



The Appraisal  
**FOUNDATION**

Authorized by Congress as the Source of Appraisal  
Standards and Appraiser Qualifications

APPRaiser QUALIFICATIONS BOARD

# VISION AND MISSION STATEMENT OF THE APPRAISAL FOUNDATION

## **VISION STATEMENT**

To ensure public trust in the valuation profession.

## **Mission Statement**

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

The Appraisal Foundation is the nation's foremost authority on the valuation profession. The organization sets the Congressionally-authorized standards and qualifications for real estate appraisers, and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. This work advances the profession by ensuring appraisals are independent, consistent, and objective. More information on The Appraisal Foundation is available at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

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# WHAT IS THE AQB?

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

Under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the AQB establishes the minimum education, experience, and examination requirements for real property appraisers to obtain a state license or certification as well as Supervisory Appraiser requirements. In addition, the AQB performs a number of ancillary duties related to real property and personal property appraiser qualifications (see "Other AQB Work" on page 5).

## REAL PROPERTY APPRAISER QUALIFICATION CRITERIA, INTERPRETATIONS OF THE CRITERIA, GUIDE NOTES, AND Q&As

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

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

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

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

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

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

- An increase in the qualifying education requirements for the Licensed Residential, Certified Residential, and Certified General classifications. The required education hours were raised from 90 to 150 hours for the Licensed Residential classification, 120 to 200 hours for the Certified Residential classification, and 180 to 300 hours for the Certified General classification; and
- A requirement for college-level education for the Certified Residential and Certified General classifications. The Certified Residential classification required an Associate degree or higher; or in lieu of a degree, a minimum of 21 college semester hours in specified coursework. The Certified General required a Bachelor's degree or higher, or in lieu of a degree, a minimum of 30 semester hours in specified college course work.

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

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

In July 2015, the AQB issued a Concept Paper exploring alternative requirements to the *Criteria*. In October 2015, the AQB held a Public Hearing with major stakeholders of the *Criteria*. In the following two years, the AQB issued a Discussion Draft and four Exposure Drafts of proposed changes to the 2015 *Criteria*. On February 1, 2018, the AQB adopted revisions to the *Criteria*. Major revisions include:

- Elimination of college-level education requirements for the Licensed Residential Real Property classification;
- Alternative college-level education requirements for the Certified Residential Real Property classification;
- An alternative track for Licensed Residential Real Property Appraisers to move to the Certified Residential Real Property Appraiser classification; and
- Modification of experience hours and experience time frames for the Licensed Residential and Certified Residential classifications, and modification of the experience time frame for the Certified General classification.

In April 2019, the AQB issued an Exposure Draft of a proposed Interpretation relating to qualification requirements for Supervisory Appraisers. The AQB issued a second Exposure Draft on this topic in September 2019. At its November 1, 2019 public meeting, the Board adopted the Interpretation in the second Exposure Draft. The Interpretation clarified that Supervisory Appraisers who have been imposed discipline for "administrative" reasons (as opposed to "practice-related" reasons) would still be eligible to supervise.

### **Interpretations of the Criteria and Q&As**

To further clarify AQB intent to users of the *Criteria*, the AQB may issue Interpretations of the *Criteria*. Interpretations are essential to properly understanding the *Criteria* and are, therefore, binding on users of the *Criteria*. Interpretations are added to the text of this document subsequent to their adoption by the AQB. These Interpretations are listed in subject matter order, which is designed to follow the applicable *Criteria*. As a result, the dates reflecting the adoption of some Interpretations may not follow a chronological sequence.

The AQB also issues Q&As which are published periodically and available on The Appraisal Foundation website. The Q&As are a form of guidance issued by the AQB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of the *Real Property Appraiser Qualification Criteria* and Interpretations of the *Criteria* in specific situations and to offer advice from the AQB for the resolution of appraisal issues and problems. The AQB Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. AQB Q&A does not establish new *Criteria*. AQB Q&A is not part of the *Real Property Appraiser Qualification Criteria*. AQB Q&A is approved by the AQB without public exposure and comment. To review the latest AQB Q&As, please visit the Q&A webpage located on the Foundation's website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

## **Supporting the Work of the AQB**

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

### **Exposure Draft Process**

In recognition of the public authority of the AQB, all proposed revisions to the *Criteria* must be exposed for public comment prior to adoption. The AQB considers all comments in public meetings prior to taking final action. Prior to publication of an exposure draft, all proposed revisions to the *Criteria* are reviewed by a regulatory attorney.

### **Public Meetings**

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

### **Speaking Engagements**

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

### **Other AQB Work**

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

- Maintenance and periodic updating of the *National Uniform Licensing and Certification Examinations* and their accompanying Examination Content Outlines (ECO's). The ECO's are used in the development of the examinations.
- Development of and enhancements to the Program to Improve USPAP Education.
- Administration of the Course Approval Program (CAP).
- Administration of the Real Estate Degree Review Program.
- Development of **voluntary** minimum *Personal Property Appraiser Qualification Criteria*.

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

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# REAL PROPERTY APPRAISER QUALIFICATION CRITERIA

EFFECTIVE JANUARY 1, 2022

## DEFINITIONS:

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

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

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

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

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

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

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

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

## GENERAL INTERPRETATIONS

- A. The following is an exception for implementing the Real Property Appraiser Qualification Criteria:  
*An applicant in the Reserve components of the U.S. Armed Forces, who was pursuing an appraiser license or certification prior to December 1, 2011, and who was called to active duty between December 1, 2011 and December 31, 2014, may satisfy the qualifications required under the 2008 Criteria for an additional time period after January 1, 2015. The extension of time shall be equal to the applicant’s time of active duty, plus 12 months.*
- B. The following is a clarification of the existing Real Property Appraiser Qualification Criteria:  
*With respect to the prerequisites needed before an applicant takes the National Uniform Licensing and Certification Examinations as referenced in the various sections II. B., applicants must have all experience and education completely verified by the appropriate state appraiser regulatory agency prior to taking the National Exam. Applicants cannot self-verify experience.*

## CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS

### I. Standards of Practice

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

### II. Existing Credential Holders

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

### III. Generic Education Criteria

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

B. Credit for the class hour requirements may be obtained only from the following providers:

1. Colleges or universities;
2. Community or junior colleges;
3. Real estate appraisal or real estate-related organizations;
4. State or federal agencies or commissions;
5. Proprietary schools;
6. Providers approved by state certification/licensing agencies; or
7. The Appraisal Foundation or its Boards.

C. Experience may not be substituted for education.

D. Distance education is defined as any education process based on the geographical separation of student and instructor. Components of distance education include synchronous, asynchronous, and hybrid. In synchronous educational offerings, the instructor and students interact simultaneously online, similar to a phone call, video chat or live webinar, or web-based meeting. In asynchronous educational offerings, the instructor and student interaction is non-simultaneous; the students progress at their own pace and follow a structured course content and quiz/exam schedule. Hybrid courses, also known as blended courses, are learning environments that allow for both in-person and online (synchronous, or asynchronous) interaction.

Synchronous courses provide for instruction and interaction substantially the same as on-site classroom courses. Synchronous courses meet class hour requirements if they comply with requirements III.A and III.B.

An asynchronous distance education course is acceptable to meet class hour requirements if:

1. The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor; and
2. Content approval is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction; and
3. Course delivery mechanism approval is obtained from one of the following sources:
  - a. The AQB; or
  - b. AQB approved organizations providing approval of course design and delivery (such as The Appraisal Foundation or other independent approved entity); or
  - c. a college or university that qualifies for content approval in paragraph 2 above that awards academic credit for the distance education course; or
  - d. a qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.
4. Hybrid courses meet class hour requirements if each of its sessions meet the requirement for the delivery method employed:
  - a. in-person course sessions must meet III.A. and III.B.
  - b. synchronous course sessions must meet III.A. and III.B.
  - c. asynchronous courses sessions must meet III.A., III.B., and III.D.1-3

E. *Criteria Specific to Qualifying Education*

1. Class hours will be credited only for educational offerings with content that follows the *Required Core Curriculum* for each respective credential classification. Course content requirements may be general or specific to property types. The *Required Core Curriculum* is to be followed by major headings with the classroom hours for each. Guide Note (GN-1) contains guidance for curriculum content with subtopics listed under each major module. The subtopics listed in GN-1 are used for developing Examination Content Outlines for each applicable credential classification, and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge. GN-1 is not mandatory for meeting the *Required Core Curriculum*.
2. Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the

US Secretary of Education, **provided that the college or university has had its curriculum reviewed and approved by the AQB.**

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

3. Class hours may be obtained only where:
  - a. the minimum length of the educational offering is at least 15 hours; and
  - b. the individual successfully completes a proctored, closed-book final examination pertinent to that educational offering.
4. Where the qualifying education course includes multiple modules as listed in the *Required Core Curriculum*, there must be appropriate testing of each module included in the course.
5. Courses taken to satisfy the qualifying education requirements must not be repetitive. Courses shall foster problem-solving skills in the education process by utilizing case studies as a major teaching method when applicable.
6. Applicants must take the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and pass the associated *15-Hour National USPAP Course* examination. At least one of the course instructors must be an AQB Certified USPAP Instructor who is also a state certified appraiser in good standing. Course equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. USPAP education presented in a distance education format must be designed to foster appropriate student-to-student, student-to-instructor, and student-to-material interaction.
7. In addition to the generic requirements described in III.D., distance education courses intended for use as qualifying education must include a written, closed-book final examination. The examination must be proctored in person or remotely by an official approved by the college or university, or by the sponsoring organization. Bio-metric proctoring is acceptable.<sup>1</sup> The term, “written,” as used herein, refers to an exam that might be written on paper or administered electronically on a computer workstation or other device. Oral exams are not acceptable. The testing must comply with the examination requirements of this section.

F. *Criteria Specific to Continuing Education*

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

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

2. Credit towards the continuing education hour requirements for each appraiser classification may be granted only where the length of the educational offering is at least two (2) hours.
3. Credit may be granted for education offerings that are consistent with the purpose of continuing education and cover real property related appraisal topics, including, but not limited to:
  - a. Ad valorem taxation;
  - b. Arbitration, dispute resolution;
  - c. Courses related to the practice of real estate appraisal or consulting;
  - d. Development cost estimating;
  - e. Ethics and standards of professional practice, USPAP;
  - f. Valuation bias, fair housing, and/or equal opportunity;
  - g. Land use planning, zoning;
  - h. Management, leasing, timesharing;

1 Bio-metric proctoring process provides that student identity is continually verified through processes, such as facial recognition, consistency in keystroke cadence, and the observation of activity in the testing location. Aberrant behavior or activity can be readily observed.

- i. Property development, partial interests;
- j. Real estate law, easements, and legal interests;
- k. Real estate litigation, damages, condemnation;
- l. Real estate financing and investment;
- m. Real estate appraisal-related computer applications;
- n. Real estate securities and syndication;
- o. Developing opinions of real property value in appraisals that also include personal property and/or business value;
- p. Seller concessions and impact on value; and/or
- q. Energy-efficient items and “green building” appraisals.

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

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

6. In addition to the generic requirements described in III.D., asynchronous distance education courses intended for use as continuing education must include at least one of the following:

- a. A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Remote proctoring, including bio-metric procedures as noted in III E. 7. above, is acceptable. The term “written” as used herein refers to an exam that might be written on paper, or administered electronically on a computer workstation or other device. Oral exams are not acceptable; or
- b. Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter.

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

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

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

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

11. The equivalent of fourteen (14) class hours of instruction in courses or seminars for each year during the period preceding the renewal is required. For example, a two-year continuing education cycle would require twenty-eight hours. The class hour requirement can be fulfilled at any time during the cycle.

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

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

Prior to reactivation, credential holders in an inactive status must complete all required continuing education hours that would have been required if the credential holder was in an active status. The

required hours must also include the most recent edition of a *7-Hour National USPAP Update Course* (or its AQB-approved equivalent).

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

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

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

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

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

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

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

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

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

#### IV. Generic Examination Criteria

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

#### V. Generic Experience Criteria

- Education may not be substituted for experience, except as shown below in Section D below.
- The quantitative experience requirements must be satisfied by time spent in the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP.
- Hours may be treated as cumulative in order to achieve the necessary number of hours of appraisal experience.
  1. Cumulative is defined as experience that may be acquired over multiple time periods.
  2. The following is an example of cumulative experience:

Year 1	200 Hours
Year 2	800 Hours
Year 3	600 Hours
Year 4	400 Hours
Year 5	500 Hours
<b>Total</b>	<b>2,500 Hours</b>

- D. There need not be a client in a traditional sense (e.g., a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience. Experience gained for work without a traditional client can meet any portion of the total experience requirement.
- E. Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category.

Experience credit shall be granted for the actual classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process.

- F. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal practice. Acceptable real property appraisal practice for experience credit includes appraisal, appraisal review, appraisal consulting, and mass appraisal.

All experience must be obtained after January 30, 1989, and must be USPAP-compliant. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.

- G. Documentation in the form of reports, certifications, or file memoranda, or, if such reports and memoranda are unavailable for good cause, other evidence at the credentialing authority's discretion that the work is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.
- H. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:
  - 1. Type of property;
  - 2. Date of report;
  - 3. Address of appraised property;
  - 4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;
  - 5. Number of actual work hours by the trainee/applicant on the assignment; and
  - 6. The signature and state certification number of the supervising appraiser, if applicable. Separate appraisal logs shall be maintained for each supervising appraiser, if applicable.
- I. There is no maximum time limit during which experience may be obtained.

## VI. Practical Applications of Real Estate Appraisal (PAREA)

Practical Applications of Real Estate Appraisal (PAREA) programs approved by the AQB utilize simulated experience training, and serve as an alternative to the traditional Supervisor/Trainee experience model, under Section V. To qualify as creditable experience, AQB-approved PAREA programs shall:

- 1. Contain, at a minimum, the content specified in the Practical Applications of Real Estate Appraisal section of this Criteria;
- 2. Require participants to possess the following prerequisites prior to commencement of training:
  - a. For the Licensed Residential Module: 150 hours of qualifying education as specified in the Required Core Curriculum for the Licensed Residential Real Property Appraiser classification.
  - b. For the Certified Residential Module: 200 hours of qualifying education as specified in the Required Core Curriculum for the Certified Residential Real Property Appraiser classification; and
    - i. Possession of a valid Licensed Residential Real Property Appraiser credential; or
    - ii. Successful completion of an AQB-approved PAREA program for the Licensed Residential Real Property Appraiser classification;
- 3. Provide an adequate number of Mentors to ensure timely and competent mentoring for all program participants;

4. Ensure Mentors meet or exceed the following qualifications:
  - a. Mentors shall be state-certified appraisers and in "good standing" for a period of at least three (3) years prior to being eligible to become a Mentor; and
  - b. Mentors shall not have been subject to any disciplinary action, within any jurisdiction, within the last three (3) years that affected the Mentor's legal eligibility to engage in appraisal practice, or to act as a Supervisory Appraiser. A Mentor subject to a disciplinary action would be considered to be in "good standing" three (3) years after the successful completion/termination of the imposed sanction; and
5. Ensure program participants produce appraisal reports that comply with USPAP, and meet or exceed the following requirements:
  - a. Licensed Residential
    - i. No fewer than three (3) appraisal reports;
    - ii. Reports must represent a variety of assignment types and property types that are consistent with the Licensed Residential program content; and
    - iii. Reports must comply with the edition of USPAP that is in effect at the time.
  - b. Certified Residential
    - i. No fewer than three (3) appraisal reports;
    - ii. Reports must represent a variety of assignment types and property types that are consistent with the Certified Residential program content; and
    - iii. Reports must comply with the edition of USPAP that is in effect at the time; and
6. Provide each program participant that successfully completes PAREA training with a certificate of completion, subject to the following:
  - a. Participants may not receive partial credit for PAREA training;
  - b. Participants may not receive a certificate of completion until all required components of PAREA training have been successfully completed and approved by a program Mentor;
  - c. Certificates of completion must be signed by an individual from the training entity qualified to verify a participant's successful completion; and
  - d. Certificates of completion must not contain an expiration date or other constraints that either limit or restrict the participant's ability to receive appropriate credit; and
7. Allow participants successfully completing approved PAREA programs to receive the following experience credit:
  - a. For participants completing an approved Licensed Residential program:
    - i. Licensed Residential classification: up to 100 percent of the required experience hours.
    - ii. Certified Residential classification: up to 67 percent of the required experience hours.
    - iii. Certified General classification: up to 33 percent of the total required experience, none of which is eligible towards the required non-residential hours.
  - b. For participants completing an approved Certified Residential program:
    - i. Licensed Residential classification: up to 100 percent of the required experience hours.
    - ii. Certified Residential classification: up to 100 percent of the required experience hours.
    - iii. Certified General classification: up to 50 percent of the total required experience, none of which is eligible towards the required non-residential hours.

## **VII. Background Checks**

- A. All applicants for a real property appraiser credential shall possess a background that would not call into question public trust.
- B. Applicants shall provide state appraiser regulatory agencies with all of the information and documentation necessary for the jurisdiction to determine the applicant's fitness for licensure or certification.
- C. An applicant shall not be eligible for a real property appraiser credential if, during at least the five (5) year period immediately preceding the date of the application for licensing or certification, the applicant has been convicted of, or pled guilty or nolo contendere to a crime that would call into question the applicant's fitness for licensure.
- D. Additional guidance related to background checks for applicants for a real property appraiser credential may be found in Guide Note 9 (GN-9).

## **VIII. Interpretations and Guide Notes (GN)**

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

# SUPERVISORY APPRAISER REQUIREMENTS

## APPLICABLE TO SUPERVISION OF **TRAINEE APPRAISERS** ONLY

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

### **I. General**

- A. Supervisory Appraisers shall be responsible for the training, guidance, and direct supervision of the Trainee Appraiser by:
  1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;
  2. Reviewing and signing the Trainee Appraiser appraisal report(s); and
  3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.
- B. Supervisory Appraisers shall be state-certified and in “good standing” for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers do not need to be state certified and in good standing ***in the jurisdiction*** in which the Trainee Appraiser practices ***for any specific minimum period of time***. Supervisory Appraisers shall not have been subject to ***any*** disciplinary action—within any jurisdiction—within the last three (3) years that affected the Supervisory Appraiser’s legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in “good standing” three (3) years *after* the successful completion/termination of the sanction imposed against the appraiser.

#### ***Supervisory Appraiser Requirements Interpretation***

With respect to disciplinary sanctions that affect an individual’s legal eligibility to practice as referenced in Section 1.B. above, sanctions imposed as a result of administrative actions not related to an individual’s obligations of ethical and competent appraisal practice do not apply. Examples may involve isolated administrative responsibilities including late payment of fees, failure to timely renew a credential, or failure to notify a regulatory office of a change in contact information. The intent of the language stated in Section 1.B. above, was to prevent Supervisory Appraisers from training due to egregious appraisal practice issues that involved ethics and competency. Administrative infractions do not preclude an individual from acting as a Supervisory Appraiser for three years after the sanction.

- C. Supervisory Appraisers must comply with the COMPETENCY RULE of USPAP for the property type and geographic location where the Trainee Appraiser is being supervised.
- D. Whereas a Trainee Appraiser is permitted to have more than one Supervisory Appraiser, Supervisory Appraisers may not supervise more than three (3) Trainee Appraisers at one time, unless a state program in the credentialing jurisdiction provides for progress monitoring, supervisory certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.

