

201 KAR 30:050. Examination and experience requirement.

RELATES TO: KRS 324A.010, 324A.035(1), (3), 324A.040(2), 12 U.S.C. 3331-3351

STATUTORY AUTHORITY: KRS 324A.020, 324A.035(1), (3), 12 U.S.C. 3331 - 3351

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324A.035(1) requires the board to establish by administrative regulation requirements for certification or licensure of appraisers of real property in federally related transactions. KRS 324A.035(3)(d), (e), and (f) require the board to establish by administrative regulations requirements for experience and examination of applicants. 12 U.S.C. 3331 through 3351 authorizes requirements for certification or licensure of appraisers of real property in federally related transactions. This administrative regulation establishes the examination and experience requirements for appraisers of real property in federally related transactions.

Section 1. Examination. (1) An applicant for certification as a certified general real property appraiser, certified residential real property appraiser, or licensed real property appraiser shall pass an examination specific for the certification or license applied for and approved by:

(a) The board; and

(b) The Appraiser Qualifications Board of the Appraisal Foundation.

(2) A score from an examination shall no longer be acceptable for licensure after two (2) years from the date on which the applicant takes and passes the examination.

(3) An applicant shall complete all the education and experience requirements for the credential which the individual is seeking prior to being approved to sit for the national appraisal examination.

(4)(a) An individual shall submit a complete Appraiser License/Certification Application, incorporated by reference in 201 KAR 30:030, which documents the completed education and experience to the board prior to being approved to sit for the national appraisal examination.

(b) The applicant shall submit the following information with the application:

1. Proof of completion of the education required by 201 KAR 30:190;

2. Proof of completion of the required experience as established in Section 2 of this administrative regulation, including any reports identified by the board; and

3. The fee required by 201 KAR 30:060.

(5)(a) An applicant shall verify experience credit on the Appraiser Assignment Log.

(b) An applicant shall submit satisfactory reports, file memoranda, and other documentation requested by the board to confirm the applicant's appraisal experience.

Section 2. Required Experience. (1)(a) For certification as a general real property appraiser, at least 1,500 hours of appraisal experience shall consist of nonresidential appraisal experience.

1. More than twenty (20) percent of the general experience shall not be claimed for appraisal review or appraisal consulting assignments.

2. More than twenty (20) percent of the general experience shall not be claimed for appraisal of vacant land.

3. At least twenty-five (25) percent of the general experience claimed shall include development of the cost approach, sales comparison approach, and income approach.

4. More than thirty (30) percent of the general experience shall not be claimed for restricted appraisal reports.

(b) Prior to certification as a general real property appraiser, an applicant shall have acquired 3,000 hours of appraisal experience. This experience shall not be acquired in a period of fewer than thirty (30) calendar months.

(2) Prior to certification as a residential real property appraiser, an applicant shall have acquired 2,500 hours of appraisal experience. This experience shall not be acquired in a period of fewer than twenty-four (24) calendar months.

(a) More than twenty (20) percent of the residential experience shall not be claimed for appraisal review or appraisal consulting assignments.

(b) More than twenty (20) percent of the residential experience shall not be claimed for appraisal of vacant land.

(c) At least fifteen (15) percent of the residential experience claimed shall include development of the cost approach, sales comparison approach, and income approach.

(d) More than twenty (20) percent of the residential experience shall not be claimed for restricted appraisal reports.

(3) Prior to licensure as a licensed real property appraiser, an applicant shall have acquired 2,000 hours of appraisal experience. This experience shall not be acquired in a period of fewer than twenty-four (24) calendar months.

(a) More than twenty (20) percent of the residential experience shall not be claimed for appraisal review or appraisal consulting assignments.

(b) More than twenty (20) percent of the residential experience shall not be claimed for appraisal of vacant land.

(c) At least fifteen (15) percent of the residential experience claimed shall include development of the cost approach, sales comparison approach, and income approach.

(d) More than thirty (30) percent of the residential experience shall not be claimed for restricted appraisal reports.

(4) More than fifty (50) percent of the required experience credit shall not be obtained for appraisal assignments without a traditional client being identified.

(5) More than fifty (50) percent of the required experience credit shall not be obtained in a board-approved practicum course that requires students to:

(a) Produce credible appraisals that utilize an actual subject property;

(b) Perform market research containing sales analysis;

(c) Perform assignments that require problem solving skills for a variety of property types; and

(d) Apply and report the appraisal approaches in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), incorporated by reference in 201 KAR 30:040.

(6) The appraisal experience required by this section may have been acquired in any calendar years, whether or not the calendar years are consecutive. Hours may be treated as cumulative in order to achieve the necessary hours of appraisal experience.

(7) Real property appraisal assignments submitted for experience credit shall be completed:

(a) In compliance with the requirements of USPAP as incorporated by reference in 201 KAR 30:040 and defined in KRS 324A.010(7);

(b) Under the supervision of a certified residential real property appraiser for experience of one (1) to four (4) unit residential properties; and

(c) Under the supervision of a certified general real property appraiser for experience of all property uses other than one (1) to four (4) unit residential properties.

(8) To count towards the requirements of this section, the experience shall be acquired while the applicant is licensed or certified by the board as one (1) of the types of appraisers identified in 201 KAR 30:030, Section 1(2), (3), or (4).

Section 3. The requirements of USPAP shall not apply to the board, its agents, and employees while conducting an appraisal review for purposes of confirming an applicant's experience pursuant to this administrative regulation.

Section 4. Incorporation by Reference. (1) "Appraiser Assignment Log", 8/09, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Real Estate Appraisers Board, 321 N. Madison Avenue, Richmond, Kentucky 40475, (859) 623-1658, Monday through Friday, 8 a.m. to 4:30 p.m. (19 Ky.R. 2167; Am. 2461; eff. 7-9-1993; 20 Ky.R. 2051; eff. 3-1-1994; 21 Ky.R. 2727; 22 Ky.R. 277; eff. 8-10-1995; 24 Ky.R. 2736; eff. 8-17-1998; 27 Ky.R. 1540; 2429; eff. 3-19-2001; 28 Ky.R. 1488; 1823; eff. 2-11-2002; 29 Ky.R. 2502; 2865; eff. 6-16-2003; 32 Ky.R. 121; 478; eff. 10-7-2005; 34 Ky.R. 2209; 2392; eff. 6-6-2008; 36 Ky.R. 152; 569; eff. 10-2-2009; TAm eff. 12-28-2009; 37 Ky.R. 2047; 2380; eff. 5-6-2011; 38 Ky.R. 1768; 1947; eff. 7-6-2012; 39 Ky.R. 1488; 1875; eff. 4-5-2013; 42 Ky.R. 1294; eff. 1-4-2016; TAm eff. 1-11-2018.)