# North Dakota Appraisal Board - EXPERIENCE REQUIREMENTS for Licensure or Certification:

- > All applicants for the licensure or certification must report real estate appraisal experience.
- The appraisal experience of applicants for the CERTIFIED GENERAL LEVEL (3000 hours) must have been acquired OVER a minimum period of 18 months.
- The appraisal experience of applicants for the CERTIFIED RESIDENTIAL LEVEL (1500 hours) must have been acquired OVER a minimum period of 12 months.
- The appraisal experience of applicants for the LICENSED LEVEL (1000 hours) must have been acquired OVER a minimum period of 6 months.
- > No experience is required for the APPRENTICE LEVEL.
- > All appraisal work claimed for experience must be obtained after January 30, 1989.
- There need not be a client in order for an appraisal to qualify for experience. Experience gained for work without a traditional client can meet any portion of the total experience requirement.
- A Practical Applications of Real Estate Appraisal (PAREA) program approved by the Appraisal Qualification Board may serve as an alternative to the traditional Supervisor/Trainee experience model to gain qualifying experience. PAREA utilizes simulated experience training. PAREA can replace up to 100% of the required experience hours for licensure or certified residential. In addition, PAREA can replace the required residential experience hours for certified general.n.
- All appraisal work claimed for experience must be completed in compliance with USPAP. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures, and reporting conclusions.
- Applicants gaining experience through the traditional experience model must complete an Experience Log similar to the Log found on the last page.

#### Experience gained through the traditional experience model:

Adequate experience gained through traditional experience should be determined by the actual hours spent on an assignment, <u>subject to a maximum established by the Board</u>. Maximum hours are based on the types of appraisals performed and the types of properties appraised. See the <u>Experience Hours Chart</u> below:

#### Appraisal Experience Hours Chart - Maximum Hours Allowed by the Board:

#### Licensed and Certified Residential Level:

Type of Property Appraised	Full Appraisals	Review Appraisals (With field review & separate report)	Review Appraisals (Without field review & separate report)	Condemnation Appraisals
Single Family	8	4	2	12
Multi-Family (2-4 Units)	16	8	3	24
Vacant Lot (1-4 units)	4	2	1	6
<b>Farm</b> (Homestead-less than 100 acres)	16	8	3	24

#### Certified General Level:

Type of Property Appraised	Full Appraisals	<b>Review</b> <b>Appraisals</b> (With field review & separate report)	Review Appraisals (Without field review & separate report)	Condemnation Appraisals
Land (Point value may be doubled if all 3 approaches to value are used)	24	12	5	36

Residential Multi-Family (5-12 units)	48	24	10	72
Residential Multi-Family (Add 16 hrs for proposed project)	64	32	13	96
<b>Commercial</b> Single-Tenant	48	24	10	72
Commercial - Multi-Tenant (Add 24 hrs for proposed project)	80	40	32	120
Industrial or Institutional	64	32	13	96

# Types of appraisals performed include standard appraisal, review appraisal, and condemnation appraisal. >Standard Appraisals:

A standard appraisal is the process of developing an appraisal using those methods commonly accepted by real estate appraisers as constituting the "appraisal process" and preparing a written appraisal report or file memorandum describing the appraisal and reporting the estimate of value. The appraisal process consists of an analysis of factors that affect value, definition of the problem, gathering and analyzing data, applying the appropriate value approaches and methodology, arriving at an opinion of value and correctly reporting the opinion of value in compliance with the *Uniform Standards of Professional Appraisal Practice*.

## >Review Appraisals:

A review appraisal is the process of critically reviewing an appraisal report prepared by another appraiser and preparing a separate written report or file memorandum setting forth the results of the review process. The review appraiser reviews the report and forms an opinion as to the adequacy of the report, the appropriateness of the methods used by the appraiser, and the reasonableness of the appraiser's conclusions. A review appraiser may or may not perform a "field review". A field review includes inspecting the subject and comparables to verify data, to determine the appropriateness of the comparables selected and adjustments made, and to assist in determining the reasonableness of the value estimate. Review appraisal experience must conform to Standard 3 of the *Uniform Standards of Professional Appraisal Practice*.

# >Condemnation Appraisals:

A condemnation appraisal is an appraisal of real property for condemnation purposes where a "partial taking" is involved and the appraiser must develop both a "before taking" value estimate and an "after taking" value estimate. The appraiser uses those methods commonly accepted by real estate appraisers as constituting the "appraisal process" including a field inspection and preparation of a written appraisal report or file memorandum describing the appraisal and reporting the "before and after" value estimates.