- E. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Trainee Appraiser. It is the responsibility of both the Supervisory Appraiser and Trainee Appraiser to ensure the experience log is accurate, current, and complies with the requirements of the Trainee Appraiser's credentialing jurisdiction. At a minimum, the appraisal log requirements shall include:
  1. Type of property;
  2. Date of report;
  3. Address of appraised property;
  4. Description of work performed by the Trainee Appraiser and the scope of the review and supervision of the Supervisory Appraiser;
  5. Number of actual work hours by the Trainee Appraiser on the assignment; and
  6. The signature and state certification number of the Supervisory Appraiser. Separate appraisal logs shall be maintained for each Supervisory Appraiser, if applicable.
- F. Supervisory Appraisers shall be required to complete a course that, at a minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course is to be completed by the Supervisory Appraiser prior to supervising a Trainee Appraiser. Please refer to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline in this booklet for more information.

# REAL PROPERTY APPRAISER CLASSIFICATIONS

## TRAINEE REAL PROPERTY APPRAISER

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

### I. General

- A. The Trainee Appraiser classification is intended to incorporate any documented non-certified/non-licensed real property appraisers who are subject to the *Real Property Appraiser Qualification Criteria*. Recognizing that individual credentialing jurisdictions may use different terminologies, “Trainee Appraisers” include, but are not limited to: registered appraisers, apprentice appraisers, provisional appraisers, or other similar designations created by state appraiser regulatory agencies.
- B. The scope of practice for the Trainee Appraiser classification is the appraisal of those properties which the state-certified Supervisory Appraiser is permitted by his/her current credential and that the Supervisory Appraiser is competent to appraise.
- C. The Trainee Appraiser, as well as the Supervisory Appraiser, shall be entitled to obtain copies of appraisal reports and/or permitted appropriate access and retrieval arrangements for all workfiles for appraisals in which he or she participated, in accordance with the RECORD KEEPING RULE of USPAP.
- D. All Trainee Appraisers must comply with the COMPETENCY RULE of USPAP for all assignments.

### II. Examination

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

### III. Qualifying Education

- A. As the prerequisite for application, an applicant must have completed seventy-five (75) hours of qualifying education as specified in the *Required Core Curriculum*. Additionally, applicants must pass the course examinations and pass the *15-Hour National USPAP Course* (or its AQB-approved equivalent) and examination as part of the 75 hours. All qualifying education must be completed within the five (5) year period immediately preceding the date of application for a Trainee Appraiser credential.
- B. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential satisfy the educational requirements for the Trainee Appraiser credential.

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

#### **IV. Experience**

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

#### **V. Training**

- A. The Trainee Appraiser shall be subject to direct control and supervision by a Supervisory Appraiser in good standing, who shall be state certified. A Trainee Appraiser is permitted to have more than one Supervisory Appraiser.
- B. The Supervisory Appraiser shall be responsible for the training, guidance, and direct control and supervision of the Trainee Appraiser by:
  1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;
  2. Reviewing and signing the Trainee Appraiser appraisal report(s); and
  3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.
- C. The Trainee Appraiser is permitted to have more than one Supervisory Appraiser, but a Supervisory Appraiser may not supervise more than three (3) Trainee Appraisers, at one time, unless a program in the state appraiser regulatory jurisdiction provides for progress monitoring, supervising certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.
- D. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Trainee Appraiser. It is the responsibility of both the Supervisory Appraiser and the Trainee Appraiser to ensure the appraisal experience log is accurate, current, and complies with the requirements of the Trainee Appraiser's credentialing jurisdiction. At a minimum, the appraisal log requirements shall include:
  1. Type of property;
  2. Date of report;
  3. Address of appraised property;
  4. Description of work performed by the Trainee Appraiser and scope of the review and supervision of the Supervisory Appraiser;
  5. Number of actual work hours by the Trainee Appraiser on the assignment; and
  6. The signature and state certification number of the Supervisory Appraiser. Separate appraisal logs shall be maintained for each Supervisory Appraiser, if applicable.
- E. Supervisory Appraisers shall be state certified and in good standing for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers do not need to be state certified and in good standing **in the jurisdiction** in which the Trainee Appraiser practices **for any specific minimum period of time**. Supervisory Appraisers shall not have been subject to any disciplinary action—within any jurisdiction—within the last three (3) years that affected the Supervisory Appraiser's legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in “good standing” three (3) years after the successful completion/termination of the sanction imposed against the appraiser.
- F. Trainee Appraisers shall be required to complete a course that, at minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course must be completed by the Trainee Appraiser prior to obtaining a Trainee Appraiser credential from the individual credentialing jurisdiction. Further, the Trainee Appraiser course is not eligible towards the 75 hours of qualifying education required. Please refer to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline in this booklet for more information.

# LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

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

## I. General

- A. The Licensed Residential Real Property Appraiser classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than \$1,000,000, and complex one-to-four residential units having a transaction value less than \$400,000.
- B. Complex one-to-four unit residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical.
- C. For non-federally related transaction appraisals, transaction value shall mean market value.
  - 1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units, or for which the highest and best use is for one-to-four residential units.
  - 2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.
- D. All Licensed Residential Real Property Appraisers must comply with the COMPETENCY RULE of USPAP.

## II. Examination

- A. The AQB-approved Licensed Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Licensed Residential examination is the successful completion of the Certified Residential or Certified General examination.
- B. The prerequisites for taking the AQB-approved examination are completion of:
  - 1. One hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum*; and
  - 2. One thousand (1,000) hours of qualifying experience in no fewer than six (6) months.

## III. Qualifying Education

- A. The Licensed Residential Real Property Appraiser classification requires completion of one hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum*. As part of the 150 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and successfully pass the examination. There is no alternative to successful completion of the USPAP Course and examination.
- B. Appraisers holding a valid **Trainee Appraiser** credential may satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential by successfully completing the following additional educational hours:
 

1. Residential Market Analysis and Highest and Best Use	15 Hours
2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
3. Residential Sales Comparison and Income Approaches	30 Hours
4. Residential Report Writing and Case Studies	15 Hours
<b>TOTAL 75 Hours</b>	
- C. Appraisers holding a valid **Certified Residential Real Property Appraiser** credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.
- D. Appraisers holding a valid **Certified General Real Property Appraiser** credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.

## IV. Experience:

One thousand (1,000) hours of experience are required to be obtained in no fewer than six (6) months.

# CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

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

## I. General

- A. The Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.
  - 1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units purposes or for which the highest and best use is for one-to-four residential units.
  - 2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.
- B. All Certified Residential appraisers must comply with the COMPETENCY RULE of USPAP.

## II. Examination

- A. The AQB-approved Certified Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Certified Residential examination is the successful completion of the Certified General examination.
- B. The prerequisites for taking the AQB-approved examination are completion of:
  - 1. Two hundred (200) creditable class hours as specified in the *Required Core Curriculum*;
  - 2. Completion of the requirements specified in Section III.B. or III.C., "Qualifying Education"; and
  - 3. One thousand five hundred (1,500) hours of qualifying experience obtained in no fewer than twelve (12) months.

## III. Qualifying Education

- A. All college-level education must be obtained from a degree-granting institution by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education.

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

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

- B. Applicants for the Certified Residential credential must satisfy at least one of the following five options (III.B.1., III.B.2., III.B.3., III.B.4., or III.B.5.):
  - 1. Possession of a Bachelor's Degree in any field of study;
  - 2. Possession of an Associate's Degree in a field of study related to:
    - a. Business Administration;
    - b. Accounting;
    - c. Finance;
    - d. Economics; or
    - e. Real Estate

3. Successful completion of 30 semester hours of college-level courses that cover each of the following specific topic areas and hours:
  - a. English Composition (3 semester hours);
  - b. Microeconomics (3 semester hours);
  - c. Macroeconomics (3 semester hours);
  - d. Finance (3 semester hours);
  - e. Algebra, Geometry, or higher mathematics (3 semester hours);
  - f. Statistics (3 semester hours);
  - g. Computer Science (3 semester hours);
  - h. Business or Real Estate Law (3 semester hours); and
  - i. Two elective courses in any of the topics listed above or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each).
4. Successful completion of at least 30 semester hours of College Level Examination Program® (CLEP®) examinations from each of the following subject matter areas:
  - a. College Algebra (3 semester hours);
  - b. College Composition (6 semester hours);
  - c. College Composition Modular (3 semester hours);
  - d. College Mathematics (6 semester hours);
  - e. Principles of Macroeconomics (3 semester hours);
  - f. Principles of Microeconomics (3 semester hours);
  - g. Introductory Business Law (3 semester hours); and
  - h. Information Systems (3 semester hours).
5. Any combination of III.B.3 and III.B.4 above that ensures coverage of all topics and hours identified in III.B.3.

C. As an alternative to the requirements in Section III.B. above, individuals who have held a Licensed Residential credential for a minimum of five (5) years may qualify for a Certified Residential credential by satisfying all of the following:

1. No record of any adverse, final, and non-appealable disciplinary action affecting the Licensed Residential appraiser's legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential;
2. Successful completion of the additional required qualifying education as specified in Section III.F. below;
3. Successful completion of the required experience as specified in Section IV below; and
4. Successful completion of the Certified Residential Real Property Appraiser examination as specified in Section II above.

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

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

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

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

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

- G. Appraisers holding a valid **Trainee Appraiser** credential wishing to change to the Certified Residential Real Property Appraiser classification must also satisfy the college-level education requirement as specified in III.B.
- H. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential wishing to change to the Certified Residential Real Property Appraiser classification who do not meet the requirements outlined in Section III.C. must also satisfy the college-level education requirements as specified in Section III.B.
- I. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential wishing to change to the Certified Residential Real Property Appraiser classification who meet the requirements outlined in Section III.C. do not need to satisfy college-level education requirements as specified in Section III.B.
- J. Appraisers holding a valid **Certified General Real Property Appraiser** credential satisfy the educational requirements for the Certified Residential Real Property Appraiser credential.

**IV. Experience:**

One thousand five hundred (1,500) hours of experience are required to be obtained during no fewer than twelve (12) months. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

# CERTIFIED GENERAL REAL PROPERTY APPRAISER

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

## I. General

- A. The Certified General Real Property Appraiser classification qualifies the appraiser to appraise all types of real property.
- B. All Certified General appraisers must comply with the COMPETENCY RULE of USPAP.

## II. Examination

- A. The AQB-approved Certified General Real Property Appraiser examination must be successfully completed. There is no alternative to successful completion of the exam.
- B. The prerequisites for taking the AQB-approved examination are completion of:
  1. Three hundred (300) creditable class hours as specified in the *Required Core Curriculum*; and
  2. Completion of the college-level education requirements specified in III.A. "Qualifying Education"; and
  3. Three thousand (3,000) hours of qualifying experience obtained in no fewer than eighteen (18) months, where a minimum of one thousand five hundred (1,500) hours must be obtained in non-residential appraisal work.

## III. Qualifying Education

- A. Applicants for the Certified General credential must hold a Bachelor's degree or higher from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education. Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:
  - An accredited, degree-granting domestic college or university;
  - A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
  - A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.
- B. The Certified General Real Property Appraiser classification requires completion of three hundred (300) creditable class hours as specified in the *Required Core Curriculum*. As part of the 300 required hours, the applicant shall complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination.
- C. Applicants must demonstrate that their education includes the core courses listed in these *Criteria*, with particular emphasis on non-residential properties. Residential is defined as "composed of one-to-four residential units."

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

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

**TOTAL** **225 Hours**

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

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

**TOTAL** **150 Hours**

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

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

**TOTAL** **100 Hours**

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

#### IV. Experience

Three thousand (3,000) hours of experience are required to be obtained during no fewer than eighteen (18) months. One thousand five hundred (1,500) hours must be in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

# REQUIRED CORE CURRICULUM

TRAINEE APPRAISER	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)	15 HOURS
<b>TOTAL</b>	<b>75 HOURS</b>

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

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

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

# SUPERVISORY APPRAISER / TRAINEE APPRAISER COURSE OBJECTIVES AND OUTLINE

## COURSE OBJECTIVES

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

### **Supervisory Appraiser Objectives**

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

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

### **Trainee Appraiser Objectives**

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

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

## COURSE CONTENT OUTLINE

Education developers must include the topics contained in the following outline when creating course content:

### **I. Table of Contents**

### **II. Course Introduction and Overview**

### **III. Qualification and Credentialing Entities**

#### **A. The Appraisal Foundation**

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

#### **B. The Appraiser Qualifications Board (AQB)**

1. Overview of the role of the AQB in establishing qualifications for real property appraisers

- C. Individual State or Territory Credentialing Authorities
  - 1. Overview of a jurisdiction's role in issuing appraiser credentials and disciplining appraisers
  - 2. Specific information regarding the regulatory structure of the individual jurisdiction (optional)
- D. Professional Appraiser Organizations
  - 1. Overview of the role of professional appraiser organizations
  - 2. Explain difference between required regulatory state appraiser credentials and "voluntary" professional appraiser organization designations

#### **IV. Qualifications for Appraiser Credentials**

- A. AQB Qualifications
  - 1. Overview of the AQB minimum qualifications for real property appraisers, including the education, experience, and examination requirements for the following categories:
    - a. Trainee Appraiser
    - b. Licensed Residential
    - c. Certified Residential
    - d. Certified General
  - 2. Overview of Supervisory Appraiser Qualifications
    - a. AQB minimum qualifications
    - b. Discussion noting individual credentialing jurisdictions could have qualifications that may exceed AQB minimum qualifications
- B. Individual Jurisdiction Qualifications
  - 1. Overview explaining how AQB sets minimum qualifications, but states may have qualifications that exceed AQB *Criteria*
  - 2. Outline and explain the specific steps/requirements to becoming licensed or certified in the particular jurisdiction in which the course is being provided

#### **V. Overview of USPAP**

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

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

#### **VI. Overview of Supervisory Appraiser Expectations and Responsibilities**

- A. The course material must include a presentation of the requirements, expectations, and responsibilities of the Supervisory Appraiser. At a minimum, the course materials must include the expectations and responsibilities of the Supervisory Appraiser to:
  - 1. Provide the Trainee Appraiser with a basic understanding of USPAP requirements
  - 2. Understand the AQB minimum requirements of both the Supervisory Appraiser and Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the *Criteria*
  - 3. Provide proper guidance to the Trainee Appraiser when he or she selects a specific credentialing path (i.e., Licensed Residential, Certified Residential, or Certified General)
  - 4. Monitor the Trainee Appraiser's progress in satisfying both the education and experience requirements necessary to achieve his or her selected credentialing path
  - 5. Verify that the Supervisory Appraiser and Trainee Appraiser are properly documenting all appropriate experience logs

6. Accompany the Trainee Appraiser on all inspections until the Trainee Appraiser is competent to conduct inspections independently and has met all specific requirements pertaining to property inspection established by the credentialing jurisdiction
7. Monitor and provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value
8. Verify that the Trainee Appraiser is properly identified and acknowledged in the appraisal report in compliance with USPAP requirements
9. Immediately notify the Trainee Appraiser if the Supervisory Appraiser is no longer qualified to supervise and/or sign the Trainee Appraiser's experience log

## **VII. Overview of Trainee Appraiser Expectations and Responsibilities**

- A. The course material must include a presentation of the requirements, expectations, and responsibilities of the Trainee Appraiser. At a minimum, the course materials must include the expectations and responsibilities of the Trainee Appraiser to understand:
  1. The AQB minimum requirements to become a Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the *Criteria*
  2. The importance of selecting an appropriate Supervisory Appraiser. Points covered shall include:
    - a. The Supervisory Appraiser-Trainee Appraiser relationship is a long-term commitment by both parties
    - b. The Trainee Appraiser is inherently connected to the "good standing" of the Supervisory Appraiser
    - c. The importance of selecting a Supervisory Appraiser with the experience and competency that best matches the Trainee Appraiser's selected credentialing path
    - d. Options for the Trainee Appraiser if a Supervisory Appraiser is no longer qualified to serve as a Supervisory Appraiser
  3. How to determine if an appraiser is qualified and in good standing to be a Supervisory Appraiser by searching the Appraisal Subcommittee (ASC) National Registry and/or jurisdictional websites
  4. It is the Supervisory Appraiser's responsibility to monitor the progression of the Trainee Appraiser's education and experience necessary to achieve the Trainee Appraiser's selected credentialing path
  5. It is the Supervisory Appraiser's responsibility to provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value
  6. The responsibilities of both the Trainee Appraiser and the Supervisory Appraiser in properly documenting all appropriate Trainee Appraiser's experience logs
  7. The Supervisory Appraiser must accompany the Trainee Appraiser on all inspections until he or she is competent to conduct inspections independently, and has met all requirements pertaining to property inspection established by the credentialing jurisdiction

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

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

## **IX. Summary/Quiz (optional)**

## **X. Definitions**

- A. Provide glossary of definitions utilized throughout the course

# PRACTICAL APPLICATIONS OF REAL ESTATE APPRAISAL (PAREA)

The goal of the following is to outline necessary Content Criteria that must be included in the development of exercises, examples, simulations, case studies, and applications as are appropriate to recreate the practical experience expected to be gained by an appraiser seeking a license credential. At least 3 USPAP compliant appraisal reports will be developed in the PAREA program for each licensing category. At a minimum, development and reporting of appraisals for single unit residences, 2-4 unit, and condominium units are essential.

## MINIMUM CONTENT REQUIREMENTS – LICENSED RESIDENTIAL CLASSIFICATION

### I. **Introduction**

#### A. **General Considerations and Responsibilities**

1. Discuss respecting the public trust
2. Review and comment on appraiser independence
3. Review and comment on the responsibilities to clients regarding reconsideration of value requests and other communication

#### B. **Appraisal Software and Tools**

1. Overview of software options (vendors) and common forms
2. Overview of Common tools: measuring devices, cameras, etc.

### II. **Problem Identification**

#### A. **Understanding Assignment Parameters**

1. Perform initial review of order/engagement letter, determine authoritative lines of communication. Provide interactive exercises in extracting key information from engagement letter.

#### B. **Understanding Assignment Elements and Competency Issues**

1. Examine appraisal request and other documents provided (e.g. title reports, surveys, purchase contract) to determine key assignment elements (Standards Rule 1-2(a)–Standards Rule 1-2(d), and the SCOPE OF WORK RULE), and/or contractual obligations. Determine relevant appraisal assignment conditions. Understanding common client, intended use, intended users, engagement letter terms, various assignment types, basis for assignment conditions, extraordinary assumptions, and hypothetical conditions (e.g., FHA, VA, USDA, etc.).
2. Provide exercises for defining the problem. The goal is for participant to establish appropriate steps in appraisal process.
3. Exercises should contain overlays introducing key engagement items that could affect scope of work
4. Ensure that exercises demonstrate impact on both assignment conditions and elements.
5. Include exercises where an appraiser can identify during problem definition process the existence of possible extraordinary assumptions and/or hypothetical conditions.
6. Demonstrate how competency issues are identified and will be resolved.

#### C. **Market, Neighborhood, and Subject Property Research**

1. Utilize preliminary online/archival research to gain basic market area and subject property information.
2. Develop the general area and neighborhood market analysis.
  - a. Overview of available data sources for market area information.

3. Retrieval/analysis of preliminary information necessary for understanding subject site and improvements.
4. Review of public record information including site and improvement information.
5. Utilization of MLS/online sites as a verification source.
6. Based on information gathered above, develop and explain key relevant property characteristics (Standards Rule 1-2(e)).

**D. Obtaining Preliminary Subject Property Information**

1. Simulate setting the inspection appointment with related requests/requirements.
2. Determine how you will verify individual providing access.
3. Review of inspections and reports provided by others and discuss their application and disclosure in the assignment.

