

WEST VIRGINIA  
SECRETARY OF STATE  
Ken Hechler  
ADMINISTRATIVE LAW DIVISION



FILED

JUL 31 11 50 AM '96

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

Form #3

Do Not Mark In This Box

Notice Of Agency Approval of A Proposed Rule  
and  
Filing With The Legislative Rule-Making Review Committee

Agency: West Virginia Real Estate Appraiser Licensing & Certification Board Title Number: 190

Rule Type: Legislative Cite Authority WV Code § 37-14-6; 37-14-28; 37-14-30

Amendment To An Existing Rule: Yes  No

If Yes, Series Number of Rule Being Amended: Series 2

Title of Rule Being Amended: Requirements for Licensure and Certification

If No, Series Number of New Rule Being Proposed: \_\_\_\_\_

Title of Rule Being Proposed: \_\_\_\_\_

THE ABOVE PROPOSED LEGISLATIVE RULE HAVING GONE TO A  
PUBLIC HEARING OR A PUBLIC COMMENT PERIOD IS HEREBY APPROVED BY THE  
PROMULATING AGENCY FOR FILING WITH THE SECRETARY OF STATE AND THE  
LEGISLATIVE RULE MAKING REVIEW COMMITTEE FOR THEIR REVIEW.

BY: Si Galperin, Executive Director  
Si Galperin

11.20

DATE: July 31, 1996

TO: Legislative Rule-Making Review Committee

FROM: West Virginia Real Estate Appraiser Licensing & Certification Board

LEGISLATIVE RULE TITLE: Requirements for Licensure and Certification - Title 190 - Series 2

1. AUTHORIZING STATUTE CITATION: WV Code § 37-14-6; 37-14-28; 37-14-30

2. A. DATE FILED IN STATE REGISTER WITH NOTICE OF HEARING:

May 10, 1996

B. WHAT OTHER NOTICE, INCLUDING ADVERTISING, DID YOU GIVE OF THE COMMENT PERIOD?

Legal advertisement in Charleston Newspapers; letter and summary of changes mailed to all appraisers and apprentices; letter and copy of proposed rules to West Virginia Bankers Association, Capitol News Service, West Virginia Association of Realtors and reminder notice published in the Board's newsletter.

C. DATE OF COMMENT PERIOD: May 10, 1996 to July 1, 1996 at 4:00 p.m.

D. ATTACH LIST OF COMMENTS RECEIVED, AMENDMENTS, REASONS FOR AMENDMENTS.

ATTACHED  NUMBER OF COMMENTS RECEIVED: 6

E. DATE YOU FILED IN STATE REGISTER THE AGENCY APPROVED PROPOSED LEGISLATIVE RULE FOLLOWING PUBLIC HEARING: (BE EXACT)

July 31, 1996

F. NAME AND PHONE NUMBERS OF AGENCY PERSON TO CONTACT FOR ADDITIONAL INFORMATION:

EXECUTIVE DIRECTOR, SI GALPERIN, 558-3919

3. IF THE STATUTE UNDER WHICH YOU PROMULGATED THE SUBMITTED RULES REQUIRES CERTAIN FINDINGS AND DETERMINATIONS TO BE MADE AS A CONDITION PRECEDENT TO THEIR PROMULGATION:

- a. Date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided. N/A
- b. Date of hearing: N/A
- c. Date you filed in the State Register the findings and determinations: N/A
- d. Attach findings and determinations: N/A

LEGAL ADVERTISEMENT

(308837)

The West Virginia Real Estate Appraiser Licensing & Certification Board is proposing changes to their Rules Title 190, Series 1, Series 2 and Series 3 which deal with the licensure and certification of real estate appraisers. Written comments concerning these rules may be mailed to the WV Appraiser Board, 2110 Kanawha Boulevard, East, Suite 101, Charleston, WV 25311 and must be received by 4:00 p.m. on July 1, 1996. Copies of the proposed rules are available through the Secretary of State's Office or the WV Appraiser Board.

(308838)

LEGAL ADVERTISEMENT

a.m. June 10, 1996. It is the policy of the agency advertising this request that disadvantaged business enterprises shall have the opportunity to participate in the performance of contracts funded in full or in part by state, federal or local funds.

(308318)

The Dunbar Sanitary Board will accept proposals and bids for a new billing/computer system. We are looking for hardware, software, terminals, printers, and training. Deadline is 12 Noon on Thursday May 30, 1996.

Send to:

Dunbar Sanitary Board  
Dunbar City Hall  
PO Box 216  
Dunbar, WV 26064  
(304) 768-0276

(308837)

The West Virginia Real Estate Appraiser Licensing & Certification Board is proposing changes to their Rules Title 190, Series 1, Series 2 and Series 3 which deal with the licensure and certification of real estate appraisers. Written comments concerning these rules may be mailed to the WV Appraiser Board, 2110 Kanawha Boulevard, East, Suite 101, Charleston, WV 25311 and must be received by 4:00 p.m. on July 1, 1996. Copies of the proposed rules are available through the Secretary of State's Office or the WV Appraiser Board.

(308838)

The Municipal Planning Commission of the City of Charleston, West Virginia, will hold a public hearing at 5:00 p.m. Wednesday, June 5, 1996, in the City Council Chamber on the third floor of the City Building at Court and Virginia Streets, Charleston, West Virginia on the following case(s):

**SPECIAL PERMIT NO. 768**  
- Application of Edward C. Armbricht, III, Managing Partner, requesting permission to operate a personal itinerary planning service for outdoor adventure as a home occupation at 907 Chestnut Road, Charleston, WV.

**SPECIAL PERMIT NO. 769**  
- Application of Elisabeth Gooding requesting permission to operate medical office management consulting business as a home occupation at 1820 Shadybrook Road, Charleston, WV.

**SPECIAL PERMIT NO. 770**  
- Application of Virginia Welding Supply Company, lessee, requesting permission to build and operate an accessory parking lot at the southeasterly corner of 5th Avenue and Iowa Street, Charleston, WV.

**SPECIAL PERMIT NO. 771**  
- Application of Virginia Welding Supply Company, lessee/owner, requesting permission to build and operate an accessory parking lot at the southwesterly corner of 5th Avenue and Oregon Street, Charleston, WV.

**BILL NO. 6244** - Petition of the Municipal Planning Commission requesting an amendment of the Charleston Zoning Ordinance increasing the required notification area and filing fee for Board of Zoning Appeals cases.

LEGAL ADVERTISEMENT

Charleston, West Virginia. If you want to keep your rights as the parents of Thomas E. Simmons, Jennifer Simmons, and Erica Simmons, you should attend this hearing. An attorney has been appointed by the Court to represent you if you attend the hearing. IF YOU DO NOT SHOW UP FOR THE HEARING, you may lose all rights to see, visit or claim kinship to these children.

May 16, 1996  
Brenda Waugh  
Assistant Prosecuting Attorney

(308846)

The South Charleston Fire Department will be accepting bids for the purchase of a new 4wd 3/4 ton pickup truck. Bid opening will be June 3, 1996 at 2:00 pm in council chambers at South Charleston City Hall, 4th Ave. & D Street, South Charleston, WV.

Bid packets and specifications may be obtained by contacting the fire department, 315 4th Ave., South Charleston, WV or by calling the fire chief's office at 744-0079.

(308851)

The City of Charleston, West Virginia, will receive sealed bids in the City Manager's office until 11:00 A.M., Tuesday, June 4, 1996, for the purchase of Portland Cement Concrete and Bituminous Concrete. These products will be purchased and used by the City on an as-needed basis for various projects throughout the year. Specifications may be obtained in the City Manager's office. Bidders must certify they practice equal employment opportunities. The City reserves the right to reject any or all bids.

(308852)

The City of Charleston, West Virginia, will receive sealed bids in the City Manager's office until 11:00 A.M., Tuesday, June 4, 1996, for the purchase of various classes and sizes of stone. Specifications may be obtained in the City Manager's office. Bidders must certify they practice equal employment opportunities. The City reserves the right to reject any or all bids.

(308853)

NOTICE OF TRUSTEE'S SALE

Notice is hereby given that by virtue of that certain deed of trust executed by Sandra F. Haswell, to J. Christopher Thomas and Fred M. Frisk, Jr., Trustees, dated September 30, 1994, and recorded in the office of the Clerk of the County Commission of Kanawha County, West Virginia, in Trust Deed Book 2195 at page 34, the undersigned, after having been requested in writing by the owner and holder of the note secured by said deed of trust, will sell to the highest and best bidder on June 6, 1996, at 9:00 A.M. Eastern Daylight Time, at the north front door of the Courthouse of Kanawha County, West Virginia, the real estate, conveyed by said deed of trust, together with the improvements thereon and the appurtenances thereto belonging, and being more particularly described therein as follows:



**West Virginia  
Real Estate Appraiser Licensing and Certification Board**

2110 Kanawha Blvd., E., Suite 101  
Charleston, WV 25311  
PHONE (304) 558-3919 • FAX (304) 558-3983  
Gaston Caperton, Governor

May 20, 1996

Dear Appraiser:

Enclosed is a summary of proposed changes to Title 190, Series 1, 2, and 3 of the Board's Rules and Regulations. The changes in education and experience criteria for certified appraisers effective January 1, 1998 are required by the Appraiser Qualifications Board (AQB). Likewise, the increase from 10 hours to 14 hours of annual continuing education is required by the AQB. It is the Board's proposal to require the additional four (4) hours of continuing education to be in the Uniform Standards of Professional Appraisal Practice (USPAP) annually from 1998 through 2001 and to require completion of a 14 hour USPAP class at least once every five (5) years.

