

State Certified and Licensed Real Estate Appraisers License Law

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New York State
DEPARTMENT OF STATE
Division of Licensing Services
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State Certified and Licensed Real Estate Appraisers

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State Certified and Licensed Real Estate Appraisers

§160. Application

This article applies to the profession of real estate appraisers and the use of the titles “State certified real estate appraiser” and “State licensed real estate appraiser.”

§160-a. Definitions

As used in this article the following terms shall mean:

1. “Analysis” is a study of real estate or real property other than estimating value.
2. “Appraisal” or “real estate appraisal” means an analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, identified real estate. An appraisal may be classified by subject matter into either a valuation or an analysis.
3. “Appraisal report” means any written communication of an appraisal.
4. “Board” means the State Board of Real Estate Appraisal established pursuant to the provisions of §160-c of this article.
5. (a) “Certified appraisal” or “certified appraisal report” means an appraisal or appraisal report given or signed and certified as such by a certified real estate appraiser. When identifying an appraisal or appraisal report as “certified,” the State certified real estate appraiser must indicate which type of certification is held. A certified appraisal or appraisal report represents to the public that it meets the appraisal standards defined in this article.
- (b) “Licensed appraisal” or “licensed appraisal report” means an appraisal or appraisal report given or signed and authenticated as such by a licensed real estate appraiser. A licensing appraisal or appraisal report represents to the public that it meets the appraisal standards as prescribed by the board.
6. (a) “State certified real estate appraiser” means a person who develops and communicates real estate appraisal and who holds a current, valid certificate issued to him or her for either general or residential real estate under the provisions of this article.
- (b) “State licensed real estate appraiser” means a person who develops and communicates real property appraisals and who holds a current valid license issued to him or her for residential real property under the provisions of this article.
- (c) “State licensed real estate appraiser assistant” means a person who assists and is supervised by a state certified real estate appraiser and who holds a current valid license issued to him or her under the provisions of this article.
7. “Department” shall mean the Department of State.
8. “Real estate” means an identified parcel or tract of land, including improvements, if any.
9. “Real property” means one or more defined interests, benefits and rights inherent in the ownership of real estate.

10. “Valuation” is an estimate of the value of real estate or real property.

§160-b. Use of the title “State certified real estate appraiser” or “State licensed real estate appraiser” or “State licensed real estate appraiser assistant”

1. Only a person certified under this article shall use the title “State certified real estate appraiser” or licensed under this article shall use the title “State licensed real estate appraiser” or “State licensed real estate appraiser assistant” or assume that title or any title, designation or abbreviation likely to create the impression of certification or license by this State as a real estate appraiser or real estate appraiser assistant. After December 31, 1991, only a person who is certified or licensed pursuant to this article shall describe or refer to any appraisal or other evaluation of real estate located in this State by the term “certified” or “licensed.”

2. Nothing in this article shall preclude a person who is not a State certified or licensed real estate appraiser or a licensed real estate appraiser assistant from appraising real estate for compensation.

§160-c. State board of real estate appraisal

1. There is hereby established within the Department of State a State Board of Real Estate Appraisal which shall consist of nine members, three of whom shall be public members and six of whom shall be real estate appraisers, who shall have and exercise the powers of the board as set forth in §160-d of this article.

2. Three members shall be appointed by the Governor, one of whom shall be a public member; two members shall be appointed by the temporary president of the senate, one of whom shall be a real estate appraiser and one of whom shall be a public member; two members shall be appointed by the speaker of the assembly, one of whom shall be a real estate appraiser and one of whom shall be a public member; one member shall be appointed by the minority leader of the senate; one member shall be appointed by the minority leader of the assembly. The term of each member shall be five years.

3. Notwithstanding the foregoing, the members of the first board who are real estate appraisers, need not be certified or licensed under this article prior to their appointment to the board. The board shall appoint an executive secretary who shall be a real estate appraiser.

4. The executive secretary and real estate appraiser members first appointed to the board shall be certified designated members in good standing of a nationally recognized real estate appraisal organization that as of June 1, 1989, required appraisal experience, education and testing in order to become a designated member, in addition to adherence to standards of professional practice in order to retain such designation. Each real estate appraiser member of the board appointed after January 1, 1996, must be a State certified real estate appraiser. At least one-half of the appraiser members appointed after January 1, 1996, shall hold the general appraisal certificate. Any vacancy occurring on the board shall be filled within 60 days of its occurrence, in the same manner as the member whose vacancy is being filled was appointed. A person appointed to fill a vacancy occurring other than by expiration of a term shall be appointed for the unexpired term of the member he succeeds. No person shall serve as a member of the board for more than two consecutive terms. The public members of the board shall not be engaged in the practice of real estate appraising.

§160-d. Powers of the board

1. The board shall adopt rules and regulations in aid or furtherance of this article and shall have the following powers and duties:

- a. To define, with respect to each category of State certified real estate appraisers, State licensed real estate appraisers, and State licensed real estate appraiser assistants, the type of educational experience, appraisal experience and equivalent experience that will meet the statutory requirements of this article, provided, however, that in no event shall the experience, education and examination requirements adopted by the board be less than the minimum criteria established by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council or by the Appraiser Qualification Board of the Appraisal Foundation as referred to in Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989;
- b. To establish examination specifications consistent with the standards of the Appraisal Qualifications Board of the Appraisal Foundation for State licensed real estate appraiser assistants, State licensed real estate appraisers and each category of State certified real estate appraisers, to provide or procure appropriate examination questions and answers and to establish procedures for grading examinations;
- c. To define, with respect to State licensed real estate appraiser assistants, State licensed real estate appraisers and each category of State certified real estate appraisers, the continuing education requirements for the renewal of a license or a certification that will meet the statutory requirements provided in this article;
- d. To review the standards for the development and communication of real estate appraisals provided in this article and to adopt regulations explaining and interpreting such standards, provided, however, that such standards must, at a minimum, conform to the uniform standards of professional appraisal as promulgated by the Appraisal Standards Board of the Appraisal Foundation; and
- e. To prescribe the scope of practice for State licensed real estate appraiser assistants, State licensed real estate appraisers and each category of State certified real estate appraisers, provided, however, that in no event shall the scope of practice prescribed by the board be less than the scope of practice established by the appraisal subcommittee of the Federal Financial Institutions Examination Council or by the Appraiser Qualification Board of the Appraisal Foundation as referred to in Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989;
- f. To perform such other functions and duties as may be necessary in carrying out the provisions of this article.

2. The board shall promulgate rules and regulations prescribing the form and content of each appraisal report. Such rules and regulations shall include but are not limited to the following requirements:

- a. Each appraisal report shall clearly and accurately disclose any extraordinary assumption or limited condition that directly affects an appraisal.
- b. Each written appraisal report shall comply with the following specific reporting guidelines:
 - (1) Identify and describe the real estate being appraised;
 - (2) Identify the real property being appraised;

(3) Define the opinion that is the purpose of the appraisal and describe the scope of the appraisal;

(4) Set forth the effective date of the opinion and the date of the appraisal report;

(5) Set forth the appraiser's opinion of the highest and best use of the real estate being appraised when such an opinion is necessary and appropriate;

(6) Set forth the appraisal procedure followed, the data considered and the reasoning that supports the analyses, opinions and conclusions;

(7) Set forth all assumptions and limiting conditions that affect the analyses, opinions and conclusions in the appraisal report; and

(8) Set forth any additional information that may be appropriate to show compliance with, and identify permitted departures from, the requirements for the development of appraisals as provided in this article or as established by the board.

3. The board shall establish standards of developing an appraisal. Such standards shall, among other things, state the following guidelines:

a. All State certified or licensed real estate appraisers conducting certified or licensed appraisals, performing appraisal service or issuing an appraisal shall:

(1) Be aware of, understand and correctly employ those recognized appraisal methods and techniques that are necessary to produce a credible analysis, opinion or conclusion;

(2) Not commit a substantial error or omission of commission which results from a significant departure from the recognized appraisal methods and techniques;

(3) Not commit a substantial error or omission of commission that significantly affects an analysis, opinion or conclusion;

(4) Identify the real estate and real property under consideration, define the opinion that is the purpose of the appraisal, consider the scope of the appraisal service and identify the effective date of the opinion;

(5) Identify and consider the appropriate procedures and market data required to perform the appraisal service, where appropriate;

(6) Consider the effect on use and value of the following factors: existing land use regulations, reasonably probable modifications of land use regulations, economic demand, the physical adaptability of the property, neighborhood trends and the highest and best use of the property;

(7) Consider the effect on the property being appraised of anticipated public or private improvements, located on or off the site, to the extent that market actions reflect the anticipated improvements as of the effective appraisal date;

(8) Recognize that land may be appraised as though vacant and available for development and that the appraisal of improvements is based on their actual contributions to the site;

(9) Appraise proposed improvements only after examining and having available for future examination plans, specifications or other documentation sufficient to identify the scope and character of the proposed improvements, evidence indicating the probable time of completion of the proposed improvements, and reasonably clear and appropriate evidence supporting development costs, anticipated earnings, occupancy

projections and the anticipated competition at the time of completion; and

(10) Base estimates of anticipated future rent and expenses for the real estate and real property being appraised on reasonably clear and appropriate evidence.

- b. In addition to the foregoing, an appraiser shall define the value being considered. If the value estimate is a statement or estimate of market value, he or she shall clearly indicate whether the statement or estimate is the most probable price in terms of cash or financial arrangements equivalent to cash or other terms as may be precisely defined. If an estimate of value is based on submarket financing or financing with unusual conditions or incentives, the terms of such a typical financing shall be clearly set forth, their contributions to, or negative influence on value shall be described and estimated, and the market data supporting the valuation estimate shall be described and explained.
- c. For each real property appraisal analysis, opinion or conclusion that contains an estimate of value, a State certified or licensed real estate appraiser shall observe all of the following specific real property appraisal guidelines:
 - (1) Consider whether an appraised fractional interest, physical segment or partial holding contributes pro rata to the value of the whole;
 - (2) Identify any personal property or other items that are not real estate but are included with or considered in connection with real estate being appraised and contribute to the total value estimate or conclusion;
 - (3) Consider and analyze any current agreement of sale, option or listing of the real estate and real property being appraised, if the information is available to the person in the normal course of business;
 - (4) Consider and analyze any prior sales of the property being appraised that occurred within one year;
 - (5) When estimating the value of a leased fee estate or a leasehold estate, analyze and consider the effect on value, if any, of the terms and conditions of the lease; and
 - (6) Give careful consideration to the effect on value, if any, of the assemblage of the various estates or component parts of an estate and refrain from estimating the value of the whole solely by adding together the individual values of its various estates or component parts.
- d. In developing a review appraisal, a State certified or licensed real estate appraiser shall observe all of the following specific appraisal guidelines:
 - (1) Identify the appraisal report being reviewed, the real estate being appraised, the real property being appraised, the effective date of the opinion in the original report, the date of the original report and the date of the review;
 - (2) Identify the scope of the review process to be conducted, including a determination of whether or not it is appropriate or essential to inspect the appraised property and the data presented;
 - (3) Form an opinion as to the adequacy and relevance of the data used and the propriety of any adjustment made;
 - (4) Form an opinion as to whether or not the appraisal methods and techniques used were appropriate and, if not, the reasons for the person's disagreement with the original appraisal; and
 - (5) Form an opinion as to whether or not the analyses, opinions or conclusions in the report being reviewed are correct or

appropriate and, if not, state his or her analyses, opinions or conclusions and his or her reasons for disagreement with the original appraisal.