#### Types of property appraised may include the following:

# 1) RESIDENTIAL SINGLE FAMILY OR MULTI-FAMILY (2-4 UNITS)

- 2) VACANT LOT (1-4 Units)
- 3) FARM (homestead-less than 100 acres).
- 4) LAND may include farms of one hundred acres [40.47 hectares] or more in size, undeveloped tracts, residential multifamily sites, commercial sites, industrial sites, land in transition, etc.
- 5) **RESIDENTIAL MULTI-FAMILY (5-12 UNITS)** may include apartments, condominiums, townhouses, and mobile home parks.
- 6) **RESIDENTIAL MULTI-FAMILY (13+ UNITS)** may include apartments, condominiums, townhouses, mobile home parks.
- 7) **COMMERCIAL SINGLE-TENANT** may include office building, retail store, restaurant, service station, bank, daycare center, etc.
- 8) COMMERCIAL MULTI-TENANT may include office building, shopping center, hotel, etc.
- 9) INDUSTRIAL may include warehouse, manufacturing plant, etc.
- 10) **INSTITUTIONAL** may include rest home, nursing home, hospital, school, church, government building, etc.

If you have appraised property not listed above, describe on a separate sheet the properties appraised in sufficient detail to enable the Appraisal Board to determine the proper amount of credit which may be awarded.

### **INSTRUCTIONS FOR THE APPRAISAL EXPERIENCE LOG**

- 1. Type or print all information. Experience Logs may also be computer, generated provided that it follows the enclosed form.
- 2. Entries on the Experience Log must be made for each assignment claimed as follows:
  - Date of Report
  - Property Address
  - > Type of Property:
  - Example: Single Family Residential, Condo, 2-4 Units, etc.
  - Description of Work Performed by Applicant: Example: Neighborhood, subject and comp data research and analyses, interior/exterior property inspection, cost/sales comparison approaches, final reconciliation.
  - Description of Scope of Supervising Appraiser's Review: Example: Reviewed work file and report, verified subject sales history, checked data and analyses in approaches to value utilized, discussed with applicant, co-signed appraisal report.
  - > Description of Scope of Supervising Appraiser's Supervision:
  - > Example: Completed entire appraisal process with applicant, including physical inspection of subject property.
  - > Hours Claimed: Indicate number of actual hours worked by the applicant per assignment.
  - Applicant's signature/ Supervisor's signature: Each page must be signed by the applicant and supervising appraiser (if applicable). Separate logs must be maintained for each Supervising Appraiser.
  - > Total the Hours per page as well as cumulative number of hours.
- 3. To obtain experience credit for appraisals, the applicant must sign the report, sign the certification, or be given credit in the certification for significant professional assistance. Applicants providing significant professional assistance must have effectively used the appraisal process. The work must have gone beyond such tasks as taking photographs, typing the report, measuring improvements or collecting and verifying sale. Those claiming experience who have NOT signed the certification MUST be specifically and conspicuously acknowledged in the body of the report. "Significant contribution" MUST be clearly and specifically documented.
- 4. There is no maximum number of years over which the experience may be obtained.
- 5. Where an applicant has satisfied the required hours, no further listing of appraisal experience is required.
- 6. As part of the application process, documentation in the form of reports, certifications, and file memoranda must be provided to support the experience claimed. Appraisal reports will be randomly selected from your Experience Log for review for compliance with the *Uniform Standards of Professional Appraisal Practice*.
- 7. After accumulating a minimum of fifty percent of the required appraisal experience, an applicant for licensure may voluntarily submit work product to the board to be reviewed by a board reviewer for educational purposes only. One report may be submitted for review. The board will not initiate a complaint for violations identified in this review.

Date of Report	Property Address, City, State	Type of Property (SFR, Condo, 2-4 units, etc.)	Description of Applicants' Work Performed	Scope of Supervising Appraiser's Review	Scope of Supervising Appraiser's Supervision	Hours Worked Points Claime
						Hours:
			Indicate Approaches Used:			
			Cost Inc Sales			
						Hours:
			Indicate Approaches Used: Cost Inc Sales			
			Cost inc Sales			Hours:
						Hours.
			Indicate Approaches			
			Used: Cost Inc Sales			
						Hours:
			Indicate Approaches			
			Used: Cost Inc Sales			
						Hours:
			Indicate Approaches			
			<b>Used:</b> Cost Inc Sales			

Applicant Signature/Permit No.

Hours Claimed/Page: Residential \_\_\_\_Certified General \_\_\_\_

Supervising Appraiser Signature/Permit No. (When Applicable)

Cumulative: Residential \_\_\_\_\_Certified General \_\_\_\_\_