

**LICENSED RESIDENTIAL REAL PROPERTY APPRAISER**

The Licensed Residential Real Property Appraiser classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than \$1,000,000, and complex one-to-four residential units having a transaction value less than \$250,000. All Licensed Residential Real Property Appraisers must comply with the COMPETENCY RULE of USPAP.

**CRITERIA REQUIRED FOR LICENSED RESIDENTIAL APPLICATION**

- Fees
- Education
- Background check
- Documentation of “Yes” Answers
- Proof of U.S. Citizenship, U.S. National Status, or Alien Status
- Experience
- Requested Reports for Application Review
- National Examination

All applicants newly entering into the profession are required to apply for trainee registration; however, registration as a trainee is not required for those applicants upgrading from a current Arizona appraisal credential.

**I. Fees for Initial Application**

Licensed or Certified Appraiser \$400.00

- \$80.00 National Registry Fee – Do not submit with application. Payment will be requested after the applicant has passed the national examination.

**II. Education**

A. Complete one hundred fifty (150) hours of qualifying education as follows:

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
National USPAP Course (or its equivalent)	15 Hours
Residential Market Analysis and Highest and Best Use	15 Hours
Residential Appraiser Site Valuation and Cost Approach	15 Hours
Residential Sales Comparison and Income Approaches	30 Hours
Residential Report Writing and Case Studies	15 Hours
<b>Total</b>	<b>150 Hours</b>

- B. Appraisers holding a valid Arizona **Trainee Appraiser** credential. Complete the following qualifying education as follows:

Residential Market Analysis and Highest and Best Use	15 Hours
Residential Appraiser Site Valuation and Cost Approach	15 Hours
Residential Sales Comparison and Income Approaches	30 Hours
Residential Report Writing and Case Studies	15 Hours
<b>Total</b>	<b>75 Hours</b>

### III. Education Criteria

- A. Courses must meet the AQB's criteria. A course can be approved by the Department or the Appraiser Qualifications Board (AQB) Course Approval Program (CAP)
- B. Class hours may be obtained only where:
1. The minimum length of the educational offering is at least 15 hours; and
  2. The individual successfully completes a proctored, closed-book final examination pertinent to that educational offering.
- C. Applicant must take the 15-Hour National USPAP Course, or its AQB-approved equivalent.
1. Applicant must pass the associated course examination.
  2. Course WILL NOT be accepted if taken through distance education.
  3. USPAP course must have been completed within two years preceding the date application is submitted to the department.
  4. Course certificate should include the USPAP version and name of the AQB Certified USPAP Instructor.
- D. Qualifying education courses taken through distance education may not exceed 75% of the required hours.
- E. Criteria Specific to Qualifying Education
- Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the US Secretary of Education, **provided that the college or university has had its curriculum reviewed and approved by the AQB.**
- The AQB may maintain a list of approved college or university degree programs, including the *Required Core Curriculum* and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for the Trainee Appraiser, Licensed Residential, Certified Residential, or Certified General credential who are awarded degrees from approved institutions are required to complete all additional education required for the credential in which the approved degree is judged to be deficient by the AQB.

### IV. Background Check

All applicants must undergo a criminal background check through the Arizona Department of Public Safety (DPS).

### V. Documentation of "Yes" Answers on the Questioner Page

- A. Provide a signed statement disclosing the incident; include a date and location of incident.

B. In addition, submit the following:

- For **CRIMINAL** matters, a certified copy of (1) Complaint and Indictment; (2) Information; (3) Plea Agreement; (4) Pre-Sentence Report; (5) Judgment; (6) Sentencing documents; (7) Probation papers; (8) Restoration of Civil Rights/ Expungement/ Dismissal documents.
- For **CIVIL** matters, a certified copy of (1) Complaint; (2) Amended Complaint; (3) Judgment; (4) Satisfaction of Judgment; (5) Settlement Agreement.
- For **DISCIPLINARY ACTIONS**, a certified copy of (1) Notice of Hearing and/ or Complaint; (2) Answer; (3) Findings of Fact and Conclusions of Law; (4) Final Order/ Administrative Ruling; (5) Consent or Settlement Agreement; (6) Certified License/ Certificate History from any state, other than Arizona, in which applicant is licensed/ certified at the time of application.