Several of the changes are required by the legislative auditor and others are mostly technical changes. Please read the enclosed summary and call the Board if you have any questions. A complete copy of the proposed changes to the Rules is available by contacting the Board office.

In lieu of a public hearing, a comment period has been established during which any interested person may send comments concerning these proposed rules. This comment period will end on July 1, 1996 at 4:00 p.m. Only written comments will be accepted and are to be mailed to the Board at the above address.

The Board will review all comments received to determine possible changes in the proposed rules. After final adoption by the Board, the rules will be submitted to the legislature and will not become final until approval by the legislature in the spring, 1997.

Sincerely,

Si Galperin  
Executive Director

---

*Board Members*

<i>David Thalheimer, Chairman</i> Charleston	<i>Larry McDaniel, Parkersburg</i>
<i>Virginia Shaw, Vice Chairperson</i> Beckley	<i>Donald Mickey, Charles Town</i>
<i>Linda Petrella, Secretary</i> Charleston	<i>Tammy Owen, Hurricane</i>
	<i>Harry Perkins, Frankford</i>
	<i>Glenn Rohr, Buckhannon</i>
	<i>David Shields, Bluefield</i>

*Staff*

<i>Si Galperin</i> Executive Director
<i>Lynda King</i> Administrative Assistant
<i>Stephanie Ball</i> Administrative Assistant



West Virginia  
Real Estate Appraiser Licensing and Certification Board

2110 Kanawha Blvd., E., Suite 101  
Charleston, WV 25311  
PHONE (304) 558-3919 • FAX (304) 558-3983

Gaston Caperton, Governor

May 20, 1996

J. Jackson Pauley, Executive Vice-President  
West Virginia Association of Realtors  
2110 Kanawha Boulevard, East Suite 202  
Charleston, WV 25311

Dear Jack:

Enclosed are copies of the Board's proposed Rules, Title 190, Series 1, 2, and 3. Also enclosed is a summary listing of the proposed changes. The changes in education and experience criteria for certified appraisers effective January 1, 1998 are required by the Appraiser Qualifications Board (AQB). Likewise, the increase from 10 hours to 14 hours of annual continuing education is required by the AQB. It is the Board's proposal to require the additional four (4) hours of continuing education to be in the Uniform Standards of Professional Appraisal Practice (USPAP) annually from 1998 through 2001 and to require completion of a 14 hour USPAP class at least once every five (5) years.

Several of the changes are required by the legislative auditor and others are mostly technical changes. In lieu of a public hearing, a comment period has been established during which any interested person may send comments concerning these proposed rules. This comment period will end on July 1, 1996 at 4:00 p.m. Only written comments will be accepted and are to be mailed to the Board at the above address.

The Board will review all comments received to determine possible changes in the proposed rules. After final adoption by the Board, the rules will be submitted to the legislature and will not become final until approval by the legislature in the spring, 1997.

Feel free to call me if you have any questions.

Sincerely,

Si Galperin

*Board Members*

*David Thalheimer, Chairman*  
*Charleston*  
*Virginia Shaw, Vice Chairperson*  
*Beckley*  
*Linda Petrella, Secretary*  
*Charleston*

*Larry McDaniel, Parkersburg*  
*Donald Mickey, Charles Town*  
*Tammy Owen, Hurricane*  
*Harry Perkins, Frankford*  
*Glenn Rohr, Buckhannon*  
*David Shields, Bluefield*

*Staff*

*Si Galperin*  
*Executive Director*  
*Lynda King*  
*Administrative Assistant*  
*Stephanie Ball*  
*Administrative Assistant*



# Appraiser Report

A Publication of the West Virginia Real Estate Appraiser Licensing & Certification Board

VOL. 5 No. 2  
SUMMER 1996

## Renewals Due in September

All appraiser licenses and certifications will expire on September 30, 1996. You should receive a renewal application from the Board in early August. **Renewals will be due in the Board office no later than September 10, 1996, with the appropriate fee and verification of ten hours of continuing education.** Renewals which are received after September 10, 1996, must be accompanied by a money order or cashier's check to ensure that your new pocket card will be mailed to you prior to the expiration date of your current license.

Appraisers whose renewals are not received prior to September 30, 1996, will be removed from our files and from the Federal Registry and will not be allowed to perform appraisals in West Virginia. It is your responsibility to ensure that the Board has your correct address so that you will receive your renewal application. If you do not receive a renewal form by August 15, contact the Board office.

**PROPOSED RULES**  
ALL APPRAISERS AND APPRENTICES SHOULD HAVE RECEIVED A NOTICE CONCERNING THE BOARD'S PROPOSED RULES. ANYONE WHO DID NOT RECEIVE A NOTICE AND SUMMARY OF THE CHANGES MAY CALL THE BOARD OFFICE TO REQUEST A COPY. WRITTEN COMMENTS CONCERNING THE CHANGES ARE DUE IN THE BOARD OFFICE NO LATER THAN 4:00 P.M. ON JULY 1, 1996.

## "Drive-By" Appraisals

Appraisals performed without an interior or exterior inspection of the property by the appraiser are what is meant by the term "drive-by". When properly disclosed in the appraisal report, the Uniform Standards of Professional Appraisal Practice (USPAP) permits appraisers to perform appraisal assignments without inspection of the subject property. However, the disclosure does not relieve the appraiser of the responsibility for determining whether adequate information about the subject property is available to develop an appraisal that is not meaningless or misleading.

When an interior and complete exterior inspection is not possible for any valid reason, physical characteristics information about the real estate should be obtained from reliable third party sources. Where physical characteristics information is not available from reliable third party sources, an appraiser has the duty to either obtain the necessary information to develop the appraisal before continuing or to withdraw from the assignment. An appraisal developed without the benefit of an interior and complete exterior inspection by the appraiser is subject to the same standards that would apply if the appraiser had made a complete personal inspection.

**One must remember that the public is entitled to a competently completed and reliable estimate of value. The public has a right to expect a physical inspection of the subject property whenever it is both possible and appropriate since this increases the reliability of the value estimate.**

## Apprentice Peer Review Program

The Apprentice Peer Review Program is now in operation. The program has been developed to aid apprentices and their supervisors in providing a quality work product that complies with USPAP. The program should also increase both the apprentices and supervisors' awareness of correct appraisal techniques, methodology, and USPAP applications.

Each apprentice may submit for review a maximum of two reports every three months. The reviewer, who will live in a different part of the state than the apprentice, will keep the reports confidential and will mail a review report to the apprentice.

When requesting peer review, mail a complete copy of the report(s) to be reviewed to the Board office. Details of the program are available from the Board office.

  
**Summary**  
**Series 2**

	<b>Reference Page</b>
(1) Modified definition of <u>experience</u> to comply with AQB criteria.	1
(2) Deleted exceptions in section 3.2 which are already in code.	2
* (3) Increased education requirement from 75 to 90 classroom hours for licensed residential classification and apprentice permits effective 1/1/98.	5
(4) Deletion of provision allowing appraisal experience credit for teaching appraisal classes.	6 & 9
(5) Require experience obtained after January 1, 1991 to comply with Uniform Standards of Professional Appraisal Practice (USPAP) for all classifications.	7 & 14
(6) Clarified National Examination requirement and added language on State Examination requirement.	7 & 15
* (7) Revisions to the certified general classification effective January 1, 1998;	
◇ Increased education requirement from 165 to 180 classroom hours	8
◇ Expanded list of topics to be included in the required classroom hours	9
◇ Increased experience requirement from 2,000 to 3,000 hours of appraisal experience obtained over a period of not less than 30 months	14
* (8) Revisions to the certified residential classification effective January 1, 1998:	
◇ Increased experience requirement from 2,000 to 2,500 hours of appraisal experience obtained over a period of not less than 24 months	14
◇ Expanded list of topics to be included in the required 135 classroom hours	11
(9) Reduced annual fees to reflect fees currently being charged.	20
(10) Deleted provision that apprentice permit can only be renewed four times.	22
(11) Created inactive status classification and fee of \$25.00 annually	24
(12) Miscellaneous cleanup/technical changes.	

\* *Applies only to new licenses issued on or after January 1, 1998 - does not apply to renewals of an existing license.*

**TITLE 190**

**SERIES 2**

**Statement of circumstances which require this Rule**

- (1) Changes in the education and experience criteria issued by the Appraisal Qualifications Board (AQB). This criteria is to be incorporated in the Board's rules in accordance with Chapter 37, Article 14, Section 30 of the West Virginia Code.
- (2) Recommendations of the Legislative Auditor included in their Audit Report of the Board for the period 3/10/90 - 3/31/95.
- (3) Miscellaneous technical changes and updates based on a comprehensive review of the Rules

**APPENDIX B**

**FISCAL NOTE FOR PROPOSED RULES  
Series 2**

**Rule Title:** Requirements For Licensure and Certification

**Type of Rule:** Legislative  Interpretive  Procedural

**Agency:** West Virginia Real Estate Appraiser Licensing & Certification Board

**Address:** 2110 Kanawha Boulevard, East Suite 101  
Charleston, WV 25311

**1. Effect of Proposed Rule**

	ANNUAL			FISCAL YEAR	
	Increase	Decrease	Current	Next	Thereafter
Estimated Total Cost	-	-	-	-	-
Personal Services	-	-	-	-	-
Current Expenses	-	-	-	-	-
Repairs & Alterations	-	-	-	-	-
Equipment	-	-	-	-	-
Other	-	-	-	-	-

**2. Explanation of above estimates:**

These changes should have no effect on the expenses of the Board.

