

# GUIDE NOTES

## AQB GUIDE NOTE 1 (GN-1) AQB GUIDANCE FOR REQUIRED CORE CURRICULUM CONTENT EFFECTIVE JANUARY 1, 2008

Guide Note 1 (GN-1) contains guidance for curriculum content with subtopics listed under each major module listed in the Appendix. The subtopics in Guide Note 1 will be used for developing examination content outlines for each applicable credential level and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge.

### **BASIC APPRAISAL PRINCIPLES**

*30 HOURS*

- A. Real Property Concepts and Characteristics
  - 1. Basic Real Property Concepts
  - 2. Real Property Characteristics
  - 3. Legal Description
- B. Legal Consideration
  - 1. Forms of Ownership
  - 2. Public and Private Controls
  - 3. Real Estate Contracts
  - 4. Leases
- C. Influences on Real Estate Values
  - 1. Governmental
  - 2. Economic
  - 3. Social
  - 4. Environmental, Geographic and Physical
- D. Types of Value
  - 1. Market Value
  - 2. Other Value Types
- E. Economic Principles
  - 1. Classic Economic Principles
  - 2. Application and Illustrations of the Economic Principles
- F. Overview of Real Estate Markets and Analysis
  - 1. Market Fundamentals, Characteristics, and Definitions
  - 2. Supply Analysis
  - 3. Demand Analysis
  - 4. Use of Market Analysis
- G. Ethics and How They Apply in Appraisal Theory and Practice

### **BASIC APPRAISAL PROCEDURES**

*30 HOURS*

- A. Overview of Approaches to Value
- B. Valuation Procedures
  - 1. Defining the Problem
  - 2. Collecting and Selecting Data
  - 3. Analyzing
  - 4. Reconciling and Final Value Opinion
  - 5. Communicating the Appraisal
- C. Property Description
  - 1. Geographic Characteristics of the Land/Site
  - 2. Geologic Characteristics of the Land/Site
  - 3. Location and Neighborhood Characteristics
  - 4. Land/Site Considerations for Highest and Best Use
  - 5. Improvements - Architectural Styles and Types of Construction
- D. Residential Applications

### **15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT**

*15 HOURS*

- A. Preamble and Ethics Rules
- B. Standard 1
- C. Standard 2
- D. Standards 3 to 10
- E. Statements and Advisory Opinions

**RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE***15 HOURS*

- A. Residential Markets and Analysis
  - 1. Market Fundamentals, Characteristics and Definitions
  - 2. Supply Analysis
  - 3. Demand Analysis
  - 4. Use of Market Analysis
- B. Highest and Best Use
  - 1. Test Constraints
  - 2. Application of Highest and Best Use
  - 3. Special Considerations
  - 4. Market Analysis
  - 5. Case Studies

**RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH***15 HOURS*

- A. Site Valuation
  - 1. Methods
  - 2. Case Studies
- B. Cost Approach
  - 1. Concepts and Definitions
  - 2. Replacement/Reproduction Cost New
  - 3. Accrued Depreciation
  - 4. Methods of Estimating Accrued Depreciation
  - 5. Case Studies

**RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES***30 HOURS*

- A. Valuation Principles & Procedures - Sales Comparison Approach
- B. Valuation Principles & Procedures - Income Approach
- C. Finance and Cash Equivalency
- D. Financial Calculator Introduction
- E. Identification, Derivation and Measurement of Adjustments
- F. Gross Rent Multipliers
- G. Partial Interests
- H. Reconciliation
- I. Case Studies and Applications

**RESIDENTIAL REPORT WRITING AND CASE STUDIES***15 HOURS*

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Form Reports
- D. Report Options and USPAP Compliance
- E. Case Studies

**STATISTICS, MODELING AND FINANCE***15 HOURS*

- A. Statistics
- B. Valuation Models (AVM's and Mass Appraisal)
- C. Real Estate Finance

**ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES***15 HOURS*

- A. Complex Property, Ownership and Market Conditions
- B. Deriving and Supporting Adjustments
- C. Residential Market Analysis
- D. Advanced Case Studies

**GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE***30 HOURS*

- A. Real Estate Markets and Analysis
  - 1. Market Fundamentals, Characteristics and Definitions
  - 2. Supply Analysis
  - 3. Demand Analysis
  - 4. Use of Market Analysis
- B. Highest and Best Use
  - 1. Test Constraints
  - 2. Application of Highest and Best Use
  - 3. Special Considerations
  - 4. Market Analysis
  - 5. Case Studies

**GENERAL APPRAISER SALES COMPARISON APPROACH***30 HOURS*

- A. Value Principles
- B. Procedures
- C. Identification and Measurement of Adjustments
- D. Reconciliation
- E. Case Studies

**GENERAL APPRAISER SITE VALUATION AND COST APPROACH***30 HOURS*

- A. Site Valuation
  - 1. Methods
  - 2. Case Studies
- B. Cost Approach
  - 1. Concepts and Definitions
  - 2. Replacement/Reproduction Cost New
  - 3. Accrued Depreciation
  - 4. Methods of Estimating Accrued Depreciation
  - 5. Case Studies

**GENERAL APPRAISER INCOME APPROACH***60 HOURS*

- A. Overview
- B. Compound Interest
- C. Lease Analysis
- D. Income Analysis
- E. Vacancy and Collection Loss
- F. Estimating Operating Expenses and Reserves
- G. Reconstructed Income and Expense Statement
- H. Stabilized Net Operating Income Estimate
- I. Direct Capitalization
- J. Discounted Cash Flow
- K. Yield Capitalization
- L. Partial Interests
- M. Case Studies

**GENERAL APPRAISER REPORT WRITING AND CASE STUDIES***30 HOURS*

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Report Options and USPAP Compliance
- D. Case Studies

# AQB GUIDE NOTE 2 (GN-2)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

RETIRED, OCTOBER 2005

# AQB GUIDE NOTE 3 (GN-3)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO THE SCOPE OF PRACTICE FOR THE LICENSED AND CERTIFIED RESIDENTIAL CLASSIFICATIONS IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE JANUARY 1, 2008.

In the existing (pre-2008) *Criteria* for these two classifications, the following paragraph appears in the scope of practice section:

*The scope of practice identified herein represents the consensus of the Appraiser Qualifications Board. The Federal Financial Institutions Regulatory Agencies, as well as other agencies and regulatory bodies permit the Certified Residential (or Licensed) classification to appraise properties other than those identified within these Criteria. Individuals should refer to agency regulations and state law to determine the type of property that may be appraised by the Certified Residential (or Licensed) appraiser.*

During the *Criteria* Exposure Draft and revision process, the AQB determined that this paragraph was more of explanatory guidance than actual AQB *Criteria*. As a result, it was removed from the *Criteria* effective January 1, 2008.

However, while it is not contained in the 2008 *Criteria*, it should be noted that the paragraph italicized above still reflects the consensus of the AQB. The scope of practice for the Licensed and Certified Residential classifications does not change in 2008. Federal and state agencies continue to establish scope of practice thresholds that are specific to their particular needs.

For example, because federally related transactions less than \$250,000 fall below the regulatory de minimus established by the Federal Financial Institution Regulatory Agencies, the scope of practice restrictions placed on individuals who can appraise commercial and residential properties below that threshold for financial institutions are few, if any.

The AQB continues to encourage individuals to refer to agency regulations and state law to determine the type of property that may be appraised by the Licensed and Certified Residential classifications.

# AQB GUIDE NOTE 4 (GN-4)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO PRACTICUM COURSES TO BE USED FOR EXPERIENCE CREDIT, AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE JANUARY 1, 2008.

