TO: All Interested Parties
FROM: Joseph C. Traynor, Chair
Appraiser Qualifications Board
RE: Fourth Exposure Draft of Proposed Changes to the Real Property Appraiser Qualification Criteria
DATE: November 1, 2017

For over two years, the Appraiser Qualifications Board (AQB) has been examining potential areas of change to the Real Property Appraiser Qualification Criteria (Criteria). During this time, the AQB has published a Concept Paper and a Discussion Draft, held a public hearing and an online public briefing, and issued three exposure drafts, each time proposing changes with consideration given to feedback the Board received.

After receiving public comment from its most recent (Third) exposure draft, the AQB formed a Focus Group, made up of constituents from several specific sectors. The Focus Group met with the AQB in Minneapolis as part of the Board’s meetings in early September. Input from this Focus Group assisted the AQB in crystalizing potential proposals for revisions to the Criteria.

Representatives from the AQB then presented these potential concepts to members of the Association of Appraiser Regulatory Officials (AARO) at its fall conference in Washington, DC, in October. The Board received positive feedback from AARO members regarding these concepts.

After considering all of the feedback received to date, the AQB is now addressing the topics contained in this Fourth Exposure Draft as follows:

- **Degree Requirement for Licensed Residential and Certified Residential:**
  Section 1 of this document addresses college-level education requirements for the Licensed Residential and Certified Residential classifications.
• **Alternative Track for Licensed Residential to Certified Residential**: Section 2 of this document outlines a pathway for qualified Licensed Residential appraisers to obtain a Certified Residential credential without satisfying the college-level education requirements.

• **Practical Applications of Real Estate Appraisal**: Section 3 of this document outlines the status of the *Practical Applications of Real Estate Appraisal* concept.

• **Experience Requirements**: Section 4 of this document contains proposed revisions to the experience hours and time frames required for the Licensed Residential, Certified Residential, and Certified General classifications.

All interested parties are encouraged to comment in writing to the AQB before Friday, January 12, 2018. The AQB will also accept verbal comments at its public meeting in Washington, DC on Thursday, February 1, 2018. Respondents are assured that each member of the AQB will thoroughly read and consider all comments.

Please submit written comments on this exposure draft by mail or email.

Mail: Appraiser Qualifications Board
      The Appraisal Foundation
      1155 15th Street NW, Suite 1111
      Washington, DC 20005

Email: aqbcomments@appraiserfoundation.org

**IMPORTANT NOTE:** The Appraisal Foundation will post on its website for public viewing all written comments exactly as submitted. Upon request, The Appraisal Foundation will redact the name(s) of the author(s) from the website.

The Appraisal Foundation reserves the right not to post written comments containing offensive or inappropriate statements.

If you have any questions regarding this exposure draft, please contact Magdalene Vasquez, Qualifications Administrator at The Appraisal Foundation, via e-mail at magdalene@appraiserfoundation.org or by calling (202) 624-3074.
Fourth Exposure Draft of Proposed Changes to the
Real Property Appraiser Qualification Criteria (Criteria)

Issued: November 1, 2017
Comment Deadline: January 12, 2018

Each section of this exposure draft begins with rationale for the proposed changes. The rationale is identified as such and does not have line numbering. Where proposed changes to the Criteria are noted, the exposure draft contains line numbers. This difference is intended to distinguish for the reader those parts that explain the changes from the proposed changes themselves.

When commenting on the exposure draft, it is helpful to reference the line numbers, fully explain the reasons for concern or support, provide examples or illustrations, and suggest any alternatives or additional issues for the AQB’s consideration.

Where text is deleted from what currently appears in the Criteria, that text is shown as strikethrough. For example: This is strikethrough text proposed for deletion. Text added to what currently appears in the Criteria is underlined. For example: This is text proposed for insertion.

The primary mission of the AQB is to protect public trust in the appraisal profession. As such, multiple exposure drafts are required to adequately vet the significant issues contained in this document.

