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Changes in appraiser, supervisory appraiser and trainee appraiser requirements

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The Appraiser Qualifications Board recently promulgated changes in requirements for supervisory appraisers. These represent a continuing evolution to upgrade the quality of appraisers entering the profession. Trainee appraisers are also affected.

The new requirements are changes made in 2011 and became effective January 1, 2015. The long lead time was provided in order to allow an orderly transition. The following summarizes the new requirements which are liberally quoted from the AQB requirements matrix. The language is preserved for clarity; the information is condensed to enhance comprehension.

Eligibility. To be eligible to supervise trainee appraisers (AQB term), the State-certified supervisory appraiser must be in good standing within the state and not subject to disciplinary action within the last three years that affects the supervisory appraiser's legal ability to engage in appraisal practice. Also, the supervisor needs to have been state certified for a minimum of three (3) years prior to being eligible to become a supervisory appraiser.

For the trainee appraiser, qualifying education must be completed within the five year period prior to the date of submission of an application for a trainee appraiser credential.

Numbers of Supervisors, Trainees. A supervisory appraiser may not supervise more than three trainee appraisers at once (the matrix notes some additional circumstances).

A trainee appraiser is permitted to have more than one supervisory appraiser.

Course Requirements. Both the trainee appraiser and supervisory appraiser shall be required to complete a course oriented toward the requirements and responsibilities of supervisory appraisers and expectations for Trainee appraisers and which complies with the minimum aqb course content specifications. The course must be completed by the trainee appraiser prior to obtaining a trainee appraiser credential, and completed by the supervisory appraiser prior to supervising a trainee appraiser.

The Commonwealth of Massachusetts (see 264 CMR 6.01) provides additional requirements.

Record Keeping. Supervising appraisers must maintain written policies and procedures that outline their process for determining the competence of appraisal trainees or appraisers-in-training to ensure compliance with USPAP's Competency Rule.

Logs. Supervising appraisers are required to make sure that an appraisal log is maintained; the log shall be maintained jointly by the supervising appraiser and the appraisal trainee/appraiser-in-training. The appraisal log requirements are found in 264 CMR 6.01(1)(c).

Workfile. Adequate workfiles must be maintained; it is the Supervising appraiser's responsibility to make sure this is done. The supervising appraiser may review, alter, correct, or make other recommendations regarding the workfile, but must note in writing corrections made so that the corrected work is distinguishable from that of the appraisal trainee/appraiser-in-training without

assistance.

Inspections. Supervising appraisers are responsible for the physical site inspection skills of those being supervised. The supervisor must physically inspect at least five appraised properties with the appraisal trainee/appraiser-in-training. The supervising appraiser must personally inspect additional properties until he or she determines the appraisal trainee/appraiser-in-training is USPAP competent for the property type.

Assistance. Where appraisal trainees or appraisers-in-training do not sign appraisal reports, the supervising appraiser must list in the report the nature of the work done by the appraisal trainee or appraiser-in-training and their identity.

An appraisal trainee or appraiser-in-training may assist a supervising appraiser in the performance of appraisal assignments but may only perform such work when under the direct supervision of a supervising appraiser if the work is outside of the permitted scope of practice for the credential level held by the license or certificate holder.

Contract. Supervising appraisers shall obtain a signed contract prior to commencing supervision of an appraisal trainee or appraiser-in-training. This contract must be retained for at least five years after the termination of the supervisory relationship.

Cooperation. Supervising appraisers must cooperate with appraisal trainees/appraisers-in-training when they seek to obtain a higher level license based on the supervision provided.

Further, college education requirements for appraisers have been upgraded. More on that in a further article as this requirement is not without controversy.

These long awaited changes, while not transformative, clarify numerous misconceptions about the nature of the supervisory appraiser and the trainee/appraiser in training. The changes close, somewhat belatedly, some of the loopholes that created improperly trained appraisers and cheated many sincere and honest trainee appraisers out of credit for their training. Going forward, the process will be better defined. The hurdle that needs to be surmounted is the use of trainees in appraisals, mainly residential, for many clients that do not currently permit them to sign reports.

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