- e. In developing an appraisal for an employer or a client, a State certified or licensed real estate appraiser shall carefully consider and determine whether the appraisal service to be performed is intended to result in an analysis, opinion or conclusion of a disinterested third party and therefore would be classified as an appraisal assignment as defined in subdivision two of §160-x of this article. If the appraisal service to be performed is not intended to result in an analysis, opinion or conclusion of a disinterested third party, the person shall then carefully consider whether or not he or she would be perceived by third parties or the public as acting as a disinterested third party.
- f. Prior to entering into an agreement to perform a real property appraisal service, a State certified or licensed real estate appraiser shall carefully consider the knowledge and experience that will be required to complete the appraisal service competently and either:
 - (1) Have the knowledge and experience necessary to complete the appraisal service competently; or
 - (2) Immediately disclose the lack of knowledge or experience to the client and take all steps necessary to complete the appraisal service competently.
- g. A State certified or licensed real estate appraiser may enter into an agreement to perform a real property appraisal service that calls for something less than, or different from, the work that would otherwise be required by the specific appraisal guidelines, provided that prior to entering into the agreement, he or she has done all of the following:
 - (1) The State certified or licensed real estate appraiser has determined that the appraisal service to be performed is not so limited in scope that the resulting analysis, opinion or conclusion concerning real estate or real property would tend to mislead or confuse the client, the users of the appraisal report or the public; and
 - (2) The State certified or licensed real estate appraiser has advised the client that the appraisal service calls for something less than, or different from, the work required by the specific appraisal guidelines, and therefore the appraisal report will include a qualification that reflects the limited or differing scope of the appraisal service.

§160-e. Powers of the department

The department shall have the following powers and duties:

- 1. To receive applications for certification and licensing;
- 2. To establish the administrative procedures for processing applications for certification and licensing;
- 3. To approve or disapprove applications for certification or license and issue certificates or licenses;
- 4. To maintain a registry of the names and addresses of people certified or licensed under this article;
- 5. To retain records and all application materials submitted to it;
- 6. To approve courses and seminars for original certification or licensing and continuing education to ensure that the same are consistent with the standards established by the board, or equivalent to those required by such standards;

7. To assist the board in such other manner as the board may request;

8. To establish administrative procedures for disciplinary proceedings conducted pursuant to the provisions of this article; and

9. To suspend and revoke certificates or licenses pursuant to the disciplinary proceedings provided for in this article.

§160-f. Fees

1. The department shall charge and collect fees not in excess of the following:

- a. An application fee for certification and licensing of \$250.
- b. An examination fee of \$50.
- c. A reexamination fee of \$50.
- d. A fee for recertification or renewal of license of \$250.
- e. A delinquent renewal fee of \$200.

2. Notwithstanding any other law, the department may transmit an annual registry fee as set by federal appraisal subcommittee in accordance with 12 U.S.C. 3338(a)(4)(A) from such individuals who perform or seek to perform appraisals in federally related transactions and to transmit a roster of such individuals to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council as required by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

3. All fees collected under this section shall be paid into the licensing examinations services account pursuant to §97-aa of the State Finance Law.

§160-g. Certification and licensing process

1. Applications for original certification and recertification, original license and renewal of license, and examinations shall be made in writing to the department on forms approved by the board.

2. The fees, as fixed by the department pursuant to §160-f of this article, must accompany all applications for original certification and recertification, original license and renewal of license, and examination.

3. At the time of filing an application for certification or license, each applicant shall sign a pledge to comply with the standards set forth in this article and state that he or she understands the types of misconduct for which disciplinary proceedings may be initiated against a State certified real estate appraiser, or a State licensed real estate appraiser, as set forth in this article.

§160-h. Licenses and certifications

1. There shall be one class of license for State licensed real estate appraiser assistants, one class of license for State licensed real estate appraisers and two classes of certification for State certified real estate appraisers. The classes of certification shall be State certified residential real estate appraiser and State certified general real estate appraiser. The board shall prescribe the scope of practice for each license and both classes of certification, provided, however, that in no event shall the scope of practice prescribed by the board be less than the minimum criteria established by the appraisal subcommittee of the Federal Financial Institutions Examination Council or by the appraiser qualification board of the appraisal foundation as referred to in Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

2. The application for original certification and recertification or original license and renewal of license, and examination shall specify whether it is for a license or certification being applied for and previously granted. If the application is for a license or renewal, it shall specify for what class of license the application is being made. If the application is for a certification or recertification, it shall specify for what class of certification the application is being made.

§160-i. Examination requirement

An original certification as a State certified real estate appraiser or an original license as a State licensed real estate appraiser shall not be issued to any person who has not demonstrated through a written examination process that he or she possesses the following:

1. Appropriate knowledge of technical terms commonly used in or related to real estate appraising, appraisals, report writing and economic concepts applicable to real estate;

2. Understanding of the principles of land economics, real estate appraisal processes, and of problems likely to be encountered in gathering, interpreting and processing of data in carrying out appraisal disciplines;

3. Understanding of the standards for the development and communication of real estate appraisals as provided in this article;

4. Knowledge of theories of depreciation, cost estimating, methods of capitalization, and the mathematics of real estate appraisal that are appropriate for the classification of certificate applied for;

5. Knowledge of other principles and procedures as may be appropriate for the respective classifications;

6. Basic understanding of real estate law; and

7. Understanding of the types of misconduct for which disciplinary proceedings may be initiated against a State certified real estate appraiser or a State licensed real estate appraiser, as set forth in this article.

§160-j. Examination prerequisites

1. Certified general classification. As a prerequisite to taking the examination for certification as a State certified general real estate appraiser, an applicant shall present evidence satisfactory to the board that he or she has fulfilled the minimum education and experience requirements for such certification examination as established by the board, which shall not be less than the minimum criteria established by the appraiser qualification board pursuant to Title XI of the Financial Institution Reform, Recovery, and Enforcement Act of 1989.

2. Certified residential classification. As a prerequisite to taking the examination for certification as a State certified residential real estate appraiser, an applicant shall present evidence satisfactory to the board that he or she has fulfilled the minimum education and experience requirements for such certification examination as established by the board, which shall not be less than the minimum criteria established by the appraiser qualification board pursuant to Title XI of the Financial Institution Reform, Recovery, and Enforcement Act of 1989.

3. Licensed classification. As a prerequisite to taking the examination for licensing as a State licensed real estate appraiser, an applicant shall present evidence satisfactory to the board that he or she has fulfilled the minimum education and experience requirements for such certification examination as established by the board, which

shall not be less than the minimum criteria established by the appraiser qualification board pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

§160-k. Experience requirement

1. An original certification of a State certified real estate appraiser, or an original license of a State licensed real estate appraiser, shall not be issued to any person who does not possess the equivalent of two years of appraisal experience in real property appraisal as defined by the board supported by adequate written reports. Such experience may include fee and staff appraisal, ad valorem tax appraisal, review appraisal, appraisal analysis, highest and best use analysis, feasibility analysis or study, and teaching of appraisal courses at a university, college, or junior college when such courses have a duration of not less than 10 weeks.

2. A person who is not a State certified real estate appraiser under this article may assist a State certified real estate appraiser in the preparation of an appraisal, provided that he or she is actively and personally supervised by the State certified real estate appraiser and provided that any appraisal report is reviewed and signed by the supervising State certified appraiser.

3. Each applicant for certification or license shall furnish under oath a detailed listing of the real estate appraisal reports for each year for which experience is claimed by the applicant. Upon request, the applicant shall make available to the department for examination, a sample of appraisal reports which the applicant has prepared in the course of his or her appraisal practice.

4. No state certified real estate appraiser shall supervise more than three licensed real estate appraiser assistants.

§160-l. Terms of registration

The term of a certificate or license issued under the authority of this article shall be two years from the date of issuance. The expiration date of the certificate or license shall appear on the certificate or license and no other notice of its expiration need be given to its holder.

§160-m. Nonresident certification and licensing

1. Every applicant for certification or licensing under this article who is not a resident of this State shall submit, with the application for certification or license, an irrevocable consent that service of process upon him or her may be made by delivery of the process to the Secretary of State if, in an action against the applicant in a court of this State arising out of the applicant's activities as a State certified real estate appraiser, or a State licensed real estate appraiser, the plaintiff cannot, in the exercise of due diligence, effect personal service upon the applicant.

2. When a nonresident of this State, certified or licensed under the laws of his resident State, the certification and licensing process of which has not been disapproved by the appraisal subcommittee of the Federal Financial Institutions Examination Council, does not maintain an office for providing appraisal services to clients in this State, and has complied with subdivision one of this section, such nonresident may, upon recommendation of the board, pursuant to such temporary licensing rules or regulations as the board may promulgate, provide certified or licensed appraisals. No temporary certificate or license shall be valid for a duration greater than one year after the date of issue. Any person performing, or seeking to perform, Federally related appraisals shall be liable for, and pay, all

fees, rated proportionately, which would apply to such person were he or she a resident of this State.

3. A nonresident of this State who has complied with subdivision one of this section, but who does not qualify for treatment under subdivision two of this section, may obtain a certificate as a State certified real estate appraiser or a license as a State licensed real estate appraiser by conformity to all the provisions of this article relating to State certified or licensed real estate appraisers.

4. The board shall recognize on a temporary basis the certification or license of an appraiser issued by another State pursuant to §1122 of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. Law. No. 101-73, 103 Stat. 183 (1989) (codified at 12 U.S.C. 331 et seq.).

§160-n. Nonresident certification and licensing by reciprocity

If, in the determination of the board, the certification or licensing process has not been disapproved by the appraisal subcommittee of the Federal Financial Institutions Examination Council, an applicant who is certified under the laws of such other State may obtain a certificate as a State certified real estate appraiser or a license as a State licensed real estate appraiser in this State upon such terms and conditions as may be determined by the department.

§160-o. Renewal certificate or license

1. a. To obtain a recertification as a State certified real estate appraiser, or a renewal of license as a State licensed real estate appraiser, the holder of a current, valid certificate or license shall make application and pay the prescribed fee to the department not earlier than 120 days nor later than 30 days prior to the expiration date of the certificate or license then held. With the application for recertification or renewal of license, the State certified real estate appraiser or State licensed real estate appraiser shall present evidence in the form prescribed by the department of having completed the continuing education requirements, if any, for renewal specified in this article.
- b. If the department determines that an applicant has failed to meet the requirements for renewal of certification or licensing through mistake, misunderstanding or circumstances beyond the control of the applicant, the department may extend the term of the certificate or license for a period not to exceed six months, upon payment by the applicant of the prescribed fee for the extension.
- c. If the applicant satisfies the requirements for renewal during the extended term of certification or license, the beginning date of the new renewal certificate or license shall be the day following the expiration of the certificate or license previously held by the applicant.

2. If a person fails to renew a certificate as a State certified real estate appraiser, or license as a State licensed real estate appraiser, prior to its expiration or within a period of extension granted by the department pursuant to this article, the person may obtain a recertification or renewal of license by satisfying all of the requirements for renewal and by the payment of a late renewal fee.

3. The license of a State licensed real estate appraiser assistant may be renewed in accordance with the provisions of subdivisions one and two of this section.

§160-p. Basis for denial

The department may, in accordance with the provisions of this article relating to hearings, deny the issuance of a certificate as a State certified real estate appraiser, or license as a State licensed real estate appraiser, or license as a State licensed real estate appraiser assistant, to an applicant on any of the grounds enumerated in this article.

§160-q. Principal place of business

1. Each State certified or licensed real estate appraiser and each State licensed real estate appraiser assistant shall advise the department of the address of his or her principal place of business and all other addresses at which he or she is currently engaged in the business of preparing or assisting with the preparation of real property appraisal reports.

2. Change of name or address. Notice in writing in the manner and form prescribed by the department shall be given the department at its offices in Albany within 10 days of a change of name or address of the state certified or licensed real estate appraisers or of the State licensed real estate appraiser assistants, except those made on a recertification or renewal application. The fee for filing each change of name or address notice shall be \$10.

§160-r. Certificate or license

1. A certificate or license issued under authority of this article shall bear the signature of the executive secretary of the board and a certificate or license number assigned by the department.

