Executive Summary of the 2008 Real Property Appraiser Qualification Criteria

As a result of a three-year endeavor that included numerous public meetings around the country and six exposure drafts, the Appraiser Qualifications Board (AQB) adopted revisions to the *Real Property Appraiser Qualification Criteria* in February 2004.

Knowing the possible impact the changes to the *Criteria* could have on regulators, educational providers, and practitioners, the AQB wanted to ensure ample lead time for implementation. Accordingly, the effective date for implementation of the new *Criteria* was set as January 1, 2008, almost four years after adoption.

Key Components of the *Criteria* and How They Are Changing

The major components of the *Criteria* are qualifying education, experience, examination, and continuing education. It is perhaps easiest to first cover what is **not changing**.

Continuing Education

The continuing education requirement of the equivalent of fourteen class hours each year remains unchanged. In addition, the requirement that individuals must successfully complete the *7-Hour National USPAP Update Course* or its equivalent every two calendar years as part of the overall fourteen class hour requirement remains in effect.

Examination

All individuals seeking to become a State Licensed, State Certified Residential or State Certified General appraiser must successfully pass an examination administered by the jurisdiction awarding the credential. The examination requirements have not changed; although, it should be noted that the AQB is in the process of developing new Uniform State Appraiser Examinations, which will be implemented concurrently with the effective date of the new *Criteria*.

What is **changing:**

Experience

There is only one change regarding experience. At the present time, the experience requirement for the Licensed Residential Real Property Appraiser Classification is 2,000 hours. Effective January 1, 2008, the experience requirement for that classification will be 2,000 hours in no fewer than 12 months.

Qualifying Education

The most significant changes in the new *Criteria* relate to qualifying education. The changes fall into the following categories:

1. There are college-level course requirements for the Certified Residential and Certified General classifications;
2. The required number of classroom hours in appraisal education has increased significantly in all three licensure classifications; and
3. There are minimum classroom hours of coverage requirements for specific topic areas, which are known as modules.

College Course Requirements

For the first time, there are now college-level course requirements for the certified classifications.

Certified Residential: Associates degree or higher; in any field of study; or, in lieu of the required degree, twenty-one (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or, higher mathematics; Statistics; Introduction to Computers: Word Processing/ Spreadsheets; and Business or Real Estate Law.

Certified General: Bachelors degree or higher; in any field of study; or, in lieu of the required degree, thirty (30) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro and Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers: Word Processing/ Spreadsheets; Business or Real Estate Law; and two (2) elective courses in accounting, geography, agricultural economics, business management, or real estate.

Classroom Hours

In addition to the college-level course requirements, the appraisal education classroom hour requirement has increased for the State Licensed, State Certified Residential and State Certified General classifications. The Trainee classification remains unchanged at 75 classroom hours. The number of appraisal education classroom hours to become a State Licensed appraiser has increased from 90 hours to 150 hours; Certified Residential has increased from 120 hours to 200 hours; and, Certified General classification has increased from 180 hours to 300 hours.

Required Core Curriculum

At the present time, individuals seeking to become an appraiser may select courses covering material that appears on a topic list in the current *Criteria*. Because there is no guidance regarding the amount of coverage (classroom hours) for each topic, there have been considerable inconsistencies in the education received by appraisers holding similar state credentials. The emphasis has been on the total number of classroom hours, rather than on the amount of coverage in specific topics.

There is now a Required Core Curriculum for each appraiser classification. Examples of Required Core Curriculum modules include Basic Appraisal Principles, Basic Appraisal Procedures, Residential Market Analysis and Highest and Best Use, and the National USPAP Course.

Accompanying the listing of modules is the specific number of classroom hours for each module. **It is important to note that these modules are subject matter areas and not necessarily the names of courses.**

The AQB has issued a Guide Note to assist in understanding the expected content coverage expected under each module.

The 2008 Criteria can be found on pages 28-40 of this booklet.

The AQB has developed the following two options for state appraiser regulators to implement the *Criteria* changes:

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

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

'Segmented' Scenario: The requirements are broken down into three segments (or components): Education, Experience, and Examination. An applicant would have to meet the *Criteria* in effect at the time he or she completes a particular component or segment. Any component completed prior to January 1, 2008, would satisfy the current *Criteria,* while any component not completed by January 1, 2008, would have to conform to the new *Criteria.*

For example, an applicant for a Certified General credential completes all of the currently required 180 hours of qualifying education and passes the state's Certified General examination in 2007, but does not possess the required 30 months and 3,000 hours of experience. Since the applicant completed the education and examination components prior to January 1, 2008, he or she would be deemed to have satisfied those components. Therefore, the only component which the applicant would have to satisfy under the new *Criteria* would be experience (which, in this case, is no different than the current Criteria).

IMPORTANT CHANGES TO APPRAISER QUALIFICATIONS

On February 20, 2004, the Appraiser Qualifications Board of The Appraisal Foundation adopted changes to the Real Property Appraiser Qualification Criteria that will become effective on January 1, 2008. These changes represent the minimum national requirements that each state must implement for individuals applying for a real estate appraiser license or certification as of January 1, 2008. The changes include increased required education, which is summarized as follows:

Category	Current Requirements[1]	1/1/08 Requirements[1, 2]	1/1/08 College-Level Course Requirements[3]
License	90 hours	150 hours	None
Certified Residential	120 hours	200 hours	Associate degree or higher. In lieu of the required degree, Twenty-one (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers – Word Processing/Spreadsheets; and Business or Real Estate Law.
Certified General	180 hours	300 hours	Bachelors degree or higher. In lieu of the required degree Thirty (30) semester credit hours covering the following subject matter courses: English Composition; Micro Economics; Macro Economics; Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers – Word Processing/Spreadsheets; Business or Real Estate Law; and two (2) elective courses in accounting, geography; ag-economics; business management; or real estate.

1 Hours required include completion of the 15-hour National USPAP Course (or its equivalent).

2 Hours required include specific core curriculum courses and hours – please see the Real Property Appraiser Qualification Criteria for details.

3 College-level courses and degrees must be obtained from an accredited college or university.

Please note that individual states may adopt requirements more stringent than the national requirements, and may opt to impose those requirements prior to January 1, 2008. Therefore, applicants for a real estate appraisal license or certification should always check with their state for individual requirements.

The Appraiser Qualifications Board intends to issue additional guidance regarding implementation of the revised Criteria in the near future. Please be sure to check our website at www.appraisalfoundation.org for the latest information. Questions regarding the national requirements can be directed to The Appraisal Foundation, 1029 Vermont Avenue, NW, Suite 900, Washington, DC, 20005; online at www.appraisalfoundation.org; or, via phone at (202) 347-7722.

THE APPRAISAL FOUNDATION

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APPRAISER QUALIFICATIONS BOARD