



May 9, 2025

The Appraisal Foundation  
Attn: Jerry Yurek  
Chair, Appraiser Qualifications Board  
1155 15<sup>th</sup> Street NW, Suite 1111  
Washington, DC 20005

RE: Concept Paper – Additional Experience Options: Should They Have a Place in Appraiser Qualifications?

Dear Mr. Yurek:

On behalf of the National Association of REALTORS® (NAR), we thank the Appraisal Foundation for the opportunity to comment on the Appraiser Qualifications Board's (AQB) concept paper, "Additional Experience Options: Should They Have a Place in Appraiser Qualifications?" Appraisals are the bedrock of the housing finance system, and credible independent valuations of real property are critical to the health of the overall real estate industry. Fostering a process for developing new appraisers of high quality is key to the long-term success of the 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 25,000 licensed and certified appraisers, committed to the development and preservation of the nation's housing stock, along with its availability to the widest range of potential homebuyers.

NAR believes that there should be additional experience options to fulfilling the residential appraisal experience component of the Criteria in addition to the methods currently in place. Expanding experience used to qualify appraisers for accreditation to include that from parallel industries will help to reduce barriers to entry into the appraisal industry, while maintaining professional quality and public trust in the appraisal profession.

### **An ongoing issue**

REALTORS® applaud TAF for this ongoing effort to address issues with the appraiser qualifications requirements. Access to credit is key to homeownership for most Americans, and most of those credit decisions depend on an appraisal. Most

appraisers are over the age of 50 (63%), with 23% of those over the age of 65,<sup>1</sup>, suggesting many appraisers may retire in the years ahead. Coupled with a slow rate of replacement, this mismatch could lead to a shortage of qualified appraisers. This potential shortage of appraisers and mismatch of qualifications has been developing for years, though, so a forward-looking approach is important.

The AQB has considered the option of allowing parallel professional non-appraisal experience previously. In a July 9, 2015, Concept Paper – Alternate Track to the Experience Requirements in the Real Property Appraiser Qualification Criteria, the AQB asked: “Are there practical alternatives for some (or all) of the appraisal experience requirements to include non-appraisal experience?” The National Association of REALTORS® [responded to that concept paper](#) recommending the expansion of experience requirements at that time, and continues to believe there may be additional options to some of the experience requirements that the AQB should consider.

NAR congratulates TAF for work already being done in this regard, with the allowance of experience credit to count from PAREA and expanded practicum programs. These programs are evidence that future appraisers can gain the knowledge that experience hours are intended to provide outside the traditional supervisor-trainee model while maintaining high standards. NAR supports the concept introduced by the AQB of "Foundational Knowledge" which acknowledges that essential skills, concepts, and practical insights that support an individual's development into a competent appraiser can also be gained from broader real estate or analytical experiences that do not result in a USPAP-compliant appraisal report. In fact, allowing new entrants to the profession who already possess this foundational knowledge as a practicing real estate professional could open the door for a more diverse and well-prepared group of new real estate appraisers.

However, several groups and regulators have cited the current education and experience standards of the AQB as excessive and a barrier to entry to the appraisal profession. Conversely, evidence suggests that aspiring appraiser candidates, even college graduates, often don't have the appropriate skill or knowledge to proceed in the profession. For instance, pass rates for the national appraiser exam in 2024 were approximately 65% for licensed residential, 65% for certified residential, and 50% for certified general, even with the high experience hours in the current method. Some states have even lower figures, with Texas for instance reporting that pass rates for licensed residential at 45% and certified residential at 53% on the first attempt in 2024. Clearly many of these trainees attempting to join the appraisal profession were not adequately prepared for their examination, even with 1,000 hours or more of experience. Solving this problem is key to fostering the next generation of quality appraisers.

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<sup>1</sup> US Valuation Profession Fact Sheet. Appraisal Institute. 2023.

[https://www.appraisalinstitute.org/getmedia/bf70e869-945f-4fab-851c-44204f971224/2023\\_ai\\_fact\\_sheet](https://www.appraisalinstitute.org/getmedia/bf70e869-945f-4fab-851c-44204f971224/2023_ai_fact_sheet)



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### **Problems with current experience methods**

Currently, after taking qualifying education, most appraiser trainees gain their experience hours from the traditional supervisor-trainee method, but this could be part of the problem of adequately preparing future appraisers. If a supervisor appraiser focuses on certain property types, this could limit the experience that the trainee receives. In addition, focusing on certain types of appraisals for their experience hours leaves the appraiser trainee's knowledge gained from qualifying education stagnant, which could be a reason for low exam scores. Working with one supervisor also limits the trainee's knowledge if that supervisor isn't up to date on regulations, policies, and technological advances in the real estate world.

In addition, all experience gained from the traditional method must involve appraisal work conforming to the Uniform Standards of Professional Appraisal Practice (USPAP). In practice this means that today an agent, broker, or other professional with years of real estate experience has to spend the same amount of time gaining qualifying experience as an individual with no history in the real estate industry. Many real estate professionals have expressed interest in becoming appraisers but cannot financially justify leaving their current business to invest months to adhere to this requirement. This leaves the appraisal profession without potential experienced real estate professionals that would bring years of real-world experience and expertise.

The final issue is the number of experience hours required. Trainee appraisers are currently required to acquire 1,000 to 3,000 hours of experience, depending on the type of licensure or certification they aspire to. NAR has no stance on whether those hours are appropriate, however, the issues mentioned above call into question the effectiveness of the current experience requirement in preparing the future appraiser and how the number of experience hours is determined. NAR recommends an investigation into other professions to explore if the current number of required experience hours is appropriate or is an unnecessary burden and barrier to entry into the appraisal profession.

### **Additional Experience Pathways**

NAR recommends establishing equivalency credit for experience in licensed and regulated fields involving valuation with appropriate records retained for review. These fields should include licensed real estate salespersons, real estate agents, and real estate brokers.

Parallel professional, non-appraiser experience should be considered towards the AQB experience requirement including, but not limited to experience in:

- Real estate market analysis
- Real estate brokerage including:
  - Evaluating and pricing residential real estate
  - Counseling buyers, sellers, owners, and tenants on inspections and remediations, improvements, and the appraisal process



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- Counseling buyers, sellers, owners, and tenants about listing and offering prices, and market rent
- Completing broker price opinions and competitive market analyses
- Completing Evaluations in compliance with the Interagency Appraisal and Evaluation Guidelines
- Compliance with Fair Housing laws, rules, and regulations
- Compliance with the Equal Credit Opportunity Act

### **Beyond Experience Requirements**

Licensed real estate salespersons, real estate agents, and real estate brokers not only have valuable experience, but have also gained knowledge with required education. To that end, NAR urges the Appraisal Qualifications Board of TAF to establish equivalency credit for both education and experience in licensed and regulated fields involving valuation.

### **Conclusion**

NAR is committed to maintaining the success of the appraisal profession and preserving access to homeownership and is encouraged by the AQB's exploration of the expansion of experience requirements to allow for additional options. NAR believes that expanding experience used to qualify appraisers for accreditation to include that from parallel industries will help to reduce barriers to entry into the appraisal industry, while maintaining professional quality and public trust in the appraisal profession.

If you have any questions or comments, please feel free to reach out to Keisha Wilkinson, NAR's Senior Policy Representative for Valuation Policy, at [KWilkinson@NAR.Realtor](mailto:KWilkinson@NAR.Realtor).

Sincerely,



Kevin Sears  
President, National Association of REALTORS®