2. Each State certified real estate appraiser shall place his or her certificate number, and each licensed real estate appraiser shall place his or her license number adjacent to or immediately below the title "State Certified Residential Real Estate Appraiser", "State Certified General Real Estate Appraiser" or "State Licensed Real Estate Appraiser", respectively, when used in an appraisal report or in a contract or other instrument used by the certificate or license holder in conducting real property appraisal activities.

3. Duplicate licenses or certifications or pocket cards. In the case of loss, destruction, or damage, the Secretary of State may, upon submission of a request in such form and manner as the department may prescribe, issue a duplicate license or certification or pocket card upon payment of a fee of \$10.

§160-s. Use of term

1. The title "State certified real estate appraiser" may only be used to refer to individuals who hold the certificate, and the title "State licensed real estate appraiser" may only be used to refer to individuals who hold the license and the title "State licensed real estate appraiser assistant" may only be used to refer to individuals who hold the license, and may not be used following or immediately in conjunction with the name or signature of a firm, partnership, corporation or group; or in such manner that it might be interpreted as referring to a firm, partnership, corporation, group or anyone other than an individual holder of the certificate or license.

2. No certificate or license shall be issued under the provisions of this article to a corporation, partnership, firm or group. This shall not be construed to prevent a State certified or licensed real estate appraiser from signing an appraisal report on behalf of a corporation, partnership, firm or group practice.

§160-t. Continuing education

1. As a prerequisite to recertification or renewal of license, a certified or licensed real estate appraiser shall present evidence satisfactory to the department of having met the continuing education requirements, if any, pursuant to this article.

2. The basic continuing education requirement for recertification or renewal of license shall be the completion by the applicant, during the immediately preceding term of certification or license, of not less than 28 classroom hours of instruction in courses or seminars which have received the approval of the department. Computer based and distance learning courses may be approved by the department so long as providers demonstrate the ability to monitor and verify participation by the real estate appraiser for the specified time periods.

3. In lieu of meeting the requirements of subdivision two of this section an applicant for recertification or renewal of license may satisfy all or part of the requirements by presenting evidence of the following:

- a. Completion of an educational program of study determined by the department to be equivalent, for continuing education purposes, to courses approved by the department pursuant to subdivision two of this section; or
- b. Participation other than as a student in educational processes and programs approved by the department which relate to real property appraisal theory, practices or techniques, including, but not necessarily limited to, teaching, program development and preparation of textbooks, monographs, articles and other instructional materials.

4. The Secretary of State or his/her duly appointed designee shall adopt regulations upon recommendation by the board for implementations of the provisions of this article to assure that persons renewing their certifications as State certified real estate appraisers or licenses as State licensed real estate appraisers have current knowledge of real property appraisal theories, practices and techniques which will provide a high degree of service and protection to those members of the public with whom they deal in a professional relationship under authority of the certification or license. The regulations shall prescribe the following:

- a. Policies and procedures for obtaining departmental approval of courses of instruction pursuant to subdivision two of this section;
- b. Standards, policies and procedures to be applied by the department in evaluating applicant's claims of equivalency in accordance with subdivision three of this section;
- c. Standards, monitoring methods and systems for recording attendance to be employed by course sponsors as a prerequisite to department approval of courses for credit.

5. In adopting regulations pursuant to paragraph a of subdivision four of this section, the board shall give favorable consideration to courses of instruction, seminars and other real property appraisal educational courses or programs previously or hereafter developed by or under the auspices of professional appraisal organizations and utilized by those associations for purposes of designation or indicating compliance with the continuing education requirements of such organizations.

6. No amendment or repeal of a regulation adopted by the Secretary of State or his/her duly appointed designee pursuant to this section shall operate to deprive a State certified real estate appraiser of credit toward recertification, or a State licensed real estate appraiser of credit toward renewal of license, for any course of

instruction completed by the applicant prior to the amendment or repeal of the regulation which would have qualified for continuing education credit under the regulation as it existed prior to the repeal or amendment.

7. A certification as a State certified real estate appraiser, or a license as a State licensed real estate appraiser, that has been revoked as a result of disciplinary action by the department shall not be reinstated unless the applicant presents evidence of completion of the continuing education required by this article. This requirement of evidence of continuing education shall not be imposed upon any applicant for reinstatement who has been required to successfully complete the examination for State certified or licensed real estate appraiser as a condition to reinstatement of certification or license.

8. The board shall prescribe the continuing education requirements for licensed real estate appraiser assistants; provided, however, that in no event shall such requirements be less than the minimum criteria established by the appraisal subcommittee of the Federal Financial Institutions Examination Council or by the Appraiser Qualification Board of the Appraisal Foundation as referred to in Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

§160-u. Disciplinary proceedings

1. The rights of any holder under a State certificate as a State certified real estate appraiser, or a license as a State licensed real estate appraiser, may be revoked or suspended, or the holder of the certification or license may be otherwise disciplined in accordance with the provisions of this article, upon any of the grounds set forth in this section. The department may investigate the actions of a State certified or licensed real estate appraiser, and may revoke or suspend the rights of a certificate or license holder or otherwise discipline a State certified or licensed real estate appraiser for any of the following acts or omissions:

- a. Procuring or attempting to procure a certificate or license pursuant to this article by knowingly making a false statement, submitting false information, refusing to provide complete information in response to a question in an application for certification or license or through any form of fraud or misrepresentation;
- b. Failing to meet the minimum qualifications established by this article;
- c. Paying money other than provided for by this article to any member or employee of the department to procure a certificate or license under this article;
- d. A conviction of a felony or a misdemeanor which is substantially related to the qualifications, functions and duties of a person developing real estate appraisals and communicating real estate appraisals to others;
- e. An act or omission involving dishonesty, fraud or misrepresentation with the intent to substantially benefit the certificate or license holder or another person or with the intent to substantially injure another person;
- f. Violation of any of the standards for the development or communication of real estate appraisals as provided in this article;
- g. Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report or communicating an appraisal;
- h. Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal;

- i. Willfully disregarding or violating any of the provisions of this article or the regulations of the board for the administration and enforcement of the provisions of this article;
 - j. Accepting an appraisal assignment as defined in §160-x of this article, when the employment itself is contingent upon the appraiser reporting a predetermined estimate, analysis or opinion, or where the fee to be paid is contingent upon the appraiser reporting a predetermined estimate, analysis or opinion, or where the fee to be paid is contingent upon the opinion, conclusion or valuation reached, or upon the consequences resulting from the appraisal assignment;
 - k. Violating the confidential nature of governmental records to which he or she gained access through employment or engagement as an appraiser by a governmental agency; or
1. Entry of a final civil judgment against the person on grounds of fraud, misrepresentation or deceit in the making of any appraisal of real property.

2. In a disciplinary proceeding based upon a civil judgment, the certified or licensed real estate appraiser shall be afforded an opportunity to present matters in mitigation and extenuation, but may not collaterally attack the civil judgment.

3. The provisions of subdivisions one and two of this section shall also be applicable to licensed real estate appraiser assistants.

§160-v. Due process

1. Before suspending or revoking any certification or license, the department shall notify the State certified or licensed real estate appraiser or licensed real estate appraiser assistant in writing of any charges made at least 20 days prior to the date set for the hearing and shall afford him or her an opportunity to be heard in person or by counsel.

2. The written notice may be served either personally or sent by certified mail to the last known business address of the appraiser.

3. The department shall have the power to sub-poena and issue subpoena duces tecum and to take testimony by deposition, in the same manner as prescribed by law in judicial proceedings in the courts of this State.

§160-w. Hearing and judicial review

1. The hearing on the charges shall be at a time and place prescribed by the department.

2. If the department determined that a State certified or licensed real estate appraiser or licensed real estate appraiser assistant is guilty of a violation of any of the provisions of this article, it shall prepare a finding of fact and recommend that such appraiser be reprimanded or that his or her certification or license be suspended or revoked. The decision and order of the department shall be final.

3. Any final decision or order of the department in certifying or denying certification or in recertification, or in licensing, denying license, or in renewal of a license, under this article or in revoking or suspending such certification or license or imposing any fine or reprimand on the holder of such certification or license shall be subject to review by a proceeding brought under and pursuant to Article 78 of the Civil Practice Law and Rules at the insistence of the applicant for such certification, the holder of the certificate or license so revoked or suspended or the person fined, reprimanded or otherwise aggrieved.

§160-x. Classification of services

1. A client or employer may retain or employ a State certified or licensed real estate appraiser to act as a disinterested third party in rendering an unbiased estimate of value or analysis. A client or employer may also retain or employ a State certified or licensed real estate appraiser to provide specialized services to facilitate the client's or employer's objectives. In either case, the appraisal and the appraisal report must comply with the provisions of this article.

2. For the purposes of this article, the term "appraisal assignment" means an engagement for which an appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested third party in rendering an unbiased analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, identified real estate.

3. For the purposes of this article, the term "specialized services" means those appraisal services which do not fall within the definition of appraisal assignment. The term "specialized services" may include valuation work and analysis work. Regardless of the intention of the client or employer, if the state certified or licensed real estate appraiser would be perceived by third parties or the public as acting as a disinterested third party in rendering an unbiased analysis, opinion or conclusion, the work is classified as an appraisal assignment and not "specialized services".

§160-y. Contingent fees

1. A State certified or licensed real estate appraiser may not accept a fee for an appraisal assignment as defined in §160-x of this article, that is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion or is contingent upon the opinion, conclusion or valuation reached, or upon the consequences resulting from the appraisal assignment.

2. A State certified or licensed real estate appraiser who enters into an agreement to perform specialized services, as defined in §160-x of this article, may be paid a fixed fee or a fee that is contingent on the results achieved by the specialized services.

3. If a State certified or licensed real estate appraiser enters into an agreement to perform specialized services for a contingent fee, this fact shall be clearly stated in each written report. In each written report, this fact shall be clearly stated in a prominent location in such report and also in each letter of transmittal and in the certification or authentication of the statements made by the appraiser in such a report.

§160-z. Retention of records

1. A State certified or licensed real estate appraiser shall retain for three years, originals or true copies of all written contracts engaging his or her services for real property appraisal work, and all reports and supporting data assembled and formulated by the appraiser in preparing the reports.

2. Such period for retention of records is applicable to each engagement of the services of the appraiser and shall commence upon the date of the submittal of the appraisal to the client unless, within such three year period, such appraiser is notified that the appraisal or report is involved in litigation, in which event the three year period for the retention of records shall commence upon the date of the final disposition of such litigation.

3. All records required to be maintained under the provisions of this article shall be made available by the State certified or licensed real estate appraiser for inspection and copying by the board on

reasonable notice to such appraiser. All such records copied by the board shall be kept confidential, except where disclosure of same is required by law or mandate of a court.

§160-aa. Transitional licensing

Consistent with the intent and purpose of this article, and without the disapproval of the appraisal subcommittee of the Federal Financial Institutions Examination Council, the board may prescribe requirements for transitional licenses which shall expire no later than January first, nineteen hundred ninety-three.

§160-bb. Severability

If any clause, sentence, paragraph, section or part of this article shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

RULES AND REGULATIONS TITLE 19 NYCRR BOARD OF REAL ESTATE APPRAISAL

PART 1101 SCOPE OF PRACTICE

§1101.1 Scope of practice for certified general real estate appraiser

A certified general real estate appraiser may appraise all types of real property.

§1101.2 Scope of practice for certified residential real estate appraiser

(a) The scope of practice for a certified residential real estate appraiser is limited to:

(1) the appraisal of 1-4 family residential units without regard to value or complexity; and

(2) the appraisal of vacant or unimproved land that is to be utilized for a 1-4 family residential unit without regard to value or complexity, or vacant or unimproved land for which the highest and best use is a 1-4 family residential unit without regard to value or complexity.

(b) A certified residential real estate appraiser shall not appraise a residential subdivision, except that a certified residential real estate appraiser may appraise individual properties within a subdivision.

