TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

| Control: | 780 | | | |
|---|--|----|--|--|
| Department or Agency: | Alabama Real Estate Appraisers Board | | | |
| Rule No.: | 780-X-605 | | | |
| Rule Title: | Qualifying Experience - Certified General Real Property Appraiser | | | |
| Intended Action | Amend | | | |
| Would the absence of the proposed rule significantly harm or | | | | |
| Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? | | | | |
| Is there another, less restrictive method of regulation available that could adequately protect the public? | | | | |
| Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? | | | | |
| To what degree?: N/A | | | | |
| Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? | | | | |
| Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? | | | | |
| Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject | | | | |
| matter of the proposed rule? | | | | |
| Does the proposed rule have a | an economic impact? | No | | |
| If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section $41-22-23$, Code of Alabama 1975 . | | | | |

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, <u>Code of Alabama 1975</u>, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

Lisa Brooks REC'D & FILED

Friday, April 12, 2024 APR 12, 2024

Date

ALABAMA REAL ESTATE APPRAISERS BOARD

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Real Estate Appraisers Board

RULE NO. & TITLE: 780-X-6-.05 Qualifying Experience - Certified General

Real Property Appraiser

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

To adopt PAREA

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

Written responses to P.O. Box 304355, Montgomery, Alabama 36130 by July 1, 2024.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Thursday, July 11, 2024

CONTACT PERSON AT AGENCY:

Neva Conway

Lisa Brooks

Lisa Brooks

(Signature of officer authorized to promulgate and adopt rules or his or her deputy)

780-X-6-.05 Qualifying Experience - Certified General Real Property Appraiser.

As of the date the application is filed with the Board, the equivalent of three thousand (3000) hours of appraisal experience or its PAREA equivalent obtained while the applicant is licensed as a real property appraiser is necessary for approval of a license for the Certified General Real Property classification. Experience obtained via the traditional appraiser/supervisor method shall be recorded on the log contained in the application. The log must contain all appraisals the applicant has signed or is entitled to claim for experience credit, beginning with the most recent appraisals (up to and including the date the application is filed with the Board) and going back, up to 5 years, until the required number of experience hours is documented. Evaluation assignment reports shall not be included on the log of appraisal report assignments. Applicants may claim the full experience credit allowed for an appraisal, regardless of the number of signing appraisers. In evaluation of experience credit offered as qualifying experience under— Code of Ala. 1975, §34-27A-11, the Board will take into consideration the following:

- (a) Hours Required. A total of 3000 hours is required for general certification. Residential hours may be obtained from AQB approved PAREA Programs.
- (b) Residential Experience Limited. Experience for a dwelling (residential appraisal) will be awarded only if there is an interior and exterior inspection. Only appraisals that meet the minimum appraisal requirements of USPAP will be considered for experience credit. This paragraph does not apply to appraisal experience obtained through an AQB approved PAREA Program.
- (c) At least eighteen months experience. Three thousand hours obtained within at least eighteen months shall be required for a general certification, of which at least 1500 hours shall be on non-residential property. Credit for up to 1000 hours of residential appraisal experience may be obtained by completion of a State Licensed PAREA Program and credit for an additional 500 hours of residential appraisal experience may be obtained by completion of a Certified Residential PAREA Program. The quantitative experience requirements must be satisfied by time spent on the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP. Experience will not be allowed for appraisals that do not demonstrate that the candidate participated in all elements of the appraisal, including the inspection process.

Experience credit will be given for appraisals completed within the last five years.

- (d) USPAP Compliance. Appraisals must comply with USPAP for hours to be awarded for experience credit. The Board will select a representative sample of appraisals from the logs submitted by the applicant. The applicant will submit the selected sample for the Board to examine for compliance with USPAP. If the sample complies with USPAP the Board will consider that all of the experience submitted by applicant complies with USPAP. A determination by the Board that the sample does not comply with USPAP shall be presumptive that all of the appraisals submitted for experience credit do not comply with USPAP. The applicant then has the burden and shall have the opportunity to demonstrate that the experience claimed is USPAP compliant at a reconsideration hearing held pursuant to Rule 780-X-3-.05. The Board will not select and review samples of appraisal assignments from an AQB approved PAREA Program.
- (e) General Appraisal Hours. General maximum appraisal hours shall be awarded as follows:

