

March 29, 2016

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

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

Submitted via email: aqbcomments@appraisalfoundation.org

RE: Discussion Draft – Potential Areas of Change 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 am writing in response to the Appraiser Qualifications Board's (AQB) *Discussion Draft – Potential Areas of Change to the Real Property Appraiser Qualification Criteria*. In September 2015, NAR submitted a comment letter in response to the AQB's *Concept Paper – Alternative Track to the Experience Requirements in the Real Property Appraiser Qualification Criteria*. In response to the AQB's current request for comment, NAR would like to re-iterate the recommendations in the 2015 letter, in particular the need to re-evaluate the need for a Bachelor's degree for Certified General and Certified Residential classifications, and is making the additional recommendations that the Criteria term "Trainee" and the three-year supervisory residency requirement be revised.

The National Association of REALTORS® is America's largest trade association, including our eight affiliated Institutes, 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 1,300 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.

Four-Year College Degree Requirement Should Be Re-Evaluated

In December 2011, the Appraiser Qualifications Board (AQB) adopted revisions to the Criteria to require a Bachelor's degree or higher for Certified General and Certified Residential classifications. The new education requirement went into place on January 1, 2015. While this requirement was adopted to raise appraiser professionalism, the Association is concerned that the wages earned as an appraiser are not an incentive for an individual to enter the profession after paying for a four-year college degree, especially when a graduate must do a multi-year internship that is often unpaid. The degree requirement also disadvantages workers who already have thousands of hours of appropriate on-the-job training and could be great candidates to take the certified general or certified residential exam without completing a four-year degree. The AQB should count years of experience in the appraisal profession under a trainee license to qualify for at least part of the four-year college degree requirement. Many very good existing Certified General and Certified Residential appraisers do not have four-year degrees. These same appraisers have successfully mentored many others to follow in the profession with the highest standards.



“Trainee” Nomenclature

Considering the rising number of reports of lender reluctance to accept appraisal reports containing work performed by Trainee Appraisers, NAR supports exploring alternate terminology for the term “Trainee.” Examples of potential alternate terms include apprentice or clerk, which are commonly used in other professions to designate a person in the process of obtaining a full license in a particular industry. In addition, if the term Trainee continues to be used, NAR feels it would be useful to all parties involved if the AQB develops a simple fact sheet explaining the role of the Trainee Appraiser that would accompany an appraisal report. The fact sheet should be drafted in plain language, and clearly and concisely state the limitations to the role of the Trainee Appraiser, the necessity to the industry of Trainee Appraiser work and the knowledge base required prior to any person becoming a Trainee Appraiser. The fact sheet should be made available on the AQB website and in hard format upon request.

Three-Year Supervisory Residency Requirement

There is a growing demand for Supervisory Appraisers across many states. Yet, the quality of Trainee Appraiser supervision should not be compromised in order to meet this demand. Ensuring competent Supervisory Appraisers is necessary to the safety and soundness of the appraisal industry. The competency acquired through at least three years of appraisal work is integral to becoming a successful Supervisory Appraiser. In addition, NAR firmly believes that a Supervisory Appraiser must have experience in a Trainee Appraiser’s state in order to provide sound guidance. As such, NAR believes that Certified General Appraisers with at least three years of appraisal work have the ability to effectively supervise a trainee in any state in which they are licensed and in good standing.

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,



Tom Salomone
2016 President, National Association of REALTORS®