The proposals contained in this Fourth Exposure Draft, if adopted, would result in Criteria requirements that are less stringent than those currently in effect. Because states are legally permitted to possess requirements that are greater than, but not less than, the AQB Criteria, adoption of any of these proposals would not necessitate a future effective date to allow states time to update statute and regulations to remain in compliance. Therefore, the AQB anticipates that any changes, if adopted, would go into effect immediately. State appraiser regulatory agencies could then elect to implement the revised Criteria whenever they deem appropriate.
Fourth Exposure Draft:
Potential Changes to the
Real Property Appraiser Qualification Criteria

Issued: November 1, 2017
Comment Deadline: January 12, 2018

Each section of this document identifies the area(s) of the Criteria under consideration for potential changes.

When commenting on various aspects of the discussion paper, it is helpful to explain, in detail, the reasons for concern or support, provide examples or illustrations, and suggest any alternatives or additional issues for the AQB’s consideration.

For ease in identifying the various issues being addressed, this exposure draft is presented in sections.

TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Issue</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Licensed Residential and Certified Residential College-Level Education Requirements</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Alternative Track for Licensed Residential to Certified Residential</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>Practical Applications of Real Estate Appraisal</td>
<td>16</td>
</tr>
<tr>
<td>4</td>
<td>Experience Requirements</td>
<td>17</td>
</tr>
</tbody>
</table>
Section 1: Licensed Residential and Certified Residential College-Level Education Requirements

Rationale

The AQB has long considered a Bachelor’s Degree is appropriate for the Certified Residential and Certified General credentials, and that some college-level education is necessary for the Licensed Residential credential. However, the AQB also recognizes that shifts occur in the marketplace for appraisal services based on changes in business practices. After examining this issue in-depth for over two years, the AQB believes that public trust can be served without requiring college-level education for the Licensed Residential credential, and by allowing alternatives to the Bachelor’s Degree requirement for the Certified Residential credential. The AQB continues to consider a Bachelor’s Degree appropriate for the Certified General credential.

The AQB received an unprecedented level of feedback on this particular topic and there has been a great divergence of opinion. Some commenters continue to support a Bachelor’s Degree for residential appraisers. Others have expressed that changes in the marketplace in the last several years have not only minimized the need for a Bachelor’s Degree, but preclude residential appraising as a viable career option and could ultimately create a shortage of appraisers in some sectors.

The AQB maintains a Bachelor’s Degree is a strong attribute and is worthy of recognition, while recognizing other alternatives exist that would achieve a similar level of public trust in the residential appraisal marketplace. These alternatives are more palatable options for those considering residential appraisal as a career option, thereby facilitating an adequate supply of qualified appraisers. It is important to note that while the AQB does not establish Criteria with the intent to affect the supply of appraisers, a healthy balance of supply and demand certainly assists with protecting public trust in the appraisal profession.

Therefore, the AQB is proposing:

1) Removal of the college-level education requirements for the Licensed Residential credential; and
2) Alternatives to the Bachelor’s Degree requirement for the Certified Residential credential.

For the Certified Residential credential, the AQB is proposing the following options to demonstrate specific college-level equivalency:

1) Bachelor’s Degree in any field of study;
2) Associate’s Degree in a focused field of study;
3) Successful completion of 30 college semester credit hours in specified topics;
4) Successful completion of College-Level Examination Program (CLEP)\(^1\) exams equivalent to a minimum of 30 semester credit hours in specified subject matter areas; or

5) Any combination of #3 and #4 above that includes all of the topics identified.

Option #1 – Bachelor’s Degree in any field of study
Some comments received by the AQB questioned the applicability of a Bachelor’s Degree obtained in a seemingly unrelated field of study. The AQB continues to recognize that individuals obtaining a Bachelor’s Degree in any field are required to demonstrate competence in essential skills that teach things such as logic, analysis, reasoning, and communication.

Option #2 – Associate’s Degree in a focused field of study
It is the position of the AQB that an Associate’s Degree in business, finance, accounting, economics, or similar programs would be acceptable alternatives to a Bachelor’s Degree. If adopted, the AQB will develop guidance to assist state appraiser regulators, educators, and practitioners on the acceptability of these programs.