**3. Objective of these rules:**

- a. To comply with Appraiser Qualifications Board (AQB) criteria effective January 1, 1998
- b. To comply with recommendations of the Legislative Auditor
- c. To make miscellaneous technical changes and updates.

**4. Explanation of Overall Economic Impact of Proposed Rule.**

- a. Economic Impact on State Government.  
**None**
- b. Economic Impact on Political Subdivisions; Specific Industries; Specific Groups of Citizens.  
**None**
- c. Economic Impact on Citizens/Public at Large.  
**None**

*Si Galperin*

Date: 5/9/96

West Virginia Real Estate Appraiser Licensing & Certification Board  
Si Galperin, Executive Director

FILED

JUL 31 11 50 AM '86

TITLE 190  
LEGISLATIVE RULE  
REAL ESTATE APPRAISER LICENSING  
AND CERTIFICATION BOARD

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

SERIES 2  
REQUIREMENTS FOR LICENSURE AND CERTIFICATION

§190-2-1. General.

1.1. Scope. -- This rule establishes the requirements for an applicant to become a licensed or certified real estate appraiser in the state of West Virginia by the West Virginia Real Estate Appraiser Licensing and Certification Board.

1.2. Authority. -- W.Va.Code § 37-14-6; § 37-14-28; § 37-14-30

1.3. Filing Date. --

1.4. Effective Date. --

§190-2-2. Definitions.

2.1. "Classroom hour" means 50 minutes out of each 60 minute segment of classroom instruction. A "classroom hour" does not include time spent in the performance of a home study program or correspondence course.

2.2. "Experience" as used in this rule includes, but is not limited to, experience gained in the performance of traditional appraisal assignments, or in the performance of the following: fee and staff appraisals, ad valorem tax appraisal, condemnation appraisal, technical review appraisal, appraisal analysis, real estate counseling consulting, highest and best use analysis, and feasibility analysis/study. ~~and teaching of appraisal courses.~~

2.3. "Accredited colleges, universities and junior and community colleges" means those institutions of higher learning under the West Virginia Board of Directors or Board of Trustees, or listed in the Transfer Credit Practices of Designated Educational Institutions, published by the American Association of Collegiate Registrars and Admissions Officers.

2.4. "Adult distributive or marketing education programs" means those programs offered at schools approved by the West Virginia Board of Directors or Board of Trustees, or any other local, state, or federal government agency, board or commission to teach adult education or marketing courses.

2.5. "Appraiser Qualification Board" means the board created by ~~the~~The Appraisal Foundation to establish appropriate criteria

for the licensure and certification of qualified appraisers by defining, issuing and promoting the qualification criteria; to disseminate the qualification criteria to states, governmental entities and others; and to develop or assist in the development of appropriate examinations for qualified appraisers.

2.6. "Local, state or federal government agency, board or commission" means an entity established by any local, federal or state government to protect or promote the health, safety and welfare for the citizens of its domain.

2.7. "Proprietary School" means a privately owned school, under the authority of a local, state or federal government agency, board or commission, offering appraisal or appraisal related courses.

2.8. "Uniform Standards of Professional Appraiser Practice" means those standards promulgated by the Appraisal Standards Board of ~~the~~ The Appraisal Foundation for use by all appraisers in the preparation of appraisal reports.

### §190-2-3. Real Estate Appraiser License Required.

3.1. Beginning the first day of January, one thousand nine hundred ninety-two, it is unlawful for any person, for compensation or valuable consideration, to prepare a valuation appraisal or a valuation appraisal report relating to real estate or real property in this state without first being licensed or certified as provided in this rule. This section does not apply to persons who do not render significant professional assistance in arriving at a real estate appraisal analysis, opinion or conclusion. Nothing in this rule prohibits any person who is licensed to practice in this state under any other law from engaging in the practice for which he or she is licensed.

3.2. In addition to the exceptions of W. Va. Code § 37-14-4 this rule does not apply to the following individuals or activities:

~~a. A licensed real estate broker or salesperson who, in the ordinary course of his or her business, gives an opinion to a potential buyer, seller or third party, as to the recommended listing price of a piece of real estate, when the advice or opinion is not referred to as an appraisal, no opinion is given as to the value of the real estate, and no fee is charged.~~

~~b. A casual or drive-by inspection of real estate in connection with a consumer loan secured by the real estate, when the inspection is not referred to as an appraisal report, no opinion is rendered as to the value of the real estate, and no fee is charged;~~

~~c. An employee who renders an opinion as to the value of real estate for his or her full-time employer, for the employer's internal use only, and when the opinion is rendered in the regular course of the employee's position, the opinion is not referred to as an appraisal report and no fee is charged;~~

~~d. Appraisals of personal property, including, but not limited to, jewelry, household furnishings, vehicles, and manufactured homes not attached to real estate;~~

~~e. Any officer or employee of the United States or the State of West Virginia or a political subdivision thereof, when the officer or employee is performing his or her official duties; Provided, the individual does not furnish advisory service for compensation to the public or act as an independent contracting party in West Virginia or any subdivision thereof in connection with the appraisal of real estate; Provided however, this exception does not apply with respect to federally related transactions as defined in Title XI of the United States Code, entitled "Financial Institutions Reform, Recovery, and Enforcement Act of 1989."~~

~~f. a person licensed to practice public accountancy as defined in W. Va. Code § 30-9-2, including the performance of a business evaluation; Provided, that this exception does not apply to federally related transactions as defined in the "Financial Institutions Reform, Recovery, and Enforcement Act of 1989", 12 U.S.C. § 3331 et seq.~~

~~g. Any evaluation of the value of real estate serving as collateral for a loan made by a financial institution insured by the Federal Deposit Insurance Corporation; Provided, That: (1) The amount of the loan is less than fifty thousand dollars (\$50,000) or such other amount not to exceed one hundred thousand dollars (\$100,000) established by the Federal Deposit Insurance Corporation, the board of governors of the federal reserve system, the office of the comptroller of the currency or the office of thrift supervision pursuant to authority granted under Title XI of the United States Code, entitled Financial Institutions Reform Recovery, and Enforcement Act of 1989 applicable to a particular insured financial institution as the level below which collateral evaluations need not be performed by a licensed or certified appraiser; (2) the evaluation is used solely by the lender in its records to document the collateral value; (3) the evaluation clearly indicates on its face that it is for the lender's internal use only; (4) the evaluation is not labeled an "appraisal"; and (5) the evaluation is on a form approved by the board. Individuals performing these evaluations may be compensated for their services.~~

#### §190-2-4. Classification of Licensure and Certification.

There are three classifications of real estate appraisers:

4.1. State licensed residential real estate appraiser. -- The state licensed residential real estate appraiser classification consists of those persons who ~~meet the requirements for licensure that relate to the~~ are authorized to conduct appraisals of (1) Complex residential real estate of one to four units having a value of less than two hundred fifty thousand dollars (\$250,000); (2) non-complex residential real estate of one to four units having a value of less than one million dollars (\$1,000,000); and (3) non-residential real estate having a value of less than one hundred thousand dollars (\$100,000).

4.2. State Certified Residential Real Estate Appraiser. -- The state certified residential real estate appraiser classification consists of those persons who ~~meet the requirements for certification that relate to the~~ are authorized to conduct appraisals of residential real estate of one to four units without regard to value or complexity and to the appraisal of non-residential real estate when the value is less than one hundred thousand dollars (\$100,000).

4.3. State certified general real estate appraiser. --The state certified general real estate appraiser classification consists of those persons who ~~meet the requirements for certification relating to the~~ are authorized to conduct appraisals of all types of real estate.

4.4. On each application for licensure or certification and each application to take an examination the applicant shall specify the classification being applied for and, if applicable, the class of licensure or certification previously granted the applicant.

#### \$190-2-5. Adoption of The Appraisal Foundation Criteria.

5.1. Pursuant to W. Va. Code § 37-14-30, all applicants for ~~licensure or certification~~ as a real estate appraiser shall satisfy the education, experience and examination criteria established by the Appraisal Qualifications Board of the The Appraisal Foundation which have been adopted by this Board.