Under “Criteria Applicable to All Appraiser Classifications” in the 2008 *Criteria*, Section V Generic Experience Criteria, Paragraph D, reads as follows:

*There need not be a client in a traditional sense (i.e. a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement. Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-client experience requirement. **A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category. Experience credit shall be granted for the actual classroom hours of instruction, and hours of documented research and analysis as awarded from the practicum course approval process. (Bold added for emphasis)***

The bolded language above sets forth the broad requirements for practicum courses. However, more detailed guidance is needed for developers of such courses, as well as state appraiser regulatory agencies seeking to approve such courses. The following is designed to offer this guidance:

1. General Practicum Course Guidelines
  - a. The time period for any non-residential practicum course should be consistent with the type and complexity of the assignment.
  - b. The time period for a residential practicum course should be consistent with the type and complexity of the assignment.
  - c. Practicum courses that cover multiple property types should allocate appropriate times for each assignment and subject properties should be significantly different from one another to provide appropriate training.
  - d. The maximum number of students per course should be consistent with best practices for proper student/instructor ratios.
  - e. In order for this type of experience to be compliant with USPAP, the student/appraiser must list the course provider for the practicum course as the client and the intended user.
  - f. The intended use of the report should be indicated as, “For experience credit.”
2. Appraisal Assignment Guidelines
  - a. The appraisal should employ all of the approaches to value applicable to the assignment.
  - b. Property types and complexity should be those typically encountered by an appraiser seeking experience within the specified credential category.
  - c. The appraisal should indicate the intended user, intended use and should solve typical appraisal problems - eg., mortgage assignments, tax appeals, estates, etc.
  - d. There should be an identifiable subject property and the student should inspect it.
  - e. The actual subject property may change from time to time, but the property type should remain the same.
  - f. All comparable data researched, analyzed, and used in the assignment should be actual and identifiable market data.
  - g. All comparables utilized should be verified with at least one market participant of the sale/rent – e.g. buyer, seller, or broker – and the student should also inspect the exterior of each comparable utilized.
  - h. The final assignment should be communicated in compliance with either the Self-Contained or Summary Appraisal Report options of STANDARD 2 of USPAP.
  - i. The final reports should be maintained by the student according to the Record Keeping section of the ETHICS RULE of USPAP.
  - j. The practicum course should result in an appraisal and appraisal report completed in accordance with the current version of USPAP.

### 3. Instructor Guidelines

- a. An instructor conducting a residential experience practicum course should hold either a Certified Residential or Certified General credential in good standing.
- b. An instructor conducting a general experience practicum course should hold a Certified General credential in good standing.
- c. The instructor should demonstrate compliance with the COMPETENCY RULE of USPAP for the type of assignment.
- d. The instructor should grade and correct all assignments and should ensure USPAP compliance.
- e. The instructor should meet with the students a minimum of 50% of the course hours during the course.

There is an underlying assumption that experience is valuable because clients and instructors tend to demand competency. Because experience in a classroom setting calls this assumption into question, credentialing authorities should carefully assess the quality and adequacy of appraisals made under such circumstances. They should also give consideration to restricting the percentage of this type of experience.

Therefore, while practicum course appraisals are eligible to qualify for experience credit, the credentialing authority should audit a significant sample of appraisals made in such instances for quality and conformance with USPAP.

# AQB GUIDE NOTE 5 (GN-5)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO RECIPROCITY, TEMPORARY PRACTICE, RENEWALS, AND APPLICATIONS FOR THE SAME CREDENTIAL IN ANOTHER JURISDICTION, AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA EFFECTIVE JANUARY 1, 2008.

Under “Criteria Applicable to All Appraiser Classifications” in the 2008 *Criteria*, Section II Existing Credential Holders, reads as follows:

*Existing credential holders in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board criteria if they have passed an AQB approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential in another jurisdiction. All credential holders must comply with ongoing requirements for Continuing Education, and state renewal procedures.*

The intent of the AQB is to allow current credential holders who are in good standing within their jurisdictions to obtain reciprocal credentials, temporary practice permits, renewals of existing credentials, and an equivalent credential in another jurisdiction on or after January 1, 2008 without having to meet the 2008 AQB *Criteria*. If an appraiser holds a valid appraiser credential supported by an AQB approved examination, the appraiser will be deemed by the AQB to be in full compliance with the 2008 *Criteria*.