**III. Review Sections I and II with Mentor**

- A. Ensure the problem identification process was performed properly leading to an appropriate scope of work.**
- B. Review research performed to evaluate suitability and that the quantity of information will be satisfactory for later development and analysis.**

**IV. Property Identification and Inspection along with Initial Site Identification**

- A. Research available information sources including public records.**
- B. Zoning, general plan information**
  1. Identify where to locate all sources of information
  2. Verification of revisions to zoning/general plan
  3. Variances, use restrictions
- C. Environmental issues, flood zone/earthquake information. Identify and explain unusual issues**
  1. Location of relevant research information
  2. Communicate any unusual findings to the client to confirm whether assignment is to be completed

**V. Verification of Neighborhood and Market Area**

- A. Conduct virtual inspection/review of subject's market area**
- B. Explain various influences**
- C. Identify and explain trends/characteristics in the defined neighborhood and market area**

**VI. Subject Site Inspection**

- A. Verify similarity to plat, observation of site utility, its surrounding influences, and possible conditions that could impact value or marketability**
- B. Analysis of site improvements and useable site area.**
  1. Determine and explain how useable site area relates to surrounding properties
- C. Identify and discuss various site amenities. Include exercises that include various levels of impact on value**

**VII. Subject Property Improvements Inspection**

- A. Overview**
  1. Types/quality of construction
  2. Floor plan issues, determination of room counts
  3. Observable condition factors and description of upgrades
  4. Recognition of potential/existing adverse influences
- B. Conduct a virtual physical inspection to determine relevant physical characteristics**
- C. Provide a thorough description of improvements**

**VIII. Measuring the Subject Property Improvements**

- A. Exercises to include methods and ultimately determination of:**
  1. Basements

2. Stairways & vaulted ceiling areas
3. Below grade living area (split level)
4. Accessory dwelling units, outbuildings, etc.
5. Awareness of special assignment conditions
6. Common rounding practices

B. Include virtual exercises in measuring subject properties

C. Other sources for obtaining GLA

#### **IX. Sketch Completion**

A. Include sketch completion exercises

B. Exercises must include final GLA determination (what areas should be extracted from GLA)

#### **X. Review Sections IV thru IX with Mentor**

A. Ensure all elements of inspection process have been performed properly, including neighborhood, site, and improvements

#### **XI. Market Analysis/ Highest and Best Use**

A. Highest and Best Use

1. Overview of pertinent data, including current/proposed/potential alternative use and communication of highest and best use

B. Performing Neighborhood and Market Research

1. Identify the market area boundaries, physical characteristics, and specific property location relevant to the analysis of the subject property.
2. Identify the trends and characteristics in the defined neighborhood and market area

#### **XII. Review Section XI with Mentor**

A. Ensure key analytical issues related to market conditions and highest and best use are effectively addressed

#### **XIII. Process of Sales Analysis**

A. Identify the best sources of sales data for use in case studies including:

1. MLS
2. City/County (public) transfer records
  - a. How to verify
3. Data providers
4. Appraiser office files
  - a. Confidentiality concerns
5. Real estate agents/brokers
  - a. How to verify

B. Select the same or similar property types, uses, and characteristics.

1. Identify elements of comparison
2. Develop exercises for various property types

C. Identify all relevant current listings, expired listings, withdrawn listings, offers (if available), FSBO, closed sales, and pending sales

#### **XIV. Review Section XIII with Mentor**

A. Ensure all necessary steps in highest and best use analysis and market analysis were performed properly. Review data source material to assure sufficient information has been identified for further application.

#### **XV. Valuation Approaches and Techniques**

A. Consider each approach to value and explain the appropriateness based on the intended use of the assignment. Select the data considered most meaningful and relevant.

B. Sales Comparison Approach

1. Analyze quality and quantity of data

- a. Identify relevant units of comparison
- b. Data and information collected must be analyzed for comparability and consistency
- 2. Select the sales that are considered the most appropriate for subject property comparability (demonstrate the process)
  - a. Identify and apply appropriate adjustments to comparable transactions based on differences to the subject property. Demonstrate applicable tools and methods, including:
    - 1. Paired sales analysis
    - 2. Statistical and other graphic analysis
  - 3. Trend analysis
  - 4. Qualitative differences, including:
    - a. Relative comparison analysis
    - b. Ranking analysis
  - 5. Discuss and reconcile key elements developed in the sales comparison approach

#### **C. Cost Approach**

- 1. Develop site value of the subject as vacant using recognized methods or techniques
  - a. Include contributory value of site improvement
- 2. Discuss use of replacement or reproduction cost
  - a. Develop supportive data for the cost calculations
  - b. Calculate cost new for the improvements
  - c. Calculate depreciation (demonstrate and apply types, consider market trends)
  - d. Discuss and reconcile key elements developed in the cost approach

#### **D. Income Approach**

- 1. Collection and verification of pertinent rental data (actual vs. contract)
- 2. Determine appropriate GRM (Gross Rent Multiplier)
- 3. Discuss and reconcile key elements developed in the income approach

### **XVI. Review Section XV with Mentor**

- A. Ensure all approaches to value were adequately considered and completed in supportable fashion (including cost and/or income approaches if performed)**

### **XVII. Final Reconciliation**

- A. Analyze and discuss accuracy and sufficiency of data**
- B. Analyze and discuss strengths and weaknesses of each approach to value and their applicability to the subject property**
- C. Analyze and discuss consistency of data and development**
- D. Analyze and discuss the quality and quantity of data**
- E. Review calculations**
- F. Develop the final opinion of value along with the rationale for your conclusions**

### **XVIII. Review Section XVII with Mentor**

- A. Ensure final reconciliation was performed properly and determine appropriate reporting**

### **XIX. Appraisal Report Development/Delivery**

- A. Report Development**
  - 1. Standards Rule 2-1 minimum standard (not misleading, sufficient, assumptions, etc.)
    - a. Ability to describe the subject property and comparable properties used in the analysis (ensure compliance with STANDARD 2)
      - 1. Technical terms
      - 2. Common industry phrases and descriptors
      - 3. Fair lending do's and don'ts
      - 4. Identify relevant information using industry typical approaches and technologies
    - b. Ability to describe a market area and a neighborhood (same subset as above)

- c. Report format
  - 1. Comply with all applicable assignment elements and conditions
  - 2. Awareness and compliance with state regulatory requirements
  - 3. Describe scope of work
  - 4. Ensure applicable appropriate addenda, exhibits, photos, etc. are included
  - 5. Understand adequacy/relevance/integrity of photos, maps, and exhibits – how/where to upload in a report
- d. Certification
  - 1. Ensure familiarity with pre-printed content and applicability.
  - 2. Develop exercises on completion of workfile documents
  - 3. Demonstrate an ability to store and compile documents

## XX. Review Section XIX with Mentor

- A. Ensure that the key components of an appraisal report and report format are appropriate for assignment(s)

## XXI. Communication of Assignment Results

- A. Adequacy and relevance of information
  - 1. USPAP compliance
  - 2. Assignment conditions
- B. Understand common Client-specific requirements – additional comparable sales, inclusion of active listings in the report, supplemental exhibits, etc.
  - 1. Demonstrate the ability to meet client expectations conveyed through the engagement letter or other instruction methods
  - 2. Adequate support for analysis
- C. Explain and support rationale for excluding any of the traditional approaches
  - 1. Explain and support reconciliation
  - 2. Explain all assumptions
- D. Explain and support all extraordinary assumptions and hypothetical conditions (state their use may have effect on assignment results)

## XXII. Review Section XXI with Mentor

- A. Ensure understanding of effective appraisal report presentation and required content
- B. Ensure compliance with Standards Rule 2-2

# MINIMUM CONTENT REQUIREMENTS – CERTIFIED RESIDENTIAL CLASSIFICATION

## I. Problem Identification

- A. Relevant Scope of Work and Competency Issues Involved
  - 1. Develop exercises on how competency issues will be resolved.
  - 2. Conduct a preliminary analysis to ensure an appropriate Scope of Work

## II. Review Section I with Mentor

- A. Ensure understanding of how issues uncovered during property identification process relate to complexity. Also, focus on complex ownership issues

## III. Positive or Negative Locational Influences

- A. Recognize Population/Employment Trends
- B. Determine and discuss relationships between employment, population, and residential units (Single Unit Residential vs. 2-4 Unit Residential) over time

## IV. Residential Market Analysis/Highest and Best Use

- A. Market Analysis Issues Related to Highest and Best Use for Complex Properties

- B. Special Assessments

**V. Review Sections III and IV with Mentor**

- A. Ensure key analytical issues related to market conditions and highest and best use are effectively addressed.

**VI. Physical Characteristics of Complex Properties – identify and discuss**

- A. Unique Design Features
- B. High Quality/Amenity Properties
- C. Over-improvements
- D. Physical Deficiencies of Improvements
- E. Functional Inadequate and Super Adequate Impact

**VII. Vacant Sites (Including View Amenities, Surplus Land)**

- A. Develop exercises that contain issues covered under Site and Cost Approaches

**VIII. Use of Key Statistical Concepts**

- A. Develop appropriate statistical tools to be used in development of opinion of value
- B. Explain and support their application

**IX. Key Market Driving Influences**

- A. Determine most appropriate units of comparison (market drivers)
- B. Identify market preferences for characteristics and amenities (e.g., parking, # beds, # baths, GLA)

**X. Review Sections VI thru IX with Mentor**

- A. Ensure key analytical issues related to market conditions and highest and best use are effectively addressed
- B. Confirm appropriate items have been identified and analyzed for proper application in determination of opinion of value

**XI. Site Valuation and Cost Approaches**

- A. Site Valuation
  - 1. Extract comparable land/site sales data that will adequately support adjustments for contributing value of unique attributes associated with complex vacant sites (view, entitlements, amenities, surplus/excess land)
- B. Develop a supportable Land/Site Valuation - using the following methods:
  - 1. Allocation
  - 2. Market extraction
  - 3. Ground rent capitalization
  - 4. Land residual method; and
  - 5. Sales comparison
- C. Construction Costs
  - 1. Exercises related to high amenity structures
  - 2. Discuss local cost influences
- D. Functional Obsolescence
  - 1. Distinguish between curable and incurable forms
  - 2. Analyze and support conclusions on obsolescence, including lack thereof, associated with complex properties
- E. External Obsolescence
  - 1. Analyze and support conclusions on obsolescence, including lack thereof, associated with complex properties

**XII. Review Section XI with Mentor**

A. Ensure the Cost Approach has been performed properly.

**XIII. Sales Comparison Approach****A. Sales Concessions**

1. Is the subject property subject to sales concessions?
2. Identify and discuss application (or not) of any sales concessions in comparable data based on market norms
3. Cash equivalency related to financing terms

**B. Identifying and Applying Atypical Adjustments – develop support related to the following:**

1. High amenity custom quality adjustments
2. Site adjustments
3. Adjustment support/matched pairs, statistical methods
4. Adjustment support for unique one-off property sales including those with Accessory Dwelling Units

**XIV. Review Section XIII with Mentor**

A. Ensure the sales comparison approach has been performed properly.

**XV. Income Approach****A. 1-4 Unit Appraisals**

1. Perform collection of comparable rent data
2. Complex rental adjustments
3. Understand and apply impact of complex amenities
4. Factor for Expense allocations between comparable transactions

**B. Unique 2-4 unit assignments – discuss the following:**

1. Location premiums within PUD/condo
2. Impact of rent control or subsidies
3. Student housing
4. Seasonal and short-term rentals

**C. GRM analysis**

1. Non-market rent impact on GRM
2. Perform reconciliation of GRM indicators

**XVI. Review Section XV with Mentor**

A. Review the Income approach to value and ensure proper analysis and support for conclusions

**XVII. Writing and Reasoning Skills****A. Data Presentation**

1. Develop presentation of data in tables, charts, and graphs as appropriate
2. Express succinct narrative using active voice, direct statements, shorter words, shorter paragraphs and placing the bottom-line up front
3. Underscore proper and understandable use of English
  - a. Have another proofread whenever possible

**B. Discussion of Approaches to Value**

1. Adjust depth of discussion to the intended user(s)

**C. Support for Conclusions**

1. Clearly state conclusions throughout the report. Each conclusion requires credible support and logical reconciliation

**D. Summary of Data and Reconciliation of Value Approaches**

1. Summarize the quantity, quality, reliability, and relevance of data available for application in each approach performed. The reconciliation and final value opinion must be consistent with the conclusions of this summary regarding the most germane approach to value

**XVIII. Review Section XVII with Mentor**

A. Ensure understanding of effective appraisal report presentation and required content

B. Ensure compliance with Standards Rule 2-2

# APPENDIX

## GUIDE NOTES

# GUIDE NOTES

## AQB GUIDE NOTE 1 (GN-1)

### AQB GUIDANCE FOR REQUIRED CORE CURRICULUM CONTENT

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

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

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

- A. Real Property Concepts and Characteristics
  - 1. Basic Real Property Concepts
  - 2. Real Property Characteristics
  - 3. Legal Description
- B. Legal Considerations
  - 1. Forms of Ownership
  - 2. Public and Private Controls
  - 3. Real Estate Contracts
  - 4. Leases
- C. Influences on Real Estate Values
  - 1. Governmental
  - 2. Economic
  - 3. Social
  - 4. Environmental, Geographic, and Physical
- D. Types of Value
  - 1. Market Value
  - 2. Other Value Types

E. Economic Principles
 

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

F. Overview of Real Estate Markets and Analysis
 

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

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

H. Valuation Bias, Fair Housing, and/or Equal Opportunity

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

- A. Overview of Approaches to Value

- B. Valuation Procedures
  - 1. Defining the Problem
  - 2. Collecting and Selecting Data
  - 3. Analyzing
  - 4. Reconciling and Final Value Opinion
  - 5. Communicating the Appraisal
- C. Property Description
  - 1. Geographic Characteristics of the Land/Site
  - 2. Geologic Characteristics of the Land/Site
  - 3. Location and Neighborhood Characteristics
  - 4. Land/Site Considerations for Highest and Best Use
  - 5. Improvements - Architectural Styles and Types of Construction
  - 6. Special Energy-Efficient Characteristics of the Improvements
- D. Residential or General Applications

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

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

- A. Residential Markets and Analysis
  - 1. Market Fundamentals, Characteristics, and Definitions
  - 2. Supply Analysis
  - 3. Demand Analysis
  - 4. Use of Market Analysis
- B. Highest and Best Use
  - 1. Test Constraints
  - 2. Application of Highest and Best Use
  - 3. Special Considerations
  - 4. Market Analysis
  - 5. Case Studies

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

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

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

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

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

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

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

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

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

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

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

- A. Real Estate Markets and Analysis
  - 1. Market Fundamentals, Characteristics, and Definitions

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

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

*30 HOURS*

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

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

*30 HOURS*

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

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

*60 HOURS*

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

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

*30 HOURS*

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

# AQB GUIDE NOTE 2 (GN-2)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

RETIRED, OCTOBER 2005

# AQB GUIDE NOTE 3 (GN-3)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

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

With respect to the *Real Property Appraiser Qualification Criteria* for the Licensed Residential and Certified Residential classifications:

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

# AQB GUIDE NOTE 4 (GN-4)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

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

Under “Criteria Applicable to All Appraiser Classifications” in the *Real Property Appraiser Qualification Criteria*, Section V Generic Experience Criteria, Paragraphs D and E, read as follows:

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

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

1. General Practicum Course Guidelines
  - a. The time period for any non-residential practicum course should be consistent with the type and complexity of the assignment.
  - b. The time period for a residential practicum course should be consistent with the type and complexity of the assignment.
  - c. Practicum courses that cover multiple property types should allocate appropriate times for each assignment and subject properties should be significantly different from one another to provide appropriate training.
  - d. The maximum number of students per course should be consistent with best practices for proper student/instructor ratios.
  - e. In order for this type of experience to be compliant with USPAP, the student/appraiser must list the course provider for the practicum course as the client and the intended user.
  - f. The intended use of the report should be indicated as, “For experience credit.”
2. Appraisal Assignment Guidelines
  - a. The appraisal should employ all of the approaches to value applicable to the assignment.
  - b. Property types and complexity should be those typically encountered by an appraiser seeking experience within the specified credential category.

- c. The appraisal should indicate the intended user and intended use and should solve typical appraisal problems – e.g., mortgage assignments, tax appeals, estates, etc.
- d. There should be an identifiable subject property and the student should inspect it.
- e. The actual subject property may change from time to time, but the property type should remain the same.
- f. All comparable data researched, analyzed, and used in the assignment should be actual and identifiable market data.
- g. All comparables utilized should be verified with at least one market participant of the sale/rent – e.g., buyer, seller, or broker – and the student should also inspect the exterior of each comparable utilized.
- h. The final assignment should be communicated in compliance with the Appraisal Report option of STANDARD 2 of USPAP.
- i. The final reports should be maintained by the student according to the Record Keeping section of the ETHICS RULE of USPAP.
- j. The practicum course should result in an appraisal and appraisal report completed in accordance with the current version of USPAP.

3. Instructor Guidelines

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

# AQB GUIDE NOTE 5 (GN-5)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

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

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

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

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

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

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

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

- Depending on the wording of the State law, this could mean that the appraiser from State A would have to conform to the current *Criteria* to obtain a credential from State B. Among other things, the appraiser would have to reconstruct his/her appraisal education, perhaps going back as much as 20 to 30 years. The State, then, would have to determine whether that education conformed to the current AQB *Criteria* as implemented by State law.
- Virtually all appraiser education obtained prior to 2008 was provided in what is considered the “integrated” approach. If State B does not accept integrated educational courses, the appraiser from State A would be required to obtain 300 hours of education acceptable under current *Criteria*, plus a college degree, to qualify for a Certified General credential in State B.

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

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

# AQB GUIDE NOTE 6 (GN-6)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

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

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

G. *The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:*

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

*(Bold added for emphasis)*

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

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

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

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

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

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

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

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

Date of Report	Property Address, City, State, Zip	Type of Property (SFR, Condo, 2-4 Units)	Description Of Applicant's Work Performed	Scope of Supervising Appraiser's Review	Scope of Supervising Appraiser's Supervision	Number of Actual Hours Worked By Applicant
8/14/09	200 S Broadway Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/sales comparison/income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in DCF analysis used in income approach, did not physically inspect subject property	40
1/10/10	300 Capitol Avenue Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/sales comparison/income approaches, final reconciliation	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	40
2/12/10	144 Elm Avenue Washington, DC 20005	Golf Course	Completed entire appraisal process	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal	Completed entire appraisal process	60

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Thomas D. Trainee  
Applicant/Trainee Appraiser

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Sally A. Supervisor  
Supervisory Appraiser

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State  
Certification No.

# AQB GUIDE NOTE 7 (GN-7)

THIS GUIDE NOTE RELATES TO DEGREE PROGRAMS IN REAL ESTATE REVIEWED BY THE AQB, AND THEIR APPLICABILITY TOWARDS THE QUALIFYING EDUCATION SPECIFIED IN THE REQUIRED CORE CURRICULUM.  
RETIRED, JANUARY 2015

# AQB GUIDE NOTE 8 (GN-8)

THIS GUIDE NOTE RELATES TO THE COLLEGE-LEVEL EDUCATIONAL REQUIREMENTS AS SPECIFIED IN THE  
REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2008.  
RETIRED, JANUARY 2015

# AQB GUIDE NOTE 9 (GN-9)

THIS GUIDE NOTE RELATES TO THE BACKGROUND CHECK REQUIREMENTS AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE ON JANUARY 1, 2017.

