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The Appraisal Qualifications Board (AQB) is working to address a changing industry - by Steven Spangle

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Users of appraisal services often complain that there are not enough appraisers to handle the appraisal volume in a timely manner.

There have been instances where lenders have asked the Appraisal Sub-Committee (ASC) for appraisal waivers. The requests were based on the claim of a lack of appraisers. If granted the waivers would allow anyone to complete appraisals for the lenders.

The ASC has researched the claims and found them to be unsupported, and they have been denied.

It may be more of an issue of a limited number of appraisers willing to accept assignments at the fees offered. The perception in a shortage is partially caused by lenders who are unwilling to accept appraisals from licensed appraisers who are fully credentialed to appraise any non-complex residential property up to a transactional value of \$1 million.

It is true that over the past few years the number of appraisers has been declining. However, according to the ASC, it appears that the numbers are stabilizing and possibly indicating a slight increase.

The Appraisal Foundation, through its Appraisal Qualifications Board (AQB) has been working to address the changing needs of clients and appraisers.

The AQB has made the following changes which became effective on May 1st.

Licensed appraisers who have been appraising for at least five years with no record of any adverse, final, and no appealable disciplinary action affecting their legal eligibility to engage in appraisal practice within the five years immediately preceding the date of application for a certified residential credential will not have a college level education required. Assuming they meet the additional educational and experience requirements they may take the test for a certified residential credential.

Changes were also made to the experience hours required for obtaining a credential. The licensed residential requirement has been reduced from 2,000 to 1,000 hours. The certified residential requirement has been reduced from 2,500 to 1,500 hours.

The AQB has determined that experience can be gained in a non-traditional way. Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: Requiring the student to produce credible appraisals that utilize an actual subject property; performing market research containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category.

Experience credit shall be granted for the actual classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process. The experience cannot exceed 50% of the total experience requirement.

The AQB has a degree approval program that has approved six graduate programs and ten undergraduate programs. The AQB has reviewed and approved their degrees in real estate as having classes that can be applied to the required core curriculum in the real property appraiser qualification criteria. The results of the review are published for state appraiser regulatory agencies to use when reviewing the educational qualifications of applicants that hold such degrees.

The AQB is continually working to recognize and react to the changing needs of the industry and appreciate comments.

Remember that state appraiser regulatory agencies are only required to adopt minimum AQB criteria, it is crucial that candidates contact their state to determine if the state intends to adopt any or all of these changes, and if so, when the changes may go into effect.

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