



Appraisal Institute®

Professionals Providing Real Estate Solutions



AARO Fall Conference

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Getting Beyond the Experience Hours

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Getting Beyond the Experience Hours

Today's Key Points

- Recent history of changes to appraiser qualifications
- Appraisal Institute's position on proposed changes
- Experience hours credit via case study learning



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Recent History of Changes to Appraiser Qualifications

Real Property Appraiser Qualification Criteria

Recent history of changes

2011

- December – AQB adopts changes

2015

- January 1 – changes take effect
- July – AQB issues concept paper
- October – public hearing held

Real Property Appraiser Qualification Criteria

Timeline of current events

2016

- Feb. 11 – AQB issues discussion draft
- April 8 – public hearing held
- May 18 – AQB first exposure draft
- June 17 – AI provides comments
- Sept. 15 – AQB second exposure draft
- Nov. 4 – comments due



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Appraisal Institute's Position on Proposed Changes

AI's Reaction: Section 1

Licensed residential & certified residential college-level education requirements

1. AQB took bold steps

- AQB should be commended

2. AQB responded favorably to AI's comments

- Monumental leap forward

3. Section 1

- Practical relief
- Resolves a number of impediments

AI's Reaction: Section 2

Practical applications of real estate appraisal

- Moving in right direction
- Experience vs. competency
- Experience plus education alternative?
- Second draft might not solve problem

AI's Reaction: Section 2 Continued

Problem: Impediments to entry remain

- Finding supervisors
- Inconsistent experience

Solution: Dual-track qualification criteria

- Proposed criteria and alternative experience
- New curriculum required
 - Curriculum that replicates field experiences
 - Provides for testing of “experience”

AI's Reaction: Section 3

Experience requirements

1. AI favors AQB's proposal

- Encouraging changes

2. Critical issue:

- Field experience hours vs. education "experience" hours



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Experience Hours Credit vs. Case Study Learning

Experience or Education?

Appraisal Institute's position:

- Experience shouldn't be requirement for minimum state credential
- Some professions require education, not experience, for entry into profession
 - Experience comes later
- Example: accounting profession

Case Studies: Alternative to Experience Requirement

How they should work

- Requires using previously learned skills
 - Building progressive competency levels
- Has to emulate real-world experience
- AI has similar courses
 - *Review Case Studies – Residential*
 - *General Demonstration Report – Capstone*

Case Studies: Process

Key elements

1. Students accept assignment
 - Receive data, photos, research, access to database
2. Monitored by qualified supervisor/instructor
3. Testing along way to ensure students learn concepts
4. Instructor notes areas of complexity requiring additional assistance
 - Students learn to identify what they don't know

Benefits of Case Studies

- Approximates real-world situations
- Prepares students for what they'll face in the workplace
- Builds on previously learned concepts
- Ensures learning along the way
 - Through exam testing
 - Opportunity for re-learning if necessary

Going Forward

Working with others

- Build the profession
- Protect the public trust



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