Option #3 – Successful completion of 30 college semester credit hours in specified subject matter areas
The AQB also recognizes many individuals may have acquired significant collegiate hours of education, but did not receive a formal degree. For those individuals, the AQB is proposing an alternative of 30 semester credit hours in specific college course topics. The topics are identical to what existed in the 2008 Criteria as an option “in lieu” of a Bachelor’s Degree. They are:

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

Option #4 – Successful completion of CLEP exams equivalent to a minimum of 30 semester credit hours in specified topics
As outlined in prior exposure drafts, CLEP is a well-recognized testing program accepted by 2,900 colleges and universities.\(^2\) The specific topics considered necessary to protect the public trust for the Certified Residential credential consist of:

---

\(^1\) CLEP exams involve “scaled scoring” without a pass/fail result. Applicants would be required to achieve exam scores that meet the minimums required to grant college credit at accredited colleges and universities.

Fourth Exposure Draft: Proposed Changes to the Real Property Appraiser Qualification Criteria
• College Algebra
• College Composition
• College Composition Modular
• College Mathematics
• Principles of Macroeconomics
• Principles of Microeconomics
• Introductory Business Law
• Principles of Management

Option #5 – Any combination of #3 and #4 above that includes all of the topics identified

As outlined in prior exposure drafts, the AQB believes that a combination of the required college semester hours and successful completion of CLEP exams is acceptable to satisfy the college-level education requirement. Any such combination would need to cover all topics identified.

<table>
<thead>
<tr>
<th>CLEP Exams</th>
<th>CLEP Exam Semester Hours</th>
<th>Applicable College Courses</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Algebra</td>
<td>3</td>
<td>Algebra, Geometry, Statistics, or higher mathematics</td>
</tr>
<tr>
<td>College Composition</td>
<td>6</td>
<td>English Composition</td>
</tr>
<tr>
<td>College Composition Modular</td>
<td>3</td>
<td>English Composition</td>
</tr>
<tr>
<td>College Mathematics</td>
<td>6</td>
<td>Algebra, Geometry, Statistics, or higher mathematics</td>
</tr>
<tr>
<td>Principles of Macroeconomics</td>
<td>3</td>
<td>Economics or Finance</td>
</tr>
<tr>
<td>Principles of Microeconomics</td>
<td>3</td>
<td>Economics or Finance</td>
</tr>
<tr>
<td>Introductory Business Law</td>
<td>3</td>
<td>Business Law or Real Estate Law</td>
</tr>
</tbody>
</table>

Note: The AQB has learned the American Association of College Registrars and Admissions Officers (AACRAO) no longer evaluates degrees from foreign countries for equivalency and, thus, proposes removing them as an approved source for this service.

2 www.collegeboard.org
III. Qualifying Education

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

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

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

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

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

C. For college-level courses taken in a quarterly system versus a semester system, one quarter hour credit is equivalent to .67 semester credit hours. Conversely, one semester credit hour is equivalent to 1.5 quarter credit hours. For example, to satisfy the 30 semester credit hour requirement for the Licensed Residential Real Property Appraiser classification, an applicant needs to successfully pass those applicable courses that generate 45 quarter credit hours, (i.e. 30 semester credit hours x 1.5 conversion factor).

DB. Appraisers holding a valid Trainee Appraiser credential may satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential by completing the following additional educational hours:
1. Residential Market Analysis and Highest and Best Use 15 Hours
2. Residential Appraiser Site Valuation and Cost Approach 15 Hours
3. Residential Sales Comparison and Income Approaches 30 Hours
4. Residential Report Writing and Case Studies 15 Hours

TOTAL 75 Hours

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

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

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

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

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

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

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

B. 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 in the following specific topic areas:
   a. English Composition (3 semester hours);
   b. Micro Economics (3 semester hours);
   c. Macro Economics (3 semester hours);
   d. Finance (3 semester hours);
   e. Algebra, Geometry, or higher mathematics (3 semester hours);
   f. Statistics (3 semester hours);
   g. Principles of Management (3 semester hours);
h. Business or Real Estate Law (3 semester hours); and  
i. Two elective courses in: accounting, geography, agricultural economics,  
   business management, or real estate (3 semester hours each).  