§1101.3 Scope of practice for a licensed residential real estate appraiser

(a) The scope of practice for a licensed residential real estate appraiser is limited to the appraisal of noncomplex 1-4 family residential units having a transaction value of less than \$1,000,000 and complex 1-4 family residential units having a transaction value of less than \$250,000.

PART 1102

QUALIFYING EXPERIENCE

(b) The scope of practice for a licensed residential real estate appraiser includes the appraisal of vacant or unimproved land that is to be utilized for a 1-4 family residential unit or vacant or unimproved land for which the highest and best use is a 1-4 family residential unit. In either case, the scope of practice is limited to the appraisal of vacant or unimproved land having a transaction value of less than \$1,000,000.

§1101.4 Scope of practice for a licensed real estate appraiser assistant

(a) The scope of practice for a licensed real estate appraiser assistant is the appraisal of those real properties that the supervising appraiser is permitted to appraise.

(b) A licensed real estate appraiser assistant shall be directly supervised by a supervising real estate appraiser who shall be a State certified real estate appraiser and who shall be registered with the department in accordance with 19 NYCRR 1103.4. The supervising real estate appraiser shall be responsible for the training and direct supervision of the appraiser assistant by:

- (1) accepting responsibility for the appraisal report by signing and certifying the report;
- (2) reviewing the appraiser assistant's work and reports; and
- (3) personally inspecting each appraised property with the appraiser assistant until the supervising appraiser determines that the appraiser assistant is competent to conduct inspection on his or her own, in accordance with the competency rule of USPAP for the property type.

(c) An appraiser assistant may have more than one supervising appraiser, but an appraiser assistant must have at least one supervising appraiser for each appraisal assignment.

(d) An appraiser assistant and his or her supervising appraiser shall jointly maintain an appraisal log, which shall include, at a minimum, the following for each appraisal:

- (1) the type of property;
- (2) the client name and address;
- (3) the address of the appraised property;
- (4) a description of the work performed by the appraiser assistant and the scope of review and supervision of the supervising appraiser;
- (5) the number of work hours;
- (6) the signature and the State certification number of the supervising appraiser; and
- (7) the date of the report.

(e) An appraiser assistant shall maintain a separate appraisal log for each supervising appraiser.

(f) An appraiser assistant shall be entitled to obtain copies of the appraisal reports he or she prepared. The supervising appraiser shall keep copies of those appraisal reports, in written or electronic form, for a period of five years or at least two years after final disposition of any judicial proceedings in which the supervising appraiser provided testimony related to the assignment, whichever period expires last.

§1102.1 Qualifying experience

(a) Applicants for residential licensing must possess at least two years of full-time experience. Applicants for residential certification must possess at least two years of full-time experience. Applicants for general certification must possess at least two and one-half years of full-time experience. Applicants will not receive credit for any experience gained more than five years prior to the submission of an application for licensing or certification to the Department of State. In addition, applicants must attain the hours of experience required under §1102.2 of this Part.

(b) Applicants may acquire experience outlined in section 1102.5 of this Part.

§1102.2 Hourly experience requirements

(a) Applicants for residential licensing must have at least 1,000 hours of real estate appraisal experience over a period of not less than 24 months.

(b) Applicants for residential certification must have at least 1,500 hours of real estate appraisal experience over a period of not less than 24 months. The residential experience must include experience in single-family, two- to four-family, cooperatives, condominiums, or other residential experience.

(c) Applicants for general certification must have at least 3,000 hours of experience over a period of not less than 24 months, of which a minimum of 1,500 hours must be in non-residential appraisal work.

(d) Upon request by the Department of State, either prior to licensing or certification; or after licensing or certification, an applicant must provide documentation or other proof, satisfactory to the Department of State, to substantiate any or all of the experience claimed by the applicant. Failure to provide the requested documentation or proof promptly shall be grounds for the Department of State to deny the application, or if the applicant has been licensed or certified, shall be grounds for the Department of State to suspend or revoke the license or certification. Any false claim of experience shall be grounds for the Department of State to deny the application, or if the applicant has been licensed or certified, shall be grounds for the Department of State to suspend or revoke the license or certification.

§1102.3 Appraisal experience schedule

(a) Hours of experience shall be credited to an applicant based on actual time spent on appraisal assignments up to a maximum number of hours in accordance with the following schedule. Except as provided for by paragraph (b) of this section, experience credits may only be granted for the following types of appraisal assignments.

APPRAISAL EXPERIENCE SCHEDULE

Type of Property Appraised	Assigned hours cannot exceed	
	Standard Appraisal	Review Appraisal
Residential		
Residential Single-Family (Single Co-op or Condo)	6	1.5
Residential Single-Family Complex		

(Waterfront or Unique)	20	5
Residential Single-Family Complex (Over \$5,000,000)	40	10
Residential Multi-Family (2-4 units)	12	3
Vacant Lot (Residential, 1-4 units)	6	1.5
Farm (Less than 100 acres, with residence)	18	4.5
General		
Land: Farms of 100 acres or more in size, undeveloped tracts, residential multi-family sites, commercial sites, industrial sites	30	7.5
Complex Farms 100 acres or more in size, multi-building with Processing facilities	40	10
Residential Multi-Family (5-12 units): Apartments, condominiums, townhouses and mobile home parks	36	9
Residential Multi-Family (13 or more units): Apartments, condominiums, townhouses and mobile home parks	48	12
Commercial/Industrial Single-Tenant: Office buildings, R&D, retail stores, restaurants, service stations, warehouses, day care centers, and other similar buildings	48	12
Commercial/Industrial Multi-Tenant: Office buildings, R&D, shopping centers, hotels, warehouses	60	15
Manufacturing plants	48	12
Institutional: Rest homes, nursing homes, hospitals, schools, churches, government buildings	48	12

(b) If an applicant has appraisal experience for a type of property that is not listed in the appraisal experience schedule, the applicant may receive credit for the appraisal experience if the Department of State determines that the appraisal experience is substantially equivalent, for experience purposes, to an appraisal for one of the types of property that is listed in the appraisal experience schedule. However, the burden shall be on the applicant to establish to the satisfaction of the Department of State that the appraisal experience is substantially equivalent to an appraisal of one of the types of properties listed in the appraisal experience schedule.

§1102.4 Acceptable experience

(a) An applicant shall have the burden of establishing to the satisfaction of the Department of State that the applicant actually performed the work associated with the appraisal or appraisals which the applicant claims appraisal-experience credit. Experience credit will only be granted for hours actually worked on an appraisal assignment provided that no applicant shall be permitted to claim experience hours in excess of the maximum hours per assignment as provided for by Section 1102.3 of this Part.

(b) For review appraisals, an applicant shall receive 25 percent of the hours normally credited for an appraisal if the applicant

performed a review appraisal, which shall include a field review, a documentary review, or a combination of both. However, experience gained by performing review appraisals may not exceed 25 percent of the total number of hours of experience required for licensing or certification.

§1102.5 Practical Applications of Real Estate Appraisal (PAREA) Programs

(a) As an alternative means to satisfy the experience requirements of this Part, applicants may complete a Practical Applications of Real Estate Appraisal (PAREA) program. PAREA programs must be approved by the Appraiser Qualification Board (AQB), or any successor body recognized by Federal law, utilize simulated experience training including, but not limited to computer-based learning; video gaming; video tutorial; virtual assistant; and virtual reality training, and serve as an alternative to the traditional Supervisor/Trainee experience model to qualify as Uniform Standards of Professional Appraisal Practice (USPAP) compliant experience.

(b) Applicants who complete a Licensed Residential PAREA program may apply their certificate of completion in the following ways:

- (1) A Licensed Residential PAREA certificate of completion may satisfy up to 100 percent of the required experience hours for the Licensed Residential classification.
- (2) A Licensed Residential PAREA certificate of completion may satisfy up to 67 percent of the required experience hours for the Certified Residential classification.
- (3) A Licensed Residential PAREA certificate of completion may satisfy up to 33 percent of the required experience hours for the Certified General classification, none of which is eligible towards the required nonresidential hours.

(c) Participants who complete a Certified Residential Practical Applications of Real Estate Appraisal program may apply their certificate of completion in the following ways:

- (1) A Certified Residential PAREA certificate of completion may satisfy up to 100 percent of the required experience hours for the Licensed Residential classification.
- (2) A Certified Residential PAREA certificate of completion may satisfy up to 100 percent of the required experience hours for the Certified Residential classification.
- (3) A Certified Residential PAREA certificate of completion may satisfy up to 50 percent of the required experience hours for the Certified General classification, none of which is eligible towards the required nonresidential hours.

(d) An applicant that meets the requirements of this section shall submit to the Department of State a certificate of completion from the provider of an AQB approved PAREA program.

§1102.6 Nonqualifying experience

An applicant shall not receive experience credit for residential certification or for general certification for performing any of the following activities:

- (a) market value estimates performed by a real estate licensee where such estimates are made in connection with the listing and/or sale of real estate. Market value estimates shall include estimates commonly known as comparative market analysis;

(b) [RESERVED]

(c) business appraisals. However, an applicant shall receive credit for appraisals of individual parcels of real estate;

(d) personal property appraisals; and

(e) feasibility or market analysis, except to the extent that the market value of a real estate project is being estimated.

§1102.7 Mass appraisals

(a) Applicants for residential licensing, residential certification or general certification will receive credit for mass appraisal experience according to the provisions of this section.

(b)(1) Experience requirements.

(i) An applicant for residential licensing must document that the applicant has at least 2,000 hours over a period of at least two years performing mass appraisals or the equivalent thereof. The applicant’s documentation must demonstrate that the applicant was engaged for at least 1,500 hours performing mass appraisals of properties in the residential categories set forth in paragraph (c)(2) of this section.

(ii) An applicant for residential certification must document that the applicant has at least 2,500 hours over a period of at least two years performing mass appraisals or the equivalent thereof. The applicant’s documentation must demonstrate that the applicant was engaged for at least 1,875 hours performing mass appraisals of properties in the residential categories set forth in paragraph (c)(2) of this section.

(iii) An applicant for general certification must document that the applicant has at least 3,000 hours of over a period of at least 2½ years performing mass appraisals or the equivalent thereof. The applicant’s documentation must demonstrate that the applicant was engaged for at least 2,250 hours performing mass appraisals of properties in the general categories set forth in paragraph (c)(3) of this section.

(2) An applicant must demonstrate experience in each of the three essential tasks of a mass appraisal. The applicant’s experience in each category, as a percentage of the total required experience, must be within the following maximum and minimum:

Mass Appraisal Tasks	Minimum Experience Required	Maximum Experience Allowed
Data collection	20%	25%
Modeling and value analysis	30%	50%
Valuation and final review	30%	50%

(c)(1) An applicant must demonstrate the effectiveness of the applicant’s mass appraisal models by submitting single property appraisals from separate neighborhoods. These single property appraisals must demonstrate compliance with the appraisal standards set forth in Part 1106 of this Title.

(2) An applicant for residential licensing or residential certification must submit one single property appraisal in three of the residential categories listed below:

(i) residential single family,

(ii) residential 2 to 4 family,

(iii) residential vacant land, or

(iv) farms less than 100 acres.

(3) An applicant for general certification must submit one single-property appraisal in four of the general categories listed below:

(i) apartment buildings (more than four units),

(ii) land (undeveloped tracts, commercial sites, industrial sites, or utility sites),

(iii) farms greater than 100 acres,

(iv) townhouse complexes,

(v) condominium complexes,

(vi) mobile home parks,

(vii) manufacturing plants,

(viii) office buildings (single tenant),

(ix) office buildings (multiple tenants),

(x) retail and shopping centers,

(xi) warehouses,

(xii) restaurants,

(xiii) R&D facilities,

(xiv) day care centers,

(xv) hotels or motels,

(xvi) gas or service stations,

(xvii) hospitals, nursing homes, and health care centers,

(xviii) schools, churches or government buildings, and

(xix) other commercial, industrial or utility real property.

