

**WEST VIRGINIA
SECRETARY OF STATE
NATALIE E. TENNANT
ADMINISTRATIVE LAW DIVISION**

Form #2

Do Not Mark In This Box

2010 SEP 12 PM 1:05

SECRETARY OF STATE
ADMINISTRATIVE LAW DIVISION

NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE

AGENCY: WV Real Estate Appraiser Licensing & Certification Board TITLE NUMBER: 190

RULE TYPE: Legislative CITE AUTHORITY: 30-38-6; 30-38-7; 30-39-9

AMENDMENT TO AN EXISTING RULE: YES NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 2

TITLE OF RULE BEING AMENDED: Requirements for Licensure and Certification

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: _____

TITLE OF RULE BEING PROPOSED: _____

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 October 23, 2010 AT 5:00 p.m. ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS:

WV Real Estate Appraiser Licensing & Certification Board

2110 Kanawha Blvd. East, Suite 101
Charleston, WV 25311

THE ISSUES TO BE HEARD SHALL BE LIMITED TO THIS PROPOSED RULE.



Authorized Signature

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

\$9.60

BRIEF SUMMARY OF EMERGENCY RULE

Effective July 1, 2010, the West Virginia Real Estate Appraiser Licensing and Certification Board is authorized and required to conduct criminal background investigations for applicants seeking licensure or certification through the Board, for applicants seeking licensure or certification by reciprocity through the Board, and for applicants who seek a permit as a real estate appraiser apprentice. Such criminal background investigation primarily consists of criminal background checks performed by the West Virginia State Police and the Federal Bureau of Investigations. The purpose of the emergency rule is to delay the Board's requirement that it obtain finger print based criminal background checks on applicants July 1, 2011.

FACTS AND CIRCUMSTANCES OF THE RULE

Upon promulgating the rules setting forth the procedure in which the Board would conduct a criminal background investigation of an applicant, the Board consulted with various agencies in regard to obtaining the same through processing of applicant fingerprints. Through the consultation process, the Board learned that the Federal Bureau of Investigations typically takes approximately six months to process any given set of finger prints that do not constitute a priority. The Board was informed that any finger prints it would submit for processing would not constitute a priority. Upon promulgation of the rule, it was not the intent of the Board to further delay the application process by approximately six months. The Board has been informed, however, that by late 2010 or early 2011, that the Federal Bureau of Investigations' finger print processing unit will implement an electronic finger print processing database. Such database will drastically decrease the time of processing finger print based criminal background checks, as well as reporting the results of such checks, from months to days.

Currently, the Board has before it unprocessed applications that it received after July 1, 2010. The Board expects to receive more applications in the immediate near future. In order to facilitate a timely review and approval process of current and future applications, the Board desires to delay implementation of the criminal background investigation relating to finger prints until July 1, 2011. At such time, the Federal Bureau of Investigations' electronic finger print processing system will be in operation, with all relevant services available to the Board.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Requirements for Licensure and Certification

Rule Title: _____

Type of Rule: Legislative Interpretive Procedural

Agency: WV Real Estate Appraiser Licensing and Certification Board

Address: 2110 Kanawha Blvd., East, Suite 101
Charleston, WV 25311

Phone Number: 304-558-3919 Email: knotts@mail.wvnet.edu

Fiscal Note Summary

Summarize in a clear and concise manner what impact this measure will have on costs and revenues of state government.

This measure will have no impact on costs and revenues of the Bjoard.

Fiscal Note Detail

Show over-all effect in Item 1 and 2 and, in Item 3, give an explanation of Breakdown by fiscal year, including long-range effect.

FISCAL YEAR			
Effect of Proposal	Current Increase/Decrease (use "--")	Next Increase/Decrease (use "--")	Fiscal Year (Upon Full Implementation)
1. Estimated Total Cost	0.00		
Personal Services	0.00		
Current Expenses	0.00		
Repairs & Alterations	0.00		
Assets	0.00		
Other	0.00		
2. Estimated Total Revenues	0.00		

Requirements For Licensure and Certification

Rule Title: _____

Rule Title: _____

3. Explanation of above estimates (including long-range effect):

Please include any increase or decrease in fees in your estimated total revenues.

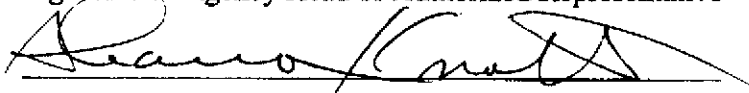
This measure will have no impact on costs and revenues of the Board.

MEMORANDUM

Please identify any areas of vagueness, technical defects, reasons the proposed rule would not have a fiscal impact, and/or any special issues not captured elsewhere on this form.

Date: September 22, 2010

Signature of Agency Head or Authorized Representative



TITLE 190
LEGISLATIVE RULE
WEST VIRGINIA REAL ESTATE APPRAISER LICENSING & CERTIFICATION BOARD
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.

1.2. Authority. -- W. Va. Code §§30-38-6; 30-38-7; 30-38-9.

1.3. Filing Date. -- April 26, 2010.

1.4. Effective Date. -- July 1, 2010.

§190-2-2. Definitions.

2.1. "Accredited colleges, universities and junior and community colleges" means those institutions of higher learning under the Higher Education Policy Commission or listed in the Transfer of Credit Practices of Designated Educational Institutions, published by the American Association of Collegiate Registrars and Admissions Officers.

2.2. "Adult distributive or marketing education programs" means those programs offered at schools approved by the Higher Education Policy Commission or any other local, state or federal government agency, board or commission to teach adult education or marketing courses.

2.3. "Appraisal foundation" means the appraisal foundation established on the thirtieth day of November, one thousand nine hundred eighty-seven, as a not-for-profit corporation under the laws of Illinois.

2.4. "Appraiser qualifications board" means the board created by 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.

2.5. "Classroom hour" means 50 minutes out of each 60 minute segment of instruction in courses approved by the board.

2.6. "Direct supervision" means the supervisor shall personally view the exterior and interior of all properties with his or her respective apprentice or appraiser; personally review each appraisal report; assign work to the apprentice or appraiser only if he or she is competent to perform the work; accept full responsibility for the report; and approve and sign the report as being independently and impartially prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and applicable statutory requirements.

2.7. "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 consulting; highest and best use analysis; and, feasibility analysis or study.

2.8. "Licensee" means a person who holds a current valid license as a state licensed residential real estate appraiser, a certification as a state certified residential real estate appraiser or a certification as a state certified general real estate appraiser issued under the provisions of the W. Va. Code §§30-38 et seq.

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

2.10. "Non-residential" property is defined as all properties other than residential.

2.11. "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.

2.12. "Residential" property is defined as one to four single family residential units and lots where the highest and best use is for one to four single family residential units.

2.13. "Uniform Standards of Professional Appraisal Practice" means the Uniform Standards of Professional Appraisal Practice (USPAP) published by the appraisal foundation.

§190-2-3. Exceptions to License Requirement.

3.1. In addition to the exceptions of the W. Va. Code §30-38-1(c), this rule does not apply to a person licensed to practice public accountancy as defined in W. Va. Code §30-9-3, including the performance of a business evaluation; Provided, that the 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. §33331 et seq.

§190-2-4. General Qualifications for Licensure or Certification.

4.1. Every person who applies to be classified as a licensed or certified real estate appraiser shall:

4.1.a. Have a good reputation for honesty, truthfulness, and fair dealing, and be competent to transact the business of a licensed or certified real estate appraiser in a manner that safeguards the interests of the public;

4.1.b. Except as provided for in subsection 2-11 of this rule, meet the current education and experience requirements and submit 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 shall complete an application for license or certification within twelve months of the date of the receipt of the application and fee by the board;

4.1.c. Be in good standing as a real estate appraiser in every jurisdiction where he or she is licensed or certified. An applicant's occupational or professional license or certification shall not be suspended, revoked or surrendered in connection with a disciplinary action or an applicant may not be the subject of

disciplinary action in any jurisdiction prior to applying for licensure or certification in West Virginia;

4.1.d. Not have 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 subdivision. The record of a conviction authenticated in a form that is admissible in evidence under the laws of the jurisdiction where convicted is admissible as prima facie evidence of the conviction; and

4.1.e. Be at least 18 years of age.