#### \$190-2-6. General Qualifications for Licensure or Certification.

6.1. Every applicant to the Board who wishes to be classified as a licensed or certified real estate appraiser shall have the following qualifications:

a. The applicant has a good reputation for honesty, truthfulness, and fair dealing, and is competent to transact the business of a licensed or certified real estate appraiser in such a manner as to safeguard the interests of the public.

b. Except as provided for in § 190 CSR - 2-13, the applicant meets the current education and experience requirements and submits an application to the Board or its agent prior to the time the applicant is approved to sit for the licensing or certification examination. An applicant must complete an application for licensure or certification within twelve months of the date of the receipt of the application and fee by the Board.

c. The applicant is in good standing as a real estate appraiser in every jurisdiction where licensed or certified. The applicant's occupational or professional license or certification has not been suspended, revoked or surrendered in connection with a disciplinary action or the applicant has not been the subject of disciplinary action in any jurisdiction prior to applying for licensure or certification in West Virginia.

d. The applicant has not been found guilty or pled guilty, regardless of adjudication, in any jurisdiction, of a misdemeanor involving moral turpitude or of any felony. Any plea of nolo contendere is considered a conviction for purposes of this subsection. The record of a conviction authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted is admissible as prima facie evidence of the conviction.

e. The applicant is at least 18 years of age.

6.2. The board may consider and approve for licensure or certification applicants who do not meet the requirements set forth in this section.

6.3. At the time of filing an application for original or renewal of certification, each applicant shall sign a pledge to comply with the standards of professional appraisal practice and the ethical rules that are established by the Board. Each applicant must also certify that he or she understands the types of misconduct as described in 190-CSR-4 W. Va. Code § 37-14-1 et seq and that disciplinary proceedings may be initiated against him or her for such misconduct.

#### **§190-2-7. Additional Qualifications for Licensed Residential Real Estate Appraisers.**

An applicant for a license as a licensed residential real estate appraiser shall meet the following requirements in addition to those set forth in Section 6 of this rule:

##### **7.1. Education.**

a. Effective January 1, 1998, the applicant has successfully completed ~~seventy-five (75)~~ ninety (90) classroom hours of courses in subjects related to real estate appraisal of which a minimum of fifteen (15) hours includes coverage of the Uniform Standards of Professional Appraisal Practice. Prior to January 1, 1998, the applicant must have completed seventy-five (75) classroom hours as indicated above.

b. The Board will grant credit towards classroom hours only where the length of the educational offering was at least fifteen (15) hours and the applicant successfully completed an examination concerning that offering.

c. An applicant may obtain credit towards classroom hours from the following: Provided that, the courses have been registered with and approved by the Board:

- A. Accredited colleges or universities;
- B. Community or junior colleges;
- C. Real estate appraisal or real estate related

organizations;

- D. Local, state or federal agencies, boards or commissions;
- E. Proprietary schools;
- F. Adult distributive or marketing educational programs; and
- G. Any other entity which has received prior approval by the Board.

d. The Board may award credit towards classroom hours to teachers of appraisal courses, ~~however, a teacher may not receive both education and experience credit for the same classroom hour. A teacher may obtain credit for the classroom hour or experience, but not both.~~

e. There is no time limit for when an applicant must obtain qualifying education credit.

f. The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided, that the credit was granted by the course provider prior to July 1, 1990, and provided further, that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.

g. The Board may credit various appraisal courses toward the ~~seventy-five (75)~~ classroom hours requirement required by subsection 7.1.a if the applicant can show that his or her education involved coverage of all of the following topics, with particular emphasis on the appraisal of one to four unit residential properties:

- A. Influences on real estate value
- B. Legal considerations in appraisal
- C. Types of value
- D. Economic principles
- E. Real estate markets and analysis
- F. Valuation process
- G. Property description
- H. Highest and best use analysis
- I. Appraisal statistical concepts

- J. Sales comparison approach
- K. Site value
- L. Cost approach
- M. Income approach
  - gross rent multiplier analysis
  - estimation of income and expenses
  - operating expense ratios
- N. Valuation of partial interests
- O. Appraisal standards and ethics

h. The applicant shall submit to the Board a listing of those courses which he or she claims meet the education credit requirement, on a form to be prescribed by the Board. In addition, the applicant shall submit proof that he or she completed the course if proof is available. The applicant shall submit proof of the completion of a course claimed for credit if that course was completed after July 1, 1991.

#### 7.2. Experience.

a. The applicant has a minimum of two thousand (2000) hours of appraisal experience. The Board or the applicant may treat hours as cumulative in order to achieve the required two thousand (2000) hours.

b. The applicant shall execute an affidavit as a part of the application for licensure, attesting to his or her experience in the field of real estate appraisal. This affidavit should be on log forms provided by the Board with the application, and the application shall also comply with the procedure for calculation of experience set forth in Section 9 of this rule.

c. Experience obtained after January 1, 1991 must comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

#### 7.3. Examination.

a. Prior to the issuance of his or her initial license, the applicant shall have has registered for and passed successfully completed a written national examination administered by the Board or by a testing service acting on behalf of the Board by obtaining the passing score determined by the Board and based upon the recommendation of the testing service. prior to the issuance of his or her initial license.

b. Prior to the issuance of his or her initial license, the applicant has registered for and successfully completed a written state examination covering the sections of the West Virginia Code that regulates the practice of real estate appraisals

by obtaining the passing score as determined by the Board.

~~7.4. Transitional license.~~

~~a. The applicant may take the exam and be issued a transitional license as a state licensed residential real estate appraiser as long as: (1) the applicant meets either the education or experience requirements for licensure; (2) all other criteria is satisfied; (3) the applicant passes the examination; and (4) the educational deficiency is corrected within one (1) year of the issuance of the transitional license, or the experience deficiency is corrected within two (2) years of the issuance of the transitional license. Provided: This license shall not be issued to any applicant after July 15, 1993.~~

**\$190-2-8. Additional Qualifications for Certified General and Certified Residential Real Estate Appraisers.**

An applicant for a classification as a certified real estate appraiser shall meet the following requirements in addition to those set forth in Section 3 of this rule:

**8.1. Education.**

**a. Classroom hours required.**

A. For general certification, effective January 1, 1998, the applicant has successfully completed one hundred sixty-five (165) one hundred eighty (180) classroom hours of courses in subjects related to real estate appraisal of which a minimum of fifteen (15) hours included coverage of the Uniform Standards of Professional Appraisal Practice. Prior to January 1, 1998, the applicant must have completed one hundred sixty-five (165) classroom hours, as indicated above.

B. For residential certification the applicant has successfully completed ~~one hundred and five (105) classroom hours of courses in subjects related to real estate appraisal of which a minimum of (15) hours included coverage of the Uniform Standards of Professional Appraisal Practice. Effective January 1, 1994, the applicant must have successfully completed one hundred thirty-five (135) classroom hours of courses in subjects related to real estate appraisal of which a minimum of fifteen (15) hours included coverage of the Uniform Standards of Professional Appraisal Practice.~~

b. The Board will grant credit towards classroom hours only where the length of the educational offering is at least fifteen (15) hours and the individual successfully completes an examination concerning that offering.

c. An applicant may obtain credit towards classroom hours from the following: Provided that, the courses have been registered with and approved by the Board:

- A. Accredited colleges or universities;
- B. Community or junior colleges;
- C. Real estate appraisal or real estate related organizations;
- D. Local, state or federal agencies, boards or commissions;
- E. Proprietary schools;
- F. Adult distributive or marketing education programs; and
- G. Any other entity which has received prior approval by the Board.

d. The Board may award credit toward classroom hours to teachers of appraisal courses. ~~however, a teacher may not receive both education and experience credit for the same classroom hour. A teacher may obtain credit for the classroom hour or experience, but not both.~~

e. There is no time limit for when an applicant must obtain qualifying education credit.

f. The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.

g. For general certification, the Board may credit various appraisal courses toward the ~~one hundred sixty-five (165) classroom hours requirement~~ required by subsection 8.1.a.A if the applicant can show that his or her education involved coverage of all of the following topics, with particular emphasis on the appraisal of non-residential properties:

- A. Influences on real estate value;
  - Physical and environmental
  - Economic
  - Governmental and legal
  - Social
- B. Legal considerations in appraisal;
  - Real estate vs. real property
  - Real property vs. personal property
  - Limitations on real estate ownership
  - Legal rights and interests
  - Forms of property ownership
  - Legal descriptions
  - Transfer of title

- C. Types of value;
  - Market Value or Value in Exchange
  - Price
  - Cost
  - Investment Value
  - Value in Use
  - Assessed Value
  - Insurable Value
  - Going Concern Value
  
- D. Economic principles;
  - Anticipation
  - Balance
  - Change
  - Competition
  - Conformity
  - Contribution
  - Increasing and decreasing returns
  - Opportunity Cost
  - Substitution
  - Supply and demand
  - Surplus productivity
  
- E. Real estate markets and analysis;
  - Characteristics of real estate markets
  - Absorption analysis
  - Role of money and capital markets
  - Real estate financing
  
- F. Valuation process;
  - Definition of the problem
  - Collection and analysis of data
  - Analysis of highest and best use
  - Application and limitations of each approach to value
  - Reconciliation and final value estimate
  - The appraisal report
  
- G. Property description;
  - Site description
  - Improvement description
  - Basic construction and design
  
- H. Highest and best use analysis;
  - Four tests
  - Vacant site or as if vacant
  - As improved
  - Interim use
  
- I. Appraisal math and statistics;
  - Compound interest concepts
  - Statistical concepts used in appraisal