4. Successful completion of at least 30 hours of College Level Examination  
   Program® (CLEP®) examinations from the following subject matter areas:  
   a. College Algebra  
   b. College Composition  
   c. College Composition Modular  
   d. College Mathematics  
   e. Principles of Macroeconomics  
   f. Principles of Microeconomics  
   g. Introductory Business Law  
   h. Principles of Management  

5. Any combination of III.B.3 and III.B.4 above that includes all of the topics  
   identified.  

BC. 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.  

CD. Appraisers holding a valid Trainee Appraiser credential may satisfy the  
   educational requirements for the Certified Residential Real Property Appraiser  
   credential by completing the following additional educational hours:  
   1. Residential Market Analysis and Highest and Best Use  15 Hours  
   2. Residential Appraiser Site Valuation and Cost Approach  15 Hours  
   3. Residential Sales Comparison and Income Approaches  30 Hours  
   4. Residential Report Writing and Case Studies  15 Hours  
   5. Statistics, Modeling and Finance  15 Hours  
   6. Advanced Residential Applications and Case Studies  15 Hours  
   7. Appraisal Subject Matter Electives  20 Hours  
   
   TOTAL  125 Hours  

DE. Appraisers holding a valid Licensed Residential Real Property Appraiser  
   credential may satisfy the educational requirements for the Certified Residential  
   Real Property Appraiser credential by completing the following additional  
   educational hours:  
   1. Statistics, Modeling and Finance  15 Hours  
   2. Advanced Residential Applications and Case Studies  15 Hours  
   3. Appraisal Subject Matter Electives  20 Hours  
   
   TOTAL  50 Hours  

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

FG. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Certified Residential Real Property Appraiser credential.
Section 2: Alternative Track for Licensed Residential to Certified Residential

Rationale

As stated previously, the AQB recognizes that many Licensed Residential appraisers have a demonstrated track record of providing quality residential appraisal services for a number of years without any disciplinary sanctions. Some of these individuals worked under the premise that they would be able to continue to practice with their current credentials and, through no fault of their own, subsequently found their practice significantly limited due to changes in the marketplace. These changes commenced when Congress mandated the Federal Housing Administration to use only state certified appraisers. For whatever reason, many users of appraisal services followed suit and as a result, Licensed Residential appraisers were no longer eligible to provide appraisals in many transactions.

Some of these Licensed Residential credential holders lived in rural markets providing a variety of services besides appraisals (e.g., brokerage, property management, insurance) and may have only performed a few appraisals per month. When the Criteria changed to require a Bachelor’s Degree for the Certified Residential credential, those without a degree simply decided it was not worthwhile to consider upgrading to the certified level. As a result, many rural markets are now deemed underserved because Certified Residential appraisers must perform those assignments. Many of these markets have very few, if any, Certified Residential appraisers, resulting in the need to bring in eligible appraisers from distant markets. This may increase turnaround times for rural assignments, while at the same time placing a strain on urban markets due to those appraisers taking time away to perform rural assignments.

As stated previously, the AQB does not revise the Criteria in an attempt to adjust the supply of credentialed appraisers. However, the AQB recognizes ethical and competent Licensed Residential appraisers with a history of performing residential appraisals should have an alternative path to obtain a Certified Residential credential, given they only lack the required college-level education. Therefore, the AQB is proposing such a path.

Note: For the sake of clarity, the AQB is exposing this proposal separately from the proposed revisions to the college-level education requirements for the Certified Residential credential shown in Section 1 of this document. This proposal would apply to the college-level requirements for the Certified Residential credential, whether the proposed revisions shown in Section 1 are adopted or not. Therefore, the proposed revisions on the following page are shown based on the current Criteria.
III. Qualifying Education

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

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

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

B. As an alternative to the Bachelor’s Degree requirement, 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 finally adjudicated 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.E 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.