4.2. The Board may consider and approve for license or certification, applicants who do not meet the requirements set forth in subdivisions 4.1.c. and 4.1.d. of this section.

4.3. At the time of filing an application for original or renewal of a license or 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 shall also certify that he or she understands the types of misconduct as described in W. Va. Code §§30-38-1 et seq. and that disciplinary proceedings may be initiated against him or her for that misconduct.

4.4. Any applicant who applies to be classified as a licensed or certified real estate appraiser after January 1, 2008, shall comply with all requirements in effect at that time. In the event that an applicant who applies to be classified as a licensed or certified real estate appraiser after January 1, 2008, completes the education, experience, or examination component requirements, or any combination of such components required herein, prior to January 1, 2008, any such component, completed by January 1, 2008, shall satisfy the respective requirement or requirements as currently in effect. In the event that an applicant who applies to be classified as a licensed or certified real estate appraiser after January 1, 2008, completes the education, experience, or examination components, or any combination of such components required herein, after January 1, 2008, any such component completed after January 1, 2008, shall satisfy the respective requirement or requirements as in effect after January 1, 2008.

4.5. Effective July 1, 2011, the board shall conduct criminal background investigations for the purpose of determining whether an applicant has been charged with, indicted for, or convicted of a crime that may have bearing upon the applicant's fitness to hold a license. The applicant shall complete and submit to the board, on a form provided by the board, a form that relates to the release of information and waiver of confidentiality of records. The applicant will also submit a full set of fingerprints to facilitate a criminal background check and the board will request the state police to submit the fingerprints and identifying information to the Federal Bureau of Investigation for a national criminal history record check. The results of the fingerprint check will be returned to the board.

4.5.a. The applicant will reimburse the board for all fees or charges that are incurred by the board for the background investigation.

4.5.b. If the applicant for licensure actively holds a real estate appraiser apprentice permit, licensed residential real estate appraiser license, or certified residential real estate appraiser license, issued by the board, and has previously completed a criminal background check conducted by the board, the results of the prior criminal background check shall satisfy the board's current criminal background investigation requirement.

§190-2-5. Additional Qualifications for Licensed Residential Real Estate Appraisers.

5.1. Education.

5.1.a. An applicant shall have successfully completed ninety (90) classroom hours of courses in subjects related to real estate appraisal that are required under this subdivision. Effective January 1, 2003, fifteen (15) of the ninety (90) hours shall include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course, or its equivalent. Effective January 1, 2008, an applicant shall have successfully completed one-hundred and fifty (150) classroom hours of courses in subjects related to real estate appraisal that are required under this subdivision, of which fifteen (15) of the one hundred and fifty (150) hours shall include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course, or its equivalent. Equivalency shall be determined through the appraisal qualifications board course approval program or by an alternate method established by the appraisal qualifications board.

5.1.b. The board shall grant credit towards classroom hours only where the length of the educational course is at least fifteen (15) hours and an applicant successfully completed an examination concerning that course.

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

- 5.1.c.1. Accredited colleges or universities;
- 5.1.c.2. Community or junior colleges;
- 5.1.c.3. Real estate appraisal or real estate related organizations;
- 5.1.c.4. Local, state or federal agencies, boards or commissions;
- 5.1.c.5. Proprietary schools;
- 5.1.c.6. Adult distributive or marketing educational programs; or
- 5.1.c.7. Any other entity which has received prior approval by the board.

5.1.d. The board may award credit towards classroom hours to teachers of appraisal courses.

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

5.1.f. The board may grant credit for courses where an 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 that the board is satisfied with the quality of the challenge examination that was administered by the course provider.

5.1.g. Prior to January 1, 2008, the board may credit various appraisal courses toward the classroom hours required by subdivision 5.1.a. of this section, 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:

- 5.1.g.1. Influences on real estate value;
- 5.1.g.2. Legal considerations in appraisal;
- 5.1.g.3. Types of value;
- 5.1.g.4. Economic principles;
- 5.1.g.5. Real estate markets and analysis;
- 5.1.g.6. Valuation process;
- 5.1.g.7. Property description;
- 5.1.g.8. Highest and best use analysis;
- 5.1.g.9. Appraisal statistical concepts;
- 5.1.g.10. Sales comparison approach;
- 5.1.g.11. Site value;
- 5.1.g.12. Cost approach;
- 5.1.g.13. Income approach, which includes, but is not limited to:
 - 5.1.g.13.A. Gross rent multiplier analysis;
 - 5.1.g.13.B. Estimation of income and expenses; and
 - 5.1.g.13.C. Operating expense ratios;
- 5.1.g.14. Valuation of partial interests; and
- 5.1.g.15. Appraisal standards and ethics.

5.1.h. Effective January 1, 2008, the Board shall only credit appraisal courses completed by an applicant for Licensed Residential real estate appraiser, and required by subdivision 5.1.a. of this section, if the applicant can show that his or her education involved coverage of all of the following topics and all minimum corresponding hour attendant with each topic thereof:

5.1.h.1. Thirty (30) hours of basic appraisal principles, of which course hours may be evidenced by the following educational subtopics:

- 5.1.h.1.A. Real Property Concepts and Characteristics, including, but not limited to:
 - 5.1.h.1.A.1. Basic Real Property Concepts;
 - 5.1.h.1.A.2. Real Property Characteristics; and
 - 5.1.h.1.A.3. Legal Description;
- 5.1.h.1.B. Legal Consideration, including, but not limited to:
 - 5.1.h.1.B.1. Forms of Ownership;
 - 5.1.h.1.B.2. Public and Private Controls;
 - 5.1.h.1.B.3. Real Estate Contracts; and
 - 5.1.h.1.B.4. Leases;
- 5.1.h.1.C. Influences on Real Estate Values, including, but not limited to:
 - 5.1.h.1.C.1. Governmental;
 - 5.1.h.1.C.2. Economic;
 - 5.1.h.1.C.3. Social; and
 - 5.1.h.1.C.4. Environmental, Geographic and Physical;
- 5.1.h.1.D. Types of Value, including, but not limited to:
 - 5.1.h.1.D.1. Market Value;
 - 5.1.h.1.D.2. Other Value Types; and
- 5.1.h.1.E. Economic Principles, including, but not limited to:
 - 5.1.h.1.E.1. Classical Economic Principles; and
 - 5.1.h.1.E.2. Application and Illustrations of the Economic Principles;
- 5.1.h.1.F. Overview of Real Estate Markets and Analysis, including, but not limited to:
 - 5.1.h.1.F.1. Market Fundamentals, Characteristics, and Definitions;
 - 5.1.h.1.F.2. Supply Analysis;
 - 5.1.h.1.F.3. Demand Analysis; and

5.1.h.1.F.4. Use of Market Analysis;

5.1.h.1.G. Ethics and How They Apply in Appraisal Theory and Practice;

5.1.h.2. Thirty (30) hours of basic appraisal procedures, of which course hours may be evidenced by the following educational subtopics:

5.1.h.2.A. Overview of Approaches to Value;

5.1.h.2.B. Valuation Procedures, including, but not limited to:

5.1.h.2.B.1 Defining the Problem;

5.1.h.2.B.2. Collecting and Selecting Data;

5.1.h.2.B.3. Analyzing;

5.1.h.2.B.4. Reconciling and Final Value Opinion; and

5.1.h.2.B.5. Communicating the Appraisal;

5.1.h.2.C. Property Description, including, but not limited to:

5.1.h.2.C.1. Geographic Characteristics of the Land/Site;

5.1.h.2.C.2. Geologic Characteristics of the Land/Site;

5.1.h.2.C.3. Location and Neighborhood Characteristics;

5.1.h.2.C.4. Land/Site Considerations for Highest and Best Use; and

5.1.h.2.C.5. Improvements -- Architectural Styles and Types of Construction;

5.1.h.2.D. Residential Applications;