For example, if a Certified General credential holder who received a credential prior to January 1, 2008 in one jurisdiction were to relocate to another jurisdiction after January 1, 2008, for AQB purposes that existing “home” state credential would be sufficient to support an equivalent credential in the “new” state. The credential holder would be deemed to have met the 2008 *Criteria* for education, experience and examination.

The AQB understands that the individual Title XI jurisdictions must operate in compliance with applicable state laws with regard to reciprocity, temporary practice, renewals and applications for the same credential in another jurisdiction. While Title XI jurisdictions are only required to meet the AQB *Criteria*, existing state laws may require that these minimums be exceeded. It is possible that a jurisdiction, because of existing law, might require an applicant for an equivalent credential from another jurisdiction meet all of the January 1, 2008 AQB *Criteria* (i.e., education, experience, and examination) in order to obtain the credential in their jurisdiction.

For example, consider an appraiser who holds a Certified General credential in State A and decides to relocate to State B. State B must apply both AQB *Criteria* and State law in determining whether the appraiser from State A qualifies for an appraiser credential in State B. While the AQB considers the valid existing credential in State A to be adequate documentation of conformance to AQB *Criteria*, some State laws might require the appraiser to submit a complete application, including appropriate documentation of experience, education, and successful exam completion. This new application requirement might involve some of the following issues:

- Depending on the wording of the State law, this could mean that the appraiser from State A would have to conform to the 2008 *Criteria* to obtain a credential from State B. Among other things, the appraiser would have to reconstruct his/her appraisal education, perhaps going back as much as 20 to 30 years. The State, then, would have to determine whether that education conformed to the 2008 AQB *Criteria* as implemented by State law.
- Virtually all appraiser education obtained in the past was provided in what is considered the “integrated” approach for 2008 *Criteria*. If State B does not accept integrated educational courses, the appraiser from State A would be required to obtain 300 hours of education acceptable under 2008 *Criteria*, plus a college degree or acceptable college course work, to qualify for a Certified General credential in State B.

It was not the AQB’s intent to impose such hardships on appraisers or regulatory agencies. It was the intent of the AQB in drafting the language in Section II that the jurisdictions would recognize those appraisers that held credentials prior to the adoption of the 2008 *Criteria*. The acceptance of the existing credential holders would provide for a smooth transition from the pre-2008 *Criteria* to the 2008 *Criteria*.

The AQB encourages the jurisdictions to examine their statutes and regulations and initiate any changes that might be necessary to facilitate a smooth transition.

# AQB GUIDE NOTE 6 (GN-6)

## AQB GUIDANCE FOR CRITERIA IMPLEMENTATION

THIS GUIDE NOTE RELATES TO THE VERIFICATION OF EXPERIENCE CREDIT AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2008.

Under “Criteria Applicable to All Appraiser Classifications” in the 2008 *Criteria*, Section V.G. (Generic Experience Criteria) reads as follows:

*G. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:*

1. *Type of property;*
2. *Date of report;*
3. *Address of appraised property;*
4. ***Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;***
5. *Number of actual work hours by the trainee/applicant on the assignment; and*
6. *The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.*

*(Bold added for emphasis)*

As indicated above, the *Criteria* mandates that the forms used to verify experience credit include all of the identified items. Five of the six items listed are fairly self-explanatory; however, the AQB has received inquiries regarding the intent of item #4 above (the bolded text).

It is the intent of the AQB that the verification of experience clearly identifies three things under item #4:

- 1) A description of the work performed by the trainee or applicant;
- 2) The scope of the review performed by the supervising appraiser; and
- 3) The level of supervision performed by the supervising appraiser.