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

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

**TOTAL 125 Hours**

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

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

**TOTAL 50 Hours**

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

Appraisers holding a valid **Certified General Real Property Appraiser** credential satisfy the educational requirements for the **Certified Residential Real Property Appraiser** credential.
Section 3: Practical Applications of Real Estate Appraisal

Rationale

In the past three exposure drafts, the consideration of an experience-training curriculum known as the Practical Applications of Real Estate Appraisal (PAREA) was proposed. The PAREA concept would provide an alternative to gaining experience in the traditional sense of training (i.e., in an appraisal office with a supervisor mentoring the trainee). The proposed PAREA curriculum consists of three modules that would encapsulate appraisal experience in both a classroom and external practice-based environment. The proposed objectives and guidelines would have required a rewrite of AQB Guide Note 4 (GN-4) in the Criteria.

The AQB has received widespread support to develop alternatives to current training methods. Those in favor very much agreed that an alternate method of gaining experience was necessary, primarily because of the current lack of training opportunities in appraisal firms and the financial disincentives inherent in training programs for both the mentors and trainees. Also cited was the desire for an experience program offering a consistent educational format and qualified mentors.

Some respondents expressed concern, stating there is no substitute for actual field experience. However, the goal of the practical applications program would be to emulate actual field experience, and the module structures would include actual field experience. As a result, individuals completing these modules would perform actual and/or virtual appraisal assignments.

Some of the responses conveyed a lack of understanding of the AQB’s goals in developing this alternative form of experience.

Because of the varied responses, it is evident more information and illustration is necessary in order for responders to credibly evaluate this concept. At this time, the PAREA concept is being removed from this exposure draft and will be developed separately. Its development will require a more extensive time frame than the other proposals. As part of the PAREA development, the AQB is considering developing one initial module to serve as a model for subsequent modules. This will likely be accomplished in conjunction with subject matter experts with expertise in this type of endeavor. Look for additional information on PAREA in the coming months.
Section 4: Experience Requirements

Rationale

As stated in prior exposure drafts, the role experience plays in determining an individual's eligibility for a real estate appraiser credential has been an item of substantial debate. The model that has been in place for many years is familiar and seems “natural” to many. However, virtually all commenters acknowledge the difficulty with obtaining appraisal experience in today’s environment.

The simple fact that experience is difficult to obtain does not warrant reducing the amount of experience needed for a credential. The AQB’s charge is to maintain and promote public trust in the appraisal profession by establishing appropriate minimum qualifications necessary to qualify for a credential. It’s important to keep in mind that being qualified is different than being competent.

Many commenters felt any reduction in the experience requirements would not render a competent appraiser; however, the AQB Criteria must ensure that an individual is qualified to appraise, even though that individual may not necessarily be competent yet. Competency is gained over time based on an appraiser’s practice. Regardless of the amount of experience required to obtain a credential, there will always be assignments appraisers are not competent to perform at the time they initially receive a credential.

As stated in prior exposure drafts, the experience requirements in the Criteria have not increased since January 1, 1998. However, since that time:

- The number of hours of qualifying education required for a credential has increased dramatically;
- Qualifying education must now follow a specified Required Core Curriculum, including completion of case study and report writing courses;
- Successful completion of each qualifying education course requires a candidate to pass a closed-book, proctored, final examination;
- College-level education is now required;
- Applicants must pass the practice-based National Uniform Licensing and Certification examinations, which are far more robust and challenging than the pre-2008 exams were;
- A comprehensive program for instruction related to the Uniform Standards of Professional Appraisal Practice (USPAP) has been implemented; and
- There are qualification requirements for supervisory appraisers.

With these enhancements to the education and examination components of the Criteria, the AQB continues to consider it appropriate to offer a more balanced approach to the qualifications needed for a credential by reducing the number of hours of experience required for the residential classifications. The AQB has also evaluated the required experience hours in comparison to the minimum time frames (i.e., months required). Using a typical 40-hour work week as a basis, the Board is proposing corresponding reductions in the months of experience required for all classifications.
LICENSING RESIDENTIAL REAL PROPERTY APPRAISER

IV. Experience

Two thousand (2,000) One thousand (1,000) hours of experience are required to be obtained in no fewer than six (6) months.

CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

IV. Experience

Two thousand five hundred (2,500) One thousand five hundred (1,500) hours of experience are required to be obtained during no fewer than twenty-four (24) 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

IV. Experience

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