Under "Criteria Applicable to All Appraiser Classifications" in the *Real Property Appraiser Qualification Criteria*, Section VII. Background Checks, reads as follows:

*All applicants for a real property appraiser credential shall possess a background that would not call into question public trust.*

Some jurisdictions have been performing background checks since the implementation of real property appraiser credentialing, while others have not. This Guide Note is intended to provide additional guidance, in particular to those jurisdictions with little to no experience in evaluating an applicant's background as part of the applicant's overall fitness for licensure or certification.

## EXAMPLES OF ISSUES TO CONSIDER

Some of the types of background issues that state appraiser regulatory agencies might consider include, but are not limited to, applicants who have:

- (1) Had an appraiser license or certification revoked in any governmental jurisdiction.
- (2) Been convicted of, or pled guilty or *nolo contendere* to, a crime involving moral turpitude.
- (3) Been convicted of any crime *that is substantially related* to the qualifications, functions, or duties of the profession of real estate appraisal.
- (4) Performed any act, which if done by the holder of a real property appraiser credential, would be grounds for revocation or suspension of such a credential.
- (5) Knowingly made a false statement of material fact required to be disclosed in an application for any professional license or certification.
- (6) Been prohibited from participating in the affairs of an insured depository institution pursuant to Section 19(a) of the Federal Deposit Insurance Act (12 U.S.C. Section 1829).

## SUBSTANTIAL RELATIONSHIP

A crime or act may be deemed substantially related to the qualifications, functions, or duties of an appraiser if, to a substantial degree, it evidences present or potential unfitness of a person applying for or holding a real property appraiser credential to perform the functions authorized by the credential. Examples of the types of crimes or acts include, but are not limited to, the following:

- (1) Taking, appropriating, or retaining the funds or property of another.
- (2) Forging, counterfeiting, or altering any instrument affecting the rights or obligations of another.
- (3) Evasion of a lawful debt or obligation, including but not limited to tax obligations.
- (4) Traffic in any narcotic or controlled substance in violation of law.

- (5) Violation of a relation of trust or confidence.
- (6) Theft of personal property or funds.
- (7) Crimes or acts of violence or threatened violence against persons or property.
- (8) The commission of any crime or act punishable as a sexually related crime.
- (9) Misrepresentation of facts or information on the appraisal license or certification application.
- (10) Cheating on an examination for a real property appraiser credential.

## **REHABILITATION**

Upon a determination that an applicant's background is inconsistent with public trust, state appraiser regulatory agencies should consider all evidence related to the extent an applicant is rehabilitated, including testimony or other documentation demonstrating things such as:

- (1) The effect of the passage of time since the most recent act or crime.
- (2) Restitution by the applicant to any person who has suffered monetary losses.
- (3) Judicial relief from the consequences of criminal convictions resulting from immoral or antisocial acts, including but not limited to release from probation, finding of factual innocence, a completed program of diversion, or other comparable orders of a court.
- (4) Successful completion or early discharge from probation or parole.
- (5) Abstinence from the use of controlled substances or alcohol for not less than two years if the crime or offense is attributable in part to the use of controlled substances or alcohol.
- (6) Payment of any fine or other imposed monetary penalty.
- (7) Stability of family life and fulfillment of parental and familial responsibilities subsequent to the act or conviction.
- (8) Completion of, or sustained enrollment in, formal education or vocational training courses for economic self-improvement.
- (9) Discharge of, or bona fide efforts toward discharging adjudicated debts or monetary obligations to others.
- (10) Mitigating facts or circumstances that reasonably indicate that an applicant will perform appraisal-related activities honestly, fairly, and ethically.
- (11) Correction of business practices resulting in injury to others or with the potential to cause such injury.
- (12) Significant or conscientious involvement in community, church, or privately-sponsored programs designed to provide social benefits.
- (13) New and different social and business relationships from those that existed at the time of the act or crime.
- (14) Change in attitude from that which existed at the time of the act or crime, as evidenced by any or all of the following:
  - a) Testimony of applicant.
  - b) Evidence from family members, friends, or other persons familiar with applicant's previous conduct and his or her subsequent attitudes and behavioral patterns.
  - c) Evidence from probation or parole officers or law enforcement officials competent to testify as to applicant's social adjustments.

- d) Evidence from psychiatrists or other persons competent to testify with regard to psychiatric or emotional disturbances.

The above is intended to be illustrative, not exhaustive. State appraiser regulatory agencies, in performing their due diligence when examining an applicant's qualifications for a real property appraiser credential, may elect to include additional items not identified in this Guide Note. Likewise, state appraiser regulatory agencies may determine, based on their own experience and history, that some of the items identified in this Guide Note may not be applicable to an applicant seeking a real property appraiser credential in that jurisdiction.

# AQB GUIDE NOTE 10 (GN-10)

THIS GUIDE NOTE RELATES TO THE COLLEGE-LEVEL EDUCATION REQUIREMENTS FOR THE CERTIFIED RESIDENTIAL CLASSIFICATION AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE MAY 1, 2018.

Section III. B. 3. of the “Qualifying Education” requirements for the Certified Residential credential in the *Real Property Appraiser Qualification Criteria* states that Certified Residential applicants may obtain a credential by successfully completing 30 semester hours of college-level courses that cover each of the following topic areas and hours:

- a. English Composition (3 semester hours);
- b. Microeconomics (3 semester hours);
- c. Macroeconomics (3 semester hours);
- d. Finance (3 semester hours);
- e. Algebra, Geometry, or higher mathematics (3 semester hours);
- f. Statistics (3 semester hours);
- g. Computer Science (3 semester hours);
- h. Business or Real Estate Law (3 semester hours); and
- i. Two elective courses in any of the topics listed above or accounting, geography, agricultural economics, business management, or real estate (3 semester hours each).

The intent of this guidance is to assist regulatory agencies and applicants with determining which types of college-level courses may count toward these requirements. Although several course titles are provided as acceptable options, the content of the course is far more meaningful than the actual title. Therefore, there may be acceptable courses that contain similar content but do not have titles referenced in this Guide Note.

1. **English Composition** – *English Composition is the professional field of writing.*

Possible alternative course titles for this section include, but are not limited to: College Composition; Descriptive / Critical / Expository / Technical / Public / Business / Professional Writing; Foundations of the English Language; Writing Fiction; Writing Creative Non-Fiction; or Rhetoric and Writing.

2. **Microeconomics** – *The study of individuals, households, and firms' behavior in decision making and allocation of resources. It generally applies to markets of goods and services and deals with individual and economic issues.*

Most college-level education on this topic includes the word “microeconomics” in the course title.

3. **Macroeconomics** – *Studies of the behavior and performance of an economy as a whole. It focuses on the aggregate changes in the economy such as unemployment, growth rate, gross domestic product, and inflation.*

Most college-level education on this topic includes the word “macroeconomics” in the course title.

4. **Finance** – *The management of revenues; the conduct or transaction of money matters generally, especially those affecting the public, as in the fields of banking investment.*

Possible alternative course titles for this section include, but are not limited to: Corporate Finance; Introduction to Business; Financial Markets and Institutions; International Business Finance; Principles of Finance; or Real Estate Finance and Investment.

5. **Algebra, Geometry, or Higher Mathematics** – *Higher mathematics includes advanced portions of mathematics beyond ordinary arithmetic, geometry, and algebra.*

Possible alternative course titles for this section include, but are not limited to: Algebra; Applied Math; Calculus; Differential Equations; Finite Mathematics; Geometry; Logic; Precalculus; Probability and Statistics; or Trigonometry.

6. **Statistics** – *Branch of mathematics concerned with collection, classification, analysis, and interpretation of numerical facts, for drawing inferences based on their quantifiable likelihood (probability). Statistics can interpret aggregates of data too large to be intelligible by ordinary observation because such data (unlike individual quantities) tend to behave in a regular, predictable manner. It is subdivided into descriptive statistics and inferential statistics.*

Possible alternative course titles for this section include, but are not limited to: Applied Linear Models; Bayesian Theory and Data Analysis; Business Statistics; Exploratory Data Analysis; Introduction to Statistics; Multivariate Data Analysis; Non-Parametric Theory and Data Analysis; Probability Statistics; Sampling; Statistical Analysis; Statistical Reasoning; Statistical Methods; or Time Series Analysis.

7. **Computer Science** – *A branch of science that deals with the theory of computation or the design of computers.*

Possible alternative course titles for this section include, but are not limited to: The Computer Science Profession; Introduction to Computer Science / Computers / Information Technology / Programming / Software Systems / Software Development / Web Development; Data Management; Database Fundamentals; Integrated Computer Applications; Object Oriented Programming; or System Administration.

8. **Business or Real Estate Law** – *Business law, sometimes called mercantile law or commercial law, refers to the laws that govern the dealings between people and commercial matters. There are two distinct areas of business law: regulation of commercial entities through laws of partnership, company, bankruptcy, and agency; and regulation of the commercial transactions through the laws of contract. The course titles will typically include compliance, risk, legal framework, and writing contracts.*

*Real estate law is a branch of civil law that covers the right to possess, use, and enjoy land and the permanent man-made additions attached to it.*

Possible alternative course titles for this section include, but are not limited to: Business Law for Accountants; Corporate Law Compliance; Drafting Policies and Procedures; Enterprise Risk Management; Financial Ethics; Legal Aspects of Real Estate; The Legal Environment of Business; Business Organization Law; or Writing Contracts.

9. **Two elective courses in accounting, geography, agricultural economics, business management, or real estate.**

**Accounting** – *Accounting is the system of recording and summarizing business and financial transactions and analyzing, verifying, and reporting the results.*

Possible alternative course titles for this section include, but are not limited to: Accounting Principles; Financial Accounting; Financial Markets and Institutions; Managerial Accounting; or Real Estate Market Analysis.

**Geography** – *Geography is the study of the physical features of the earth and its atmosphere, and of human activity as it affects and is affected by these, including the distribution of populations and resources, land use, and industries.*

Possible alternative course titles for this section include, but are not limited to: GIS Data Capture; Introduction to Geographic Information; Physical Geography; or World / Regional Geography.

**Agricultural Economics** – An applied field of economics concerned with the application of economic theory in optimizing the production and distribution of food and fiber — a discipline known as agronomics.

Possible alternative course titles for this section include, but are not limited to: Agribusiness Management; Agricultural Management Principles; Concepts in Agricultural Economics; Issues in Agriculture; Microeconomic Concepts in Agricultural Economics; or Quantitative Methods and Price Analysis.

**Business Management** – *The activities associated with running a company, such as controlling, leading, monitoring, organizing, and planning.*

Possible alternative course titles for this section include, but are not limited to: Business Marketing; Human Resource Management; Organizational Behavior; or Operations Management.

**Real Estate** – *Real estate is the property, land, buildings, air rights above the land and underground rights below the land.*

Possible alternative course titles for this section include, but are not limited to: Commercial Lease Analysis; Fundamentals of Investment Analysis; Fundamentals of Real Estate Transactions; Managing Commercial Properties; Market Analysis; Real Estate Economics; Real Estate Finance; Real Estate Procedures; or Real Estate Studies.

# AQB GUIDE NOTE 11 (GN-11)

THIS GUIDE NOTE RELATES TO THE PRACTICAL APPLICATIONS OF REAL ESTATE APPRAISAL (PAREA) REQUIREMENTS AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE ON JANUARY 1, 2021.

## AQB GUIDANCE FOR DELIVERY METHODS AND TECHNIQUES IN PAREA TRAINING

Guide Note 11 (GN-11) contains guidance for the delivery of PAREA training. The suggested delivery methods and techniques follow each of the required content areas as identified in the PAREA section of the Criteria, and are abbreviated using the following legend:

Method	Abbreviation
Computer Based Learning	CBL
Video Gaming	VG
Video Tutorial	VT
Virtual Assistant	VA
Virtual Reality Training	VRT

These delivery methods and techniques may be amended from time-to-time to reflect changes in technology or required PAREA content.

## PRACTICAL APPLICATIONS OF REAL ESTATE APPRAISAL (PAREA)

The goal of the following is to suggest potential technologically based delivery methods that could be used in the development of exercises, examples, simulations, case studies, and applications as are appropriate to create practical experience expected to be gained by an appraiser seeking a license credential with respect to the content outline in Section 3. PAREA providers may utilize some, all or a combination of the well-established methods described above. Providers are encouraged to utilize a variety of methodologies to ensure a comprehensive experience resulting in participants having sufficient practical experience to enable success in obtaining an appraisal license or certification.

## MINIMUM CONTENT REQUIREMENTS – LICENSED RESIDENTIAL CLASSIFICATION

### I. Introduction

#### A. General Considerations and Responsibilities [CBL, VT]

1. Discuss respecting the public trust
2. Review and comment on Appraiser Independence Requirements
3. Review and comment on the responsibilities to clients regarding reconsideration of value requests and other communication

#### Methods and Techniques

- *Highlight USPAP considerations (e.g. improper influence, prior services) [VT, VG]*
- *Demonstrate Appraiser Independence Requirements (AIR) and other regulatory guidance, with examples of acceptance and unacceptable conditions [CBL, VT, VG]*

## B. Appraisal Basics - Software and Tools [CBL, VT, VRT]

1. Overview of software options (vendors) and common forms
2. Overview of Common tools: measuring devices, cameras, etc.

### Methods and Techniques

- Identify various appraisal-related technology tools [VT, VA]
- Introduce and demonstrate the use of appraisal software [VA, VG, CBL]
- Identify and demonstrate the use of various measuring tools [VA, VG, CBL]
- Require completion of training on a base level camera as well as instruction on camera etiquette – obtaining consent to photograph certain subjects, such as children, personal effects, etc. [VT, VA, VG]
- Develop challenges around Graham-Leach-Bliley Act, Privacy/Information Security [VT, VA, VG]

## II. Problem Identification

### A. Understanding Assignment Parameters [CBL, VG, VT, VA]

1. Perform initial review of order/engagement letter, determine authoritative lines of communication. Provide interactive exercises in extracting key information from engagement letter.

### B. Understanding Assignment Elements and Competency Issues [VG, VT, VA, VRT]

1. Examine appraisal request and other documents provided (e.g. title reports, surveys, purchase contract) to determine key assignment elements (Standards Rule 1-2(a)–Standards Rule 1-2(d), and the SCOPE OF WORK RULE), and/or contractual obligations. Determine relevant appraisal assignment conditions. Understanding client, intended use, intended users, engagement letter terms, various assignment types, basis for assignment conditions, extraordinary assumptions, and hypothetical conditions.
2. Provide exercises for defining the problem. Goal is for participant to establish appropriate steps in appraisal process.
3. Exercises should contain overlays introducing key engagement items that could affect scope of work.
4. Ensure that the exercise demonstrates impact on both assignment conditions and elements.
5. Include exercises where appraiser can identify during problem definition process the existence of possible extraordinary assumptions and/or hypothetical conditions.
6. Demonstrate how competency issues are identified and will be resolved.

### C. Market, Neighborhood, and Subject Property Research [CBL, VT, VA, VRT]

1. Utilize preliminary online/archival research to gain basic market area and subject property information.
2. Must develop the general area and neighborhood market analysis.
  - a. Overview of available data sources for market area information.
3. Retrieval/analysis of preliminary information necessary for understanding subject site and improvements.
4. Review of public record information including site and improvement information.
5. Utilization of MLS/online sites as a verification source.
6. Based on information gathered above, develop and explain key relevant property characteristics {Standards Rule 1-2(e)}.

### Methods and Techniques

- Perform a sample neighborhood “fly-by” with characteristics as specified above being identified [VT, VA, VRT].
- Review simulated MLS data to evaluate supply/demand [VT, VA, VG, CBL].
- Review public and private sources (e.g., proprietary data, Trulia, Zillow) [VT, VA, CBL].
- Analyze information from simulations to reveal trends on growth, values, prices, marketing times [VT, VA, VG, CBL].
- Collect data on simulated neighborhood using multiple examples and iterations (e.g., census, population trends, imitated zoning) [VT, VA, VG, CBL].
- Visually illustrate typical area boundaries (e.g., roadways, natural boundaries, zoning clusters) using multiple examples [VT, CBL, VG].
- Use simulated data tools (e.g., MLS, aggregators) to identify and determine price trends, market supply (current and historical information) [VT, VA, CBL].
- Using simulated property record system, obtain attributes of a subject property [VA, CBL].

**D. Obtaining Preliminary Subject Property Information [CBL, VG, VT, VA, VRT]**

1. Simulate setting the inspection appointment with related requests/requirements
2. Determine how you will verify individual providing access
3. Review of inspections and reports provided by others and discuss their application and disclosure in the assignment

*Methods and Techniques*

- *Create multiple scenarios to determine the adequacy of inspections (i.e., personal inspection, inspection by third party, and virtual inspection) and third-party reports to ensure an appropriate Scope of Work [VA, CBL]*
- *Create multiple scenarios (using good and bad examples) for inspection scheduling, communication, verification of data, etc. [VT, VA, VG]*
- *Conduct specific Q&A examples with virtual agent/broker, tenant, property owner, etc. [VT, VA, VG]*

**III. Review Sections I and II with Mentor**

- A. Ensure the problem identification process was performed properly leading to an appropriate scope of work.
- B. Review research performed to evaluate suitability and that the quantity of information will be satisfactory for later development and analysis.

**IV. Property Identification and Inspection along with Initial Site Identification [CBL, VG, VA, VRT]**

- A. Research available information sources including public records
- B. Zoning, general plan information
  1. Identify where to locate all sources of information
  2. Verification of revisions to zoning/general plan
  3. Variances, use restrictions
- C. Environmental issues, flood zone/earthquake information. Identify and explain unusual issues
  1. Location of relevant research information
  2. Communicate any unusual findings to the client to confirm whether assignment is to be completed

*Methods and Techniques*

- *Demonstrate zoning map and analysis [VT/VA/CBL]*
- *Demonstrate flood map system and analysis [VT/VA/CBL]*
- *Demonstrate earthquake map and analysis [VT/VA/CBL]*
- *Demonstrate sample GIS system and analysis [VT/VA/CBL]*

**V. Verification of Neighborhood and Market Area [CBL, VT, VA, VRT]**

- A. Conduct virtual inspection/review of subject's market area
- B. Explain various influences
- C. Identify and explain trends/characteristics in the defined neighborhood and market area

*Methods and Techniques*

- *Virtual neighborhood tours identifying positive and negative influences [VT, VA, VRT]*
- *Demonstrate use of web-based mapping tools (e.g. Google Earth, Google Maps) and how to use analytics [VT, VA, CBL]*

**VI. Subject Site Inspection [CBL, VT, VA, VRT]**

- A. Verify similarity to plat, Observation of site utility, its surrounding influences, and possible conditions that could impact value or marketability
- B. Analysis of site improvements and useable site area.
  1. Determine and explain how useable site area relates to surrounding properties

**C. Identify and discuss various site amenities. Include exercises that include various levels of impact on value**

*Methods and Techniques*

- *Illustrate different site conditions, offer multiple options within each example, provide description choices, demonstrate appropriate analyses of scenarios [VT, VA, VRT]*

**VII. Subject Property Improvements Inspection [CBL, VT, VA, VRT]**

**A. Overview**

1. Types/quality of construction
2. Floor plan issues, determination of room counts
3. Observable condition factors and description of upgrades
4. Recognition of potential/existing adverse influences

**B. Conduct a virtual physical inspection to determine relevant physical characteristics**

**C. Provide a thorough description of improvements**

*Methods and Techniques*

- *Provide multiple examples (variety) of architecture, material types for exterior and interior surfaces, condition, quality, mechanicals, electrical systems and provide exercises for proper identification and analysis [VT, CBL]*
- *Identify physical and functional obsolescence, lack of conformity [VT, CBL]*

**VIII. Measuring the Subject Property Improvements [CBL, VG, VT, VA, VRT]**

**A. Exercises to include methods and ultimately determination of:**

1. Basements
2. Stairways & vaulted ceiling areas
3. Below grade living area (split level)
4. Accessory dwelling units, outbuildings, etc.
5. Awareness of special assignment conditions
6. Common rounding practices

**B. Include virtual exercises in measuring subject properties**

**C. Other sources for obtaining GLA**

**IX. Sketch Completion [CBL, VT, VRT]**

**A. Include sketch completion exercises**

**B. Exercises must include final GLA determination (what areas should be extracted from GLA)**

*Methods and Techniques*

- *Demonstrate sketch measurement software applications using computers, tablets, handheld devices, etc. for various home designs (e.g., 1-story, 2-story, split-level, bi-level) [VT, VA, VG, VRT]*
- *Include multiple variations (e.g., bay windows, overhangs, open space 2nd story, basements, etc.) [VT, VA, VG, VRT]*
- *Include various tools (e.g., laser, roller, tape, etc.) [VT, VA, VG, VRT]*
- *Calculate square footage from plans and specs [VT, VA, VG, VRT]*
- *Complete several examples on a sketch program [VT, VA, VG, VRT]*

**X. Review Sections IV thru IX with Mentor**

**A. Ensure all elements of inspection process have been performed properly, including neighborhood, site, and improvements**

## XI. Market Analysis/Highest and Best Use [CBL, VRT, VA, VT]

### A. Highest and Best Use

1. Overview of pertinent data, including actual current/proposed/potential alternative use and communication of highest and best use

### B. Performing Neighborhood and Market Research

1. Identify the market area boundaries, physical characteristics, and specific property location relevant to the analysis of the subject property.
2. Identify the trends and characteristics in the defined neighborhood and market area.