5.1.h.3. Successful completion of the fifteen (15) hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent;

5.1.h.4. Fifteen (15) hours of residential market analysis and highest and best use, of which course hours may be evidenced by the following educational subtopics:

5.1.h.4.A. Residential Markets and Analysis, including, but not limited to:

5.1.h.4.A.1. Market Fundamentals, Characteristics and Definitions;

5.1.h.4.A.2. Supply Analysis;

5.1.h.4.A.3. Demand Analysis; and

5.1.h.4.A.4. Use of Market Analysis;

5.1.h.4.B. Highest and Best Use, including, but not limited to:

5.1.h.4.B.1. Test Constraints;

5.1.h.4.B.2. Application of Highest and Best Use;

5.1.h.4.B.3. Special Considerations;

5.1.h.4.B.4. Market Analysis; and

5.1.h.4.B.5. Case Studies;

5.1.h.5. Fifteen (15) hours of residential appraiser site valuation and cost approach, of which course hours may be evidenced by the following educational subtopics:

5.1.h.5.A. Site Valuation, including, but not limited to:

5.1.h.5.A.1. Methods; and

5.1.h.5.A.2. Case Studies;

5.1.h.5.B. Cost Approach, including, but not limited to:

5.1.h.5.B.1. Concepts and Definitions;

5.1.h.5.B.2. Replacement/ Reproduction Cost New;

5.1.h.5.B.3. Accrued Depreciation;

5.1.h.5.B.4. Methods of Estimating Accrued Depreciation; and

5.1.h.5.B.5. Case Studies;

5.1.h.6. Thirty (30) hours of residential sales comparison and income approaches, of which course hours may be evidenced by the following educational subtopics:

5.1.h.6.A. Valuation Principles & Procedures -- Sales Comparison Approach;

5.1.h.6.B. Valuation Principles & Procedures -- Income Approach;

5.1.h.6.C. Finance and Cash Equivalency;

5.1.h.6.D. Financial Calculator Introduction;

5.1.h.6.E. Identification, Derivation and Measurement of Adjustments;

5.1.h.6.F. Gross Rent Multipliers;

5.1.h.6.G. Partial Interests;

5.1.h.6.H. Reconciliation; and

5.1.h.6.I. Case Studies and Applications;

5.1.h.7. Fifteen (15) hours of residential report writing and case studies, of which course hours may be evidenced by the following educational subtopics:

5.1.h.7.A. Writing and Reasoning Skills;

5.1.h.7.B. Common Writing Problems;

5.1.h.7.C. Form Reports;

5.1.h.7.D. Report Options and USPAP Compliance; and

5.1.h.7.E. Case Studies.

5.1.i. An applicant shall submit to the board a listing of courses, which he or she claims meet the education credit requirement, on a form approved by the board. An applicant shall submit proof of the completion of a course claimed for credit.

5.2. Experience.

5.2.a. An applicant shall have a minimum of two thousand (2000) hours of appraisal experience. The board or an applicant may treat hours as cumulative in order to achieve the required two thousand (2000) hours. Effective January 1, 2008, an applicant must obtain all qualifying experience hours in no fewer than a twelve month period.

5.2.b. As a part of the application for licensure, an applicant shall execute an affidavit attesting to his or her experience in the field of real estate appraisal. This affidavit shall be on forms provided by the board with the application. In addition, an applicant shall provide, on forms provided by the board, a detailed list of the real estate appraisal reports or file memoranda for each year for which experience is claimed. Upon request, an applicant shall provide the board a sample of appraisal reports which the applicant has prepared. Experience obtained after January 1, 1991, shall comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

5.3. Examination.

5.3.a. Before the board issues an initial license, an applicant shall successfully complete a written national examination administered by the board or by a testing service acting on behalf of the board. The passing score shall be determined by the board based upon the recommendation of the testing service.

5.3.b. Before the board issues an initial license, an applicant shall successfully complete a written state examination covering the sections of the West Virginia Code that regulate the practice of real estate appraising. The passing score shall be determined by the board.

§190-2-6. Additional Qualifications for Certified General and Certified Residential Real Estate Appraisers.

6.1. Education.

6.1.a. An applicant for the Certified General real estate appraiser certification shall have successfully completed one hundred eighty (180) classroom hours in subjects related to real estate appraisal that are required under this subdivision of which a minimum of fifteen (15) of the one hundred eighty (180) hours shall include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course, or its equivalent. Effective January 1, 2008, an applicant for the Certified General real estate appraiser certification shall have successfully completed three hundred (300) classroom hours of courses in subjects related to real estate appraisal that are required under this subdivision, of which fifteen (15) of the three hundred (300) hours shall include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course, or its equivalent. Equivalency shall be determined through the appraisal qualifications board course approval program or by an alternate method established by the appraisal qualifications board.

6.1.b. An applicant for the Certified Residential real estate appraiser certification shall have successfully completed one hundred thirty-five (135) classroom hours of courses in subjects related to real estate appraisal that are required under this subdivision of which a minimum of fifteen (15) of the one hundred thirty-five (135) hours shall include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course, or its equivalent. Effective January 1, 2008, an applicant for the Certified Residential real estate appraiser certification shall have successfully completed two hundred (200) classroom hours of courses in subjects related to real estate appraisal that are required under this subdivision, of which fifteen (15) of the two hundred (200) hours shall include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course, or its equivalent. Equivalency shall be determined through the appraisal qualifications board course approval program or by an alternate method established by the appraisal qualifications board.

6.1.c. The board shall grant credit towards classroom hours only where the length of the educational course was at least fifteen (15) hours and an applicant successfully completed an examination concerning the course.

6.1.d. An applicant may obtain credit towards classroom hours from the following entities, provided that the courses have been registered with and approved by the board:

- 6.1.d.1. Accredited colleges or universities;
- 6.1.d.2. Community or junior colleges;
- 6.1.d.3. Real estate appraisal or real estate related organizations;
- 6.1.d.4. Local, state or federal agencies, boards or commissions;

6.1.d.5. Proprietary schools;

6.1.d.6. Adult distributive or marketing educational programs; or

6.1.d.7. Any other entity which has received prior approval by the board.

6.1.e. The board may award credit toward classroom hours to teachers of appraisal courses.

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

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

6.1.h. Prior to January 1, 2008, for the state certified general classification, the board may credit various appraisal courses toward the classroom hours required by subdivision 6.1.a. of this section if an 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:

6.1.h.1. Influences on real estate value, including but not limited to:

6.1.h.1.A. Physical and environmental;

6.1.h.1.B. Economic;

6.1.h.1.C. Governmental and legal; and

6.1.h.1.D. Social;

6.1.h.2. Legal considerations in appraisal, including but not limited to:

6.1.h.2.A. Real estate vs. real property;

6.1.h.2.B. Real property vs. personal property;

6.1.h.2.C. Limitations on real estate ownership;

6.1.h.2.D. Legal rights and interests;

6.1.h.2.E. Forms of property ownership;

6.1.h.2.F. Legal descriptions; and

6.1.h.2.G. Transfer of title;

6.1.h.3. Types of value, including but not limited to:

- 6.1.h.3.A. Market Value or Value in Exchange;
- 6.1.h.3.B. Price;
- 6.1.h.3.C. Cost;
- 6.1.h.3.D. Investment Value;
- 6.1.h.3.E. Value in Use;
- 6.1.h.3.F. Assessed Value;
- 6.1.h.3.G. Insurable Value; and
- 6.1.h.3.H. Going Concern Value;
- 6.1.h.4. Economic principles, including but not limited to:
 - 6.1.h.4.A. Anticipation;
 - 6.1.h.4.B. Balance;
 - 6.1.h.4.C. Change;
 - 6.1.h.4.D. Competition;
 - 6.1.h.4.E. Conformity;
 - 6.1.h.4.F. Contribution;
 - 6.1.h.4.G. Increasing and decreasing returns;
 - 6.1.h.4.H. Opportunity Cost;
 - 6.1.h.4.I. Substitution;
 - 6.1.h.4.J. Supply and demand; and
 - 6.1.h.4.K. Surplus productivity;
- 6.1.h.5. Real estate markets and analysis, including but not limited to:
 - 6.1.h.5.A. Characteristics of real estate markets;
 - 6.1.h.5.B. Absorption analysis;
 - 6.1.h.5.C. Role of money and capital markets; and