Although the scope of review and level of supervision performed by the supervising appraiser might appear to be redundant at first glance, they are not. For example, in certain assignments a supervising appraiser might determine that a lesser level of supervision is required, but that might not impact the level of review performed.

The AQB recognizes that assignments may differ significantly; therefore the level of review and supervision by the supervising appraiser may also differ from assignment to assignment. Also, depending on the assignments involved, it might be expected that the supervising appraiser's level of review and supervision diminish over time as the trainee/applicant gains competency.

The following page includes an example of an experience log that includes the information required by the *Criteria*. The attached is merely one possible example of an experience log. Any format that includes the items listed under Section V.G., Generic Experience Criteria, as specified in the 2008 *Real Property Appraiser Qualification Criteria* is acceptable.

It should be noted that experience logs or other forms prescribed by a state appraiser regulatory agency to verify experience credit might appear very different, including requiring substantially more information than is identified in the example on the following page. However, as stated above, all forms must, at a minimum, include the items listed under Section V.G., Generic Experience Criteria, as specified in the 2008 *Real Property Appraiser Qualification Criteria*.



Date of Report	Property Address, City, State, Zip	Type of Property (SFR, Condo, 2-4 Units)	Description Of Applicant's Work Performed	Scope of Supervising Appraiser's Review	Scope of Supervising Appraiser's Supervision	Number of Actual Hours Worked By Applicant
1/3/06	123 Oak Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/ exterior property inspection, cost/sales comparison approaches, final reconciliation	Reviewed workfile and report, verified subject sales history, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first SFR appraisal for applicant)	7
6/7/06	455 Pine Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/ exterior property inspection, cost/ sales comparison approach, final reconciliation	Reviewed workfile and report, verified all comparable data and analyses, verified homeowner's association info, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in site value analysis used in cost approach, did not physically inspect subject property	7
1/10/07	202 Spruce Street Washington, DC 20005	SFR	Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	10
1/24/07	115 Pennsylvania Ave. Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process with applicant, including physical inspection of subject property (first commercial appraisal for applicant)	30
8/14/07	200 S Broadway Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Oversight of comparable data selection and analyses, provided direction in DCF analysis used in income approach, did not physically inspect subject property	40

1/10/08	300 Capitol Avenue Washington, DC 20005	Retail Store	Neighborhood, subject and comp (sale and rental) data research and analyses, interior/exterior property inspection, cost/ sales comparison/ income approaches, final reconciliation	Reviewed workfile and report, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Review of comparable data selection and analyses, did not physically inspect subject property	40
2/12/08	144 Elm Avenue Washington, DC 20005	Golf Course	Completed entire appraisal process	Reviewed workfile and report, verified subject sales history and all data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report	Completed entire appraisal process	60

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Thomas D. Trainee  
Applicant/Trainee Appraiser

\_\_\_\_\_  
Sally A. Supervisor  
Supervisory Appraiser

\_\_\_\_\_  
State  
Certification No.

# AQB GUIDE NOTE 7 (GN-7)

THIS GUIDE NOTE RELATES TO GRADUATE DEGREE PROGRAMS IN REAL ESTATE REVIEWED BY THE AQB, AND THEIR APPLICABILITY TOWARDS THE QUALIFYING EDUCATION SPECIFIED IN THE REQUIRED CORE CURRICULUM.

Under Criteria Applicable to All Appraiser Classifications in the 2008 *Real Property Appraiser Qualification Criteria*, the Interpretation following Section III(E)(1) “Criteria Specific to Qualifying Education” reads as follows:

*Credit toward qualifying education requirements may also be obtained via the completion of a graduate (masters or doctoral) degree in Real Estate from an accredited college or University approved by The Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.*

*The AQB may maintain a list of approved college or University graduate degree programs, including the Required Core Curriculum and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for the Trainee, Licensed, Certified Residential or Certified General credential who are awarded graduate degrees from approved institutions are required to complete all additional education required for the credential, in which the approved degree is judged to be deficient by the AQB.*

It is the consensus of the AQB that graduate degree holders in real estate-related studies have already invested significant post-baccalaureate effort to become educated in core real estate and appraisal subject matter. Further, it is the position of the AQB that requiring such degree holders to subsequently pursue the entire qualifying education *Required Core Curriculum* is, in many instances, redundant and counter-productive.