| 1. | Apartments | |
|----|--|-----------|
| | 5-20 units | 40 hours |
| | 21-100 units | 80 hours |
| | over 100 units | 100 hours |
| 2. | Hotels/Motels | |
| | 50 or fewer units | 60 hours |
| | 51-150 units | 80 hours |
| | over 150 units | 100 hours |
| 3. | Meeting, conference or auditorium | |
| | 20,000 square feet or less | 50 hours |
| | over 20,000 square feet | 60 hours |
| 4. | Industrial or warehouse building | |
| | 20,00 square feet or less | 40 hours |
| | over 20,000 square feet | 80 hours |
| | over 100,000 square feet and multiple tenant | 100 hours |
| 5. | Office Buildings | |
| | 10,000 square feet or less | 60 hours |
| | 10,001 square feet or less | 80 hours |
| | 10,001 square feet or more and multiple tenants | 100 hours |
| 6. | Condominium residences with income Approach to value | |
| | 5 to 30 units | 60 hours |
| 7. | Retail Buildings | |
| | 10,000 square feet or less | 60 hours |
| | over 10,000 square feet, single tenant | 80 hours |
| | over 50,000 square feet and multiple tenants | 100 hours |

| 8. | Acreage of non-residential land for Commercial or multiple family use | |
|-----|---|-------------------------------------|
| | Less than 10 acres | 30 hours |
| | 100 acres or more | 60 hours |
| | 100 acres or more with income approach to value | 80 hours |
| 9. | Timber or farm acreage | |
| | 100 to 200 acres | 30 hours |
| | over 200 acres | 60 hours |
| | over 200 acres with income approach to value | 80 hours |
| 10. | All other unusual structure or which are much larger of more complete than the typical properties described herein items (1)-(9) | r committee for determination 50 to |
| 11. | Reviews of appraisals shal be worth 20% of the hours awarded to the appraisal. | 1 |
| 12. | Restricted appraisal reporsible shall not exceed 25% of required experience hours. | ts |
| 13. | No more than 40% of the cumulative hours may be earned from any one categoritems (1)-(10). The applicant may request the waiver of this requirement for unique deprendence in a single are | th |

| 14. | Pasture or Grazing Enterprises | |
|-----|--|-----------|
| | 25-50 acres | 10 hours |
| | 50-100 acres | 20 hours |
| | 100-500 acres | 30 hours |
| | 500-2,000 acres | 60 hours |
| | 2,000 acres or more | 80 hours |
| 15. | Row Crop Enterprises | |
| | 25-50 acres | 20 hours |
| | 50-100 acres | 30 hours |
| | 100-500 acres | 40 hours |
| | 500-2,000 acres | 60 hours |
| | 2,000 acres or more | 100 hours |
| 16. | Orchard, Vineyard, and Plant Nursery Enterprises | |
| | 25-50 acres | 20 hours |
| | 50-100 acres | 40 hours |
| | 100-500 acres | 50 hours |
| | 500-2,000 acres | 80 hours |
| 17. | Aquaculture Enterprises | |
| | 25-50 acres | 20 hours |
| | 50-100 acres | 60 hours |
| | 100-500 acres | 80 hours |
| | 500-2,000 acres | 100 hours |
| 18. | Truck Farm Enterprises | |
| | 25-50 acres | 20 hours |
| | 50-100 acres | 40 hours |
| | 100-500 acres | 60 hours |
| | 500-2,000 acres | 80 hours |
| 19. | Dairy Enterprises | |
| | 0-50 cow milking herd | 40 hours |
| | 50-100 cow milking herd | 60 hours |
| | 100 and over cow milking herd | 80 hours |
| 20. | Diversified agricultural operations of over 500 acres involving to | 100 hours |

| | or more of the above enterprises; assuming multiple disciplines are exhibited in the report. | |
|-----|---|--|
| 21. | Specialized agricultural properties | submitted to committee for determination |
| 22. | Timber and Timber Land Appraisals | |
| | 40-100 acres | 20 hours |
| | 100-500 acres | 30 hours |
| | 500-2,000 acres | 50 hours |
| | 2,000-10,000 | 70 hours |
| | Over 10,000 acres | submitted to committee for determination |
| 23. | No more than 40% of the cumulative hours may be earned from any one category (items 16-24). The applicant may request a waiver of this requirement for unique depth of experience in a single area. | Z. |

(f) Experience credit claimed by an applicant from any AQB approved PAREA Program will only be recognized if the applicant is licensed as a Real Property appraiser while completing the program. No credit will be allowed for partial completion of a PAREA program.

Author: Alabama Real Estate Appraisers Board

Statutory Authority: Code of Ala. 1975, \$34-27A-11.

History: Repealed and Replaced: Filed February 23, 1998;
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Published ; effective .