- 6.1.h.5.D. Real estate financing;
- 6.1.h.6. Valuation process, including but not limited to:
 - 6.1.h.6.A. Definition of the problem;
 - 6.1.h.6.B. Collection and analysis of data;
 - 6.1.h.6.C. Analysis of highest and best use;
 - 6.1.h.6.D. Anticipation and limitations of each approach to value;
 - 6.1.h.6.E. Reconciliation and final value estimate; and
 - 6.1.h.6.F. The appraisal report;
- 6.1.h.7. Property description, including but not limited to:
 - 6.1.h.7.A. Site description;
 - 6.1.h.7.B. Improvement description; and
 - 6.1.h.7.C. Basic construction and design;
- 6.1.h.8. Highest and best use analysis, including but not limited to:
 - 6.1.h.8.A. Four tests;
 - 6.1.h.8.B. Vacant site or as if vacant;
 - 6.1.h.8.C. As improved; and
 - 6.1.h.8.D. Interim use;
- 6.1.h.9. Appraisal math and statistics, including but not limited to:
 - 6.1.h.9.A. Compound interest concepts; and
 - 6.1.h.9.B. Statistical concepts used in appraisal;
- 6.1.h.10. Sales comparison approach, including but not limited to:
 - 6.1.h.10.A. Research and selection of comparables;
 - 6.1.h.10.B. Elements of comparison;
 - 6.1.h.10.C. Adjustment process; and

- 6.1.h.10.D. Application of sales comparison approach;
- 6.1.h.11. Site value, including but not limited to:
 - 6.1.h.11.A. Sales comparison;
 - 6.1.h.11.B. Land residual;
 - 6.1.h.11.C. Allocation;
 - 6.1.h.11.D. Extraction;
 - 6.1.h.11.E. Ground rent capitalization;
 - 6.1.h.11.F. Subdivision analysis; and
 - 6.1.h.11.G. Plottage and assemblage;
- 6.1.h.12. Cost approach, including but not limited to:
 - 6.1.h.12.A. Steps in Cost Approach; and
 - 6.1.h.12.B. Application of the Cost Approach;
- 6.1.h.13. Income approach, including but not limited to:
 - 6.1.h.13.A. Estimation of income and expenses;
 - 6.1.h.13.B. Operating statement ratios;
 - 6.1.h.13.C. Direct capitalization;
 - 6.1.h.13.D. Cash flow estimates;
 - 6.1.h.13.E. Measures of cash flow; and
 - 6.1.h.13.F. Discounted cash flow analysis (DCF);
- 6.1.h.14. Valuation of partial interests, including but not limited to:
 - 6.1.h.14.A. Interests created by a lease;
 - 6.1.h.14.B. Lease provisions;
 - 6.1.h.14.C. Valuation considerations; and
 - 6.1.h.14.D. Other partial interests;

6.1.h.15. Appraisal standards and ethics; and

6.1.h.16. Narrative report writing.

6.1.i. Effective January 1, 2008, the Board shall only credit appraisal courses completed by an applicant for state certified general classification, and required by subdivision 6.1.a. of this section, if the applicant can show that his or her education involved coverage of all of the following topics and all minimum corresponding hours attendant with each topic thereof, with particular emphasis on the appraisal of non-residential properties:

6.1.i.1. Thirty (30) hours of basic appraisal principles, of which course hours may be evidenced by the following educational subtopics:

6.1.i.1.A. Real Property Concepts and Characteristics, including, but not limited to:

6.1.i.1.A.1. Basic Real Property Concepts;

6.1.i.1.A.2. Real Property Characteristics; and

6.1.i.1.A.3. Legal Description;

6.1.i.1.B. Legal Consideration, including, but not limited to:

6.1.i.1.B.1. Forms of Ownership;

6.1.i.1.B.2. Public and Private Controls;

6.1.i.1.B.3. Real Estate Contracts; and

6.1.i.1.B.4. Leases;

6.1.i.1.C. Influences on Real Estate Values, including, but not limited to:

6.1.i.1.C.1. Governmental;

6.1.i.1.C.2. Economic;

6.1.i.1.C.3. Social; and

6.1.i.1.C.4. Environmental, Geographic and Physical;

6.1.i.1.D. Types of Value, including, but not limited to:

6.1.i.1.D.1. Market Value;

6.1.i.1.D.2. Other Value Types; and

6.1.i.1.E. Economic Principles, including, but not limited to:

6.1.i.1.E.1. Classical Economic Principles; and

6.1.i.1.E.2. Application and Illustrations of the Economic Principles;

6.1.i.1.F. Overview of Real Estate Markets and Analysis, including, but not limited to:

6.1.i.1.F.1. Market Fundamentals, Characteristics, and Definitions;

6.1.i.1.F.2. Supply Analysis;

6.1.i.1.F.3. Demand Analysis; and

6.1.i.1.F.4. Use of Market Analysis;

6.1.i.1.G. Ethics and How They Apply in Appraisal Theory and Practice;

6.1.i.2. Thirty (30) hours of basic appraisal procedures, of which course hours may be evidenced by the following educational subtopics:

6.1.i.2.A. Overview of Approaches to Value;

6.1.i.2.B. Valuation Procedures, including, but not limited to:

6.1.i.2.B.1. Defining the Problem;

6.1.i.2.B.2. Collecting and Selecting Data;

6.1.i.2.B.3. Analyzing;

6.1.i.2.B.4. Reconciling and Final Value Opinion; and

6.1.i.2.B.5. Communicating the Appraisal;

6.1.i.2.C. Property Description, including, but not limited to:

6.1.i.2.C.1. Geographic Characteristics of the Land/Site;

6.1.i.2.C.2. Geologic Characteristics of the Land/Site;

6.1.i.2.C.3. Location and Neighborhood Characteristics;

6.1.i.2.C.4. Land/Site Considerations for Highest and Best Use; and

6.1.i.2.C.5. Improvements - Architectural Styles and Types of Construction;

6.1.i.2.D. Residential Applications;

6.1.i.3. Successful completion of the fifteen (15) hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent;

6.1.i.4. Thirty (30) hours of general appraiser market analysis and highest and best use, of which course hours may be evidenced by the following educational subtopics:

6.1.i.4.A. Real Estate Markets and Analysis, including, but not limited to:

6.1.i.4.A.1. Market Fundamentals, Characteristics and Definitions;

6.1.i.4.A.2. Supply Analysis;

6.1.i.4.A.3. Demand Analysis; and

6.1.i.4.A.4. Use of Market Analysis;

6.1.i.4.B. Highest and Best Use, including, but not limited to:

6.1.i.4.B.1. Test Constraints;

6.1.i.4.B.2. Application of Highest and Best Use;

6.1.i.4.B.3. Special Considerations;

6.1.i.4.B.4. Market Analysis; and

6.1.i.4.B.5. Case Studies;

6.1.i.5. Fifteen (15) hours of statistics, modeling and finance, of which course hours may be evidenced by the following educational subtopics:

6.1.i.5.A. Statistics;

6.1.i.5.B. Valuation Models (AVM's and Mass Appraisal); and

6.1.i.5.C. Real Estate Finance;

6.1.i.6. Thirty (30) hours of general appraiser sales comparison approach, of which course hours may be evidenced by the following educational subtopics:

6.1.i.6.A. Value Principles;

6.1.i.6.B. Procedures;

6.1.i.6.C. Identification and Measurement of Adjustments;

6.1.i.6.D. Reconciliation; and

6.1.i.6.E. Case Studies;

6.1.i.7. Thirty (30) hours of general appraiser site valuation and cost approach, of which course hours may be evidenced by the following educational subtopics:

6.1.i.7.A. Site Valuation, including, but not limited to:

6.1.i.7.A.1. Methods; and

6.1.i.7.A.2. Case Studies;