- J. Sales comparison approach;
  - Research and selection of comparables
  - Elements of comparison
  - Adjustment process
  - Application of sales comparison approach
  
- K. Site value;
  - Sales comparison
  - Land residual
  - Allocation
  - Extraction
  - Ground rent capitalization
  - Subdivision analysis
  - Plottage and assemblage
  
- L. Cost approach;
  - Steps in Cost Approach
  - Application of the Cost Approach
  
- M. Income approach;
  - Estimation of income and expenses
  - Operating statement ratios
  - Direct capitalization
  - Cash flow estimates
  - Measures of cash flow
  - Discounted cash flow analysis (DCF)
  
- N. Valuation of partial interests;
  - Interests created by a lease
  - Lease provisions
  - Valuation considerations
  - Other partial interests
  
- O. Appraisal standards and ethics, and
  
- P. Narrative report writing,

Non-residential properties are all properties other than residential. Residential is defined as one to four residential units.

h. For residential certification, the Board may credit various appraisal courses toward the classroom hours required by subsection 8.1.1(b)a.B if the applicant can show that his or her education involved coverage of all topics listed below with particular emphasis on the appraisal of one to four unit residential properties:

- a. Influences on real estate value;
  - Physical and environmental
  - Economic
  - Governmental and legal
  - Social

- b. Legal considerations in appraisal;
  - Real estate vs. real property
  - Real Property vs. personal property
  - Limitations on real estate ownership
  - Legal rights and interests
  - Forms of property ownership
  - Legal descriptions
  - Transfer of title
  
- c. Types of value;
  - Market Value or Value in Exchange
  - Price
  - Cost
  - Investment Value
  - Value in Use
  - Assessed Value
  - Insurable Value
  
- d. Economic principles;
  - Anticipation
  - Balance
  - Change
  - Competition
  - Conformity
  - Contribution
  - Increasing and decreasing returns
  - Opportunity Cost
  - Substitution
  - Supply and demand
  - Surplus productivity
  
- e. Real estate markets and analysis;
  - Characteristics of real estate markets
  - Absorption analysis
  - Role of money and capital markets
  - Real estate financing
  
- f. Valuation process;
  - Definition of the problem
  - Collection and analysis of data
  - Analysis of highest and best use
  - Application and limitations of each approach to value
  - Reconciliation and final value estimate
  - The appraisal report
  
- g. Property description;
  - Site description
  - Improvement description
  - Basic construction and design
  
- h. Highest and best use analysis;
  - Four tests
  - Vacant site or as if vacant
  - As improved

- Interim use
- i. Appraisal math and statistics;
  - Compound interest concepts
  - Statistical concepts used in appraisal
- j. Sales comparison approach;
  - Research and selection of comparables
  - Elements of comparison
  - Adjustment process
  - Application of sales comparison approach
- k. Site value;
  - Sales comparison
  - Land residual
  - Allocation
  - Extraction
  - Plottage and assemblage
- l. Cost approach;
  - Steps in Cost Approach
  - Application of the Cost Approach
- m. Income approach;
  - Gross rent multiplier analysis
  - Estimation of income and expenses
  - Operating expense ratios
  - Direct capitalization
- n. Valuation of partial interests; and
  - Life estates
  - Undivided interest in commonly held property
  - Easements
  - Timeshares
  - Cooperatives
  - Leased fee estate
  - Leasehold estate
- o. Appraisal standards and ethics.
- p. Narrative Report writing.

i. The applicant shall submit to the Board a listing of those courses which he or she claims meet the education credit requirement, on a form to be prescribed by the Board. In addition, the applicant shall submit proof that he or she completed the course if proof is available. ~~The applicant shall submit proof of the completion of a course claimed for credit if that course was completed after July 1, 1991.~~

8.2. Experience.

a. Experience hours required.

A. Effective January 1, 1998, an applicant for residential certification must have two thousand five hundred (2,500) hours of appraisal experience obtained over a period of not less than 24 months. The applicant has a minimum of two (2) calendar years experience as a real estate appraiser. The Board considers Prior to January 1, 1998, such an applicant must have two thousand (2000) hours of experience to be the equivalent over a period of not less than two (2) years. of experience.

B. Effective January 1, 1998, an applicant for general certification must have three thousand (3000) hours of appraisal experience obtained over a period of not less than 30 months. Prior to January 1, 1998, such an applicant must have two thousand (2000) hours of experience over a period of not less than two (2) years. For general certification only, at At least one half (1000 hours) of the appraisal experience required must be in non-residential appraisal assignments.

b. The applicant shall execute an affidavit attesting to his or her experience in the field of real estate appraisal, as a part of the application for certification upon log forms provided by the Board with the application. This affidavit must consist of a detailed list of the real estate appraisal reports or file memoranda for each year of which experience is claimed by the applicant. Upon request, the applicant shall provide the Board a sample of appraisal reports which the applicant has prepared in the course of his or her practice. Experience obtained after January 1, 1991 shall comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

c. A licensed residential appraiser or a certified residential appraiser may assist a certified general appraiser by assisting in the appraisal of non-residential property valued over one hundred thousand dollars (\$100,000) ~~(\$100,000)~~ and accumulate the experience hours required in subsection 8.2.a.B. He or she must:

A. Work under the direct supervision of a state certified general real estate appraiser; and

B. View the property and participate in the appraisal process in order to sign the report and receive credit for the hours spent.

For purposes of this section, Direct Supervision means that the state certified general appraiser must:

A. Personally view with the residential appraiser the interior and exterior of each piece of property appraised;

B. Personally review each appraisal report prepared by the residential appraiser;

C. Assign work to the residential appraiser only if he or she is competent to perform the work;

D. Accept full responsibility for the report; and

E. Approve and sign the report as being independently and impartially prepared and in compliance with the Uniform Standards of Professional Appraisal Practice, this rule and applicable statutory requirements.

8.3. Examination.

a. Prior to the issuance of his or her initial certification, the applicant has registered for and passed successfully completed a written national examination administered by the Board or by a testing service acting on behalf of the Board by obtaining the passing score determined by the Board and based upon the recommendation of the testing service. prior to the issuance of his or her initial certification.

b. Prior to the issuance of his or her initial certification, the applicant has registered for and successfully completed a written state examination covering the sections of the West Virginia Code that regulates the practice of real estate appraisals by obtaining the passing score as determined by the Board.

§190-2-9. Procedure for Calculation of Experience by the Board.

9.1. As provided for in Sections 7 and 8 of this rule, an applicant for residential real estate appraiser licensing or certification must provide evidence satisfactory to the Board that the applicant possesses ~~two (2) years~~ the required amount of appraisal experience. ~~The Board considers two thousand (2000) hours of experience to be the equivalent of two (2) years of experience.~~ The Board may award maximum experience hours for residential real estate appraiser licensing or certification as follows:

a. A maximum of twelve hours of credit for a complex residential appraisal.

b. A maximum of four hours of credit for a complex residential field review.

c. A maximum of two hours of credit for a complex residential desk review.

d. A maximum of six hours of credit for a non-complex residential appraisal.

e. A maximum of two hours of credit for a non-complex residential field review.

f. A maximum of ~~three~~ one hours of credit for a non-

complex residential desk review.

~~9.2. The Board will award credit for appraisals of non-residential properties as provided in subsection 8.2 of this rule.~~

9.32. As provided for in Section 8.2.a.B of this rule, an applicant for general real estate appraiser certification must provide evidence satisfactory to the Board that the applicant possesses ~~two (2) years~~ the required amount of appraisal experience. ~~The Board considers two thousand (2,000) hours of experience to be the equivalent of two (2) years of experience.~~ Fifty percent of the required experience, ~~or one thousand (1,000) hours~~ must be in non-residential appraisal work. Residential is defined as one to four units. The Board may award maximum experience credits for general real estate appraiser certification as follows:

a. A maximum of thirty-two (32) hours of credit for a complex non-residential appraisal.

b. A maximum of six (6) hours of credit for a complex non-residential field review.

c. A maximum of three (3) hours of credit for a complex non-residential desk review.

d. A maximum of eight (8) hours of credit for a non-complex non-residential appraisal.

e. A maximum of four (4) hours of credit for a non-complex non-residential field review.

f. A maximum of two (2) hours of credit for a non-complex non-residential desk review.

~~9.4. The Board shall award hours for appraisal of residential properties as provided in section 8.1 of this rule.~~

9.53. If an applicant for licensure or certification feels that he or she has performed any real estate appraisals under unique circumstances, or that he or she has expended a greater amount of hours in the performance of an appraisal than the provisions of this section allow for experience credit; that applicant may provide the Board with a separate log, other than the log provided for in Sections 7 and 8 of this rule, detailing the amount of actual hours spent on that appraisal, with sufficient details and proof of the credit hours of experience that the Board should award him or her.

9.64. For the purpose of this section only: a non-complex appraisal is one having the following characteristics:

a. There is an active market of essentially identical properties;

b. Adequate data is available to the appraiser;

c. Adjustments to comparable sales are not large in the aggregate, specifically not exceeding the trading range found in the market of essentially identical properties; and

d. For residential property, the contract price falls within the market norm (median sales price) of homes in the neighborhood.