PART 1103

QUALIFYING COURSE REGULATIONS

§1103.1 Definitions

As used in this Part, the following terms shall have the following meanings:

(a) Appraisal course - the term “appraisal course” shall refer to a course that has either been approved by the Department or has been submitted to the Department for approval pursuant to Section 1103.3 of this Part.

(b) Appraisal school - the term “appraisal school” shall refer to a person or institution that has either been approved by the Department or has submitted a request to the Department for approval to offer one or more appraisal courses pursuant to Section 1103.3(b) of this Part.

(c) Appraiser assistant - the term “appraiser assistant” shall refer to a NYS licensed real estate appraiser assistant as defined in Section 160-a of the Executive Law.

(d) Certified residential real estate appraiser - the term “certified residential real estate appraiser” shall refer to a NYS certified residential real estate appraiser as defined in Section 160-a of the Executive Law.

(e) Certified general real estate appraiser- the term, “certified general real estate appraiser” shall refer to a NYS certified general real estate appraiser as defined in Section 160-a of the Executive Law.

(f) Department - the term “Department” shall refer to the NYS Department of State.

(g) Education Coordinator - the term “Education Coordinator” shall refer to that individual who shall be responsible for submitting applications to the Department for approval of appraisal schools and appraisal courses. This person shall also be responsible for compliance, by the school and its instructors, of the provisions of this Part and Part 1107.

(h) Licensed real estate appraisers - the term “licensed real estate appraiser” shall refer to a NYS licensed real estate appraiser as defined in Section 160-a of the Executive Law.

(i) Licensee- the term “licensee” shall refer to a NYS appraiser assistant, NYS licensed real estate appraiser, NYS certified residential real estate appraiser or a NYS certified general real estate appraiser depending on the context.

(j) Prospective licensee - the term “prospective licensee” shall refer to an individual who undertakes a course of study as provided in this Part, the satisfactory completion of which would satisfy the NYS educational requirements for licensure or certification as a NYS real estate appraiser assistant, NYS licensed real estate appraiser, NYS certified residential real estate appraiser or a NYS certified general real estate appraiser.

(k) USPAP- the acronym “USPAP” means the national Uniform Standards of Professional Appraisal Practice.

§1103.2 Prospective licensees

(a) Education requirements for New York State appraiser assistants. An applicant must satisfactorily complete the following courses within the five (5) year period prior to the date of submission of an appraiser assistant application:

(1) Residential 5 (R-5) - Basic Appraisal Principles	30 hours
(2) Residential 6 (R-6) -Basic Appraisal Procedures	30 hours
(3) USPAP or its equivalent, as further defined in Section 1103.7 of this Part	15 hours
(4) Supervisory Appraiser/Trainee Appraiser Course	4 hours
(5) Valuation Bias and Fair Housing Laws and Regulations	8 hours
	Total 87 hours

(b) Education requirements for New York State licensed real estate appraisers:

(1) An applicant must satisfactorily complete the following courses:

(i) Residential 5 (R-5) - Basic Appraisal Principles	30 hours
(ii) Residential 6 (R-6) - Basic Appraisal Procedures	30 hours

(iii) USPAP or its equivalent as further defined in Section 1103.7 of this Part	15 hours
(iv) Residential 7 (R-7) - Residential Market Analysis and Highest and Best Use	15 hours
(v) Residential 8 (R-8) - Residential Appraisal Site Valuation and Cost Approach	15 hours
(vi) Residential 9 (R-9) - Residential Sales Comparison and Income Approach	30 hours
(vii) Residential 10 (R-10) - Residential Report Writing and Case Studies	15 hours
(viii) Valuation Bias and Fair Housing Laws and Regulations	8 hours
	Total 158 hours

(2) In addition to the education requirements in paragraph 1 of this subdivision, a licensed real estate appraiser applicant must also satisfactorily complete two years of real property appraisal experience as provided in Section 160-k of the Executive Law.

(c) Education requirements for New York State certified residential real estate appraisers:

(1) An applicant shall satisfactorily complete the following courses:

(i) Residential 5 (R-5) Basic Appraisal Principles	30 hours
(ii) Residential 6 (R-6) Basic Appraisal Procedures	30 hours
(iii) USPAP or its equivalent, as further defined in section 1103.7 of this Part	15 hours
(iv) Residential 7 (R-7) Residential Market Analysis and Highest and Best Use	15 hours
(v) Residential 8 (R-8) Residential Appraisal Site Valuation and Cost Approach	15 hours
(vi) Residential 9 (R-9) Residential Sales Comparison and Income Approach	30 hours
(vii) Residential 10 (R-10) Residential Report Writing and Case Studies	15 hours
(viii) Statistics, Modeling and Finance (SMF)	15 hours
(ix) Residential 11 (R-11) Advanced Residential Applications and Case Studies	15 hours
(x) Valuation Bias and Fair Housing Laws and Regulations	8 hours
(xi) Appraisal subject matter electives: Introduction to Residential	15 hours

Income Properties (RE-1),
Environmental Issues (RE-2), or
such other elective course approved
by the Department.

Total 203 hours

(2) In addition to the aforementioned education requirements, prospective licensees for a New York State certified residential real estate appraiser certification shall comply with the minimum qualifying education standards --- as established by the Appraiser Qualifications Boards pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI) in the publication entitled: "Real Property Appraiser Qualification Criteria"(Effective January 1, 2026) (herein after "2026 AQB") for qualifications for Certified Residential Real Property Appraisers --- appearing in Sections III.A; III.B.1., III.B.2., III.B.3., III.B.4., or III.B.5; or III.C, appearing on pages 22 to 23 of said publication, which is incorporated herein by reference.

(i) Copies of the 2026 AQB may be obtained from the publisher at the following address:
THE APPRAISER FOUNDATION
The Madison Building
1155 15th Street NW, Suite 1111
Washington, DC 20005

Copies may also be obtained from the publishers' website at:
www.appraisalfoundation.org

(ii) Additional copies of the 2026 AQB may be obtained and are available for inspection and copying at:
NYS Department of State
Division of Licensing Services
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231-0001

(d) Education requirements for New York State certified general real estate appraisers:

(1) An applicant shall satisfactorily complete the following courses:

- | | |
|--|----------|
| (i) Residential 5 (R-5) Basic Appraisal Principles | 30 hours |
| (ii) Residential 6 (R-6) Basic Appraisal Procedures | 30 hours |
| (iii) USPAP or its equivalent, as further defined in Section 1103.7 of this Part | 15 hours |
| (iv) General 4(G-4) General Market Analysis and Highest and Best Use | 30 hours |
| (v) Statistics, Modeling and Finance (SMF) | 15 hours |
| (vi) General 5 (G-5) General Appraiser Sales Comparison Approach | 30 hours |

- | | |
|---|----------|
| (vii) General 6 (G-6) General Appraiser Site Valuation and Cost Approach | 30 hours |
| (viii) General 7 (G-7) General Appraiser Income Approach | 60 hours |
| (ix) General 8 (G-8) General Appraiser Report Writing and Case Studies | 30 hours |
| (x) Valuation Bias and Fair Housing Laws and Regulations | 8 hours |
| (xi) Environmental Issues (GE-1) | 15 hours |
| (xii) Appraisal subject matter electives:
(a) Specialty Appraisals (GE-2); or
(b) Using the HP12C Financial Calculator (GE-3); or
(c) such other elective course approved by the Department. | 15 hours |
| <hr/> Total 308 hours | |

(2) In addition to the aforementioned education requirements, prospective licensees for a NYS certified general real estate appraiser certification shall hold a bachelor's degree, or higher, from an accredited college or university. The college or university must be a degree-granting institution 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.

(3) Applicants with a college degree from a foreign country may have their education evaluated for equivalency by one of the following:

(i) An accredited, degree-granting domestic college or university;

(ii) The American Association of Collegiate Registrars and Admissions Officers (AACRAO);

(iii) A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES);

(iv) 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.

(e) Course attendance requirements. To earn credit for any appraisal course in this section, a prospective licensee must attend 100 percent of the required instruction time.

(f) Appraisal courses completed prior to January 1, 1991. A prospective licensee seeking credit for an appraisal course completed prior to January 1, 1991 shall submit a written request for approval to the Department and must show that the appraisal course substantially covered the same subject matter, classroom hours of attendance and completed standards as prescribed by this Part. Applications must contain an official transcript or other documentation showing the subjects taken, the hours of instruction devoted to each subject, the hours attended by the prospective licensee and the date the appraisal course was completed. The application must also contain a course description or outline from the appraisal school. The Department

may request additional supportive documentation to determine course equivalency based on criteria approved by the NYS Board of Real Estate Appraisal.

(g) Out-of-State courses. A prospective licensee who has taken an appraisal course in another State may apply to the Department for approval of that course. The application for approval of the course shall contain an original certification or transcript from the appraisal school showing the course title, date of course completion and the number of classroom hours attended. The Department will only consider awarding course credit if the prospective licensee attended the course and successfully completed a comprehensive final examination. The Department will only grant course approval in not less than 15 hour segments with the exception of the Valuation Bias and Fair Housing Laws and Regulations 8-hour course.

§1103.3 Appraisal schools

(a) Approval required. To offer an appraisal course as defined by this Part, an appraisal school must first obtain approval from the Department by submitting an application to the Department.

(b) Appraisal school qualifications. Appraisal courses may be presented by any college or university accredited by the Education Department of the State of New York or by a regional accrediting agency accepted by the NYS Commissioner of Education; public and private vocational schools; real estate boards, and real estate appraisal professional societies and organizations. An appraisal school may not be owned, affiliated with or controlled directly or indirectly by a real estate broker, salesperson, appraiser or an employee of an appraiser.

(c) Application requirements. Applications seeking approval from the Department to conduct an appraisal course shall be made at least 60 days before the proposed course is to be conducted and in a form prescribed by the Department which shall include the following:

- (1) Name and business address of the appraisal school which proposes to offer the appraisal course;
- (2) If the appraisal school is a partnership, the names and home addresses of all the partners of the entity;
- (3) If the appraisal school is a corporation, the names and home address of any persons who own five percent or more of the stock of the entity;
- (4) The name, home and business address and telephone number of the education coordinator;
- (5) Locations where the appraisal course will be conducted;
- (6) Title of each appraisal course to be conducted;
- (7) A detailed outline and syllabus of each appraisal course, together with the time sequence of each segment;
- (8) A copy of one or more final examinations to be presented for each appraisal course including the answer keys;
- (9) A description of materials that will be distributed to course participants;
- (10) The books that will be utilized for the course and the final exams; and
- (11) All items included on each test form must be consistent with content specifications indicated for each course. All reference sources used to support each correct answer must be included. Links to each answer must be indicated with a footnote showing page numbers and general heading.

(d) Recognition. Appraisal trade organizations and appraisal schools offering appraisal courses outside the State of New York may apply to the Department for approval to offer the appraisal courses for credit within the State of New York. Applications for recognition must demonstrate that the course is substantially equivalent to an appraisal course as outlined in this Part and must contain a course outline and final examination. Recognized courses may be advertised as having received Department of State approval. Said advertisements must, however, state that the recognized course has been approved as a prelicensing/certification course.

(e) Fees. The following fees shall be payable on submission of the application or applications and are nonrefundable. The annual registration period shall run from October 1st to the subsequent September 30th.

(1) Fees for residential courses. Appraisal schools shall pay the Department an annual registration fee of \$250 for offering one or more of the following appraisal courses: R-5, R-6, R-7, R-8, R-9, R-10, R-11, or any other required original qualifying course.

(2) Fees for general courses. Appraisal schools shall pay the Department an annual registration fee of \$250 for offering one or more of the following appraisal courses: G-4, G-5, G-6, G-7, G-8, or any other required original qualifying course.