6.1.i.7.B. Cost Approach, including, but not limited to:

6.1.i.7.B.1. Concepts and Definitions;

6.1.i.7.B.2. Replacement/Reproduction Cost New;

6.1.i.7.B.3. Accrued Depreciation;

6.1.i.7.B.4. Methods of Estimating Accrued Depreciation; and

6.1.i.7.B.5. Case Studies;

6.1.i.8. Sixty (60) hours of general appraiser income approach, of which course hours may be evidenced by the following educational subtopics:

6.1.i.8.A. Overview;

6.1.i.8.B. Compound Interest;

6.1.i.8.C. Lease Analysis;

6.1.i.8.D. Income Analysis;

6.1.i.8.E. Vacancy and Collection Loss;

6.1.i.8.F. Estimating Operating Expenses and Reserves;

6.1.i.8.G. Reconstructed Income and Expense Statement;

6.1.i.8.H. Stabilized Net Operating Income Estimate;

6.1.i.8.I. Direct Capitalization;

6.1.i.8.J. Discounted Cash Flow;

6.1.i.8.K. Yield Capitalization;

6.1.i.8.L. Partial Interests; and

6.1.i.8.M. Case Studies;

6.1.i.9. Thirty (30) hours of general appraiser report writing and case studies, of which course hours may be evidenced by the following educational subtopics:

6.1.i.9.A. Writing and Reasoning Skills;

6.1.i.9.B. Common Writing Problems;

6.1.i.9.C. Report Options and USPAP Compliance; and

6.1.i.9.D. Case Studies;

6.1.i.10. Thirty (30) hours of appraisal subject matter electives.

6.1.j. Prior to January 1, 2008, for the state certified residential classification, the board may credit various appraisal courses toward the classroom hours required by subdivision 6.1.b. of this section if an 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:

6.1.j.1. Influences on real estate value, including but not limited to:

6.1.j.1.A. Physical and environmental;

6.1.j.1.B. Economic;

6.1.j.1.C. Governmental and legal; and

6.1.j.1.D. Social;

6.1.j.2. Legal considerations in appraisal, including but not limited to:

6.1.j.2.A. Real estate vs. real property;

6.1.j.2.B. Real estate vs. personal property;

6.1.j.2.C. Limitations on real estate ownership;

6.1.j.2.D. Legal rights and interests;

6.1.j.2.E. Forms of property ownership;

6.1.j.2.F. Legal descriptions; and

- 6.1.j.2.G. Transfer of title;
- 6.1.j.3. Types of value, including but not limited to:
 - 6.1.j.3.A. Market Value or Value in Exchange;
 - 6.1.j.3.B. Price;
 - 6.1.j.3.C. Cost;
 - 6.1.j.3.D. Investment Value;
 - 6.1.j.3.E. Value in Use;
 - 6.1.j.3.F. Assessed Value; and
 - 6.1.j.3.G. Insurable Value;
- 6.1.j.4. Economic principles, including but not limited to:
 - 6.1.j.4.A. Anticipation;
 - 6.1.j.4.B. Balance;
 - 6.1.j.4.C. Change;
 - 6.1.j.4.D. Competition;
 - 6.1.j.4.E. Conformity;
 - 6.1.j.4.F. Contribution;
 - 6.1.j.4.G. Increasing and decreasing returns;
 - 6.1.j.4.H. Opportunity Cost;
 - 6.1.j.4.I. Substitution;
 - 6.1.j.4.J. Supply and demand; and
 - 6.1.j.4.K. Surplus productivity;
- 6.1.j.5. Real estate markets and analysis, including but not limited to:
 - 6.1.j.5.A. Characteristics of real estate markets;
 - 6.1.j.5.B. Absorption analysis;

- 6.1.j.5.C. Role of money and capital markets; and
- 6.1.j.5.D. Real estate financing;
- 6.1.j.6. Valuation process, including but not limited to:
 - 6.1.j.6.A. Definition of the problem;
 - 6.1.j.6.B. Collection and analysis of data;
 - 6.1.j.6.C. Analysis of highest and best use;
 - 6.1.j.6.D. Application and limitations of each approach to value;
 - 6.1.j.6.E. Reconciliation and final value estimate; and
 - 6.1.j.6.F. The appraisal report;
- 6.1.j.7. Property description, including but not limited to:
 - 6.1.j.7.A. Site description;
 - 6.1.j.7.B. Improvement description; and
 - 6.1.j.7.C. Basic construction and design;
- 6.1.j.8. Highest and best use analysis, including but not limited to:
 - 6.1.j.8.A. Four tests;
 - 6.1.j.8.B. Vacant site or as if vacant;
 - 6.1.j.8.C. As improved; and
 - 6.1.j.8.D. Interim use;
- 6.1.j.9. Appraisal math and statistics, including but not limited to:
 - 6.1.j.9.A. Compound interest concepts; and
 - 6.1.j.9.B. Statistical concepts used in appraisal;
- 6.1.j.10. Sales comparison approach, including but not limited to:
 - 6.1.j.10.A. Research and selection of comparables;
 - 6.1.j.10.B. Elements of comparison;

- 6.1.j.10.C. Adjustment process; and
- 6.1.j.10.D. Application of sales comparison approach;
- 6.1.j.11. Site Value, including but not limited to:
 - 6.1.j.11.A. Sales comparison;
 - 6.1.j.11.B. Land residual;
 - 6.1.j.11.C. Allocation;
 - 6.1.j.11.D. Extraction; and
 - 6.1.j.11.E. Plottage and assemblage;
- 6.1.j.12. Cost approach, including but not limited to:
 - 6.1.j.12.A. Steps in Cost Approach; and
 - 6.1.j.12.B. Application of the Cost Approach;
- 6.1.j.13. Income approach, including but not limited to:
 - 6.1.j.13.A. Gross rent multiplier analysis;
 - 6.1.j.13.B. Estimation of income and expenses;
 - 6.1.j.13.C. Operating expense ratios; and
 - 6.1.j.13.D. Direct capitalization;
- 6.1.j.14. Valuation of partial interests, including but not limited to:
 - 6.1.j.14.A. Life estates;
 - 6.1.j.14.B. Undivided interest in commonly held property;
 - 6.1.j.14.C. Easements;
 - 6.1.j.14.D. Timeshares;
 - 6.1.j.14.E. Cooperatives;
 - 6.1.j.14.F. Leased fee estate; and
 - 6.1.j.14.G. Leasehold estate;

6.1.j.15. Appraisal standards and ethics; and

6.1.j.16. Narrative Report writing.

6.1.k. Effective January 1, 2008, the Board shall only credit appraisal courses completed by an applicant for state certified residential classification, and required by subdivision 6.1.b. of this section, if the applicant can show that his or her education involved coverage of all of the following topics and all minimum corresponding hours attendant with each topic thereof, with particular emphasis on the appraisal of one to four unit residential properties:

6.1.k.1. Thirty (30) hours of basic appraisal principles, of which course hours may be evidenced by the following educational subtopics:

6.1.k.1.A. Real Property Concepts and Characteristics, including, but not limited to:

6.1.k.1.A.1. Basic Real Property Concepts;

6.1.k.1.A.2. Real Property Characteristics; and

6.1.k.1.A.3. Legal Description;

6.1.k.1.B. Legal Consideration, including, but not limited to:

6.1.k.1.B.1. Forms of Ownership;

6.1.k.1.B.2. Public and Private Controls;

6.1.k.1.B.3. Real Estate Contracts; and

6.1.k.1.B.4. Leases;

6.1.k.1.C. Influences on Real Estate Values, including, but not limited to:

6.1.k.1.C.1. Governmental;

6.1.k.1.C.2. Economic;

6.1.k.1.C.3. Social; and

6.1.k.1.C.4. Environmental, Geographic and Physical;

6.1.k.1.D. Types of Value, including, but not limited to:

6.1.k.1.D.1. Market Value;

6.1.k.1.D.2. Other Value Types; and

6.1.k.1.E. Economic Principles, including, but not limited to:

6.1.k.1.E.1. Classical Economic Principles; and

6.1.k.1.E.2. Application and Illustrations of the Economic Principles;