9.75. For the purpose of this section only: a complex appraisal for non-residential property is one that relied to any significant degree on all three approaches to value (cost, sales comparison and income) or was an appraisal which did not have the characteristics of a non-complex appraisal. A complex appraisal for residential property is one that relied to any significant degree on at least two of the three approaches to value, with one approach being the sales comparison approach, or was an appraisal which did not have the characteristics of a non-complex appraisal.

9.86. The Board shall award each signer (co-author) of an appraisal report accepting responsibility for the report full credit for the appraisal. The Board shall award credit for each appraisal having three or more signers accepting responsibility for the report based on the appropriate hours divided by the number of signers.

9.97. All appraisals submitted or claimed for experience credit are subject to verification by the Board. Applicants may not claim experience hours for appraisals which are not supported by written reports or file memoranda. On request, the applicant shall furnish the board copies of appraisal reports and file memoranda supporting the experience hours sought by the applicant. The Board shall treat all appraisal reports and file memoranda submitted to the Board as confidential to the extent permitted by law.

9.108. Review appraisal experience must be matched hour for hour by experience in preparing appraisal reports other than as a review appraisal. The Board may award matching appraisal experience for appraisal reports prepared at any time in the applicant's career.

#### \$190-2-10. Qualifications for Licensure or Certification by Reciprocity.

Every applicant to the Board for a license or certification by reciprocity shall meet the following qualifications:

10.1. An applicant who is currently licensed or certified as a real estate appraiser in another jurisdiction may obtain a West Virginia real estate appraiser license or certification by providing documentation that he or she has met educational, experience and examination requirements that are substantially equivalent to those required in West Virginia for the appropriate

level of licensure or certification: Provided that, the other jurisdiction extends the same reciprocal consideration to all West Virginia licensed or certified appraisers in good standing in this state. All reciprocal applicants must pass the West Virginia appraiser law and regulation section of the licensing examination prior to licensure or certification, and pay to the Board the appropriate fees provided for by Section 11 of this rule.

10.2. The applicant is at least 18 years of age.

10.3. The applicant shall sign, as part of the application, an affidavit certifying that the applicant has read and understands the West Virginia real estate appraiser license laws and the regulations of the Real Estate Appraiser Board.

10.4. The applicant is in good standing as real estate appraiser in every jurisdiction where licensed or certified. The applicant's license or certification has not been suspended, revoked or surrendered in connection with a disciplinary action or the applicant has not been or is not currently the subject of disciplinary action in any jurisdiction.

10.5. The applicant has a good reputation for honesty, truthfulness, and fair dealing, and is competent to transact the business of a real estate appraiser in such a manner as to safeguard the interest of the public.

10.6. The applicant has not been convicted or pled guilty, regardless of adjudication, in any jurisdiction, of a misdemeanor involving moral turpitude or of any felony. Any plea of nolo contendere is considered a conviction for purposes of this subsection. The record of a conviction authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted is admissible as prima facie evidence of the conviction.

10.7. The Board may consider applicants for licensure or certification who do not meet the requirements set forth in subsection 10.4 or subsection 10.6 of this rule.

**§190-2-11. Qualifications for Temporary Permit as a Licensed Residential Real Estate Appraiser, Certified Residential or General Real Estate Appraiser.**

11.1. An individual who is currently licensed or certified as a real estate appraiser in another jurisdiction may obtain a temporary West Virginia real estate appraiser's permit as provided for in Title XI of the United States Code entitled "Financial Institutions Reform, Recovery and Enforcement Act of 1989." Provided, that every applicant shall file an application on an appropriate form of the Board and an irrevocable consent notice that service of process upon him or her may be made by delivery of the process to the Secretary of State if an action arises out of the temporary work of the permittee in this State, and the plaintiff cannot, in the exercise of due diligence, serve the

permittee personally.

11.2. The Board shall recognize the appraiser's certification or license issued by another state as equivalent to a West Virginia license or certification provided that:

- a. The appraiser's business is of a temporary nature, and is limited to one specific assignment.
- b. The Board considers the education, experience and general examination requirements completed in the jurisdiction of original licensure or certification to be substantially equivalent to those required for the appropriate level of licensure or certification in West Virginia.
- c. The applicant signs, as part of the application, an affidavit certifying that the applicant ~~has~~ will read and ~~understands~~ comply with the West Virginia real estate appraiser license law and the regulations of the Real Estate Appraiser Board.
- d. The applicant is in good standing as a licensed or certified real estate appraiser in every jurisdiction where he or she is licensed or certified. The applicant's license or certification has not been suspended, revoked, or surrendered in connection with a disciplinary action or the applicant has not been or is not currently the subject of disciplinary action in any jurisdiction.
- e. The applicant has a good reputation for honesty, truthfulness, and fair dealing, and is competent to transact the business of a real estate appraiser in such a matter as to safeguard the interest of the public.
- f. The applicant has not been found guilty or pled guilty, regardless of adjudication, in any jurisdiction, of a misdemeanor involving moral turpitude or of any felony. Any plea of nolo contendere is considered a conviction for purposes of this paragraph. The record of a conviction authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted is admissible as prima facie evidence of such conviction.
- g. The applicant is at least 18 years of age.

11.3. The Board may consider and approve for a temporary permit an applicant who does not meet the requirements set forth in this section.

11.4. The temporary permit issued under the provisions of this section is expressly limited to the authority of the permittee to perform the specific contract of appraising which is the basis for the temporary permit.

11.5. Each temporary permit obtained expires upon the completion of the appraisal work which is the basis of the permit or after a period of six (6) months, whichever occurs first.

\$190-2-12. Application Fees Licensure and Certification Fees

12.1. All application licensure and certification fees for licenses and certifications are non-refundable.

12.2. The fees charged by the Board for original licenses and certifications are as follows:

- a. A license application fee of fifty twenty-five dollars ~~(\$50)~~ (\$25);
- b. ~~A license examination fee of fifty dollars (\$50);~~
- e.b. A license fee of two hundred seventy-five ~~(\$275)~~ one hundred twenty-five dollars (\$125);
- d.c. A delinquent license fee of an additional one hundred dollars (\$100);
- e.d. A registration fee for a temporary practice permit of one hundred dollars (\$100) for a non-residential appraisal and of fifty dollars (\$50) for a residential appraisal;
- f.e. A certification application fee of fifty twenty-five dollars ~~(\$50)~~ (\$25);
- g. ~~A certification examination fee of fifty dollars (\$50);~~
- h.f. A general certification fee of four three hundred seventy- ~~(\$475)~~ twenty-five dollars (\$325);
- i.g. A residential certification fee of three one hundred twentyseven- ~~(\$325)~~ five dollars (\$175);
- j.h. A delinquent certification fee of an additional one hundred dollars (\$100);
- i. An inactive status fee of twenty-five (\$25) dollars.

12.3. The board shall collect from individuals who perform or seek to perform appraisal transactions where required by federal law, an annual registry fee in the amount of ~~twenty-five dollars (\$25)~~ established by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, in order to enable the board to transfer the necessary fees to the Federal Financial Institutions Examination Council on an annual basis.

12.4. The Board shall deposit all fees and revenues collected pursuant to these regulations in a special fund that the board shall use solely for the purposes of paying the expenses incurred in connection with the administration of W. Va. Code § 37-41-1 et seq.

#### §190-2-13. Apprentice Permits.

13.1. This section establishes a real estate appraiser apprentice program for individuals who desire to acquire the two thousand (2,000) hours of appraisal experience required by subdivisions 7.2.a and 8.2.a of this rule in order to be licensed or certified.

Participation in the apprentice program is not a prerequisite to licensure or certification. Those who do not participate, however, must still submit documentation showing they have obtained the required two thousand (2,000) hours of appraisal experience.

13.2. Application for apprentice permit; requirements and qualifications.

The applicant for an apprentice permit shall submit, with the completed application form, a one hundred dollar (\$100.00) annual permit fee, and the name and address of his or her supervising appraiser. The applicant shall meet the following qualification:

- a. The applicant is at least eighteen (18) years of age;
- b. The applicant has a good reputation for honesty and truthfulness as required by Subdivisions 6.1.a and 6.1.d of this rule;
- c. The applicant has a high school diploma or its equivalent; and
- d. The applicant has successfully completed ~~seventy-five (75)~~ the classroom hours required by subsection 7.1.a in subjects related to real estate appraisal in accordance with Subsection 7.1 of this rule.

13.3. Annual Apprentice Permit Renewal.

An apprentice may renew his or her annual permit, ~~four~~ ~~(4) times only,~~ upon submission to the Board of a renewal application, the annual permit fee of one hundred dollars (\$100.00), an experience log in the form as provided by the Board, and proof of ~~ten (10)~~ fourteen (14) hours of continuing education as defined in the Rule of the Board titled "Renewal of Licensure ~~for~~ Certification", 190 CSR 3.

13.4. Responsibilities of Apprentice.

The holder of a real estate appraiser apprentice permit issued by the Board shall have the following duties and responsibilities;

a. The apprentice shall work under the direct supervision of a state licensed or state certified real estate appraiser, Provided: That appraisers with a transitional license shall not serve a supervisors.

b. The apprentice shall maintain a log on a form as provided by the Board. Experience hours shall be calculated in accordance with Section 9 of this rule.

c. An apprentice must view the property and participate in the appraisal process in order to sign the report and to receive credit for the hours spent. The report shall be signed by the apprentice as follows:

Assisted by

\_\_\_\_\_  
Name

Apprentice  
Number \_\_\_\_\_

d. The apprentice shall ensure that the experience log is available at all times for inspection by the Board.

e. When performing appraisal assignments, the apprentice shall carry on his or her person, the permit issued by the Board.

