



THE APPRAISAL FOUNDATION
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Standards and Appraiser Qualifications*

APPRAISER QUALIFICATIONS BOARD

To: Interested Parties

From: Rick Baumgardner, Chair
Appraiser Qualifications Board

Date: November 8, 2010

Re: Second Exposure Draft of an Interpretation applying to the *Real Property Appraiser Qualification Criteria*

REQUEST FOR WRITTEN COMMENTS

Attached is the Second Exposure Draft consisting of a proposed Interpretation applying to the *Real Property Appraiser Qualification Criteria*. The intent of this document is to obtain comments from appraisers, users of appraisal services, regulators, academicians, and the public. The First Exposure Draft pertaining to this topic was issued on July 1, 2010, and based on feedback received, the Board has edited the proposed Interpretation for this subsequent exposure.

Interpretations are essential to a proper understanding of the requirements set forth in the *Criteria* and as such, are binding upon users of the *Criteria*. The following material is included as part of this Exposure Draft:

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We encourage all interested parties to respond in writing to the Appraiser Qualifications Board (AQB) of The Appraisal Foundation before the written comment deadline of **February 18, 2011**. Oral comments will also be accepted at the AQB's public meeting in New Orleans, Louisiana, on December 3, 2010, and in Tampa, Florida on February 25, 2011.

Interested parties are invited to submit written comments on this Second Exposure Draft to:

AQB Comments, The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005. Comments may also be submitted by facsimile to (202) 347-7727 or via e-mail to aqbcomments@appraisalfoundation.org.

IMPORTANT NOTE: All written comments will be posted for public viewing, exactly as submitted, on the website of The Appraisal Foundation. Names may be redacted upon request.

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

If you have any questions regarding this Exposure Draft, please contact Magdalene Vasquez, Qualifications Administrator with The Appraisal Foundation at (202) 624-3074.



Appraiser Qualifications Board

Real Property Appraiser Qualification Criteria

Interpretation – Validity Period of Examination Results

This communication is for the purpose of issuing an Interpretation of the *Real Property Appraiser Qualification Criteria*. Interpretations are essential to a proper understanding of the requirements set forth in the *Criteria* and as such, are binding upon users of the *Criteria*. Interpretations will be incorporated into the published version of the *Real Property Appraiser Qualification Criteria* at its next printing.

Date Issued: November 8, 2010

Effective Date: July 1, 2011

Interpretation of Criteria Section(s):

***Criteria Applicable to All Appraiser Classifications
Section IV. Generic Examination Criteria***

Issue(s):

State Appraiser Regulatory Agencies and candidates for real property appraiser credentials have, on occasion, been unclear on how the 24-month validity period for examination results applies in the credentialing process.

Background:

The *Criteria* states that examination results are valid for a period of 24 months.

The 24 month exam validity period exists to keep a candidate from “warehousing” exam results; i.e. successfully completing the exam and then waiting 5 or 10 years before completing the required education and experience elements, and applying to become credentialed.

However, there have been instances where candidates who are making a good faith effort toward becoming a credentialed appraiser apply to the state appraiser regulatory agency within the specified 24-month timeframe, but have been denied a credential because the review and approval by the state appraiser regulatory agency was not completed before the 24 month exam validity period expired.

The AQB recognizes each state appraiser regulatory agency may have a different application process. Some call for a single application for eligibility for the credential, wherein the candidate

must include satisfactory proof of completion of educational, experience and examination requirements, and the submission of appropriate fees, at which time all three elements of the candidate's portfolio are considered.

In other jurisdictions there may be multiple layers of applications. For instance, there may be an initial application to take the exam. Then, only after successful completion of the exam, will the state appraiser regulatory agency allow the candidate to apply to have the candidate's education and experience reviewed. Finally, after all three elements are approved, there may be additional steps, wherein the candidate provides proof of successful completion of the three elements and actually applies for the credential.

It is the intent of the AQB to allow those candidates who have, in good faith, and in the normal course of the jurisdiction's application process submitted an application to a state appraiser regulatory agency evidencing their successful completion of the appropriate exam prior to the expiration of the 24-month exam validity period, to have the application processed and, assuming all requirements have been met, have a credential issued even if its issuance date exceeds the 24-month exam results timeframe.

Furthermore, in a multiple application jurisdiction, only the time between applications where the candidate is required to act should be counted as part of the exam validity period. As an example, if 14 months have passed since a candidate successfully completed the credential examination and the candidate makes application to have experience and education evaluated, the clock stops. If it takes 6 months for the jurisdiction to approve the education and experience, the candidate still has 10 months to complete any additional phases of the application process that may be necessary.

Subject to the above, candidates who do not submit evidence of successful completion of the examination, education and experience requirements, fees and other requirements of the state appraiser regulatory agency (or comply in a timely fashion with a state appraiser regulatory agency's request for additional information) within 24 months of successfully passing the examination, will be ineligible to receive a real property appraiser credential without re-taking and passing another examination.

Criteria Section(s) Affected and New Interpretation

Criteria Applicable to All Appraiser Classifications

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, and the applicant must meet the requisite experience requirement within 24 months.

New Interpretation Language

Interpretation:

To be eligible for a real property appraiser credential, applicants must document satisfaction of all educational, experience, and examination requirements, including submission of all fees and any other items required by the state appraiser regulatory agency within 24 months of the date of successfully completing the examination.

Any time which elapses while the candidate's application or any portion thereof is under review by the state appraiser regulatory agency, their delegates, or other state agencies, should not count toward the applicant's 24 month exam validity period.