6.1.k.1.F. Overview of Real Estate Markets and Analysis, including, but not limited to:

6.1.k.1.F.1. Market Fundamentals, Characteristics, and Definitions;

6.1.k.1.F.2. Supply Analysis;

6.1.k.1.F.3. Demand Analysis; and

6.1.k.1.F.4. Use of Market Analysis;

6.1.k.1.G. Ethics and How They Apply in Appraisal Theory and Practice

6.1.k.2. Thirty (30) hours of basic appraisal procedures, of which course hours may be evidenced by the following educational subtopics:

6.1.k.2.A. Overview of Approaches to Value;

6.1.k.2.B. Valuation Procedures, including, but not limited to:

6.1.k.2.B.1. Defining the Problem;

6.1.k.2.B.2. Collecting and Selecting Data;

6.1.k.2.B.3. Analyzing;

6.1.k.2.B.4. Reconciling and Final Value Opinion; and

6.1.k.2.B.5. Communicating the Appraisal;

6.1.k.2.C. Property Description, including, but not limited to:

6.1.k.2.C.1. Geographic Characteristics of the Land/Site;

6.1.k.2.C.2. Geologic Characteristics of the Land/Site;

6.1.k.2.C.3. Location and Neighborhood Characteristics;

6.1.k.2.C.4. Land/Site Considerations for Highest and Best Use; and

6.1.k.2.C.5. Improvements -- Architectural Styles and Types of Construction;

6.1.k.2.D. Residential Applications;

6.1.k.3. Successful completion of the fifteen (15) hour National Uniform Standards of Professional Appraisal Practice Course, or its equivalent;

6.1.k.4. Fifteen (15) hours of residential market analysis and highest and best use, of which course hours may be evidenced by the following educational subtopics:

6.1.k.4.A. Residential Markets and Analysis, including, but not limited to:

6.1.k.4.A.1. Market Fundamentals, Characteristics and Definitions;

6.1.k.4.A.2. Supply Analysis;

6.1.k.4.A.3. Demand Analysis; and

6.1.k.4.A.4. Use of Market Analysis;

6.1.k.4.B. Highest and Best Use, including, but not limited to:

6.1.k.4.B.1. Test Constraints;

6.1.k.4.B.2. Application of Highest and Best Use;

6.1.k.4.B.3. Special Considerations;

6.1.k.4.B.4. Market Analysis; and

6.1.k.4.B.5. Case Studies;

6.1.k.5. Fifteen (15) hours of residential appraiser site valuation and cost approach, of which course hours may be evidenced by the following educational subtopics:

6.1.k.5.A. Site Valuation, including, but not limited to:

6.1.k.5.A.1. Methods; and

6.1.k.5.A.2. Case Studies;

6.1.k.5.B. Cost Approach, including, but not limited to:

6.1.k.5.B.1. Concepts and Definitions;

6.1.k.5.B.2. Replacement/ Reproduction Cost New;

6.1.k.5.B.3. Accrued Depreciation;

6.1.k.5.B.4. Methods of Estimating Accrued Depreciation; and

6.1.k.5.B.5. Case Studies;

6.1.k.6. Thirty (30) hours of residential sales comparison and income approaches, of which course hours may be evidenced by the following educational subtopics:

6.1.k.6.A. Valuation Principles & Procedures -- Sales Comparison Approach;

6.1.k.6.B. Valuation Principles & Procedures -- Income Approach;

6.1.k.6.C. Finance and Cash Equivalency;

6.1.k.6.D. Financial Calculator Introduction;

6.1.k.6.E. Identification, Derivation and Measurement of Adjustments;

6.1.k.6.F. Gross Rent Multipliers;

6.1.k.6.G. Partial Interests;

6.1.k.6.H. Reconciliation; and

6.1.k.6.I. Case Studies and Applications;

6.1.k.7. Fifteen (15) hours of residential report writing and case studies, of which course hours may be evidenced by the following educational subtopics:

6.1.k.7.A. Writing and Reasoning Skills;

6.1.k.7.B. Common Writing Problems;

6.1.k.7.C. Form Reports;

6.1.k.7.D. Report Options and USPAP Compliance; and

6.1.k.7.E. Case Studies;

6.1.k.8. Fifteen (15) hours in statistics, modeling and finance, of which course hours may be evidenced by the following educational subtopics:

6.1.k.8.A. Statistics;

6.1.k.8.B. Valuation Models (AVM's and Mass Appraisal); and

6.1.k.8.C. Real Estate Finance;

6.1.k.9. Fifteen (15) hours in advanced residential applications and case studies, of which course hours may be evidenced by the following educational subtopics:

6.1.k.9.A. Complex Property, Ownership and Market Conditions;

6.1.k.9.B. Deriving and Supporting Adjustments;

6.1.k.9.C. Residential Market Analysis; and

6.1.k.9.D. Advanced Case Studies;

6.1.k.10. Twenty (20) hours in appraisal subject matter electives.

6.1.l. An applicant shall submit to the board a listing of courses, which he or she claims meet the education credit requirement, on a form approved by the board. An applicant shall submit proof of the completion of a course claimed for credit.

6.1.m. Effective January 1, 2008, an applicant for the Certified Residential real estate appraiser certification shall have an associates degree, or higher, from an accredited college, junior college, community college or university. In lieu of an associates degree, or higher, from an accredited college, junior college, community college or university, an applicant for the Certified Residential real estate appraiser certification shall successfully pass and complete a minimum number of twenty one (21) semester hours, of which the following courses taken from an accredited college, junior college, community college or university are required:

6.1.m.1. English composition;

6.1.m.2. Principles of economics (micro or macro);

6.1.m.3. Finance;

6.1.m.4. Algebra, geometry, or higher mathematics;

6.1.m.5. Statistics;

6.1.m.6. Introduction to computers, such as word processing or spreadsheets; and

6.1.m.7. Business or real estate law.

6.1.n. Effective January 1, 2008, an applicant for the Certified General real estate appraiser certification shall have a bachelors degree, or higher, from an accredited college or university. In lieu of a bachelors degree, or higher, from an accredited college or university, an applicant for the Certified General real estate appraiser certification shall successfully pass and complete a minimum number of thirty (30) semester hours, of which the following courses taken from an accredited college, junior college, community college or university are required:

6.1.n.1. English composition;

6.1.n.2. Micro economics;

6.1.n.3. Macro economics;

6.1.n.4. Finance;

6.1.n.5. Algebra, geometry, or higher mathematics;

6.1.n.6. Statistics;

6.1.n.7. Introduction to computers, such as word processing or spreadsheets;

6.1.n.8. Business or real estate law; and

6.1.n.9. Two (2) elective courses in accounting, geography, ageconomics, business management, or real estate.

6.2. Experience.

6.2.a. An applicant for the state certified residential classification shall have two thousand five hundred (2,500) hours of appraisal experience over a period of not less than 24 months. While the number of experience hours may be cumulative, a period of no less than 24 months wherein such experience is acquired must accrue before an applicant may be certified.

6.2.b. An applicant for the state certified general classification shall have a minimum of three thousand (3,000) hours of appraisal experience over a period of not less than 30 months. At least one-half (1,500) of the hours of the required experience shall be in non-residential assignments. While the number of experience hours may be cumulative, a period of no less than 30 months wherein such experience is acquired must accrue before an applicant may be certified.

6.2.c. As a part of the application for license or certification, an applicant shall execute an affidavit attesting to his or her experience in the field of real estate appraisal. In addition, an applicant shall provide, on forms provided by the board, a detailed list of the real estate appraisal reports or file memoranda for each year for which experience is claimed. Upon request, an applicant shall provide the board a sample of appraisal reports which the applicant has prepared. Experience obtained after January 1, 1991, shall comply with the Uniform Standards of Professional Appraisal Practice (USPAP).

6.2.d. A licensed or certified residential real estate appraiser may assist a certified general real estate appraiser in the appraisal of non-residential property valued over one hundred thousand dollars (\$100,000) and accumulate the experience hours required in subdivision 6.2.b. of this rule. He or she shall work under the direct supervision of a state certified general real estate appraiser and view the property and participate in the appraisal process in order to sign the report and receive credit for the experience hours.