(3) Fee for USPAP course. Appraisal schools shall pay the Department an annual registration fee of \$250 for offering the National USPAP course.

(4) Other course fees. Appraisal schools shall pay the Department an annual registration fee of \$25 for offering each of the following courses: Statistics, Modeling and Finance; Introduction to Residential Income Properties, Environmental Issues 15 hour course and Environmental Issues 15 hour course; Specialty Appraisals; Using the HP12C Financial Calculator; Supervisory Appraiser/Trainee Appraiser course and any other elective approved by the Department.

(5) Secondary locations. Appraisal schools wishing to offer an appraisal course at a location other than the primary location listed on its approval application to the Department, shall pay annual fees as follows. An annual fee of \$250 shall be paid to the Department for each said secondary location if the initial application fee for offering the appraisal course to be offered at the secondary location was \$250. If the initial application fee for the appraisal course to be offered at the primary location was \$25.00, the fee for offering an appraisal course at the secondary location shall be \$25.00.

(6) Recognition fees. Appraisal trade organizations that seek recognition of their appraisal courses as being equivalent to the Department of State's appraisal courses must submit the same annual fees as specified above for appraisal schools.

(f) Change in appraisal course. There shall be no change in any approved appraisal course without prior written notice to and approval by the Department.

(g) Facilities. Appraisal courses shall be conducted in such premises and in such facilities as shall be necessary to properly present the course. Factors considered by the Department in evaluating the appropriateness of a proposed facility are adequate seating, access to restrooms and other facilities, the functionality of heating and other utilities, access for persons with disabilities and that the proposed course is being offered in a public, commercial facility. No appraisal course shall be conducted in the office of a real estate broker or real estate appraiser. Appraisal courses shall be open to all members of the public regardless of the membership of the

prospective licensee in any real estate board or real estate appraisal related professional society or organization.

(h) Instruction time. To meet the minimum statutory requirement, attendance of an appraisal course shall be computed on the basis of an hour equaling not less than 50 minutes. Appraisal schools must provide prospective licensees with a break in instruction of 10 minutes for every hour of instruction. The placement of the break shall be left to the discretion of the appraisal school but shall be for a minimum of 10 minutes per hour of instruction.

(i) Attendance. To satisfactorily complete any appraisal course, a prospective licensee shall attend 100% of the required instruction time. If prospective licensees fail to attend the required instruction time, appraisal schools may, at their discretion, permit the prospective licensees to make up missed subject matter during subsequent classes. Appraisal schools shall not present a final examination to any student who has not completed the attendance requirements.

(j) Final Examinations. All final examinations shall be written and presented within a reasonable time after the completion of the course work. No final examination may be administered unless it has been approved by the Department. A prospective licensee must obtain a minimum grade of 70 percent on the final examination for each appraisal course taken in order for a certificate of completion to be issued. Prospective licensees who fail to achieve a mark of at least 70 percent on a final examination may, at the discretion of the appraisal school, be allowed to take another final examination. Appraisal schools shall be required to periodically change the final examinations administered to prospective licensees.

(k) Certificate of successful completion. Appraisal schools shall provide prospective licensees who have successfully completed an appraisal course with a Department approved certificate of successful completion. Prospective licensees receiving said certificates must have attended the required aggregate number of hours of the appraisal course and received a passing grade on the final examination. The certificate shall include the name of the appraisal school, name of the appraisal course that has been completed, the assigned code number of the appraisal school and a statement that the named student has satisfactorily completed a course of study in real estate appraisal subjects approved in accordance with the provisions of Chapter 696 of the Laws of 1990 and that his or her attendance was satisfactory and in conformity with the law and that such course was completed on a stated date. The certificate must be signed by the education coordinator, or his or her designee, must be dated and must have affixed thereto the official raised embossed seal of the appraisal school.

(l) Records. Appraisal schools must obtain and keep on file, proof of student completion of appraisal courses, records of attendance and records of instructors for a minimum of five years from the date the appraisal course was completed. Appraisal schools must also retain examination papers for all prospective licensees attending an appraisal course at said school for a period of five years after the completion of the appraisal course. Said records shall be made available for inspection, upon request, by a duly authorized representative of the Department.

(m) Appraisal course cancellations and tuition refunds. Appraisal schools must provide the Department with evidence of satisfactory policies relating to appraisal course cancellation and tuition refunds. Such policies must be provided in writing to prospective students prior to an appraisal school's acceptance of any fees from the prospective student.

(n) Advertisements. Appraisal schools may not make or publish any false or misleading statement regarding employment opportunities which may be available as a result of the successful completion of an appraisal course or acquisition of a real estate appraiser license/certification. No recruitment activities for employment are to be allowed by the education coordinators whatsoever.

(o) Employment placement. Appraisal schools are prohibited from any placement activities which may result in the offering of employment to students of said school.

(p) Auditing. Appraisal schools shall permit duly authorized designees of the Department to audit any appraisal course offered, to verify attendance and to inspect the records of attendance of the appraisal course at any time during its presentation or thereafter.

§1103.4 Instructors and Supervising Appraisers

(a) Instructor qualifications. Each approved appraisal school may have its own instructor qualification requirements. In addition, prospective instructors must apply to the Department for approval and must present evidence of the following AQB approved qualifications:

(1) Licensed residential course instructor. Persons wishing to become an approved instructor of a licensed appraisal course must provide evidence of having obtained a general or residential

appraiser certification or State licensed appraiser classification in New York or any other state, or must pass the NYS licensed, residential or general appraiser examination.

(2) Certified residential course instructor. Persons wishing to become an approved instructor of a certified residential appraisal course must provide evidence of having obtained a general or residential appraiser certification in New York or any other state or must pass the NYS certified residential or general appraiser examination.

(3) Certified general course instructor. Persons wishing to become an approved instructor of a certified general appraisal course must provide evidence of having obtained a general appraiser certification in New York or any other state or must pass the NYS certified general appraiser examination.

(4) USPAP. Persons wishing to become an approved instructor of the National USPAP appraisal course must be certified by the Appraisal Qualifications Board as a certified USPAP instructor and must be either a certified residential appraiser or a certified general appraiser. For the purpose of this subdivision, the instructor may be a certified appraiser in NYS or any other state.

(b) Supervising appraiser qualifications. Persons wishing to become a supervisor of one or more appraiser assistants must provide evidence of having a general or residential appraiser certification in New York State and must have been state certified for a minimum of three years and complete the Supervisory Appraiser/Trainee Appraiser course.

(1) Notwithstanding any other law, rule or regulation, all supervisory appraisers must complete the Supervisory Appraiser/Trainee Appraiser course no later than December 31, 2015 or prior to entering into any new Supervisory/Trainee Appraiser relationship after January 1, 2015.

(c) Ineligibility. An individual who has had a real estate broker, salesperson or an appraisal license or certification revoked or

suspended or has been subject to any disciplinary action that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice within the last three years is ineligible to receive instructor approval from the Department and is ineligible to supervise appraiser assistants.

(d) Instructor fees. All instructors must pay the Department a one-time instructor application fee of \$50.00. Those instructors who must also pass an appraiser examination to qualify to be a NYS approved instructor shall also pay an examination application fee \$25.00. The successful completion of said examination may be applied toward the examination requirement for certification/licensure. Fees shall be payable on submission of the application or applications and are nonrefundable.

§1103.5 Course approval, denial, suspension and revocation by the Department

(a) Approval and denial of appraisal courses. Within 60 days after the receipt of an application for approval or recognition of an appraisal course, the Department shall inform the applicant as to whether the application has been approved, denied or whether additional information is needed to determine the acceptability of the application.

(b) Suspension and revocation of approval. The Department may deny, suspend or revoke the approval of an appraisal school, instructor, appraisal course or location if it is determined that the appraisal school, instructor, appraisal course or location has failed to comply with any provision of this Part or Article 6-e of the Executive Law. Grounds for suspension or revocation are: if the appraisal course does not adequately reflect current real estate appraisal knowledge; if the appraisal school, instructor or anybody associated with the school or instructor has obtained, used or attempted to obtain or use the Department's appraisal examination questions or if the examination records of the Department disclose that prospective licensees attending the appraisal school have demonstrated, during any annual period, a performance record substantially below the statewide average for first time examination candidates. If disciplinary action is taken, a written order of suspension, revocation or denial of approval will be issued. An appeal from such denial, suspension or revocation shall be made in writing to the Secretary of State or his or her designee.

§1103.6 Residential course outlines

(a) The following are the required subjects to be included in the courses of study and the required number of hours to be devoted to residential appraisal courses. All appraisal schools must utilize the following course outline in conducting their programs. The following course outline are not intended to substitute for specific outlines for the proposed course.

(a) R-5/Basic Appraisal Principals

- | | |
|---|---------|
| A. Real Property Concepts and Characteristics | 4 hours |
| 1. Basic Real Property Concepts | |
| 2. Real Property Characteristics | |
| 3. Legal Description | |
| B. Legal Consideration | 4 hours |
| 1. Forms of Ownership | |
| 2. Public and Private Controls | |
| 3. Real Estate Contracts | |
| 4. Leases | |
| C. Influences on Real Estate Values | 2 hours |

1. Governmental
2. Economic
3. Social
4. Environmental, Geographic and Physical

- | | |
|---|----------|
| D. Types of Value | 3 hours |
| 1. Market Value | |
| 2. Other Value Types | |
| E. Economic Principles | 10 hours |
| 1. Classical Economic Principles | |
| 2. Application and Illustrations of Economic Principles | |
| F. Overview of Real Estate Markets and Analysis | 3 hours |
| 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 | 2 hours |
| 1. Valuation Bias and Fair Housing Laws and Regulations | |
| Final Examination (75-100 questions) | 2 hours |
| <hr/> | |
| Total 30 hours | |

(b) R-6/Basic Appraisal Procedures

- | | |
|--|----------|
| A. Overview of Approaches to Value | 10 hours |
| B. Valuation Procedure | 8 hours |
| 1. Defining the Problem | |
| 2. Collecting and Selecting Data | |
| 3. Analyzing | |
| 4. Reconciling and Final Value Opinion | |
| 5. Communicating the Appraisal | |
| C. Property Description | 4 hours |
| 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 | |
| 6. Special Energy Efficient Characteristics of the Improvements | |
| D. Residential or General Applications | 6 hours |
| Final Examinations (75-100 questions) | 2 hours |
| <hr/> | |
| Total 30 hours | |

(c) R-7/Residential Market Analysis and Highest and Best Use

- | | |
|--|---------|
| A. Residential Markets and Analysis | 8 hours |
| 1. Market Fundamentals, Characteristics, and Definitions | |
| 2. Supply Analysis | |
| 3. Demand Analysis | |
| 4. Use of Market Analysis | |

