

PUBLIC PROTECTION CABINET
Real Estate Appraisers Board
(New Administrative Regulation)

831 KAR 3:040. Appraisal experience requirements for certification and licensure.

RELATES TO: KRS Chapter 324A, 12 U.S.C. § 3350

STATUTORY AUTHORITY: KRS 324A.035

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324A.020 and 324A.035 require the Real Estate Appraisers Board, with the review of the director of the Division of Real Property Boards, to promulgate administrative regulations necessary to carry out the provisions of KRS Chapter 324A. This administrative regulation is necessary to comply with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 through 12 U.S.C. § 3351), and KRS Chapter 324A. KRS 324A.035(3) (a), (b), and (d) require the board to establish by administrative regulations requirements for classifications of appraisers, certification and licensure, and standards of experience. This administrative regulation describes experience requirements for certification and licensure.

Section 1. Required appraisal experience.

- (1) No appraisal experience is required for licensure as an associate real property appraiser.
- (2) Licensure as a residential real property appraiser shall require 1,000 hours of appraisal experience, which shall not be acquired in a period of fewer than six (6) calendar months.
- (3) Certification as a residential real property appraiser shall require 1,500 hours of appraisal experience, which shall not be acquired in a period of fewer than twelve (12) calendar months.
- (4) Certification as a general real property appraiser shall require:
 - (a) 3,000 hours of appraisal experience, which shall not be acquired in a period of fewer than eighteen (18) calendar months; and
 - (b) At least 1,500 hours of appraisal experience that is nonresidential.

Section 2. How to receive credit for appraisal experience.

- (1) Real property appraisal assignments submitted for appraisal experience credit shall be completed:
 - (a) In compliance with the requirements of USPAP as incorporated by reference in 831 KAR 3:020 and defined in KRS 324A.010(7);
 - (b) In compliance with the requirements for supervisors and associates set forth in 831 KAR 3:030.
 - (c) Under the supervision of a certified residential real property appraiser for experience of one (1) to four (4) unit residential properties; and
 - (d) 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.
- (2) To receive credit for appraisal experience, an applicant must submit an appraisal log completed in accordance with 831 KAR 3:030.
- (3) The appraisal experience required by Section 1 may have been acquired in any calendar years, whether or not the calendar years are consecutive, except all appraisal experience must be obtained after January 30, 1989. Hours may be treated as cumulative in order to achieve the necessary hours of appraisal experience.
- (4) For an appraisal to qualify for experience, there need not be a client in a traditional sense (e.g., a client hiring an appraiser for a business purpose). Experience gained for work without a traditional client can meet any portion of the total experience requirement.

- (5) Up to 100 percent of the required appraisal experience may 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 831 KAR 3:020 and defined in KRS 324A.010(7).

Section 3. Practical Applications of Real Estate Appraisal.

- (1) Practical Applications of Real Estate Appraisal (PAREA) programs approved by the AQB use simulated experience training and shall be accepted by the board as an alternative to the traditional supervisor-associate experience model for obtaining experience required for certification or licensure set forth in Sections 1 and 2.
- (2) Only PAREA programs approved by the AQB shall satisfy the requirements of this administrative regulation.
- (3) Participants successfully completing approved PAREA programs will receive the following experience credit toward the appraisal experience requirements set forth in Section 1:
- (a) For participants completing an approved licensed residential PAREA program:
 - 1. Up to 1,000 hours of the required experience hours for credit toward licensure as a residential real property appraiser.
 - 2. Up to 1,000 hours of the required experience hours for credit toward certification as a certified residential real property appraiser.
 - 3. Up to 1,000 hours of the total required residential experience hours, none of which is eligible towards the required non-residential hours, for certification as a general real property appraiser.
 - (b) For participants completing an approved certified residential PAREA program:
 - 1. Up to 1,000 hours of the required experience hours for credit toward licensure as a licensed residential real property appraiser.
 - 2. Up to 1,500 hours of the required experience hours for credit toward certification as a certified residential real property appraiser.
 - 3. Up to 1,500 hours of the total required residential experience hours, none of which is eligible towards the required non-residential hours, for certification as a general real property appraiser.
- (4) To receive credit for completion of PAREA, an applicant shall submit proof of completion of one or more PAREA courses.

JOHN DEXTER OUTLAW, Board Chairperson
TRACY CARROLL, Director
RAY A. PERRY, Secretary

APPROVED BY AGENCY: March 25, 2026

FILED WITH LRC: March 30, 2026 at 2:50 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on June 24, 2026, at 1:00 P.M. Eastern Time at the Mayo-Underwood Building, Room 133CE, 500 Mero Street, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be canceled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you

do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through June 30, 2026. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Patrick Riley, General Counsel, Kentucky Real Estate Appraisers Board, 500 Mero Street, Frankfort, Kentucky 40601, Email patrick.riley@ky.gov, Tel. (502) 782-2618.