#### Methods and Techniques

- *Provide exercises reviewing and analyzing various property and site characteristics related to property use and the factors for determining highest and best use [CBL, VRT, VA, VG]*
- *Provide exercises reviewing market information, including maps, satellite images, aerial photographs, economic data, census data and analysis from third parties to determine boundaries, physical characteristics, and other factors relevant to the subject market area [CBL, VRT, VA, VT, VG]*
- *Provide exercises reviewing market and neighborhood information such as maps, plat maps, satellite images, aerial photographs, economic data, census data, etc. to determine neighborhood boundaries, characteristics and trends related to the analysis of the subject property [CBL, VRT, VA, VT, VG]*

## XII. Review Section XI with Mentor

- A. Ensure key analytical issues related to market conditions and highest and best use are effectively addressed

## XIII. Process of Sales Analysis [CBL, VG, VT, VA, VRT]

- A. Identify the best sources of sales data for use in case studies including:

1. MLS
2. City/County (public) transfer records
  - a. How to verify
3. Data providers
4. Appraiser office files
  - a. Confidentiality concerns
5. Real estate agents/brokers
  - a. How to verify

- B. Select the same or similar property types, uses, and characteristics.

1. Identify elements of comparison
2. Develop exercises for various property types

- C. Identify all relevant current listings, expired listings, withdrawn listings, offers (if available), FSBO, closed sales, and pending sales

#### Methods and Techniques

- *Demonstrate a typical MLS search, and other less common search options [VT/VA]*
- *Perform searches to identify applicable sales from a group of potential transactions [VT/VA/VG/CBL]*
- *Develop and demonstrate rationale for selection of sales [VT/VG/CBL]*
- *Conduct an interactive interview (incorporating checklist) on sales data confirmation [VT/VA]*
- *Research prior sales history with simulated data sites (e.g., assessor, public records, proprietary sources) [VT/VG/CBL]*
- *Identify appropriate elements of comparison [VT/VA/CBL]*
- *Introduce confidentiality issues related to use of non-public information [VT/VA/VG]*
- *Update workfile with results, incorporate electronic vs. paper vs. combination [VT/VA]*

## XIV. Review Section XIII with Mentor

- A. Ensure all necessary steps in highest and best use analysis and market analysis were performed properly. Review data source material to assure sufficient information has been identified for further application.

## XV. Valuation Approaches and Techniques [CBL, VG, V, VA, VRT]

- A. Consider each approach to value and explain the appropriateness based on the intended use of the assignment. Select the data considered most meaningful and relevant.

## B. Sales Comparison Approach

1. Analyze quality and quantity of data
  - a. Identify relevant units of comparison
  - b. Data and information collected must be analyzed for comparability and consistency
2. Select the sales that are considered the most appropriate for subject property comparability (demonstrate the process)
  - a. Identify and apply appropriate adjustments to comparable transactions based on differences to the subject property. Demonstrate applicable tools and methods, including:
    1. Paired sales analysis
    2. Statistical and other graphic analysis
    3. Trend analysis
    4. Qualitative differences, including:
      - i. Relative comparison analysis
      - ii. Ranking analysis
3. Discuss and reconcile key elements developed in the sales comparison approach

### *Methods and Techniques*

- *Using simulated data, identify applicable approach(es) to value [VT, VG, CBL]*
- *Complete multiple sales comparison analyses using previously selected data for both vacant land and improved sites, incorporating applicable techniques to estimate appropriate adjustments [VT, VG, CBL]*
- *Add complexity at a basic level for commonly encountered external influences, super-adequacies, functional obsolescence [VT, VA, VG, CBL]*
- *Develop value opinions for multiple scenarios [VT, VG, CBL]*
- *Demonstrate proper and improper examples of reconciliation, develop appropriate reconciliation [VT, VG, CBL]*

## C. Cost approach

1. Develop site value of the subject as vacant using recognized methods or techniques
  - a. Include contributory value of site improvement
2. Discuss use of replacement or reproduction cost
  - a. Develop supportive data for the cost calculations
  - b. Calculate cost new for the improvements
  - c. Calculate depreciation (demonstrate and apply types, consider market trends)
  - d. Discuss and reconcile key elements developed in the cost approach

### *Methods and Techniques*

- *Complete a basic cost new, utilize several different cost approach models [VT, VG, CBL]*
- *Develop credible opinions of site value [VT, VG, CBL]*
- *Add basic level complexity (e.g., new homes, remodeled homes, homes having inadequacies) [VT, VA, VG, CBL]*
- *Develop supportable depreciation estimates, age-life method, add basic level complexities (e.g., repairs, obsolescence) [VT, VG, CBL]*
- *Develop indicated values by the cost approach [VT, VG, CBL]*
- *Demonstrate proper and improper examples of reconciliation, develop appropriate reconciliation on multiple examples [VT, VA, VG, CBL]*

## D. Income approach

1. Collection and verification of pertinent rental data (actual vs. contract)
2. Determine appropriate GRM (Gross Rent Multiplier)
3. Discuss and reconcile key elements developed in the income approach

### *Methods and Techniques*

- *Develop appropriate comparison factors involved for gross rental estimate, sources [VT, VG, CBL]*
- *Identify comparables using simulated data sources (e.g., MLS, interviews, proprietary sources, door knocking, etc.) for rental information [VT, VA, CBL]*
- *Develop credible opinions of market rent [VT, VG, CBL]*
- *Develop GRM's from simulated comparable properties [VT, VG, CBL]*

- Develop indicated values by the income approach [VT, VG, CBL]
- Demonstrate proper and improper examples of reconciliation, develop appropriate reconciliation [VT, VG, CBL]

#### XVI. Review Section XV with Mentor

- A. Ensure all approaches to value were adequately considered and completed in supportable fashion (including cost and/or income approaches if performed)

#### XVII. Final Reconciliation [CBL, VG, VT, VA, VRT]

- A. Analyze and discuss accuracy and sufficiency of data
- B. Analyze and discuss strengths and weaknesses of each approach to value and their applicability to the subject property
- C. Analyze and discuss consistency of data and development
- D. Analyze and discuss the quality and quantity of data
- E. Review calculations
- F. Develop the final opinion of value along with the rationale for your conclusions

##### Methods and Techniques

- Demonstrate multiple scenarios using the various approaches to analyze their strengths and weaknesses [VT, VA, VG, CBL]
- Perform check for accuracy of math and calculations [VT, VA, VG, CBL]
- Demonstrate proper and improper examples of reconciliation, develop appropriate reconciliation [VT, VA, VG, CBL]

#### XVIII. Review Section XVII with Mentor

- A. Ensure final reconciliation was performed properly and determine appropriate reporting

#### XIX. Appraisal Report Development/Delivery [CBL, VG, VT, VA, VRT]

- A. Report Development
  1. Standards Rule 2-1 minimum standard (not misleading, sufficient, assumptions, etc.)
    - a. Ability to describe the subject property and comparable properties used in the analysis (ensure compliance with STANDARD 2)
      1. Technical terms
      2. Common industry phrases and descriptors
      3. Fair lending do's and don'ts
      4. Identify relevant information using industry typical approaches and technologies
    - b. Ability to describe a market area and a neighborhood (same subset as above)
    - c. Report format
      1. Comply with all applicable assignment elements and conditions
      2. Awareness and compliance with state and federal regulatory requirements
      3. Describe scope of work
      4. Ensure applicable appropriate addenda, exhibits, photos, etc. are included
      5. Understand adequacy/relevance/integrity of photos, maps, and exhibits – how/where to upload in a report
    - d. Certification
      1. Ensure familiarity with pre-printed content and applicability.
      2. Develop exercises on completion of workfile documents
      3. Demonstrate an ability to store and compile documents

##### Methods and Techniques

- Complete appraisal reports using several styles (e.g., forms such as 1004, condo, 2-4 units, short narrative) [VG, CBL]
- Provide samples of prior service disclosures (i.e., certifications) [VT, VA]

- Provide opportunities to create multiple versions of required exhibits (e.g., photos, sketches, maps) using simulated data [VT, VA, VG, CBL]
- Provide sample certifications, include correct and incorrect examples [VT, VA, VG, CBL]
- Provide sample limiting conditions, include correct and incorrect examples [VT, VA, VG, CBL]
- Verify required contents of workfile, incorporating examples of items that should/should not be included [VT, VA, VG, CBL]
- Demonstrate/use document storage examples (e.g., password, back-up) [VT, VA, CBL]

## XX. Review Section XIX with Mentor

A. Ensure that the key components of an appraisal report and report format are appropriate for assignment(s)

## XXI. Communication of Assignment Results [CBL, VT, VA, VRT]

A. Adequacy and relevance of information

1. USPAP compliance
2. Assignment conditions

B. Understand common Client-specific requirements – additional comparable sales, inclusion of active listings in the report, supplemental exhibits, etc.

1. Demonstrate the ability to meet client expectations conveyed through the engagement letter or other instruction methods
2. Adequate support for analysis

C. Explain and support rationale for excluding any of the traditional approaches

1. Explain and support reconciliation
2. Explain all assumptions

D. Explain and support all extraordinary assumptions and hypothetical conditions (state their use may have effect on assignment results)

### Methods and Techniques

- Ensure adequacy and relevancy of information in report [VT, VG, CBL]
- Demonstrate examples of reports containing information specifically required by clients, regulators, or applicable assignment conditions [VA, VT, VG, CBL]
- Ensure accuracy and consistency of information throughout report [VT, VG, CBL]
- Provide various report samples that contain both adequate and inadequate communication [VT, VA]
- Provide opportunities to review and correct errors in reports [VT, VA, VG, CBL]
- Provide opportunities to review and correct inappropriate assumptions, extraordinary assumptions and hypothetical conditions [VT, VA, VG, CBL]
- Provide various samples of appropriate and inappropriate requests for corrections, clarifications and Reconsiderations of Value, demonstrating appropriate responses (e.g., no changes, modifications to report, requirement for new assignment, etc.) [VT, VA, VG, CBL]

## XXII. Review Section XXI with Mentor

A. Ensure understanding of effective appraisal report presentation and required content

B. Ensure compliance with Standards Rule 2-2

## MINIMUM CONTENT REQUIREMENTS – CERTIFIED RESIDENTIAL CLASSIFICATION

### I. Problem Identification

A. Relevant Scope of Work and Competency Issues Involved [CBL, VG, VT, VA, VRT]

1. Develop exercises on how competency issues will be resolved.
2. Conduct a preliminary analysis to ensure an appropriate Scope of Work

### Methods and Techniques

- Provide sample engagement letters for review and analysis [VT, VA, CBL]
- Provide samples of complex residential properties (e.g., ADUs, 2-4 unit group homes, student housing, short-term rentals, co-ops, leaseholds, etc.) [VT, VA, CBL]

- Perform required research using simulated data (e.g., public sources, proprietary databases) [VT, VA, VG, CBL]

## II. Review Section I with Mentor

- A. Ensure understanding of how issues uncovered during property identification process relate to complexity. Also, focus on complex ownership issues

## III. Positive or Negative Locational Influences [CBL, VG, VT, VA, VRT]

- A. Recognize Population/Employment Trends
- B. Determine and discuss relationships between employment, population, and residential units (Single Unit Residential vs. 2-4 Unit Residential) over time

## IV. Residential Market Analysis/Highest and Best Use [CBL, VRT, VG, VT]

- A. Market Analysis Issues Related to Highest and Best Use for Complex Properties
- B. Special Assessments

### Methods and Techniques

- Provide exercises reviewing and analyzing various property and site characteristics that would be considered complex in nature, including current and proposed use; include consideration of the factors for determining highest and best use [CBL, VRT, VG, VT]
- Provide exercises reviewing data from public records, title records, CCR documents, etc., that describe current and planned special assessments for various property ownership types (one family, condominium, planned unit developments, Cooperative, etc.) to determine impact on market analysis [CBL, VRT, VG, VT]

## V. Review Section III and IV with Mentor

- A. Ensure key analytical issues related to market conditions and highest and best use are effectively addressed

## VI. Physical Characteristics of Complex Properties [CBL, VG, VA, VRT]

- A. Unique Design Features
- B. High Quality/Amenity Properties
- C. Over-improvements
- D. Physical Deficiencies of Improvements
- E. Functional Inadequate and Super Adequate Impact

## VII. Vacant Sites (Including View Amenities, Surplus Land) [CBL, VG, VT, VA, VRT]

- A. Develop exercises that contain issues covered under Site and Cost Approaches

### Methods and Techniques

- Identify and analyze impact of complex property characteristics (e.g., atypical size, view, design, historical ranking) [VT, VA, VG]
- Exercises comparing and analyzing typical homes with outliers [VT, VG, CBL]
- Exercises identifying and understanding the influence of locational influences through observation and comparison [CBL, VG, VT, VA, VRT]

## VIII. Use of Key Statistical Concepts [CBL, VG, VT, VA, VRT]

- A. Develop appropriate statistical tools to be used in development of opinion of value
- B. Explain and support their application

## IX. Key Market Driving Influences [CBL, VT, VA, VRT]

- A. Determine most appropriate units of comparison (market drivers)

## B. Identify market preferences for characteristics and amenities (e.g., parking, # beds, # baths, GLA)

### Methods and Techniques

- Complete exploratory data analysis and generate representative sample data to identify different unit price indicators by requiring candidate to analyze several options and select the option with the most robust statistical results [VT, VG, CBL]
- Express several types of simulated data with the candidate building models which generate the most accurate and reliable results [VT, VG, CBL]
- Incorporate in all exploratory data analysis exercises utilizing relevant descriptive statistics (e.g., median, mean, mode, standard deviation, coefficient of variation) [VT, VG, CBL]

## X. Review Sections VI thru IX with Mentor

- Ensure key analytical issues related to market conditions and highest and best use are effectively addressed
- Confirm appropriate items have been identified and analyzed for proper application in determination of opinion of value

## XI. Site Valuation and Cost Approaches

### A. Site Valuation

- Extract comparable land/site sales data that will adequately support adjustments for contributing value of unique attributes associated with complex vacant sites (view, entitlements, amenities, surplus/excess land)

### B. Develop a supportable Land/Site Valuation - using the following methods:

- Allocation
- Market extraction
- Ground rent capitalization
- Land residual method; and
- Sales comparison

### C. Construction Costs

- Exercises related to high amenity structures
- Discuss local cost influences

### D. Functional Obsolescence

- Distinguish between curable and incurable forms
- Analyze and support conclusions on obsolescence, including lack thereof, associated with complex properties

### Methods and Techniques

- Develop multiple samples that use each of the basic site valuation techniques [VT, VA, VG, CBL]
- Develop multiple samples that use multiple techniques to estimate cost new [VT, VA, VG, CBL]
- Develop multiple examples to estimate functional obsolescence [VT, VA, VG, CBL]
- Develop an indicated value of a complex property using the cost approach [VT, CBL]

## XII. Review Section XI with Mentor

- Ensure the Cost Approach has been performed properly.

## XIII. Sales Comparison Approach

### A. Sales Concessions

- Is the subject property subject to sales concessions?
- Identify and discuss application (or not) of any sales concessions in comparable data based on market norms
- Cash equivalency related to financing terms

**B. Identifying and Applying Atypical Adjustments – develop support related to the following:**

1. High amenity custom quality adjustments
2. Site adjustments
3. Adjustment support/matched pairs, statistical methods
4. Adjustment support for unique one-off property sales including those with Accessory Dwelling Units

*Methods and Techniques*

- *Develop multiple exercises requiring identification and determination of impact of sales concessions (e.g., assumption of closing costs, payments made outside of transaction) [VT, VA, VG, CBL]*
- *Develop multiple exercises using statistical techniques (e.g., paired sales analysis, regression analysis) to analyze simulated data and estimate adjustments [VT, VA, VG, CBL]*

**XIV. Review Section XIII with Mentor**

**A. Ensure the sales comparison approach has been performed properly.**

**XV. Income Approach**

**A. 1-4 Unit Appraisals**

1. Perform collection of comparable rent data
2. Complex rental adjustments
  - a. Understand and apply impact of complex amenities
  - b. Factor for Expense allocations between comparable transactions

**B. Unique multi-unit assignments – discuss the following:**

1. Location premiums within PUD/condo
2. Impact of rent control or subsidies
3. Student housing
4. Seasonal and short-term rentals

**C. GRM analysis**

1. Non-market rent impact on GRM
2. Perform reconciliation of GRM indicators

*Methods and Techniques*

- *Provide exercises extracting expense information via market participant interviews (e.g., agents/brokers, property managers, prior property information) [VT, VG, CBL]*
- *Provide exercises identifying and analyzing unique property characteristics (e.g., view, physical characteristics, parking limitations, floor location) [VT, VG, CBL]*
- *Provide exercises identifying and analyzing non-market rent on GRM [VT, VG, CBL]*

**XVI. Review Section XV with Mentor**

**A. Review the Income approach to value and ensure proper analysis and support for conclusions**

**XVII. Writing and Reasoning Skills**

**A. Data Presentation**

1. Develop presentation of data in tables, charts, and graphs as appropriate
2. Express succinct narrative using active voice, direct statements, shorter words, shorter paragraphs and placing the bottom-line up front
3. Underscore proper and understandable use of English
  - b. Have another proofread whenever possible

**B. Discussion of Approaches to Value**

1. Adjust depth of discussion to the intended user(s)

**C. Support for Conclusions**

1. Clearly state conclusions throughout the report. Each conclusion requires credible support and logical reconciliation

**D. Summary of Data and Reconciliation of Value Approaches**

1. Summarize the quantity, quality, reliability, and relevance of data available for application in each approach performed. The reconciliation and final value opinion must be consistent with the conclusions of this summary regarding the most germane approach to value

*Methods and Techniques*

- *Ensure accuracy and consistency of information throughout report [VT, VG, CBL]*
- *Provide various report samples that contain both adequate and inadequate communication [VT, VA]*
- *Provide opportunities to review and correct errors in reports [VT, VG, CBL]*
- *Provide opportunities to review and correct inappropriate assumptions, extraordinary assumptions and hypothetical conditions [VT, VG, CBL]*
- *Provide various samples of appropriate and inappropriate requests for corrections, clarifications and Reconsiderations of Value, demonstrating appropriate responses (e.g., no changes, modifications to report, requirement for new assignment, etc.) [VT, VG, CBL]*