**Note:** If you attempt to obtain the required documents and are told that records have been destroyed or are otherwise unavailable, obtain a written statement to that effect from the agency and/ or court.

**VI. Proof of U.S. Citizenship, U.S. National Status, or Alien Status**

Applicant must submit evidence of U.S. Citizenship, U.S. National Status, or Alien Status, per [A.R.S. §41-1080](#).

**VII. Experience**

Complete an experience log providing: One thousand (1,000) hours of experience obtained in no fewer than six (6) months.

**VIII. Experience Criteria**

- A. Experience must have been acquired within ten years immediately preceding the filing of the application.
- B. Seventy-five percent (75%) of applicant's experience must include work product for which the applicant inspected the subject property.
- C. The quantitative experience requirements must be satisfied by time spent on the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP.
- D. Hours may be treated as cumulative in order to achieve the necessary number of hours of appraisal experience (Cumulative is defined as meaning that experience may be acquired over any time period).
- E. There need not be a client in a traditional sense (e.g., a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement.
- F. All experience must be USPAP-compliant. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.
- G. Experience shall be logged on the Experience Log form provided by the Department or a comparable form. Entries must be made for each property claimed, as follows:

- **Date of report:** Log in chronological order, include month/day/year.
- **Address of appraised property:** Street address, city, state and zip code
- **Type of property:** For residential appraisals, indicate the residential form number, i.e., 1004.

(Forms 704, 1004D, 1075, 2000, 2000A, 2065, 2070, 2075, and 2095 are not acceptable). For nonresidential appraisals, indicate the type of property, such as store, golf course, office building, etc.)

- **Work performed by the trainee:** Indicate the significant contribution stated in the appraisal report that was completed by the trainee. The term "significant" means the contribution must be of substance to the development of the assignment results. A Trainee Appraiser who merely collects or provides data for use in the analysis does not provide significant appraisal assistance. Examples of contributions made by trainees that constitute significant appraisal assistance include the identification of comparable properties and data, inspection of the subject property and comparables, estimating accrued depreciation, or forecasting income and expenses.
- **Scope of the review and supervision of the supervising appraiser:** Although the scope of review and level of supervision performed by the supervising appraiser might appear to be redundant at first glance, they are not. For example, in certain assignments a supervising appraiser might determine that a lesser level of supervision is required, but that might not impact the level of review performed. Assignments may differ significantly; therefore the level of review and supervision by the supervising appraiser may also differ from assignment to assignment.
- **Properties inspected:** If trainee inspected property, enter the complete hours for that appraisal under the 'Properties Inspected' column. If the trainee did not inspect the property, enter "0".
- **Totaling experience hours on log:** Each page should be totaled; the last page should contain a grand total. Use increments of quarter hours; i.e., one quarter hour, (15 minutes), is .25; one half hour, (30 minutes), is .50; and three quarters hour, (45 minutes), is .75; one and one quarter hour, is 1.25.
- **Work files:** Indicate the name and address of the person(s) in possession of the work files of the appraisals listed on each page.
- **Signatures:** Trainee/applicant must sign and date experience log. If applicable, the supervising appraiser must sign, date and provide a state certification number on each page of the experience log. Separate appraisal logs shall be maintained for each supervising appraiser

#### **IX. Requested Reports for Review**

As part of the application review, reports will be selected by staff from the Experience Log and requested from the applicant.

- A. A minimum of three (3) appraisal reports will be selected for review.
- B. No information on the requested reports can be redacted or missing.

#### **X. National Examination**

After the Department finds the application to be complete, you will be provided information to take the AQB-approved National Examination.