



NATIONAL
ASSOCIATION of
REALTORS®

Tom Salomone
2016 President

Dale A. Stinton
Chief Executive Officer

GOVERNMENT AFFAIRS DIVISION

Jerry Giovaniello, Senior Vice President
Gary Weaver, Vice President
Joe Ventrone, Vice President
Scott Reiter, Vice President
Jamie Gregory, Deputy Chief Lobbyist

500 New Jersey Ave., NW
Washington, DC 20001-2020
Ph. 202-383-1194; Fax 202-383-7580
www.REALTOR.org

October 28, 2016

Joseph C. Traynor
Chair
Appraiser Qualifications Board
The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

Submitted via email: aqbcomments@appraisalfoundation.org

RE: Second Exposure Draft of *Proposed Changes to the Real Property Appraiser Qualification Criteria*

Dear Mr. Traynor:

On behalf of the over 1.1 million members of the National Association of REALTORS® (NAR), I submit this letter in response to the Appraiser Qualifications Board's (AQB) Second Exposure Draft of *Proposed Changes to the Real Property Appraiser Qualification Criteria*. NAR is pleased the AQB is revising the current Qualification Criteria as some elements are an impediment to attracting and training new people into the appraisal profession. Appraisals are an integral part of the home-purchase transaction and ensuring there are enough quality appraisers to supply demand is key to a healthy housing market.

The National Association of REALTORS® is America's largest trade association, including NAR's five commercial real estate institutes and its societies and councils. REALTORS® are involved in all aspects of the residential and commercial real estate industries and belong to one or more of some 1,200 local associations or boards, and 54 state and territory associations of REALTORS®. NAR represents a wide variety of housing industry professionals, including approximately 30,000 licensed and certified appraisers, committed to the development and preservation of the nation's housing stock and making it available to the widest range of potential homebuyers.

Revised Appraiser Education Requirements

Given that many talented and qualified Licensed Residential appraisers working today do not have a college education, NAR fully supports the elimination of the 30-hours of college-level education required for Licensed Residential appraisers. College degrees are costly and time-consuming and are especially burdensome when considering the day-to-day reality of the Licensed Residential appraiser's work and income. In addition, NAR supports the reduction of the Certified Residential education requirement from a four-year degree to a two-year degree, or its equivalency through College Level Placement Exams and/or class hours in key subjects. By focusing on the specific skills and knowledge relevant to the valuation of real estate, the AQB will cultivate new classes of appraisers with the appropriate education for the profession.

However, NAR also urges the AQB to consider that for many workers who already have thousands of hours of appropriate on-the-job training, the financial burden and time demand required to complete a four-year degree can be prohibitive to becoming a Certified General appraiser. NAR urges the AQB to think outside traditional education models of classes and testing, as many great candidates including brokers, real estate agents and others involved with non-USPAP conforming valuations and appraisal compliance reviews do not have traditional four-year degrees. The AQB should count years of experience in the appraisal profession under a trainee license to qualify for at



REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

least part of the four-year degree requirement, along with the college equivalency exams and class hours proposed for the Certified Residential classification.

Revised Appraiser Experience Requirements

A good appraiser understands when and how to use the various valuation methods and tools available today. That knowledge is developed over time, mainly through the performance of a variety of appraisals. NAR agrees with the AQB that the time limits under which to accrue appraisal experience hours should be removed for all types of appraiser classifications. These time limits are difficult to comply with for many qualified potential appraisers as many of them must continue to engage in outside employment during their appraisal training due to financial reasons. While NAR is supportive of the AQB's proposed removal of time restraints on completing the experience requirements, our appraiser members have expressed concern with the reduction of required experience hours for each classification. Supervisory Appraisers agree that the most useful preparation for becoming an appraiser is the actual performance of an appraisal. There is no substitute for experience and by reducing the experience hours necessary for certification, the AQB would be jeopardizing the quality of incoming appraisers into the profession. NAR urges the AQB to keep the current number of experience hours required for each appraiser classification.

Thank you again for your consideration of these suggestions. If I may be of any assistance to you, please do not hesitate to contact me or NAR's Regulatory Policy Representative, Sehar Siddiqi, at (202) 383-1176 or SSiddiqi@REALTORS.org.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tom", followed by a long, horizontal, slightly wavy line that extends to the right.

Tom Salomone

2016 President, National Association of REALTORS®