**XVIII. Review Section XVII with Mentor****A. Ensure understanding of effective appraisal report presentation and required content****B. Ensure compliance with Standards Rule 2-2**

# APPRaiser Qualifications Board

## 2021 APPRAISER QUALIFICATIONS BOARD MEMBERS

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Miles M. Etter, Vice Chair  
Raymond A. Lesher  
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Otis L. Thorpe

### 1995 Board Members

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Arlen C. Mills  
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Sandra Guilfoil  
Donald Moliver

### 1992 Board Members

James W. Klopfenstein, Chair  
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John C. Crissey, Jr.  
Bernie I. Garcia  
George F. Silver

### 1998 Board Members

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Anthony Reynolds  
Stephen G. Williams

### 2004 Board Members

Edward Morse, Chair  
Sandra Guilfoil, Vice Chair  
Chris Greenwalt  
Donald Moliver  
Charles S. "Scott" Seely

### 1993 Board Members

James W. Klopfenstein, Chair  
Miles M. Etter, Vice Chair  
John C. Crissey, Jr.  
Anthony Reynolds  
George F. Silver

### 1999 Board Members

Scott R. Williams, Chair  
Arlen C. Mills, Vice Chair  
Jack P. Friedman  
Charles Moore  
Stephen G. Williams

### 2005 Board Members

Sandra Guilfoil, Chair  
Chris Greenwalt  
Donald Moliver  
Edward Morse  
Charles S. "Scott" Seely

### 1994 Board Members

James W. Klopfenstein, Chair  
Anthony Reynolds, Vice Chair  
Miles M. Etter  
Stephen G. Williams  
Gregory Gilbert

### 2000 Board Members

Arlen C. Mills, Chair  
Scott R. Williams, Vice Chair  
Jack P. Friedman  
Charles Moore  
Edward Morse

### 2006 Board Members

Sandra Guilfoil, Chair  
Gary P. Taylor, Vice Chair  
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Charles S. "Scott" Seely

**2007 Board Members**

Sandra Guilfoil, Chair  
 Gary P. Taylor, Vice Chair  
 Rick Baumgardner  
 Terry Bernhardt  
 J. Andrew Hansz  
 Charles S. "Scott" Seely

**2008 Board Members**

Gary P. Taylor, Chair  
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 Rick Baumgardner  
 Chad Campbell  
 Jeffery F. Lagrew  
 Wayne R. Miller

**2009 Board Members**

Gary P. Taylor, Chair  
 Charles S. "Scott" Seely, Vice Chair  
 Rick Baumgardner  
 Chad Campbell  
 Jeffery F. Lagrew  
 Wayne R. Miller

**2010 Board Members**

Gary P. Taylor, Chair  
 Rick Baumgardner, Vice Chair  
 Chad Campbell  
 Jeffery F. Lagrew  
 Wayne R. Miller  
 Charles S. "Scott" Seely

**2011 Board Members**

Rick Baumgardner, Chair  
 Wayne R. Miller, Vice Chair  
 Chad Campbell  
 Jon "Ted" Freeman  
 Jeffery F. Lagrew  
 Charles S. "Scott" Seely

**2012 Board Members**

Rick Baumgardner, Chair  
 Wayne R. Miller, Vice Chair  
 Chad Campbell  
 Jon "Ted" Freeman  
 Jeffrey F. Lagrew

**2013 Board Members**

Wayne R. Miller, Chair  
 Gary P. Taylor, Vice Chair  
 Chad Campbell  
 Jon "Ted" Freeman  
 Jeffrey F. Lagrew

**2014 Board Members**

Wayne R. Miller, Chair  
 Gary P. Taylor, Vice Chair  
 Chad Campbell  
 Jeffrey F. Lagrew  
 Mark A. Lewis  
 Joseph C. Traynor

**2015 Board Members**

Wayne R. Miller, Chair  
 Joseph C. Traynor, Vice Chair  
 Chad Campbell  
 Greg Harding  
 Jeffrey F. Lagrew  
 Mark A. Lewis  
 Andrew Parsley  
 Gary P. Taylor

**2016 Board Members**

Joseph C. Traynor, Chair  
 Mark A. Lewis, Vice Chair  
 Greg Harding  
 Andrew Parsley  
 John F. Ryan

**2017 Board Members**

Joseph C. Traynor, Chair  
 Mark A. Lewis, Vice Chair  
 Adam Alessi  
 Greg Harding  
 Katherine Kelton  
 Andrew Parsley  
 John F. Ryan

**2018 Board Members**

Mark A. Lewis, Chair  
 Greg Harding, Vice Chair  
 Larry Disney  
 Katherine Kelton  
 John F. Ryan  
 Brad Swinney  
 Shawn Telford  
 Joseph C. Traynor

**2019 Board Members**

Mark A. Lewis, Chair  
 Greg Harding, Vice Chair  
 Larry Disney  
 John F. Ryan  
 Brad Swinney  
 Shawn Telford  
 Joseph C. Traynor

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 Brad Swinney  
 Shawn Telford  
 Jerry Yurek



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APPRAISER QUALIFICATIONS BOARD



1325 G Street, NW, Suite 500  
Washington, DC 20005  
[www.asc.gov](http://www.asc.gov)

March 24, 2025

**Via Email**

Tyler Kohtz, Director  
Nebraska Real Property Appraiser Board  
P.O. Box 94963  
Lincoln, NE 68509-4963  
[Tyler.Kohtz@nebraska.gov](mailto:Tyler.Kohtz@nebraska.gov)

RE: ASC Compliance Review of Nebraska's Appraiser Regulatory Program

Dear Tyler Kohtz:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Nebraska appraiser regulatory program (Appraiser Program) on March 11-13, 2025, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Excellent." Nebraska will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Nebraska Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Ponzar'.

Matt Ponzar  
Acting Executive Director

Attachment

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: March 24, 2025

### Nebraska Appraiser Regulatory Program (State)

Nebraska Real Property Appraiser Board			PM: J. Stewart	ASC Compliance Review Date: March 11-13, 2025		Review Period: March 2023 to February 2025
Umbrella Agency: Independent			Number of State Credentialed Appraisers on Appraiser Registry: 636			Review Cycle: Two Year
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:	X					
			No compliance issues noted.	N/A	None	None
Temporary Practice:	X					
			No compliance issues noted.	N/A	None	None
National Registry:	X					
			No compliance issues noted.	N/A	None	None
Application Process:	X					
			No compliance issues noted.	N/A	None	None
Reciprocity:	X					
			No compliance issues noted.	N/A	None	None
Education:	X					
			No compliance issues noted.	N/A	None	None
Enforcement:	X					
			No compliance issues noted.	N/A	None	None

March 24, 2025

**Via Email**

Tyler Kohtz, Director  
Nebraska Real Property Appraiser Board  
P.O. Box 94963  
Lincoln, NE 68509-4963  
[Tyler.Kohtz@nebraska.gov](mailto:Tyler.Kohtz@nebraska.gov)

RE: ASC Compliance Review of Nebraska's Appraisal Management Company (AMC)  
Regulatory Program

Dear Tyler Kohtz:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Nebraska AMC regulatory program (AMC Program) on March 11-13, 2025, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Excellent." Nebraska will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Nebraska AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Matt Ponzar  
Acting Executive Director

Attachment

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<sup>1</sup> 12 U.S.C. §§ 3331-3356

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: March 24, 2025

### Nebraska AMC Regulatory Program (State)

Nebraska Real Property Appraiser Board		PM: J. Stewart	ASC Compliance Review Date: March 11-13, 2025			Review Period: March 2023 to February 2025
Umbrella Agency: Independent		Number of AMCs on AMC Registry: 72			Review Cycle: Two Year	
Applicable Federal Citations		Compliance (YES/NO) Areas of Concern (AC)	ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:	X					
National Registry:	X			No compliance issues noted.	N/A	None
Enforcement:	X			No compliance issues noted.	N/A	None
				No compliance issues noted.	N/A	None

# APPRAISAL SUBCOMMITTEE

FFIEC

1325 G Street, NW, Suite 500  
Washington, DC 20005  
[www.asc.gov](http://www.asc.gov)

February 14, 2024

## Via Email

Marcia Waters, Division Director  
Colorado Division of Real Estate  
1560 Broadway #925  
Denver, CO 80202  
[Marcia.waters@state.co.us](mailto:Marcia.waters@state.co.us)

RE: ASC Compliance Review of Colorado's Appraiser Regulatory Program

Dear Marcia Waters:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Colorado appraiser regulatory program (Appraiser Program) on September 26-28, 2023, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The Appraiser Program has been awarded an ASC Finding of "Excellent." Colorado will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Colorado Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,  
  
James R. Park  
Executive Director

Attachment

cc: Eric Turner, Deputy Division Director, [eric.turner@state.co.us](mailto:eric.turner@state.co.us)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: February 14, 2024

### Colorado Appraiser Regulatory Program (State)

Colorado Board of Real Estate Appraisers (Board)	PM: K. Klamet	ASC Compliance Review Date: September 26-28, 2023	Review Period: August 2021 to September 2023
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Umbrella Agency: Department of Regulatory Agencies, Division of Real Estate	Number of State Credentialed Appraisers on Appraiser Registry: 2,862	Review Cycle: Two Year
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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	None	None
Temporary Practice:	X			No compliance issues noted.	N/A	None	None
National Registry:	X			No compliance issues noted.	N/A	None	None
Application Process:	X			No compliance issues noted.	N/A	None	None
Reciprocity:	X			No compliance issues noted.	N/A	None	None
Education:	X			No compliance issues noted.	N/A	None	None
Enforcement:	X			No compliance issues noted.	N/A	None	None

February 14, 2024

**Via Email**

Marcia Waters, Division Director  
Colorado Division of Real Estate  
1560 Broadway #925  
Denver, CO 80202  
[Marcia.waters@state.co.us](mailto:Marcia.waters@state.co.us)

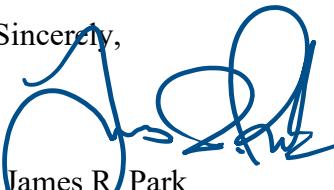
RE: ASC Compliance Review of Colorado's Appraisal Management Company (AMC) Regulatory Program

Dear Marcia Waters:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Colorado AMC regulatory program (AMC Program) on September 26-28, 2023, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The AMC Program has been awarded an ASC Finding of "Excellent." Colorado will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Colorado AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,  
  
James R. Park  
Executive Director

Attachment

cc: Eric Turner, Deputy Division Director, [eric.turner@state.co.us](mailto:eric.turner@state.co.us)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: February 14, 2024

### Colorado AMC Regulatory Program (State)

Colorado Board of Real Estate Appraisers (Board) PM: K. Klamet ASC Compliance Review Date: September 26-28, 2023 Review Period: August 2021 to September 2023

Umbrella Agency: Department of Regulatory Agencies, Division of Real Estate Number of AMCs on AMC Registry: 126 Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	None	None
National Registry:	X			No compliance issues noted.	N/A	None	None
Enforcement:	X			No compliance issues noted.	N/A	None	None

September 9, 2024

**Via Email**

Kimberly Gleason, Executive Officer  
Real Estate Appraiser Examining Board  
Department of Inspections, Appeals, and Licensing  
6200 Park Avenue, Suite 100  
Des Moines, IA 50321  
[Kimberly.Gleason@dia.iowa.gov](mailto:Kimberly.Gleason@dia.iowa.gov)

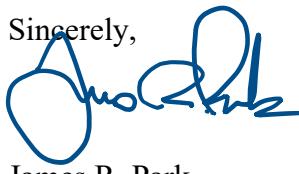
RE: ASC Compliance Review of Iowa's Appraiser Regulatory Program

Dear Kimberly Gleason:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Iowa appraiser regulatory program (Appraiser Program) on July 9-11, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Excellent." Iowa will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Iowa Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,  
  
James R. Park  
Executive Director

Attachment

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: September 09, 2024

### Iowa Appraiser Regulatory Program (State)

Iowa Real Estate Appraiser Examining Board	PM: T. Lewis	ASC Compliance Review Date: July 09-11, 2024	Review Period: May 2022 to June 2024		
Umbrella Agency: State of Iowa – Department of Inspections, Appeals, and Licensing		Number of State Credentialled Appraisers on Appraiser Registry: 1,189	Review Cycle: Two Year		
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)	ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC		
Statutes, Regulations, Policies and Procedures:	X				
			No compliance issues noted.	N/A	None
Temporary Practice:	X		No compliance issues noted.	N/A	None
National Registry:	X		No compliance issues noted.	N/A	None
Application Process:	X		No compliance issues noted.	N/A	None
Reciprocity:	X		No compliance issues noted.	N/A	None
Education:	X		No compliance issues noted.	N/A	None
Enforcement:	X		No compliance issues noted.	N/A	None
			No compliance issues noted.	N/A	None

September 9, 2024

**Via Email**

Kimberly Gleason, Executive Officer  
Real Estate Appraiser Examining Board  
Department of Inspections, Appeals, and Licensing  
6200 Park Avenue, Suite 100  
Des Moines, IA 50321  
[Kimberly.Gleason@dia.iowa.gov](mailto:Kimberly.Gleason@dia.iowa.gov)

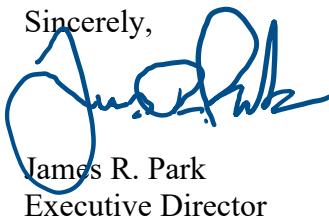
RE: ASC Compliance Review of Iowa's Appraisal Management Company (AMC) Regulatory Program

Dear Kimberly Gleason:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Iowa AMC regulatory program (AMC Program) on July 9-11, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Excellent." Iowa will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Iowa AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,  
  
James R. Park  
Executive Director

Attachment

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Excellent

Final Report Issue Date: September 09, 2024

### Iowa AMC Regulatory Program (State)

Iowa Real Estate Appraiser Examining Board			PM: T. Lewis	ASC Compliance Review Date: July 09-11, 2024			Review Period: May 2022 to June 2024
Umbrella Agency: State of Iowa – Department of Inspections, Appeals, and Licensing			Number of AMCs on AMC Registry: 76			Review Cycle: Two Year	
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments	
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X						
National Registry:	X			No compliance issues noted.	N/A	None	None
Enforcement:	X			No compliance issues noted.	N/A	None	None
				No compliance issues noted.	N/A	None	None

July 1, 2025

**Via Email**

Sally Pritchett, Director  
Kansas Real Estate Appraisal Board  
700 S. Jackson, Suite 804  
Topeka, KS 66603  
[Sally.Pritchett@ks.gov](mailto:Sally.Pritchett@ks.gov)

RE: ASC Compliance Review of Kansas' Appraiser Regulatory Program

Dear Sally Pritchett:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Kansas appraiser regulatory program (Appraiser Program) on November 19-21, 2024, to determine the Appraiser Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program is given an ASC Finding of "Needs Improvement." The final ASC Compliance Review Report (Report) of the Kansas Appraiser Program is attached.

The ASC identified the following area(s) of non-compliance:

- State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria;<sup>2</sup>
- States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any;<sup>3</sup>
- States must ensure the accuracy of all data submitted to the Appraiser Registry;<sup>4</sup>
- States must exercise due diligence in determining whether submitted documentation of experience or work product demonstrates compliance with USPAP on all initial or upgrade applications for appraiser credentialing;<sup>5</sup>
- States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria.<sup>6</sup>
- States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations;<sup>7</sup> and

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C.

<sup>3</sup> 12 U.S.C. § 3351; Policy Statement 2 B.

<sup>4</sup> 12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, D.

<sup>5</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 D.

<sup>6</sup> 12 U.S.C. § 3347; Policy Statement 6 A.

<sup>7</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

- States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner.<sup>8</sup>

The State reported that it has taken some corrective actions and indicated it will implement additional steps to address ASC staff concerns. ASC staff will confirm appropriate corrective actions have been taken through off-site monitoring and during the next Review. Kansas will remain on a two-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Luke H. Brown  
Acting Chair

Attachment

cc: Trecia McDowell, Chair, [Trecia.McDowell@Sedgwick.gov](mailto:Trecia.McDowell@Sedgwick.gov)

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<sup>8</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of "Poor" may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

Final Report Issue Date: July 1, 2025

### Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board		PM: T. Lewis		ASC Compliance Review Date: November 19-21, 2024		Review Period: November 2022 to November 2024
Umbrella Agency: Independent		Number of State Credentialed Appraisers on Appraiser Registry: 1,185		Review Cycle: Two Year with Follow Up		
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:		X				
State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C.)			Title XI requires that any minimum qualification requirements established by a State for individuals in the position of "Trainee Appraiser" and "Supervisory Appraiser" must meet or exceed the minimum qualification requirements of the AQB. The State requires unlicensed appraiser applicants to have a Supervisory Appraiser. Since the AQB Criteria are all-inclusive this would require the State to impose all the AQB Criteria requirements on unlicensed appraiser applicants.	On April 3, 2025, the State reported that they do not consider the Trainee Credential as being an appraiser and that it would be illogical to require Trainee Appraisers to take continuing education (CE) as almost all CE addresses advanced issues that would exceed the Trainee's knowledge and experience. Although an AQB requirement, the State considers requiring CE for Trainees to be an unnecessary burden.  The State further notes that it does require its Provisional Licensed Appraisers to demonstrate that they have met all required CE necessary for the renewal of their credential.	The State's practice of allowing unregistered trainees to comply with only some of the minimum AQB requirements in contrast to its "Provisional Trainees," who must fully adhere to the AQB Criteria, is inconsistent with Title XI. As such, the State must amend its Statutes and Regulations to bring them into compliance with AQB Criteria and provide ASC staff with a copy once finalized.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance.
Temporary Practice:		X				
States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any. (12 U.S.C. § 3351; Policy Statement 2 B.)			The State temporary practice permit log does not track the date the completed application was received.	In their April 3, 2025, response, the State indicated that they will immediately begin to track the date a completed temporary permit application was received.	Within 30 days, the State must provide ASC staff with a copy of its new Temporary Practice Log.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

Final Report Issue Date: July 1, 2025

### Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board		PM: T. Lewis	ASC Compliance Review Date: November 19-21, 2024		Review Period: November 2022 to November 2024
Umbrella Agency: Independent		Number of State Credentialed Appraisers on Appraiser Registry: 1,185		Review Cycle: Two Year with Follow Up	
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)	ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC		
<b>National Registry:</b> States must ensure the accuracy of all data submitted to the Appraiser Registry. (12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, D.)		X	The State reported 1 appraiser to the Appraiser Registry who did not meet the experience necessary for the initial issuance of their credential and was not qualified to be included on the Appraiser Registry.	On April 3, 2025, the State reported that in some circumstances, the client will refuse to accept an appraisal report where a non-licensed individual was either noted as contributing to or signed the appraisal report.	The State must review files of all applicants for appraiser credentials during the Review Period and identify those that did not provide proof of experience consistent with AQB Criteria, contact those identified to obtain the needed documentation for the file, and report the results of their examination to ASC staff within 30 days. The State must ensure all appraiser(s) meet AQB Criteria or deactivate the credential(s) on the National Registry.
<b>Application Process:</b> States must exercise due diligence in determining whether submitted documentation of experience, or work product demonstrates compliance with USPAP on an initial application.		X	1 application file did not contain adequate documentation to support that the work product demonstrated compliance with USPAP on an initial application.	On April 3, 2025, the State reported that in some circumstances, the client will refuse to accept an appraisal report where a non-licensed individual was either noted as contributing to or signed the appraisal report.	The State must review files of all applicants for appraiser credentials during the Review Period and identify those that did not provide proof of submission of USPAP compliant experience consistent with AQB Criteria and contact those identified to obtain the needed documentation for the file. The State must report the results of their examination to ASC staff within 30 days. The State must ensure all appraiser(s) meet AQB Criteria or take appropriate action.
<b>Reciprocity:</b>	X		No compliance issues noted.	N/A	None
					None