6.3. Examination.

6.3.a. Before the board issues an initial certification, an applicant shall successfully complete a written national examination administered by the board or by a testing service acting on behalf of the board.

The passing score shall be determined by the board based upon the recommendation of the testing service.

6.3.b. Before the board issues an initial certification, an applicant shall successfully complete a written state examination covering the sections of the West Virginia Code that regulate the practice of real estate appraising. The passing score shall be determined by the board.

§190-2-7. Procedure for Calculation of Experience by the Board.

7.1. As provided for in Sections 5 and 6 of this rule, an applicant for residential real estate appraiser licensing or certification shall provide evidence satisfactory to the board that the applicant possesses the required amount of appraisal experience. The board may award maximum experience hours for residential real estate appraisals as follows:

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

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

7.2. As provided for in subdivision 6.2.b. of this rule, an applicant for general real estate appraiser certification shall provide evidence satisfactory to the board that the applicant possesses the required amount of appraisal experience. At least one-half of the hours of the required experience shall be in non-residential appraisal assignments. The board may award maximum experience credits for non-residential real estate appraisals as follows:

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

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

7.3. 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, the applicant may provide the board with a log detailing the amount of actual hours spent on the appraisals, with sufficient details of the hours of experience for which he or she is requesting experience credit.

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

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

7.4.b. Adequate data is available to the appraiser;

7.4.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

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

7.5. For the purpose of this section only, a complex appraisal:

7.5.a. For non-residential property is one that relies to any significant degree on all three approaches to value (cost, sales comparison and income) or does not have the characteristics of a non-complex appraisal; and

7.5.b. For residential property is one that relies to any significant degree on at least two of the three approaches to value, with one approach being the sales comparison approach, or does not have the characteristics of a non-complex appraisal.

7.6. All appraisals submitted or claimed for experience credit are subject to verification by the board. An applicant may not claim experience hours for appraisals which are not supported by written reports or file memoranda. On request, an 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.

§190-2-8. Qualifications for Licensure or Certification by Reciprocity.

8.1. 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 license or certification: Provided, that the other jurisdiction extends the same reciprocal consideration to all West Virginia licensed or certified real estate appraisers in good standing in this state. All reciprocal applicants shall pass the West Virginia appraiser law section of the licensing examination prior to license or certification and pay the appropriate fees provided for in Section 10 of this Rule.

8.2. Each applicant for a license or certification by reciprocity shall:

8.1.a. Be at least 18 years of age;

8.2.b. 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 rules of the board;

8.2.c. Be in good standing as a real estate appraiser in every jurisdiction where he or she is licensed or certified. The applicant's license or certification may not be suspended, revoked or surrendered in connection with a disciplinary action. The applicant may not have been or currently be the subject of disciplinary action in any jurisdiction;

8.2.d. Have a good reputation for honesty, truthfulness, and fair dealing, and be competent to transact the business of a real estate appraiser in a manner that safeguards the interest of the public; and,

8.2.e. Not have 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 subdivision. The record of a conviction authenticated in a form that is admissible in evidence under the laws of the jurisdiction where convicted is admissible as prima facie evidence of the conviction.

8.2.f. Effective July 1, 2011, submit to a criminal background investigation for the purpose of

determining whether an applicant has been charged with, indicted for, or convicted of a crime that may have bearing upon the applicant's fitness to hold a license. The applicant shall complete and submit to the board, on a form provided by the board, a form that relates to the release of information and waiver of confidentiality of records. The applicant will also submit a full set of fingerprints to facilitate a criminal background check and the board will request the state police to submit the fingerprints and identifying information to the Federal Bureau of Investigation for a national criminal history record check. The results of the fingerprint check will be returned to the board.

8.2.f.1. The applicant will reimburse the board for all fees or charges that are incurred by the board for the background investigation.

8.2.g. Provide to the board, on forms provided by the board, a detailed list of the real estate appraisal reports performed by the applicant during the year preceding the date of the application. The board or upgrades committee will choose an appraisal from the list, of which the applicant shall submit to the board a copy of such appraisal and corresponding work file. The upgrades committee shall review the appraisal to determine compliance with the Uniform Standards of Professional Appraisal Practice and W. Va. Code §30-38-1, et seq. Based upon the appraiser's compliance with the Uniform Standards of Professional Appraisal Practice and W. Va. Code §30-38-1, et seq., as reflected from a review of the appraisal submitted by the appraiser, or failure of compliance thereof, the upgrades committee shall recommend and submit to the Board for final determination, whether to approve or disapprove the application of the applicant.

8.2.h. On forms provided by the board, sign a pledge to comply with the standards of professional appraisal practice and the ethical rules that are established by the board. Each applicant shall also certify that he or she understands the types of misconduct as described in W. Va. Code §30-38-1 et seq. and that disciplinary proceedings may be initiated against him or her for that misconduct.

8.3. The Board may consider applicants for license or certification who do not meet the requirements set forth in subdivision 8.2.c. or subdivision 8.2.e. of this section.

§190-2-9. Qualifications for Temporary Permit as a Licensed Residential Real Estate Appraiser, Certified Residential or Certified General Real Estate Appraiser.

9.1. An individual who is currently licensed or certified as a real estate appraiser in another jurisdiction may apply for a temporary permit as provided for in Title XI of the United States Code entitled "Financial Institutions Reform, Recovery and Enforcement Act of 1989". Each applicant shall sign an irrevocable consent to service form consenting to the service of process by means of delivery to the Secretary of State if, in the event of an action which results from his or her activities as a real estate appraiser in the State, a Plaintiff, in the exercise of due diligence, cannot effect personal service upon the temporary permit holder.

9.2. 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:

9.2.a. The applicant's business is of a temporary nature, and is limited to one specific assignment;

9.2.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;

9.2.c. The applicant signs, as part of the application, an affidavit certifying that the appraiser shall read and comply with the law and the rules of the West Virginia Real Estate Appraiser Board;

9.2.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 may not have been suspended, revoked, or surrendered in connection with a disciplinary action. The applicant may not have been or currently be the subject of disciplinary action in any jurisdiction;

9.2.e. The applicant has a good reputation for honesty, truthfulness, and fair dealing, and is competent to transact business of a real estate appraiser in a manner that safeguards the interest of the public;

9.2.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 subdivision. The record of a conviction authenticated in a form that is admissible in evidence under the laws of the jurisdiction where convicted is admissible as prima facie evidence of the conviction; and

9.2.g. The applicant is at least 18 years of age.

9.3. The board may consider and approve for a temporary permit an applicant who does not meet the requirements set forth in subdivisions 9.2.d. and 9.2.f. of this section.

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

9.5. Each temporary permit 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.

§190-2-10. Licensure, Certification and Other Fees.

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

10.2. The fees charged by the board are as follows:

10.2.a. A license application fee of one hundred twenty-five dollars (\$125);

10.2.b. An annual state licensed residential license fee of two hundred sixty-five dollars (\$265);

10.2.c. A delinquent license fee of an additional one hundred dollars (\$100);

10.2.d. A temporary permit fee of one hundred fifty dollars (\$150) for a non-residential appraisal and one hundred fifty dollars (\$150) for a residential appraisal;

10.2.e. A certification application fee of one hundred twenty-five dollars (\$125);

10.2.f. An annual state certified general license fee of four hundred sixty-five dollars (\$465);

10.2.g. An annual state certified residential license fee of three hundred fifteen dollars (\$315);

10.2.h. A delinquent certification fee of an additional one hundred dollars (\$100);

10.2.i. An annual inactive status fee of one hundred dollars (\$100);

10.2.j. An apprentice permit fee of one hundred ninety dollars (\$190);

10.2.k. A Certificate of Good Standing: twenty dollars (\$20);

10.2.l. Copy fees: fifty cents (\$.50) per page;

10.2.m. An Upgrade application fee: one hundred twenty-five dollars (\$125);

10.2.n. An Exemption from Supervisory Accompaniment Application fee: one hundred twenty-five dollars (\$125);

10.2.o. One roster: twenty-five dollars (\$25); Roster subscription fee: forty dollars (\$40) per year; previous issues of roster: ten dollars (\$10);

10.2.p. A copy of current Uniform Standards of Professional Appraisal Practice (USPAP): twenty dollars (\$20);

10.2.q. A duplicate wall certificate: twenty-five dollars (\$25);

10.2.r. A duplicate pocket card: twenty-five dollars (\$25);

10.2.s. A continuing education and qualifying education course approval fee: fifty dollars (\$50), per course, per educational course provider.