B. Highest and Best Use	6 hours	E. Case Studies	6 hours
1. Test Constraints		Final Examination	
2. Application of Highest and Best Use		(35-50 questions)	1 hour
3. Special Considerations			<hr/>
4. Market Analysis			Total 15 hours
5. Case Studies			
Final Examination		(g) R-11/Advanced Residential Applications and Case Studies	
(35-50 questions)	1 hour	A. Complex Property, Ownership and	
	<hr/>	Market Conditions	3 hours
	Total 15 hours	B. Deriving and Supporting Adjustments	3 hours
(d) R-8/Residential Appraiser Site Valuation and Cost Approach		C. Residential Market Analysis	
A. Site Valuation	6 hours	- Seller Concessions	
1. Methods		- Special Energy Efficient Items	
2. Case Studies		(i.e. Green Buildings)	3 hours
B. Cost Approach	8 hours	D. Advanced Case Studies	5 hours
1. Concepts and Definitions		Final Examination	
2. Replacement/Reproduction Cost New		(35-50 questions)	1 hour
3. Accrued Depreciation			<hr/>
4. Methods of Estimating Accrued Depreciation			Total 15 hours
5. Case Studies		(h) Valuation Bias and Fair Housing Laws	
Final Examination		and Regulations	
(35-50 questions)	1 hour	A. Understanding Real Estate Bias	1.75 hours
	<hr/>	1. Historical Context	
	Total 15 hours	a. Role of the following: real estate agents,	
(e) R-9/Residential Sales Comparison and Income Approaches		insurance, appraisers, lenders, Government	
A. Valuation Principles and Procedures -		Sponsored Enterprises, federal, state and	
Sales Comparison Approach	1 hour	local agencies, and legislation	
B. Valuation Principles and Procedures -		b. Redlining	
Income Approach	1 hour	c. Restrictive Covenants	
C. Finance and Cash Equivalency	2 hours	d. Court Rulings	
- Identification of Seller Concessions and		2. Contemporary Context	
Their Impact on Value		a. Economic Impact of Property Value	
D. Financial Calculator Introduction	2 hours	Disparities for Protected Classes	
E. Identification, Derivation and		b. Public Conversation Regarding	
Measurement of Adjustments	9 hours	Valuation Bias	
F. Gross Rent Multipliers	2 hours	c. Recent Cases and Developments	
G. Partial Interests	2 hours	B. Federal Fair Housing and Antidiscrimination	
H. Reconciliation	2 hours	Laws and Regulations	1.75 hours
I. Case Studies and Applications	7 hours	1. Laws and Regulations	
Final Examination		a. Civil Rights Act of 1866 (Section 1981	
(75-100 questions)	2 hours	and Section 1982)	
	<hr/>	b. Fair Housing Act	
	Total 30 hours	c. Equal Credit Opportunity Act (ECOA)	
(f) R-10/Residential Report Writing and Case Studies		d. Financial Institutions Reform, Recovery,	
A. Writing and Reasoning Skills	1 hour	and Enforcement Act (FIRREA)	
B. Common Writing Problems	3 hours	e. Unfair and Deceptive Acts and	
C. Form Reports	2 hours	Practices (UDAP)	
D. Report Options and USPAP Compliance	2 hours	f. Unfair, Deceptive or Abusive Acts and	
		Practices (UDAAP)	
		2. Key Legal Concepts	
		a. Disparate Treatment	
		b. Disparate Impact	
		C. Valuation Bias 1.75 hours	
		1. Components of Valuation Bias	
		a. Explicit	
		b. Implicit	

c. Structural

2. Recognizing and Avoiding Valuation Bias

D. Case Studies 1.75 hours

1. Current Valuation Bias Topics

Best Practices for Avoiding Valuation Bias

Final Examination 1 hour

Total 8 hours

§1103.7 National Uniform Standards of Professional Appraisal Practice (USPAP) Course

(a) Effective until December 31, 2002, an appraisal course for ethics and standards of professional practice shall include at least 10 hours of instruction related to the National USPAP. An appraisal course may contain up to five hours of other topics related to ethics and standards of professional practice such as:

(1) Background of ethics and standards/regulations and legislation.

(2) Title XI Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).

(3) New York State appraiser certification laws.

(b) Effective January 1, 2003, an appraisal course for ethics and standards of professional practice must consist of the 15-hour “National USPAP Course” or its equivalent. An appraisal course is equivalent only if it has been certified as equivalent by the Appraisal Qualification Board of the Appraisal Foundation.

(c) The National USPAP course, or its equivalent, and the 7-Hour National USPAP Continuing Education Course shall be taught by an instructor who has been certified as a “Certified USPAP Instructor” by the Appraisal Qualification Board of the Appraisal Foundation and who is either a certified residential real estate appraiser or a certified general real estate appraiser in New York or any other state.

(d) National USPAP course outline contact the Appraisal Foundation for the current outline for the 15-hour USPAP course. The most current copy must be submitted to the Department of State for approval. All appraisal schools must utilize the Appraisal Foundation course outline in conducting their programs.

§1103.8 Statistics, Modeling and Finance (SMF) course outline

The following are the required subjects to be included in the courses of study and the required number of hours to be devoted to Statistics, Modeling and Finance. All appraisal schools must utilize this course outline in conducting their programs. This course outline is not intended to substitute for specific outlines for the proposed course.

A. Statistics	4 hours
B. Valuation Models (AVM’S and Mass Appraisal)	4 hours
C. Real Estate Finance	6 hours
Final Examination (35-50 questions)	1 hour
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Total	15 hours

§1103.9 Residential Elective (RE) course outline

The following are the required subjects to be included in the courses of study and the required number of hours to be devoted to RE

appraisal courses. All appraisal schools must utilize the following course outline in conducting their programs. The following course outline is not intended to substitute for specific outlines for the proposed course.

(a) RE-1/Introduction to Residential Income Properties

This regulation should be consulted for any changes prior to offering this course, since this area is evolving very quickly and constant changes are being made.

A. Review of Appraisal Process:	1 hour
Define the problem	
Collect and analyze data	
Analyze highest and best use of the land and the improvement	
Estimate land value	
Apply the appropriate valuation approaches	
Reconciliation and final value estimate	
Appraisal report	
B. Discussion of Economic Principles:	1 hour
Anticipation	
Balance	
Change	
Competition	
Conformity	
Opportunity Costs	
Substitution	
Supply and Demand	
C. Investor Objectives:	.5 hour
Return on Capital	
Return of Capital	
D. Appraisal Forms	.75 hour
Small Residential Income Property Appraisal	
Single Family Comparable Rent Schedule	
E. Highest and Best Use	1.25 hours
F. Income and Expense Statements	.75 hour
Owner’s statement	
Reconstructed statement	
Estimating market rent, vacancy and collection laws	
Estimating market expenses	
G. Appraisal Math	2.25 hours
Financial calculator	
Compound interest concepts	
Six functions of \$1 (Tables and Financial Calculators)	
H. Income Capitalization Approach	5.5 hours
Total Instruction	13 hours
Final Examination (75 q. min)	1.5 hours
<hr/>	
Total	15 hours

(b) RE-2 Environmental Issues

A. ENVIRONMENTAL ISSUES	12 hours
1. Long standing issues - familiar to all	1 hour
a. Air	
- indoor/outdoor air pollutants	

- b. Water
 - municipal drinking water - public
 - private distribution systems
 - private water systems
 - wells
 - private
 - community health related issues
 - bacteria
 - minerals
 - hardness
 - Ph
 - organic
 - Testing procedures and remediation
 - c. Private sewerage disposal systems
 - septic systems
 - governed by the Department of Health
 - must be designed by professional engineer or a registered architect
 - most septic for homes have as built drawings filed with the local health department
 - testing & remediation
 - d. Termite Testing
 - must be licensed by the New York State Department of Health
 - testing & remediation
2. Contemporary issues 6 hours
- a. Asbestos
 - historical overview
 - what is asbestos?
 - what are its uses?
 - health effects
 - asbestosis
 - lung cancer
 - mesothelioma
 - testing procedures
 - bulk sampling
 - air monitoring
 - wipe sampling
 - removal procedures
 - b. Lead
 - paint
 - water
 - soil
 - health effects
 - adults
 - children
 - testing & remediation
 - disclosure requirements
 - c. Radon - including health effects
 - radon entry/behavior
 - testing & remediation
 - new construction
 - d. Indoor air quality
 - e. Poly-Chlorinated Biphenyls - (PCB's)
 - where they come from
 - testing & remediation
 - f. Environmental assessments
 - primarily used during commercial real estate transactions
 - screening
 - Fannie Mae (1990)
- Appraisal Standards Board Advisory Opinion
Freddie Mac
USPAP "Standards of Practice"
Phase I, II, III and IV
 - Phase I - investigative
 - Phase II - testing phase
 - Phase III - remediation
 - Phase IV - management phase
- g. Underground storage tanks
 - concerns of leaking
 - age of tanks
 - testing and remediation
 - h. Electro-magnetic fields
 - health effects
 - testing and remediation
 - i. Chloro-fluoro carbons - CFC's
 - problems with CFC's
 - depletes ozone layer
 - major CFC problems in homes
 - aerosols
 - air conditioners
 - testing techniques
 - j. Wetlands and flood plains
 - inland lakes and streams
 - flood plains
 - riparian rights
 - soil erosion and permits
 - water table
 - flowage easements and storm water regulation
 - k. Hazardous waste sites
 - effect on value
 - abatement costs
 - market perception
3. Environmental laws and regulations affecting real estate 3 hours
- Resource Conservation and Recovery Act (RCRA)
 - National Environmental Policy Act (NEPA)
 - Clean Water Act (CWA)
 - Rivers and Harbors Act of 1899 (RHA)
 - Coastal Zone Management Act (CZMA)
 - Clean Air Act (CAA)
 - Toxic Substances Control Act (TSCA)
 - Solid Waste Disposal Act of 1965
 - Asbestos Hazardous Emergency Response Act (AHERA)
 - Federal Insecticide, Fungicide & Rodenticide Act (FIFRA)
 - Hazardous Material Transportation Act (HMTA)
 - Occupational Safety and Hazard Act (OSHA)
 - EPA board powers over air, soil and water contamination
 - National Environmental Policy Act (NEPA)
 - U.S. v. Maryland Bank & Trust Co.
4. Comprehensive Environmental Response, Compensation and Liability Act (CERCLA OR SUPERFUND) 2 hours
- liability for contaminated property
 - defenses to liability

piercing the corporate veil for CERCLA liability
 successor liability
 lender liability under CERCLA

Total 15 hours

5. Responsibility of appraisers concerning substance contamination 1 hour
 How does it apply to the property?
 - recognition of contamination
 - remediation and compliance cost estimation
 - value estimates of interests in impacted real estate
6. Liability of lenders 1 hour
 Types of loans
 - mortgage
 - secured
 - unsecured
 Key terms
 Air monitoring
 Appraisal Standards Board Advisory option
 Asbestos
 Asbestos Hazardous Emergency Response Act (AHERA)
 Asbestosis
 Bacteria
 Built Drawings
 Bulk sampling
 CERCLA or SUPERFUND
 Chlordane
 Chloro-fluoro carbons (CFC's)
 Clean Air Act (CAA)
 Clean Water Act (CWA)
 Coastal Zone Management Act (CZMA)
 Due diligence
 Electro-magnetic field
 Environmental impact statement
 Environmental Protection Agency (EPA)
 Fannie Mae (1900)
 Federal Insecticide, Fungicide & Rodenticide Act (FIFRA)
 Freddie Mac
 Groundwater
 Hazardous Material Transportation Act (HMTA)
 Lead
 Mesothelioma
 Minerals
 National Environmental Policy Act (NEPA)
 Occupational Safety and Hazard Act (OSHA)
 Organic
 Ph
 Phases I, II, III and IV
 Poly-chlorinated Biphenyls (PCB's)
 Radon
 Resource Conservation and Recovery Act (RCRA)
 Rivers and Harbors Act of 1899 (RHA)
 Screening
 Solid Waste Disposal Act of 1965
 Successor liability
 Toxic Substances Control Act (TSCA)
 Underground storage tanks
 U.S. vs. Maryland Bank & Trust Co.
 Water hardness
 Wipe sampling

Instruction Hours 14 hours
 Final Examination (35-50 questions) 1 hour

§1103.10 General course outlines

The following are the required subjects to be included in the courses of study and the required number of hours to be devoted to general appraisal courses. All appraisal schools must utilize this course outline in conducting their programs. These course outline are not intended to substitute for specific outlines for the proposed course.