13.5. Responsibilities of Supervisor.

A supervising appraiser shall be a state licensed or state certified real estate appraiser and has the following duties and responsibilities:

a. The supervisor is at all times responsible for and shall provide direct supervision of the work performed by the apprentice in accordance with the Uniform Standards of Professional Appraisal Practice. For purposes of this section, "direct supervision" means to:

- A. Personally view with the apprentice the interior and exterior of each piece of property appraised;
- B. Personally review each appraisal report prepared by the apprentice;
- C. Assign work to the apprentice only if the apprentice is competent to perform the work;
- D. Accept full responsibility for the report; and
- E. Approve and sign the report as being independently and impartially prepared and in compliance with the Uniform Standards of Professional Appraisal Practice, this rule and applicable statutory requirements.

b. The supervisor shall, at least once a month, sign the log required to be kept by the apprentice and shall indicate his or her license or certification number.

c. The supervisor shall make available to the apprentice, a copy of any appraisal report that the apprentice signed that is requested for review by the Board.

d. After the apprentice successfully completes the licensing examination required by Section 7.3 of this rule and has obtained five hundred (500) hours of experience, the supervisor and the apprentice may jointly apply to the Board for an exemption that would allow the supervisor to sign an appraisal report without viewing the property, provided the apprentice is competent to perform the inspection.

13.6. An apprentice may take the licensing examination required by Section 7.3 of this rule at any time.

13.7. This rule is not intended to prohibit a person who does not have an apprentice permit from assisting or helping a licensed or certified appraiser as long as that person does not sign the report, Provided: The licensed or certified appraiser who uses such an assistant or helper shall conform with the duties and responsibilities as required in Subsection 13.5.a of this rule.

§ 190-2-14. Inactive Status.

14.1. Upon written request by a licensee accompanied by the prescribed fee, any real estate appraiser may choose to place their license or certificate on inactive status. The licensee must complete a signed and sworn affidavit approved by the Board.

14.2 A licensee that has been placed on inactive status may not engage in the practice of real estate appraisal but can still consider himself/herself as an appraiser.

14.3. A licensee may remain on inactive status for an unlimited number of years as long as a the annual fee for inactive status is submitted to the Board.

14.4. In order for a licensee to reactivate a license or certificate from inactive status, the licensee must pay the fee established by the Board at that time for an active license or certificate in their classification and verify to the Board that he/she completed the required amount of hours of continuing education as defined in 190 CSR 3. Regardless of the number of consecutive years a licensee remains on inactive status, he/she need only complete the required amount of hours of continuing education for the year prior to being reactivated.

Att: Si Galperin



West Virginia  
Real Estate Appraiser Licensing and Certification Board

2110 Kanawha Blvd., E., Suite 101  
Charleston, WV 25311  
PHONE (304) 558-3919 • FAX (304) 558-3983  
Gaston Caperton, Governor

May 20, 1996

Dear Appraiser:

Enclosed is a summary of proposed changes to Title 190, Series 1, 2, and 3 of the Board's Rules and Regulations. The changes in education and experience criteria for certified appraisers effective January 1, 1998 are required by the Appraiser Qualifications Board (AQB). Likewise, the increase from 10 hours to 14 hours of annual continuing education is required by the AQB. It is the Board's proposal to require the additional four (4) hours of continuing education to be in the Uniform Standards of Professional Appraisal Practice (USPAP) annually from 1998 through 2001 and to require completion of a 14 hour USPAP class at least once every five (5) years. ★

Several of the changes are required by the legislative auditor and others are mostly technical changes. Please read the enclosed summary and call the Board if you have any questions. A complete copy of the proposed changes to the Rules is available by contacting the Board office.

In lieu of a public hearing, a comment period has been established during which any interested person may send comments concerning these proposed rules. This comment period will end on July 1, 1996 at 4:00 p.m. Only written comments will be accepted and are to be mailed to the Board at the above address.

The Board will review all comments received to determine possible changes in the proposed rules. After final adoption by the Board, the rules will be submitted to the legislature and will not become final until approval by the legislature in the spring, 1997.

★ Please make this like Virginia's Law, i.e. 20 hours education every 2 years (make your license for 2 years, it would save you time + money. Require 15 USPAP additionally every 6 years.

Sincerely,  
SH Galperin  
Si Galperin  
Executive Director

Donna K. Gleason, 420 E. Market, Harrisonville, VA 22.

Board Members

- |  |                             |
|--|-----------------------------|
| David Thalheimer, Chairman<br>Charleston   | Larry McDaniel, Parkersburg |
| Virginia Shaw, Vice Chairperson<br>Beckley | Donald Mickey, Charles Town |
| Linda Petrella, Secretary<br>Charleston    | Tammy Owen, Hurricane       |
|  | Harry Perkins, Frankford    |
|  | Glenn Rohr, Buckhannon      |
|  | David Shields, Bluefield    |

- Staff
- |  |
|--|
| Si Galperin<br>Executive Director          |
| Lynda King<br>Administrative Assistant     |
| Stephanie Ball<br>Administrative Assistant |

P.S. I tried to fax + got the motor vehicle dept.

**COMMENT:**

A Virginia appraiser requests that the Board issue a license for a two year period and require 20 hours of continuing education every two years instead of ten hours every year.

**BOARD RESPONSE:**

These proposed changes are not within the Board's discretion to change since they are required by State statute. WV Code 37-14-13 states that licenses expire one year from date of issue and WV Code 37-14-14 requires ten hours of continuing education [CE] per year in order to renew.

No amendments were made.



Garrettland, Inc.

1000 Thayer Center  
Oakland, MD 21550  
301-334-9915  
301-334-8868 Fax



June 10, 1996

West Virginia Real Estate Licensing  
and Certification Board  
2110 Kanawha Blvd. East  
Suite 101  
Charleston, WV 25311  
ATTN: Si Galperin

Re: Proposed Changes  
Title 190, Series 1, 2 & 3

Dear Si,

I am in receipt of your letter of May 20, 1996 soliciting comment on the above referenced changes to the Board's Rules and Regulations.

I must say I am disheartened to hear that at a time when most lenders have placed the appraiser on their endangered species list the Board is proposing to increase the continuing education requirements to 14 hours a year. This will only place a greater burden on the appraiser in terms of expense and time. I am concerned the bark of this regulation is much worse than its bite. With the dissolution of the mandatory status in West Virginia, the revision to Title 190 will only punish those who are already experienced in the appraisal field.

To amplify my concern, I received a copy of the one page Evaluation Form which has been adopted by many of the lending institutions across the State. It is my understanding that unlicensed individuals are performing these evaluations, charging \$100 or more, have little or no educational experience and are putting the licensed and certified professionals out of business!

I would hope the Board reconsiders its recommendation to increase the continuing education requirement and instead direct their effort towards re-instituting the mandatory status in West Virginia.

Respectfully Submitted,

Jeremy R. Thayer  
West Virginia Certified  
General Appraiser #147

JRT/smw

**COMMENT:**

A Maryland appraiser opposes increasing the CE requirement from ten hours per year to 14 hours per year, particularly since WV no longer has a mandatory law.

**BOARD RESPONSE:**

This is not within the Board's discretion because this increase to 14 hours per year is mandated by the Appraiser Qualifications Board [AQB] and applies to all states. Appraiser is incorrect when he states that WV no longer has a mandatory law. He is referring to WV Code 37-14-4(f) which allows non-licensed individuals to perform evaluations of collateral.

No amendments were made.



WEST VIRGINIA ASSOCIATION OF REALTORS®  
The Voice for Real Estate™ in West Virginia

2110 Kanawha Boulevard, East  
Charleston, WV 25311-2205  
(304) 342-7600  
FAX (304) 343-5811  
WATS Toll Free WV Only  
1-800-445-7600

June 18, 1996

Mr. Si Galperin, Executive Director  
West Virginia Real Estate Appraiser Licensing  
and Certification Board  
2110 Kanawha Boulevard, East, Suite 101  
Charleston, West Virginia 25311

Dear Mr. Galperin:

The Association appreciates the opportunity to comment on rules proposed by the Board.

The License Law Committee of the Association has carefully reviewed the proposed rules and generally agrees with the content of the proposal. The rules are believed to be consistent with the Real Estate Appraiser Licensing and Certification Act and the intent of the legislature for regulation of the appraisal profession.

The following recommendations are submitted for consideration of the Board, recognizing that the first recommendation will require legislative amendment to the Act itself, unless such amendment may be effected by legislative adoption of the proposed rule.

**Recommendation Number 1** - Amend Title 190, Series 2, §190 - 2 -4, 4.2, State Certified Residential Real Estate Appraiser, to read as follows:

"The state certified residential real estate appraiser classification consists of those persons who meet the requirements for certification that relate to are authorized to conduct appraisals of residential real estate of one to four units without regard to value or complexity and to the appraisal of non-residential real estate when the value is less than one hundred thousand dollars (\$100,000) two hundred fifty thousand dollars (\$250,000)."

