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Jeffrey Burrell  
Executive Director  
West Virginia Real Estate Appraiser Board  
405 Capitol Street, Suite 906  
Charleston, WV 25301

**Via E-mail:** [wvappraiserboard@wv.gov](mailto:wvappraiserboard@wv.gov)

**Re: Proposed Amendments to Series 190-02, "Requirements for Licensure and Certification"**

Dear Jeffrey:

The Appraisal Institute (AI), the nation's largest organization of professional real estate appraisers, appreciates the opportunity to provide these written comments regarding the West Virginia Real Estate Appraiser Board's (WVREAB) Proposed Amendments to Series 190-02, "Requirements for Licensure and Certification."

While we support the entirety of the proposed rules, the AI is particularly supportive of the proposed addition of the Practical Applications of Real Estate Appraisal (PAREA) as an acceptable alternative to satisfy all, or a portion, of the experience requirements to obtain the West Virginia Licensed Residential, Certified Residential and Certified General Appraiser credentials. We are also strongly supportive of the proposed amendments to clarify that West Virginia's licensed and certified real estate appraisers may provide evaluations.

### **PAREA**

Under current West Virginia regulations, an aspiring Apprentice appraiser must find an in-person supervisor to work with in the field for anywhere from six to eighteen months. However, many West Virginia aspiring appraisers have encountered difficulty in finding a supervisor. History shows us that the inability to find a supervisor is the highest barrier to entry into the appraisal profession. In addition, the inability to find a supervisor disproportionately affects historically underrepresented communities.

PAREA was approved by the Appraiser Qualifications Board as an update to the Real Property Appraiser Qualification Criteria (RPAQC) beginning on January 1, 2021. PAREA provides another, equivalent pathway for aspiring appraisers to fulfill their experience requirements to become an appraiser by taking advantage of technology. PAREA offers practical experience in a virtual environment combining appraisal theory and methodology in real-world simulations. This

experience can be provided through a wide range of online and virtual technologies. More information on the PAREA pathway to licensure is available from the AQB at [PAREA \(appraisalfoundation.org\)](https://www.parea.org).

The Appraisal Institute now offers both the Licensed and Certified Residential PAREA modules in accordance with strict criteria established by the AQB. AI-PAREA Licensed Residential was approved by the AQB on May 16, 2023, and AI PAREA for Certified Residential received approval by the AQB on October 17, 2023.

There are currently approximately 150 aspiring appraisers enrolled in the AI PAREA program and there is an extensive waiting list. Several aspiring appraisers have already completed the AI PAREA program for LR. Three of these appraisers have already passed the National Uniform Licensing Exam and have been issued their Licensed Residential credential. One is continuing to shadow another appraiser as an employee of an appraisal firm, and one graduate is continuing into AI PAREA for CR. I would encourage the Board and staff to view this [YouTube](#) video in which two AI PAREA participants recount their experiences working through the program.

The AI PAREA program is functioning as intended. In fact, it is taking participants longer than we anticipated to complete each of the 10 practice assignments in each module. This indicates that participants are being appropriately challenged in the application of the appraisal principles and procedures learned as part of the qualifying education. We are confident that aspiring appraisers that complete the AI PAREA program will be at least as qualified if not more qualified than those that take the traditional supervisor/trainee path.

We look forward to the opportunity to be able to enroll aspiring appraisers from West Virginia in AI PAREA when the proposed rules are finalized.

### **Evaluations**

The Appraisal Institute is also strongly supportive of the addition of proposed subsection 3.2 to §190-2-3. Exceptions to License Requirement to clarify the ability of licensed real estate appraisers to perform evaluations.

Federally regulated financial institutions are permitted to utilize non-USPAP compliant opinions of the value of real estate provided by non-appraisers in the form of evaluations, in lieu of USPAP-compliant appraisals provided by state-licensed and state-certified appraisers, for several categories of real estate related financial transactions.

The Interagency Appraisal and Evaluation Guidelines (IAEG) dictate who can perform evaluations for real estate related financial transactions and what information an evaluation must contain. Anyone that meets certain minimum qualifications can provide evaluations. However, in most states a person who is a state-licensed or state-certified appraiser must comply with USPAP when

providing any opinion of the market value of real estate. However, evaluations are, by definition, not provided in compliance with USPAP.

To level the playing field between appraisers and non-appraisers, some states have adopted, and fully implemented, laws that clarify that appraisal licensees are permitted to perform non-USPAP compliant evaluations for federally regulated financial institutions.

While AI would prefer that the fourteen categories of appraisal exemptions contained in federal banking law didn't exist at all, and we will work to prevent any further expansion of them, we believe that an appraiser is the most competent and qualified party to perform an evaluation.

AI is strongly supportive of proposed §190-2-3.2 would allow West Virginia licensed and certified appraisers to add evaluations to their suite of provided services.

### **Comments on Specific Sections**

During our review of the proposed rules, we noticed a few items that we would like to bring to the Board's attention for possible clarification:

#### **§190-2-2. Definitions.**

As proposed, the rules would add "any practicum course approved by the AQB Course Approval Program, of the Board" to the definition of "experience" in subsection 2.9.

We respectfully request that PAREA also be added to the definition of "experience" such that section 2.9 would read:

*2.9. "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; feasibility analysis or study; ~~or~~ any practicum course approved by the AQB Course Approval Program, or the Board, or PAREA."*

In addition, we support the proposed addition of a definition of "PAREA" as subsection 2.18. However, we respectfully request that the definition of PAREA be modified as follows:

**2.18. "PAREA" means a program ~~or practicum course~~ approved by the AQB Course Approval Program, or the Board to meet experience requirements for licensure.**

While PAREA programs are required to be approved by the AQB, those approvals are not necessarily done via the Course Approval Program, but rather by the entire AQB. In addition,

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PAREA programs are not practicum programs that must satisfy an entirely different set of AQB criteria in order to be approved by the AQB or a state appraiser licensing agency.

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

As proposed, subsection 11.2 would exempt from the requirements to participate in an apprentice program those aspiring appraisers who choose to complete an AQB or Board-approved practicum program rather than pursuing the traditional Supervisor/Apprentice method of training.

AI respectfully requests that individuals who have chosen to complete an AQB approved PAREA program also be specifically exempted from the requirement to participate in an apprentice program. AI suggest that proposed section 11.2 be modified to read:

*“11.2. Participation in the apprentice program is a prerequisite to licensure or certification except in cases of reciprocity, issuance of a temporary permit, or for those individuals who have chosen to complete an AQB or Board-approved practicum or PAREA program rather than pursuing the traditional Supervisor/Apprentice method of training.”*

The Appraisal Institute appreciates the opportunity to offer these comments in support of the proposed rulemaking and look forward to continuing to work with the Board to maintain public trust in the appraisal profession. If you should have any questions, please do not hesitate to contact Scott DiBiasio, Director of Government Affairs at (202) 298-5593 or [sdibiasio@appraisalinstitute.org](mailto:sdibiasio@appraisalinstitute.org)

Respectfully submitted,

Appraisal Institute

## WVREALCB Response to Comments on Proposed §190-2

The WVREALCB thanks the commenter for providing feedback on the proposed rule. It is the Board's position that the commenter's request for changes to the definition of "Experience" and the request to specifically exempt individuals completing a PAREA program from required participation in the apprentice program are both within the spirit and intent of the proposed rule, and will make the changes as requested in the final filing of the rule.