10.3. The board shall collect from licensed and certified real estate appraisers an annual registry fee which is established by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council and shall submit the registry fees to the Federal Financial Institutions Examination Council on an annual basis.

10.4. The board shall deposit all fees and revenues collected pursuant to this rule 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 §30-38-1 et seq.

§190-2-11. Qualifications for Apprentices, Apprentice Supervisors, Apprentice Permits.

11.1. This section establishes a real estate appraiser apprentice permit program for persons who desire to acquire the appraisal experience required by subdivisions 5.2.a., 6.2.a. and 6.2.b. of this rule in order to be licensed or certified.

11.2. Participation in the apprentice program is a prerequisite to licensure or certification except in cases of reciprocity or issuance of a temporary permit as required by §30-38-5.

11.3. Application for apprentice permit; requirements and qualifications. An applicant for an apprentice permit shall submit: a completed application form; the permit fee; and, the name and address of his or her supervising appraiser. An applicant shall:

11.3.a. Be at least eighteen (18) years of age;

11.3.b. Have a good reputation for honesty and truthfulness as required by subdivisions 4.1.a. and 4.1.d. of this rule;

11.3.c. Have a high school diploma or its equivalent

11.3.d. Have successfully completed the classroom hours required by subdivision 5.1.a. of this rule in subjects related to real estate appraisal in accordance with subsection 5.1. of this rule; and

11.3.e. Cause his or her supervising appraiser to submit a copy of an appraisal completed by the supervisor to the upgrades committee of the board for review. Such appraisal completed by the supervisor and submitted to the Board shall have been performed within three (3) months preceding the submission of the apprentice application. The upgrades committee shall review the appraisal of the supervisor to determine compliance with the Uniform Standards of Professional Appraisal Practice and W. Va. Code §30-38-1, et seq. Based upon the supervisor's compliance with the Uniform Standards of Professional Practice and W. Va. Code §30-38-1, et seq., as reflected from a review of the appraisal submitted by the supervisor, or failure of compliance thereof, the upgrades committee shall recommend and submit to the Board for final determination, whether to approve or disapprove the supervisor from acting in the capacity of supervisor to the apprentice. In the event the Board disapproves a supervisor from acting in the capacity of supervisor to an apprentice, the application of the applicant for apprentice shall be denied.

11.3.f. Effective July 1, 2011, submit to a criminal background investigation for the purpose of determining whether an applicant has been charged with, indicted for, or convicted of a crime that may have bearing upon the applicant's fitness to hold a license. The applicant shall complete and submit to the board, on a form provided by the board, a form that relates to the release of information and waiver of confidentiality of records. The applicant will also submit a full set of fingerprints to facilitate a criminal background check and the board will request the state police to submit the fingerprints and identifying information to the Federal Bureau of Investigation for a national criminal history record check. The results of the fingerprint check will be returned to the board.

11.3.f.1. The applicant will reimburse the board for all fees or charges that are incurred by the board for the background investigation.

11.4. The apprentice shall attend, when offered by the board, an apprentice orientation program within sixty (60) days immediately following the issuance of the apprentice permit.

11.5. Annual Apprentice Permit Renewal.

An apprentice may renew his or her annual permit upon submission to the board of a renewal application, the annual permit fee, and proof of fourteen (14) hours continuing education as defined in the Rule of the board entitled "Renewal of Licensure for Certification", 190CSR3.

11.6. Responsibilities of Apprentice.

11.6.a. The apprentice shall work under the direct supervision of a state licensed or state certified real estate appraiser.

11.6.b. The apprentice shall maintain an experience log on a form provided by the Board. Experience hours shall be calculated in accordance with Section 7 of this rule. Separate experience logs shall be maintained for each supervising appraiser.

11.6.c. An apprentice shall 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: _____

Apprentice Number: _____

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

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

11.7. Qualifications and Responsibilities of Supervisor.

A supervising appraiser shall be a state licensed or state certified real estate appraiser, shall have held an active and unencumbered state licensed or state certified real estate appraiser license for at least two (2) years immediately preceding the submission of an apprentice permit application to the board on behalf of any person, and has the following duties and responsibilities:

11.7.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, and, when offered by the board, attend the apprentice orientation program within sixty (60) days immediately following the issuance of the apprentice permit and supervisor approval, required by subsection 11.4. of this rule;

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

11.7.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; and

11.7.d. After the apprentice successfully completes the licensing examinations required by subsection 5.3 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 the appraisal report without viewing the property, provided the apprentice is competent to perform the inspection. In any application for exemption, the supervisor and the apprentice shall obtain from the board and complete an application for exemption from supervisory accompaniment, shall pay the appropriate fee as set forth in

subsection 10.2 of this rule, and shall attach an experience log that reflects the apprentice has completed at least five hundred (500) hours of experience. The experience log shall be in chronological order, complete and signed by the supervisor.

11.8. An apprentice may take the licensing examination required by subsection 5.3. of this rule at any time during his or her apprenticeship.

11.9. This section 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. However, the licensed or certified appraiser who uses such an assistant or helper shall conform with the duties and responsibilities as required in subdivision 11.5.a. of this section.

§190-2-12. Inactive Status.

12.1. Any licensed or certified real estate appraiser may place his or her license or certification on inactive status by completing a signed and sworn affidavit approved by the board and submitting the annual inactive status fee.

12.2. A licensed or certified real estate appraiser on inactive status may not engage in the practice of real estate appraisal, but may still consider himself or herself as an appraiser.

12.3. A licensed or certified real estate appraiser may remain on inactive status for an unlimited number of years as long as he or she submits the annual fee for inactive status to the board.

12.4. To reactivate a license or certification from inactive status, a licensed or certified real estate appraiser shall pay the fee established by the board at that time for an active license or certificate in his or her classification and verify to the board that he or she completed the required amount of hours of continuing education as defined in the board's rule "Renewal of License or Certification" 190CSR3. Prior to reactivation of license, the licensee shall provide all proper documentation to the Board that the licensee completed all applicable continuing educational hours for every licensure year the licensee's license was on inactive status.

§190-2-13. Licenses and Certifications.

13.1. The board shall issue to each licensed or certified real estate appraiser a document stating that the license or certification has been issued pursuant to W. Va. Code §30-38-7(j) and specifying the expiration date. The board shall issue a pocket card with the name and license or certification number of the respective licensee on a size and form provided by the board. A licensee governed by this rule shall place his or her respective title and license or certification number on any and all statements of qualifications, contracts or other instruments, including advertising media. The pocket card remains the property of the board and the licensee shall surrender it at any time upon request by the board.

13.2. Initial licenses and certifications expire on September 30 following the date of issue. Subsequent licenses and certifications are renewed for the period of October 1 to September 30 of the following year.

§190-2-14. Standards of Professional Appraisal Practice.

14.1. Each licensed or certified real estate appraiser shall comply with generally accepted standards of professional appraisal practice and generally accepted ethical rules to be observed by a real estate appraiser. The national Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Foundation, and adopted and incorporated by reference, shall constitute the minimum

requirements to be observed by a real estate appraiser. The minimum standard of practice governing real estate appraisal activities shall be the edition of the Uniform Standards of Professional Appraisal Practice in effect on the date of the appraisal report. A copy of the Uniform Standards of Professional Appraisal Practice is maintained with the board and the office of the secretary of state for use by all appraisers in the preparation of appraisal reports. A copy of the Uniform Standards of Professional Appraisal Practice may be obtained from the Appraisal Foundation.