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

Final Report Issue Date: July 1, 2025

### Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board	PM: T. Lewis	ASC Compliance Review Date: November 19-21, 2024	Review Period: November 2022 to November 2024
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Umbrella Agency: Independent	Number of State Credentialed Appraisers on Appraiser Registry: 1,185	Review Cycle: Two Year with Follow Up
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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Education:</b> States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria. (12 U.S.C. § 3347; Policy Statement 6 A.)			X	AQB Criteria requires CE courses to cover real property related appraisal topics. The State approved 5 CE courses without sufficient documentation in the file to determine the appropriateness of the content.	In their April 3, 2025, response, the State indicated that their process was to accept the same CE hours granted by the hosting state and that for most of these courses, they believed that the target audience of these seminars was rural appraisers.  The State goes on to say that they have amended their process to have a Board Member review any questionable material and provide a summary of the course material addressing applicability to real property appraisal practice for the whole Board to consider prior to approving a CE course.	Within 60 days, the State must review all approved courses using their new process to determine whether they meet AQB Criteria, remove the courses or hours that do not, and notify ASC staff in writing of the State's findings.	ASC staff will verify the effectiveness of the new process during a Follow-up Review.
<b>Enforcement:</b> States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)			X	5 of 13 files selected lacked the documentation needed to understand the facts and considerations in disciplinary cases and the reasons for those determinations.	On April 3, 2025, the State noted that they will have begun to include more documentation in their enforcement files to better explain the rationale for their disciplinary decisions.	Within 60 days, the State must develop a plan to ensure that disposition of case resolution is consistent, appropriate and equitable; and the complaint process is well documented and available to ASC staff during the on-site portion of the Review. The State must provide ASC staff with a copy of its plan within 60 days.	ASC staff will verify the effectiveness of the new process during a Follow-up Review.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

Final Report Issue Date: July 1, 2025

### Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board	PM: T. Lewis	ASC Compliance Review Date: November 19-21, 2024	Review Period: November 2022 to November 2024
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Umbrella Agency: Independent	Number of State Credentialed Appraisers on Appraiser Registry: 1,185	Review Cycle: Two Year with Follow Up
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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Enforcement (continued):</b>  States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable and well-documented manner. (12 U.S.C. § 3347; Policy Statement 7 B.)		X		The State dismissed 18 complaints without sufficient documentation to support the rationale for dismissal.	On April 3, 2025, the State reported that "Tips" from Fannie Mae are not interpreted as "complaints." The State points to language at the bottom of each of the "Tips" stating that they are not complaints but may be an area of possible concern.	The examination of the State's complaint files found inconsistency with how FNMA "Tips" communications were treated. Some cases were opened while in other cases the State did not pursue investigation. The State should include sufficient documentation to support a decision for the dismissal of an allegation that it contends does not rise to the level of a complaint.	Through off-site monitoring, during a Follow-up Review and the next Compliance Review, ASC staff will pay particular attention to this area for compliance.

April 17, 2025

**Via Email**

Sally Pritchett, Director  
Kansas Real Estate Appraisal Board  
700 S. Jackson, Suite 804  
Topeka, KS 66603  
[Sally.Pritchett@ks.gov](mailto:Sally.Pritchett@ks.gov)

RE: ASC Compliance Review of Kansas' Appraisal Management Company (AMC) Regulatory Program

Dear Sally Pritchett:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Kansas AMC regulatory program (AMC Program) on November 19-21, 2024, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following area of non-compliance:

- States must establish and maintain an AMC Program with the legal authority and mechanisms to determine that an AMC oversees an appraiser panel consistent with the AMC Rule.<sup>2</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Kansas will remain on a two-year Review Cycle.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356

<sup>2</sup> 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

This letter and the attached Report are public records and available on the ASC website.  
Please contact us if you have any questions about this Report.

Sincerely,



Matt Ponzar  
Acting Executive Director

Attachment

cc: Trecia McDowell, Chair, [Trecia.McDowell@Sedgwick.gov](mailto:Trecia.McDowell@Sedgwick.gov)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: April 17, 2025

### Kansas AMC Regulatory Program (State)

Kansas Real Estate Appraisal Board	PM: T. Lewis	ASC Compliance Review Date: November 19-21, 2024	Review Period: November 2022 to November 2024
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Independent	Number of AMCs on AMC Registry: 89	Review Cycle: Two Year
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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:		X		The AMC Rule defines the appraiser panel size for an AMC operating in two or more states as 25 or more appraisers. The State's statute requires that the appraiser panel have more than 25 appraisers.	The April 3, 2025 response was silent on this matter. An examination of the State's AMC statute indicates that it qualifies an AMC for registration and renewal based upon the panel size of "more than 25". In practice, however, the State accurately qualifies AMCs based upon the appropriate panel size as specified in the AMC Rule.	The State should continue the process of amending its statutes to comply with Title XI.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Statutes, Regulations, Policies and Procedures(continued):	X						
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				The AMC Rule specifies that an appraiser should not be barred from owning an AMC if the refusal, denial, cancellation, revocation, or surrender in lieu of revocation of the appraiser's license or certification was not for substantive cause, as determined by the State. The State's statutes allow an appraiser whose credential was revoked and reinstated to be an owner without regard to substantive cause.	On April 3, 2025, the State reported that their Statute was previously amended in 2018 to address this concern. The amended statute was provided with the response.	None	The State addressed the concern.
National Registry:	X						
				No compliance issues noted.	N/A	None	None
Enforcement:	X						
				No compliance issues noted.	N/A	None	None

June 6, 2025

**Via Email**

Vanessa Beauchamp, Executive Director  
Missouri Real Estate Appraisers Commission  
Department of Commerce and Insurance  
3605 Missouri Boulevard  
Jefferson City, MO 65109  
Vanessa.Beauchamp@pr.mo.gov

RE: ASC Compliance Review of Missouri's Appraiser Regulatory Program

Dear Vanessa Beauchamp:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Missouri appraiser regulatory program (Appraiser Program) on March 25-27, 2025, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) of the Missouri Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must, at a minimum, adopt and implement all relevant AQB Criteria.;<sup>2</sup>
- Prior to reactivation, a credential holder in an inactive status must complete the continuing education that would have been required if the credential holder had been in active status.;<sup>3</sup>
- States must issue temporary practice permits within five business days of receipt of a completed application or notify the applicant and document the file as to the circumstances justifying delay or other action;<sup>4</sup> and
- States must ensure the accuracy of all data submitted to the Appraiser Registry.<sup>5</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.

<sup>3</sup> 12 U.S.C. § 3347(a); Policy Statement 4 C.

<sup>4</sup> 12 U.S.C. § 3351; Policy Statement 2 B.

<sup>5</sup> 12 U.S.C. § 3347; Policy Statement 3 A, D.

Areas of concern that were identified are being addressed by the Appraiser Program.

Missouri will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Missouri Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Matt Ponzar  
Acting Executive Director

Attachment

cc: Sheila Solon, Division Director, Sheila.Solon@pr.mo.gov

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri Appraiser Regulatory Program (State)

Missouri Real Estate Appraisers Commission PM: A. Nespor ASC Compliance Review Date: March 25-27, 2025 Review Period: August 2021 to February 2025

Umbrella Agency: Department of Commerce and Insurance Number of State Credentialed Appraisers on Appraiser Registry: 1,883 Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:			X				
States must have funding and staffing sufficient to carry out their Title XI-related duties. (12 U.S.C. § 3347; Policy Statement 8.)				The 7-member commission currently has 4 vacancies and lacks a statutory quorum. The commission is conducting meetings under the Rule of Necessity. The commission members have substantial responsibilities in reviewing application and enforcement files. The loss of one or more current commission members could result in an inability to timely process applications and complaints.	On June 2, 2025, the State reported that, pursuant to statute, all commission members are appointed by the governor with advice and consent of the senate.	The State should continue to monitor the appointment process and encourage the appointment of members to the 4 vacant positions.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri Appraiser Regulatory Program (State)

Missouri Real Estate Appraisers Commission | PM: A. Nespor | ASC Compliance Review Date: March 25-27, 2025 | Review Period: August 2021 to February 2025

Umbrella Agency: Department of Commerce and Insurance | Number of State Credentialed Appraisers on Appraiser Registry: 1,883 | Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures (continued):			X				
States must, at a minimum, adopt and implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				State statute does not require a new applicant not currently licensed or certified and in good standing in another jurisdiction to take and pass an AQB-approved qualifying examination for the credential within 24 months after approval by the State. A credential was issued to an applicant who passed an examination more than 24 months after approval by the State.	On June 2, 2025, the State reported that, in consulting with counsel, they do not believe that a rule is necessary as statute requires the commission to establish standards that shall be equivalent to the minimum criteria for certification and licensure issued by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. To provide applicants further clarification, at its April 2025 meeting, the commission approved a rule amendment stating that an applicant has 24 months to successfully pass the examination from the date of initial approval to sit for the examination. Failure to do so will require the applicant to reapply for licensure.	The State should adopt written policies and procedures that ensure the State issues credentials only when an applicant's examination pass date is less than 24 months after the date the applicant is approved to sit for the examination.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri Appraiser Regulatory Program (State)

Missouri Real Estate Appraisers Commission

PM: A. Nespor

ASC Compliance Review Date: March 25-27, 2025

Review Period: August 2021 to February 2025

Umbrella Agency: Department of Commerce and Insurance

Number of State Credentialed Appraisers on Appraiser Registry: 1,883

Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures (continued):</b>			X				
States must, at a minimum, adopt and implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				State statute permits an applicant for renewal of certification or licensure to satisfy more than half of required continuing education (CE) credit by participation, other than as a student, in appraisal educational processes and programs.	On June 2, 2025, the State reported that regulation outlines CE credit given for participation other than as a student and specifically states that the number of credit hours granted shall be equivalent to the number of hours allowed under the current AQB criteria. The State went on to say that if the commission ever decides to open the statute for amendments, consideration will be given to this matter.	The State must continue the process to amend its statute to bring it into compliance, and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
<b>Statutes, Regulations, Policies and Procedures (continued):</b>			X				
Prior to reactivation, a credential holder in an inactive status must complete the continuing education that would have been required if the credential holder had been in active status. (12 U.S.C. § 3347(a); Policy Statement 4 C.)				The requirement does not include completion of the most recent edition of a 7-Hour National USPAP Update Course (or its AQB-approved equivalent).	On June 2, 2025, the State reported that a combination of its regulations specifically require the recent USPAP Update course.	The regulations require that all licensees of the State shall complete the 7-hour USPAP Update Course or its equivalent during each renewal cycle. However, if a license becomes inactive and the USPAP course was completed early in the renewal cycle, the regulations do not require completion of the most recent edition of the course prior to reactivation of a credential, if one is in effect. The State must continue the process to amend its regulations to bring them into compliance and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
<b>Temporary Practice</b>			X				
States must issue temporary practice permits within five business days of receipt of a completed application or notify the applicant and document the file as to the circumstances justifying delay or other action. (12 U.S.C. § 3351; Policy Statement 2 B.)				During the review period, the State processed 965 temporary practice permits. The State failed to process 2 requests for temporary practice permits within 5 business days of receipt of a completed application.	On June 2, 2025, the State reported that this is an accurate finding.	The State must monitor the process to ensure temporary practice permits are issued within 5 business days of receipt of application.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri Appraiser Regulatory Program (State)

Missouri Real Estate Appraisers Commission	PM: A. Nespor	ASC Compliance Review Date: March 25-27, 2025	Review Period: August 2021 to February 2025
Umbrella Agency: Department of Commerce and Insurance		Number of State Credentialed Appraisers on Appraiser Registry: 1,883	

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Temporary Practice (continued):</b>	X						
States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any. (12 U.S.C. § 3351; Policy Statement 2.B.)				The Temporary Practice Permit log does not include the date completed application received. This information is in the application file.	On June 2, 2025, the State reported that the "license issue date" and the "completed application received date" are one and the same. The date upon which staff determine the application is complete is the same day the license is issued.	The State addressed the concern.	None
<b>National Registry:</b>	X						
States must ensure the accuracy of all data submitted to the Appraiser Registry. (12 U.S.C. § 3347; Policy Statement 3 A, D.)				A credential was entered on the Appraiser Registry for an applicant who did not meet the AQB Criteria.	On June 2, 2025, the State reported that the licensee was notified and the Appraiser Registry updated on April 1, 2025.	The State addressed the concern.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
<b>Application Process:</b>	X			No compliance issues noted.	N/A	None	None
<b>Reciprocity:</b>	X			No compliance issues noted.	N/A	None	None
<b>Education:</b>	X			No compliance issues noted.	N/A	None	None
<b>Enforcement:</b>	X			No compliance issues noted.	N/A	None	None

June 6, 2025

**Via Email**

Vanessa Beauchamp, Executive Director  
Missouri Real Estate Appraisers Commission  
Department of Commerce and Insurance  
3605 Missouri Boulevard  
Jefferson City, MO 65109  
Vanessa.Beauchamp@pr.mo.gov

RE: ASC Compliance Review of Missouri's Appraisal Management Company (AMC)  
Regulatory Program

Dear Vanessa Beauchamp:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Missouri AMC regulatory program (AMC Program) on March 25-27, 2025, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following area of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs.<sup>2</sup>
- States must have the authority to collect and transmit to the Appraisal Subcommittee annual registry fees from an appraisal management company that either has registered with a State appraiser certifying and licensing agency or operates as a subsidiary of a federally regulated financial institution.<sup>3</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review.

Areas of concern that were identified are being addressed by the AMC Program.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356

<sup>2</sup> 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

<sup>3</sup> 12 U.S.C. § 3338(a)(4); 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 9.

Missouri will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Missouri AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Matt Ponzar  
Acting Executive Director

Attachment

cc: Sheila Solon, Division Director, [Sheila.Solon@pr.mo.gov](mailto:Sheila.Solon@pr.mo.gov)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri AMC Regulatory Program (State)

Missouri Real Estate Appraisers Commission PM: A. Nespor ASC Compliance Review Date: March 25-27, 2025 Review Period: August 2021 to February 2025

Umbrella Agency: Department of Commerce and Insurance Number of AMCs on AMC Registry: 107 Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:			X	The 7-member commission currently has 4 vacancies and lacks a statutory quorum. The commission is conducting meetings under the Rule of Necessity. The commission members have substantial responsibilities in reviewing application and enforcement files. The loss of one or more current commission members could result in an inability to timely process applications and complaints.	On June 2, 2025, the State reported that, pursuant to statute, all commission members are appointed by the governor with advice and consent of the senate.	The State should continue to monitor the appointment process and encourage the appointment of members to the 4 vacant positions.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
States must have funding and staffing sufficient to carry out their Title XI-related duties. (12 U.S.C. § 3347; Policy Statement 8.)							



## ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri AMC Regulatory Program (State)

Missouri Real Estate Appraisers Commission	PM: A. Nespor	ASC Compliance Review Date: March 25-27, 2025	Review Period: August 2021 to February 2025
Umbrella Agency: Department of Commerce and Insurance		Number of AMCs on AMC Registry: 107	Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures (continued):		X					
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				State statute regarding ownership limitation for an owner does not provide the State the opportunity to determine whether a credential that was refused, denied, canceled, surrendered in lieu of revocation, or revoked in any State was done so for a substantive cause as determined by the State.	On June 2, 2025, the State reported that the longtime practice has been and continues to be to obtain disciplinary records from the State that took action and to review the information to determine if Missouri should take action. Pursuant to statute, the commission may refuse to issue or renew any license for "Disciplinary action against the holder of a license, certificate or other right to practice any profession regulated pursuant to sections 339.500 to 339.549, imposed by another state, territory, federal agency or country upon grounds for which revocation or suspension is authorized in this state." The State went on to say that, based upon this language, the commission is given authority to review and make determinations based upon information received from the State.	The statute cited addresses disciplinary action against the holder of a license, certificate, or other right to practice any profession regulated pursuant to sections 339.500 to 339.549, but does not specifically address disciplinary action against an owner of an AMC. It also addresses disciplinary action upon grounds for which revocation or suspension is authorized in the State of Missouri, but does not specifically address grounds for which refusal, denial, cancellation or surrender in lieu of disciplinary action is authorized.  The State must continue the process to amend its statute to bring it into compliance and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



## ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: June 06, 2025

### Missouri AMC Regulatory Program (State)

Missouri Real Estate Appraisers Commission PM: A. Nespor ASC Compliance Review Date: March 25-27, 2025 Review Period: August 2021 to February 2025

Umbrella Agency: Department of Commerce and Insurance Number of AMCs on AMC Registry: 107 Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures (continued):		X					
States must have the authority to collect and transmit to the Appraisal Subcommittee annual registry fees from an appraisal management company that either has registered with a State appraiser certifying and licensing agency or operates as a subsidiary of a federally regulated financial institution. (12 U.S.C. § 3338(a)(4); 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 9.)				State regulations determine the annual registry fee by multiplying the number of appraisers who have performed an appraisal for the AMC in connection with a covered transaction by twenty-five dollars (\$25) for each reporting period and do not specify that the appraisals be in connection with a covered transaction in the State.	On June 2, 2025, the State responded that the National Registry form was worked on with ASC staff, and since the AMC is completing the form for the State and reporting their practices in the State for the prior year, it is apparent that all information on the form pertains to the State.	The State must continue the process to amend its regulations to bring them into compliance, and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
National Registry:		X					
States must ensure the accuracy of all data submitted to the AMC Registry. (12 U.S.C. § 3347; Policy Statement 9.)				Federally regulated AMCs submitting annual registry fees do not currently appear on the AMC Registry.	On June 2, 2025, the State reported that the Division of Professional Registration implemented a new licensing system on January 14, 2025. The State went on to say that staff have worked with the ASC since that time to correct integration issues, and the AMCs appear on the National Registry at this time.	The State should monitor the integration of AMC information in the licensing software with the AMC Registry to ensure compliance.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Enforcement:	X			No compliance issues noted.	N/A	None	None

November 22, 2024

**Via Email**

Tyler Evins, Interim Executive Director  
South Dakota Appraiser Certification Program  
Department of Labor and Regulation  
217 W. Missouri Avenue  
Pierre, SD 57501  
[Tyler.Evins@state.sd.us](mailto:Tyler.Evins@state.sd.us)

RE: ASC Compliance Review of South Dakota's Appraiser Regulatory Program

Dear Tyler Evins:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the South Dakota appraiser regulatory program (Appraiser Program) on September 25 – 27, 2023, to determine the Appraiser Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program is given an ASC Finding of "Not Satisfactory." The final ASC Compliance Review Report (Report) of the South Dakota Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must issue temporary practice permits within five business days of receipt of a completed application or notify the applicant and document the file as to the circumstances justifying delay or other action;<sup>2</sup>
- States must reconcile and pay registry invoices in a timely manner;<sup>3</sup>
- States must ensure that staff authorization information provided to the ASC is updated and accurate;<sup>4</sup>
- States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought;<sup>5</sup>
- States must use a reliable means of validating appraiser experience claimed on all initial or upgrade applications for appraiser credentialing;<sup>6</sup>

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3351; Policy Statement 2 B.