The intent of the AQB is to allow graduates with masters or doctoral degrees in Real Estate from approved, accredited colleges or universities whose programs have been reviewed by the AQB, to have their degree(s) satisfy the applicable portions of the qualifying education *Required Core Curriculum* for the various credentials.

The AQB understands that it may be unlikely that any graduate degree will satisfy all requirements of the *Required Core Curriculum* for a credential, but believes that some graduate degree programs may cover a large portion of the required education.

# AQB GUIDE NOTE 8 (GN-8)

THIS GUIDE NOTE RELATES TO THE COLLEGE-LEVEL EDUCATIONAL REQUIREMENTS AS SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2008.

Under “Certified Residential Real Property Appraiser” in the 2008 *Criteria*, Sections III.A and III.B (Qualifying Education) read as follows:

- A. *Applicants for the Certified Residential license must hold an Associate degree, or higher, from an accredited college, junior college, community college, or university, unless the requirements of Section III.B are satisfied.*  
or
- B. *In lieu of the Associate degree, an applicant for the Certified Residential license shall successfully pass all of the following collegiate subject matter courses from an accredited college, junior college, community college, or university:*
  - 1. *English Composition;*
  - 2. *Principles of Economics (Micro or Macro);*
  - 3. *Finance;*
  - 4. *Algebra, Geometry, or higher mathematics;*
  - 5. *Statistics;*
  - 6. *Computer Science; and*
  - 7. *Business or Real Estate Law.*

*Total hours of equivalent college courses in lieu of an Associate degree: 21 semester credit hours or its equivalent for the certified residential appraiser. If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.*

Likewise, under “Certified General Real Property Appraiser” in the 2008 *Criteria*, Sections III.A and III.B (Qualifying Education) read as follows:

- A. *Applicants for the Certified General license must hold a Bachelor’s degree or higher from an accredited college or university, unless the requirements of the following Section III.B are satisfied.*  
or
- B. *In lieu of the Bachelor’s degree, an applicant for the Certified General credential shall successfully pass all of the following collegiate level subject matter courses from an accredited college, junior college, community college or university:*
  - 1. *English Composition;*
  - 2. *Micro Economics;*
  - 3. *Macro Economics;*
  - 4. *Finance;*
  - 5. *Algebra, Geometry, or higher mathematics;*
  - 6. *Statistics;*
  - 7. *Computer Science;*
  - 8. *Business or Real Estate Law; and*
  - 9. *Two elective courses in accounting, geography, agricultural economics, business management, or real estate.*

*Total hours of equivalent college courses in lieu of a Bachelor’s degree: 30 semester credit hours or its equivalent for the certified general appraiser. If an accredited college or university (accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.*

As indicated above, the *Criteria* requires college-level education (whether a degree or the specified “in lieu” courses) to be obtained from an accredited college or university. The *Criteria* further specifies that the institution of higher learning must be accredited through an accepted accrediting body in the United States. Therefore, applicants possessing degrees (or the specified “in lieu” education) from foreign countries find that their education is often deemed by state appraiser regulatory agencies to not meet the requirements of the *Criteria*.

To address this issue, the AQB encourages applicants with college-level education from a foreign country to have their education evaluated for “equivalency” by one of the following:

- An accredited, degree-granting domestic college or university;
- The American Association of Collegiate Registrars and Admissions Officers (AACRAO);
- A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.

The AQB further encourages state appraiser regulatory agencies to recognize such an evaluation towards an applicant’s educational qualifications.

It is the intent of the AQB for state appraiser regulatory agencies to accept college-level education completed at a foreign college or university, if that education has been evaluated and deemed equivalent.