**Recommendation Number 2** - Adopt a policy that the Appraiser Board sponsor at least two courses of continuing education each year at varied locations throughout the state.

Thank you for consideration of our recommendations.

Sincerely yours,

J. Jackson Pauley  
Executive Vice President

**COMMENT:**

The WV Association of Realtors suggests that the Board allow certified residential appraisers to perform appraisals on non-residential real estate up to \$250,000.

**BOARD RESPONSE:**

This proposed change is not within the Board's discretion to change since it is required by State statute. The \$100,000 limit is in WV Code 37-14-28(b).

**COMMENT:**

The WV Association of Realtors suggests that the Board sponsor at least two CE courses annually at varied locations.

**BOARD RESPONSE:**

The Board has sponsored CE classes in the past and will continue to do so when there is a need. However, the Board prefers not to offer courses in competition with course providers if there are ample courses being provided by the professional appraiser organizations and other providers.

No amendments were made.

# Zdrojewski & Company

Real Estate Appraisers

Phone 304-346-4656 Fax/Modem 304-346-8882

179 Summers Street Suite 610 Charleston, West Virginia 25301-2131

June 11, 1996

West Virginia Real Estate  
Appraiser Licensing and  
Certification Board  
2110 Kanawha Blvd., E., Suite 101  
Charleston, WV 25311

Dear Honorable Board Members:

I would like to comment on and hopefully dissuade you from instituting your proposed requirements for 4 annual hours of continuing education regarding USPAP plus an additional 14 hours USPAP every 5 years.

I am guessing that these new requirements are designed to correct a perceived lacking in the appraiser ranks concerning knowledge of and adherence to the USPAP. If my guess is correct, I think your perception of the lacking is accurate. I think, however, that your proposed solution will not solve the problem and will simply waste the time and money of those of us who make it our business to know and abide by USPAP.

First of all, all licensees in West Virginia were required to obtain 15 hours of standards education prior to licensing and all passed a test on USPAP. Since all licenses have been issued within the last 5 years, all licensees currently have met the 14 hour requirement you propose. But we still have a problem. It is my opinion that more of the same will not solve the problem.

I believe that all the mandatory education in the universe will not inspire those violating the standards to change very much. Oh they might pay lip service to USPAP by inserting some additional boilerplate into their appraisal reports, but it will be mindless lip service. For those types of practitioners and the clients that employ them, appraisals are just numbers on paper. Education about USPAP will not change what they do.

There must be some incentive beyond that warm fuzzy feeling you get when your report "complies" to inspire USPAP violators to change. I don't think most of us will take the time or risk the bad relations that might result from turning one of our fellow professionals in. "Appraisal police" might work, but would cost a lot in personnel and time and it would discourage independent thinking by conscientious appraisers who might be concerned with being second guessed. I think the answer is simply time. It will take time for a body of law to develop concerning appraisals which violate USPAP. I think the threat of a law suit is about the only thing that will make an impact and even then some

will take shortcuts.

You're proposals will make it mandatory that the conscientious appraisers rehash the same material for 34 hours every five years. That's almost 50% of the continuing ed requirements in terms of time. That will give the continuing ed providers additional built-in sources of revenue from course materials which will change very little from year to year. It won't inspire USPAP violators to conform.

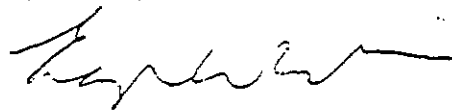
So I respectfully request that at a minimum you drop the 14 hrs/5 year proposal. If you insist on the annual 4 hour requirement, please restrict it to changes in USPAP that occurred in the past calendar year and/or changes that are being discussed or about to be adopted. I also request that these 4 hour sessions be offered just twice a year around the state and that they be taught directly by Appraisal Foundation committee members responsible for USPAP, their designated representatives, or someone directly connected with our Board and not by continuing ed providers or correspondence courses.

The only really accurate info I have received to date on USPAP was obtained from the informational 1-day meeting held by the Appraisal Foundation when reporting standards were changed. The instructors in the continuing ed industry usually try to advise us on how to get around USPAP or they try to show us how to get by minimally.

So in conclusion, I would like to emphasize that continuing ed is important. It is one way for us to grow in our profession and gain new knowledge and new ways of looking at things. It is so important that we should not waste 50% of it on this issue. My recommendation is that you not impose restrictions on what we take other than the following:

1.) If you feel you need to "do something" about standards, give us the option of testing out of the USPAP continuing ed. 2.) Make sure no one takes the same course on any topic from the same provider more than once. 3.) Eliminate correspondence options of meeting education requirements. I hope you will seriously consider these recommendations.

Respectfully submitted



Eugene M. Zdrojewski, Jr.  
WV Certified General Appraiser  
Certificate No. 013

**COMMENT:**

A WV appraiser recommends that :

1. The Board insure that no one takes the same course from the same provider more than once.
2. Eliminate credit for correspondence courses.
3. Allow for option to "test out" of USPAP continuing education.

**BOARD RESPONSE:**

1. Current Board policy does not allow credit for the same course from the same provider more than once every 5 years except for USPAP courses.
2. Current policy does not allow credit for correspondence courses.
3. The purpose of continuing education is to keep abreast of changes, learn new skills, review information previously learned, etc. By not attending the class, he would be defeating the purpose of continuing education.

No amendments were made.

Appraisals  
Brokerage  
Consulting  
Leasing



Realcorp, Inc.  
P.O. Box 2  
Charleston, WV  
25321  
(304) 925-7000  
Fax (304) 925-7023

June 21, 1996

West Virginia Real Estate  
Appraiser Licensing and  
Certification Board  
2110 Kanawha Boulevard, East  
Suite 101  
Charleston, WV 25311

Dear Honorable Board Members:

Enclosed, is a copy of a letter I received from Eugene Zdrojewski regarding USPAP continuing education hours. After reading Mr. Zdrojewski's letter, I have to concur with him, that additional education is not the solution to this problem.

Please reconsider your proposal to change the Rules and Regulations regarding continuing education hours.

Sincerely yours,

REALCORP, INC.



Jonathan P. Cavendish

JPC:bkg

Enclosure



**COMMENT:**

Two appraisers oppose the Board's requirement for four hour and 14 hour USPAP classes.

**RESPONSE:**

The Board feels these classes are essential since WV Code 37-14-22 requires that all licensed appraisers comply with USPAP. The two appraisers apparently misunderstand the proposed rules which only require the four hour course from 1998 through 2001 and then require a 14 hour class once every 5 years. The requirement for the 14 hour USPAP class is recommended by the AQB and is presently mandated in many states.

No amendments were made.

**Summary  
Series 1**

- (1) Change in definition of term "licensee" to include all classifications of appraisers.

**Summary  
Series 2**

- (1) Modified definition of experience to comply with AQB criteria.
- (2) Deleted exceptions in section 3.2 which are already in code.
- \* (3) Increased education requirement from 75 to 90 classroom hours for licensed residential classification and apprentice permits effective January 1, 1998.
- (4) Deletion of provision allowing appraisal experience credit for teaching appraisal classes.
- (5) Require experience obtained after January 1, 1991 to comply with Uniform Standards of Professional Appraisal Practice (USPAP) for all classifications.
- (6) Clarified National Examination requirement and added language on State Examination requirement.
- \* (7) Revisions to the certified general classification effective January 1, 1998;
- ◇ Increased education requirement from 165 to 180 classroom hours
  - ◇ Expanded list of topics to be included in the required classroom hours
  - ◇ Increased experience requirement from 2,000 to 3,000 hours of appraisal experience obtained over a period of not less than 30 months
- \* (8) Revisions to the certified residential classification effective January 1, 1998:
- ◇ Increased experience requirement from 2,000 to 2,500 hours of appraisal experience obtained over a period of not less than 24 months
  - ◇ Expanded list of topics to be included in the required 135 classroom hours
- (9) Reduced annual fees to reflect fees currently being charged.
- (10) Deleted provision that apprentice permit can only be renewed four times.
- (11) Created inactive status classification and fee of \$25.00 annually
- (12) Miscellaneous cleanup/technical changes.

\* *Applies only to new licenses issued on or after January 1, 1998 - does not apply to renewals of an existing license.*



Summary  
Series 3

- (1) Increase continuing education requirement from 10 hours to 14 hours annually for all appraisers and apprentices effective January 1, 1998. From 1998 through 2001 only, a minimum of four (4) classroom hours in the Uniform Standards of Professional Appraisal Practice (USPAP) is included in the annual continuing education requirement. Beginning with the annual renewal in 2002, a 14 hour course on USPAP must have been taken at least once within the previous five (5) years in lieu of the four (4) hour class. The 14 hour class will continue to be required once in each five year period. Effective January 1, 2002 the minimum of four classroom hours of USPAP annually will no longer be required.
- (2) Added Fair Housing to list of approved continuing education topics.
- (3) Lower renewal fees to reflect fees currently being charged.
- (4) Miscellaneous cleanup/technical changes.

Gentlemen  
I FULLY ENDORSE ALL THE CHANGES DESCRIBED  
ABOVE.

Peter A. Polverini