<sup>3</sup> 12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.

<sup>4</sup> 12 U.S.C. § 3347; Policy Statement 3 A, C.

<sup>5</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B, C.

<sup>6</sup> 12 U.S.C. § 3347; Policy Statement 4 D.

## ASC Finding Descriptions

- States must analyze a representative sample of the applicant's work product for compliance with USPAP on all initial or upgrade applications for appraiser credentialing;<sup>7</sup>
- States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance of a credential by reciprocity so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations;<sup>8</sup>
- States must ensure the delivery mechanism for distance education courses offered by a non-academic provider, including secondary providers, has been approved by an AQB-approved organization providing approval of course design and delivery;<sup>9</sup>
- States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations;<sup>10</sup>
- States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner,<sup>11</sup> and
- States must track all complaints on a complaint log containing the required information.<sup>12</sup>

ASC staff will confirm appropriate corrective actions have been taken in a Follow-up Review. South Dakota will be placed on a one-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Zixta Q. Martinez  
ASC Chair

Attachment

cc: Jerry McCabe, Director, [Jerry.McCabe@state.sd.us](mailto:Jerry.McCabe@state.sd.us)  
Marcia Hultman, Cabinet Secretary, [Marcia.Hultman@state.sd.us](mailto:Marcia.Hultman@state.sd.us)

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<sup>7</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 D.

<sup>8</sup> 12 U.S.C. § 3351; Policy Statement 5 D.

<sup>9</sup> 12 U.S.C. § 3347; Policy Statement 6 B.

<sup>10</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

<sup>11</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

<sup>12</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Not Satisfactory

Final Report Issue Date: November 22, 2024

### South Dakota Appraiser Regulatory Program (State)

Appraiser Certification Program Advisory Council (Council)		PM: M. Brown		ASC Compliance Review Date: September 25-27, 2023		Review Period: November 2021 to September 2023
Umbrella Agency: Department of Labor and Regulation			Number of State Credentialed Appraisers on Appraiser Registry: 516			Review Cycle: One Year with Follow-up
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:	X					
			No compliance issues noted.	N/A	None	None
Temporary Practice:		X				
States must issue temporary practice permits within five business days of receipt of a completed application or notify the applicant and document the file as to the circumstances justifying delay or other action. (12 U.S.C. § 3351; Policy Statement 2 B.)			That State initially did not provide any of the selected temporary practice permit files for the Compliance Review, but subsequently supplied the requested documents.  The State failed to process 6 requests for temporary practice permits within 5 business days of receipt of a completed application.	On February 2, 2024, the State reported it updated its written procedures and checklists to ensure temporary permits are processed within 5 business days.	The State must monitor its updated procedures to ensure temporary practice permits are issued within 5 business days of receipt of application.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 2.
National Registry:		X				
States must reconcile and pay registry invoices in a timely manner. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.)			The State had 6 unpaid Appraiser Registry invoices outstanding for more than 45 calendar days.	On February 2, 2024, the State reported that on January 24, 2024, it paid the 6 outstanding Appraiser Registry invoices.  At the same time, the State reported that it instituted changes to how it processes Appraiser Registry invoices including the implementation and use of automated alerts.	The State must monitor its process to ensure Appraiser Registry invoices are reconciled and paid in a timely manner.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 3.
National Registry Continued:		X				
States must ensure that staff authorization information provided to the ASC is updated and accurate. (12 U.S.C. § 3347; Policy Statement 3 A, C.)			The State failed to notify the ASC that a program staff member with authorization had left the Program.	On February 2, 2024, the State reported it adopted a new staff exit procedure for employees leaving the Program, including a checklist item to provide notification to the ASC.	The State must monitor its new procedure to ensure that the authorization information is updated and accurate.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 3.
Application Process:		X				
States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B, C.)			That State initially did not provide any of the selected application files for the Compliance Review, but subsequently supplied the requested documents.  The State issued 1 appraiser credential without verifying the applicant met the AQB Criteria required education.	On February 2, 2024, the State reported that documentation for the course had been kept in separate files.  At the same time, the State reported that it updated its procedures and checklists for processing applications and accompanying documentation in the appraiser files.	The State must monitor its updated procedures to ensure that applicants have successfully completed courses consistent with AQB Criteria for the appraiser credential sought and document the file accordingly. The State must ensure that all documentation to support its validation methods are available to ASC staff for future Compliance Reviews.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 4.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Not Satisfactory

Final Report Issue Date: November 22, 2024

### South Dakota Appraiser Regulatory Program (State)

Appraiser Certification Program Advisory Council (Council)		PM: M. Brown		ASC Compliance Review Date: September 25-27, 2023		Review Period: November 2021 to September 2023	
Umbrella Agency: Department of Labor and Regulation			Number of State Credentialed Appraisers on Appraiser Registry: 516			Review Cycle: One Year with Follow-up	
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments	
	YES	NO	AC				
Application Process Continued:		X		The State failed to adequately document 1 application file to support experience claims on an upgrade application for appraiser credentialing.	On February 2, 2024, the State reported the experience log and appraisal reports were not maintained in one filing location.  At the same time, the State reported that it updated its procedures and checklists for processing upgrade applications and accompanying documentation in the appraiser files.	The State must monitor its updated procedures to ensure a reliable means of validating appraiser experience claimed on all initial or upgrade applications for appraiser credentialing and document the file accordingly. The State must ensure that all documentation to support its validation methods are available to ASC staff for future Compliance Reviews.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 4.
Application Process Continued:		X		The State issued 1 appraiser credential without reviewing work product samples for USPAP compliance.	On February 2, 2024, the State reported that it failed to have the documentation in one place, as staff was in the process of moving files from a physical file to a digital file.  At the same time, the State reported that it updated its procedures and checklists for processing upgrade applications and accompanying documentation in the appraiser files.	The State must monitor its updated procedures to ensure a reliable means of validating appraiser experience claimed on all initial or upgrade applications for appraiser credentialing and document the file accordingly. The State must ensure that all documentation to support its validation methods are available to ASC staff for future Compliance Reviews.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 4.
Reciprocity:		X		That State initially did not provide any of the selected reciprocal files for the Compliance Review, but subsequently supplied the requested documents.  The State issued 1 appraiser credential without verifying that the applicant held a valid credential in another State.	On February 2, 2024, the State reported that it has subsequently verified the applicant holds a valid credential.  At the same time, the State reported that it updated its checklists for reciprocal applications to include the requirement to verify and document that applicants hold a valid credential.	The State must monitor its new requirement to verify and document that applicants hold an active credential for the appraiser license sought and that documentation to support its validation is available to ASC staff for future Compliance Reviews.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 5.
Education:		X		That State initially did not provide any of the selected education files for the Compliance Review, but subsequently supplied the requested documents.  The State approved 3 qualifying education and 5 continuing education courses beyond the expiration date of the delivery mechanism and course content approval certificates.	On February 2, 2024, the State reported that course expirations are established by State regulations.  At the same time, the State reported that it will begin the rulemaking process to align the program's expiration dates with the AQB and IDECC expiration dates.	The State must continue the process to amend its rules to bring them into compliance with AQB Criteria, and provide ASC staff with a copy once finalized.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 6.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Not Satisfactory

Final Report Issue Date: November 22, 2024

### South Dakota Appraiser Regulatory Program (State)

Appraiser Certification Program Advisory Council (Council)		PM: M. Brown		ASC Compliance Review Date: September 25-27, 2023		Review Period: November 2021 to September 2023
Umbrella Agency: Department of Labor and Regulation			Number of State Credentialed Appraisers on Appraiser Registry: 516			Review Cycle: One Year with Follow-up
Applicable Federal Citations		Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions
		YES	NO	AC		
<b>Enforcement:</b> States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)			X	That State initially did not provide any of the selected enforcement files for the Compliance Review, but subsequently supplied the requested documents.  The State failed to maintain relevant documentation to enable an understanding of the facts and determinations and the reasons for those determinations.	On February 2, 2024, the State reported that it reviewed the cautionary/dismissal letters in certain complaint files selected for this Compliance Review.  At the same time, the State reported that the letters included determinations and reasons for the determinations.	The State must maintain relevant documentation to enable understanding of the facts and determinations and the reasons for those determinations.  ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 7.
<b>Enforcement Continued:</b> States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner. (12 U.S.C. § 3347; Policy Statement 7 B.)			X	The State failed to ensure that its system for processing and investigating complaints and sanctioning appraisers was administered in an effective, consistent, equitable, and well-documented manner.	On May 24, 2024, the State reported that it updated its procedures for processing complaints.  At the same time, the State reported that it developed written procedures and a checklist for processing complaints.	The State must monitor its updated procedures to ensure that processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner.  ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 7.
<b>Enforcement Continued:</b> States must track all complaints on a complaint log containing the required information. (12 U.S.C. § 3347; Policy Statement 7 B.)			X	The State failed to include the date each complaint was received in its complaint log.	On May 24, 2024, the State reported that it implemented a digital form that will record the date a complaint is submitted.	The State must monitor its digital form to ensure the complaint log contains the required information, including the date each complaint was received.  ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with Title XI and Policy Statement 7.

November 22, 2024

**Via Email**

Tyler Evins, Interim Executive Director  
South Dakota Appraiser Certification Program  
Department of Labor and Regulation  
217 W. Missouri Avenue  
Pierre, SD 57501  
[Tyler.Evins@state.sd.us](mailto:Tyler.Evins@state.sd.us)

RE: ASC Compliance Review of South Dakota's Appraisal Management Company (AMC) Regulatory Program

Dear Tyler Evins:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the South Dakota AMC regulatory program (AMC Program) on September 25 – 27, 2023, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs;<sup>2</sup> and
- States must determine whether State registered AMCs meet the federal definition of an AMC to be eligible to be on the AMC Registry and if eligible, collect the registry fee.<sup>3</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. South Dakota will remain on a two-year Review Cycle.

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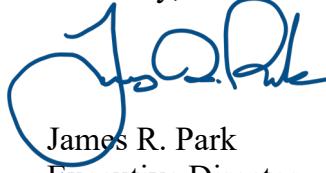
<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> Title XI § 1124, 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

<sup>3</sup> Title XI § 1109, 12 U.S.C. § 3338; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; 12 CFR 1102.403; Policy Statements 8 and 9.

This letter and the attached Report are public records and available on the ASC website.  
Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Park".

James R. Park  
Executive Director

Attachment

cc: Jerry McCabe, Director, [Jerry.McCabe@state.sd.us](mailto:Jerry.McCabe@state.sd.us)  
Marcia Hultman, Cabinet Secretary, [Marcia.Hultman@state.sd.us](mailto:Marcia.Hultman@state.sd.us)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: November 22, 2024

### South Dakota AMC Regulatory Program (State)

Appraiser Certification Program Advisory Council (Council)	PM: M. Brown	ASC Compliance Review Date: September 25-27, 2023	Review Period: November 2021 to September 2023
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Umbrella Agency: Department of Labor and Regulation	Number of AMCs on AMC Registry: 85	Review Cycle: Two Year
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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures:</b> States must enforce and document ownership limitations for State-registered AMCs. (Title XI § 1124, 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)		X		The State's regulations regarding ownership limitation for an owner who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for substantive cause is not consistent with the AMC rule.	On February 2, 2024, the State reported that it intends to initiate the rules promulgation process to comply with Title XI.	The State must continue the process to amend its administrative rules to bring them into compliance with Title XI, and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 8.
<b>National Registry:</b> States must reconcile and pay registry invoices in a timely manner (45 calendar days after receipt of the invoice). (Title XI § 1118, 12 U.S.C. § 3347; Title XI § 1109, 12 U.S.C. § 3338; Policy Statement 9.)		X		The State had 1 unpaid AMC Registry invoice outstanding for more than 45 calendar days.	On February 2, 2024, the State reported that on January 24, 2024, it paid the 1 outstanding AMC Registry invoice. At the same time, the State reported that it instituted changes to how it processes AMC Registry invoices.	The State should monitor its process to ensure AMC Registry invoices are reconciled and paid in a timely manner.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 9.
<b>National Registry Continued:</b> States must determine whether State registered AMCs meet the federal definition of an AMC to be eligible to be on the AMC Registry and if eligible, collect the registry fee. (Title XI § 1109, 12 U.S.C. § 3338; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; 12 CFR 1102.403; Policy Statements 8 and 9.)		X		The State failed to determine the eligibility of State registered AMCs.	On February 2, 2024, the State reported it intends to update its AMC application to accurately identify AMCs that meet the federal definition for an AMC for eligibility on the AMC Registry and will provide a copy to the ASC once completed.	The State must continue the process to update its AMC application to determine whether State registered AMCs meet the federal definition of an AMC to be eligible to be on the AMC Registry and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statements 8 & 9.
<b>Enforcement:</b>	X			No compliance issues noted.	N/A	None	None

February 11, 2025

**Via Email**

Nick Barker, Executive Director  
Wyoming Certified Real Estate Appraiser Board  
2617 E. Lincolnway, Suite H  
Cheyenne, WY 82002  
[Nick.Barker1@wyo.gov](mailto:Nick.Barker1@wyo.gov)

RE: ASC Compliance Review of Wyoming's Appraiser Regulatory Program

Dear Nick Barker:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Wyoming appraiser regulatory program (Appraiser Program) on October 22-24, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) of the Wyoming Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must recognize on a temporary basis appraiser credentials issued by another State if the property to be appraised is part of a federally related transaction;<sup>2</sup>
- States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any;<sup>3</sup>
- States must ensure that appraiser education courses are consistent with AQB Criteria;<sup>4</sup> and
- States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances.<sup>5</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Wyoming will remain on a two-year Review Cycle.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3351; Policy Statement 2.

<sup>3</sup> 12 U.S.C. § 3351; Policy Statement 2 B.

<sup>4</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 6 A.

<sup>5</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

This letter and the attached Report are public records and available on the ASC website.  
Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Ponzar".

Matt Ponzar  
Acting Executive Director

Attachment

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: February 11, 2025

### Wyoming Appraiser Regulatory Program (State)

Wyoming Certified Real Estate Appraiser Board (Board)						
Umbrella Agency: Wyoming Real Estate Commission						
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:		X				
States must recognize on a temporary basis appraiser credentials issued by another State if the property to be appraised is part of a federally related transaction. (12 U.S.C. § 3351; Policy Statement 2.)			Title XI requires a State appraiser certifying or licensing agency to temporarily recognize the certification or license of an appraiser issued by another State. The State statute allows only certified appraisers to seek temporary practice in the State, excluding licensed appraisers. However, the State's regulations define temporary permits as "[a]n appraiser certified or licensed in another jurisdiction..."	On January 2, 2025, the State reported that the Board will submit proposed legislative language to the Wyoming Legislature for consideration to ensure that both certified and licensed appraisers are eligible to seek temporary practice permits in the State.	The State must continue the process of amending its statutes to ensure compliance.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Temporary Practice:		X				
States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any. (12 U.S.C. § 3351; Policy Statement 2 B.)			The State's temporary practice permit log does not include the date a completed application was received.	On January 2, 2025, the State reported that upon notification on October 22, 2024, Board staff promptly updated the temporary practice permit log to include a column for the date a completed application was received. The State went on to report that this issue has been rectified.	The State must continue using their updated temporary practice permit log to ensure all required data is accurately tracked.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
National Registry:	X					
Application Process:	X		No compliance issues noted.	N/A	None	None
Reciprocity:	X		No compliance issues noted.	N/A	None	None
			No compliance issues noted.	N/A	None	None



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: February 11, 2025

### Wyoming Appraiser Regulatory Program (State)

Wyoming Certified Real Estate Appraiser Board (Board)		PM: J. Stewart	ASC Compliance Review Date: October 22-24, 2024		Review Period: July 2022 - September 2024
Umbrella Agency: Wyoming Real Estate Commission		Number of State Credentialed Appraisers on Appraiser Registry: 362		Review Cycle: Two Year	
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)	ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC		
<b>Education:</b>  States must ensure that appraiser education courses are consistent with AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 6 A.)		X	AQB Criteria requires continuing education (CE) courses to cover real property related appraisal topics. The State approved 1 CE course with content that appeared to be inconsistent with the AQB Criteria.	On January 2, 2025, the State reported that the Board affirms that all approved and ratified CE courses align with real property appraisal topics required by the AQB. The State went on to report that to enhance compliance, the Board will implement a checklist to verify that all CE courses meet the AQB's Criteria for real property appraisal topics before approval.	The State must continue its process of implementing a checklist to ensure all CE courses meet AQB Criteria.  During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
<b>Enforcement:</b>  States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances. (12 U.S.C. § 3347; Policy Statement 7 B.)		X	The State had 1 aged complaint which was unresolved for more than 1 year without the exemption for special documented circumstances.	On January 2, 2025, the State reported that the Board is committed to timely, effective, and equitable complaint handling. The State went on to report that the unresolved complaint referenced in the report had its investigation completed, and the delay was due solely to awaiting ratification of the Liaison Board Member's recommendation at the Board's next scheduled meeting. Lastly, the State reported that moving forward, the Board will prioritize meeting schedules to avoid such delays.	The State must monitor its revised processes to ensure complaints are resolved timely.  During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.

February 11, 2025

**Via Email**

Nick Barker, Executive Director  
Wyoming Certified Real Estate Appraiser Board  
2617 E. Lincolnway, Suite H  
Cheyenne, WY 82002  
[Nick.Barker1@wyo.gov](mailto:Nick.Barker1@wyo.gov)

RE: ASC Compliance Review of Wyoming's Appraisal Management Company (AMC) Regulatory Program

Dear Nick Barker:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Wyoming AMC regulatory program (AMC Program) on October 22-24, 2024, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs;<sup>2</sup> and
- States must impose requirements on AMCs consistent with the AMC Rule;<sup>3</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Wyoming will remain on a two-year Review Cycle.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3353; AMC Rule: 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 –323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

<sup>3</sup> 12 CFR 34.210–34.216; 12 CFR 225.190–225.196; 12 CFR 323.8–323.14; 12 CFR 1222.20–1222.26; Policy Statement 8.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Matt Ponzar  
Acting Executive Director

Attachment

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: February 11, 2025

### Wyoming AMC Regulatory Program (State)

Wyoming Certified Real Estate Appraiser Board (Board)		PM: J. Stewart	ASC Compliance Review Date: October 22-24, 2024		Review Period: July 2022 - September 2024	
Umbrella Agency: Wyoming Real Estate Commission			Number of AMCs on AMC Registry: 74		Review Cycle: Two Year	
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)		ASC Staff Observations	State Response	Required/Recommended State Actions	
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:	X					
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; AMC Rule: 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)			According to the AMC Rule, an AMC shall not be registered or included on the AMC National Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause. The State's statutes and AMC applications allow the AMC to determine substantive cause.	On January 2, 2025, the State reported that the Board will amend its current AMC application to include the appropriate ownership limitation questions.	The State must continue the process of amending its AMC application to ensure compliance.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Statutes, Regulations, Policies and Procedures Continued:	X					
States must impose requirements on AMCs consistent with the AMC Rule. (AMC Rule: 12 CFR 34.210–34.216; 12 CFR 225.190–225.196; 12 CFR 323.8–323.14; 12 CFR 1222.20–1222.26; Policy Statement 8).			The State's qualification and requalification processes require Federally regulated AMCs to report information that is not consistent with the AMC Rule.	On January 2, 2025, the State reported that the Board will develop and implement new applications for federally regulated AMCs covering both initial qualification and annual requalification.	The State must continue the process of creating new AMC applications for federally regulated AMCs to ensure compliance.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
National Registry:	X					
Enforcement:	X		No compliance issues noted.	N/A	None	None
			No compliance issues noted.	N/A	None	None