(a) G-4/General Appraiser Market Analysis and Highest and Best Use

- A. Real Estate Markets and Analysis 14 hours
 1. Market Fundamentals, Characteristics and Definitions
 2. Supply Analysis
 3. Demand Analysis
 4. Use of Market Analysis
- B. Highest and Best Use 14 hours
 1. Test Constraints
 2. Application of Highest and Best Use
 3. Special Considerations
 4. Market Analysis
 5. Case Studies

Final Examination (75-100 questions) 2 hours
Total 30 hours

(b) G-5/General Appraiser Sales Comparison Approach

- A. Value Principles 7 hours
 B. Procedures 6 hours
 C. Identification and Measurement of Adjustments 5 hours
 D. Reconciliation 5 hours
 E. Case Studies 5 hours
 1. Seller Concessions
 2. Special Energy Efficient Items (i.e. Green Buildings)

Final Examination (75-100 questions) 2 hours
Total 30 hours

(c) G-6/General Appraiser Site Valuation and Cost Approach

- A. Site Valuation 12 hours
 1. Methods
 2. Case Studies
- B. Cost Approach 16 hours
 1. Concepts and Definitions
 2. Replacement/Reproduction Cost New
 3. Accrued Depreciation
 4. Methods of Estimating Accrued Depreciation
 5. Case Studies

Final Examination (75-100 questions) 2 hours
Total 30 hours

(d) G-7/General Appraiser Income Approach	
A. Overview	2 hours
B. Compound Interest	3 hours
C. Lease Analysis	5 hours
D. Income Analysis	5 hours
E. Vacancy and Collection Loss	5 hours
F. Estimating Operating Expenses and Reserves	5 hours
G. Reconstructed Income and Expense Statement	5 hours
H. Stabilized Net Operating Income Estimate	5 hours
I. Direct Capitalization	5 hours
J. Discounted Cash Flow	5 hours
K. Yield Capitalization	5 hours
L. Partial Interests	3 hours
M. Case Studies	4 hours
Final Examination (100 question minimum)	3 hours
	Total 60 hours

(e) G-8/General Appraiser Report Writing and Case Studies	
A. Writing and Reasoning Skills	8 hours
B. Common Writing Problems	8 hours
C. Report Options and USPAP Compliance	6 hours
D. Case Studies	6 hours
Final Examination (75-100 questions)	2 hours
	Total 30 hours

(f) Valuation Bias and Fair Housing Laws and Regulations	
A. Understanding Real Estate Bias	1.75 hours
1. Historical Context	
a. Role of the following: real estate agents, insurance, appraisers, lenders, Government Sponsored Enterprises, federal, state and local agencies, and legislation	
b. Redlining	
c. Restrictive Covenants	
d. Court Rulings	
2. Contemporary Context	
a. Economic Impact of Property Value Disparities for Protected Classes	
b. Public Conversation Regarding Valuation Bias	
c. Recent Cases and Developments	
B. Federal Fair Housing and Antidiscrimination Laws and Regulations	1.75 hours
1. Laws and Regulations	
a. Civil Rights Act of 1866 (Section 1981 and Section 1982)	

b. Fair Housing Act	
c. Equal Credit Opportunity Act (ECOA)	
d. Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)	
e. Unfair and Deceptive Acts and Practices (UDAP)	
f. Unfair, Deceptive or Abusive Acts and Practices (UDAAP)	
2. Key Legal Concepts	
a. Disparate Treatment	
b. Disparate Impact	
C. Valuation Bias	1.75 hours
1. Components of Valuation Bias	
a. Explicit	
b. Implicit	
c. Structural	
2. Recognizing and Avoiding Valuation Bias	
D. Case Studies	1.75 hours
1. Current Valuation Bias Topics Best Practices for Avoiding Valuation Bias	
Final Examination	1 hour
	Total 8 hours

§1103.11 General Elective (GE) Course outlines

The following are the required subjects to be included in the courses of study and the required number of hours to be devoted to GE appraisal courses. All appraisal schools must utilize the following course outline in conducting their programs. The following course outline are not intended to substitute for specific outlines for the proposed course.

(a) GE-1/Fair Housing, Fair Lending and Environmental Issues

This regulation should be consulted prior to offering this course for any changes, since this area is evolving very quickly and constant changes are being made.

(A) Environmental Issues	14 hours
(1) Long standing issues	1 hour
(a) Air	
- indoor/outdoor air pollutants	
(b) Water	
municipal drinking water - public	
private distribution systems	
private water systems	
- wells	
- private	
- community	
health related issues	
- bacteria	
- minerals	
- hardness	
- Ph	
- organic	
Testing procedures and remediation	

- (c) Private sewerage disposal systems - septic systems
 - governed by the Department of Health
 - must be designed by professional engineer or a registered architect
 - most septic for homes have as built drawings filed with the local health department
 - testing & remediation
- (d) Termite Testing
 - must be licensed by the New York State Department of Health
 - testing & remediation
- (2) Contemporary issues 6 hours
- (a) Asbestos
 historical overview
 - what is asbestos?
 - what are its uses?
 health effects
 - asbestosis
 - lung cancer
 - mesothelioma
 testing procedures
 - bulk sampling
 - air monitoring
 - wipe sampling
 removal procedures
- (b) Lead
 paint
 water
 soil
 health effects
 - adults
 - children
 testing & remediation
 disclosure requirements
- (c) Radon - including health effects
 radon entry/behavior
 testing & remediation
 new construction
- (d) Indoor air quality
- (e) Poly-Chlorinated Biphenyls - (PCB's)
 where they come from
 testing & remediation
- (f) Environmental assessments
 primarily used during commercial real estate transactions
 screening
 Fannie Mae (1990)
 Appraisal Standards Board Advisory Opinion
 Freddie Mac
 USPAP "Standards of Practice"
 Phase I, II, III and IV
 - Phase I - investigative
 - Phase II - testing phase
 - Phase III - remediation
 - Phase IV - management phase
- (g) Underground storage tanks
 concerns of leaking
 age of tanks
 testing and remediation
- (h) Electro-magnetic fields
 health effects
 testing and remediation
- (i) Chloro-fluoro carbons - CFC's
 problems with CFC's
 depletes ozone layer
 major CFC problems in homes
 - aerosols
 - air conditioners
 - testing techniques
- (j) Wetlands and flood plains
 inland lakes and streams
 flood plains
 riparian rights
 soil erosion and permits
 water table
 flowage easements and storm water regulation
- (k) Hazardous waste sites
 effect on value
 - abatement costs
 - market perception
- (3) Environmental laws and regulations 3 hours
 affecting real estate
 Resource Conservation and Recovery Act (RCRA)
 National Environmental Policy Act (NEPA)
 Clean Water Act (CWA)
 Rivers and Harbors Act of 1899 (RHA)
 Coastal Zone Management Act (CZMA)
 Clean Air Act (CAA)
 Toxic Substances Control Act (TSCA)
 Solid Waste Disposal Act of 1965
 Asbestos Hazardous Emergency Response Act (AHERA)
 Federal Insecticide, Fungicide & Rodenticide Act (FIFRA)
 Hazardous Material Transportation Act (HMTA)
 Occupational Safety and Hazard Act (OSHA)
 EPA board powers over air, soil and water contamination
 National Environmental Policy Act (NEPA)
 Clean Water Act (CWA)
 Rivers and Harbors Act of 1899 (RHA)
 Coastal Zone Management Act (CZMA)
 Clean Air Act (CAA)
 Toxic Substances Control Act (TSCA)
 Solid Waste Disposal Act of 1965
 Asbestos Hazardous Emergency Response Act (AHERA)
 Federal Insecticide, Fungicide & Rodenticide Act (FIFRA)
 Hazardous Material Transportation Act (HMTA)
 Occupational Safety and Hazard Act (OSHA)
 EPA board powers over air, soil and water contamination
 National Environmental Policy Act (NEPA)
 U.S. v. Maryland Bank & Trust Co.
- (4) Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or SUPERFUND) 2 hours
 liability for contaminated property
 defenses to liability

piercing the corporate veil for CERCLA liability		Final Examination	
successor liability		(35-50 questions)	1 hour
lender liability under CERCLA			<hr/> Total 15 hours
(5) Responsibility of appraisers concerning Substance Contamination	1 hour	(b) GE-2/Specialty Appraisals.	
How does it apply to the property?		A. Public improvement projects and the effect on value:	2 hours
- recognition of contamination		Federal Regulations(Uniform Act)	
- remediation and compliance cost estimation		Just Compensation/fair market value	
- value estimates of interests in impacted real estate		Special purpose properties	
(6) Liability of lenders	1 hour	Problem valuation issues	
Types of loans		Low value and simple acquisitions	
- mortgage		Specialty report requirement	
- secured		Case studies	
- unsecured		B. Condominiums and cooperatives:	2 hours
Key terms		New York City housing market	
Air monitoring		Condo vs. coop regarding value	
Appraisal Standards Board Advisory option		Transaction costs and collective action problems	
Asbestos		Historical development	
Asbestos Hazardous Emergency Response Act (AHERA)		Legal interest (fee simple/proprietary lease)	
Asbestosis		Case studies	
Bacteria		C. Modular/Mobile homes:	2 hours
Built Drawings		History of Manufactured/Mobile homes	
Bulk sampling		National Manufactured Construction and Safety Standards Act	
CERCLA or SUPERFUND		Federal, State and Local requirements for installation	
Chlordane		Data sources to establish opinion of value	
Chloro-fluoro carbons (CFC's)		Determining value (comparable/cost approach)	
Clean Air Act (CAA)		D. Historic properties:	2 hours
Clean Water Act (CWA)		Highest and best use of historic properties	
Coastal Zone Management Act (CZMA)		Historic and architectural heritage/preservation	
Due diligence		Legal or statutory protection	
Electro-magnetic field		Designated historic districts	
Environmental impact statement		Grants or tax exemptions reflected in value	
Environmental Protection Agency (EPA)		Valuation of cost to restore and maintain	
Fannie Mae (1900)		Case studies	
Federal Insecticide, Fungicide & Rodenticide Act (FIFRA)		E. Convenience stores	2 hours
Freddie Mac		Convenience store evolution	
Groundwater		Store formats (limited, expanded, hyper)	
Hazardous Material Transportation Act (HMTA)		Quality of store performance	
Lead		Fuel service and equipment	
Mesothelioma		Site evaluation (access, visibility, traffic count)	
Minerals		Income capitalization approach to value	
National Environmental Policy Act (NEPA)		F. Unique architecture	2 hours
Occupational Safety and Hazard Act (OSHA)		Highest and best use of complex properties	
Organic		Scarcity of comparable sales	
Ph		Analysis of cost data	
Phases I, II, III and IV		Potential for commercial use	
Poly-chlorinated Biphenyls (PCB's)		Current construction cost	
Radon		Architectural styles	
Resource Conservation and Recovery Act (RCRA)		G. Marinas:	2 hours
Rivers and Harbors Act of 1899 (RHA)		Unique features	
Screening		Dockage and services	
Solid Waste Disposal Act of 1965		Bulkhead/Tidal erosion	
Successor liability		Governmental approval/costs (dredging, etc.) case studies	
Toxic Substances Control Act (TSCA)		Instruction	14 hours
Underground storage tanks		Final Examination	
U.S. vs. Maryland Bank & Trust Co.		(35-50 questions)	1 hour
Water hardness			
Wipe sampling			
Instruction	14 hours		

(c) GE-3/Using the Hp12c Financial Calculator	
A. Introduction to Functions of the HP12C: Financial, Mathematical and statistical Modes (RPN, ALG) Basic Arithmetic calculations	2 hours
B. Compound Interest and Discount Factors Six functions of the dollar	3 hours
C. Introduction to Variable/Irregular Cash Flows Selecting and supporting the discount rate Calculating internal rate of return	3 hours
D. Determining Overall Capitalization Rates Case study valuation Direct capitalization Discount cash flow yield capitalization	3 hours
E. Income Valuation Comparison Overall rate Mortgage rate Equity rate Comparison of cost and sales approaches	3 hours
Instruction	14 hours
Final examination (35-50 questions)	1 hour
	Total 15 hours

§1103.12 Supervisory Appraiser/Trainee Appraiser Course Outline

The following are the required subjects to be included in the course of study and the required number of hours to be devoted to this course. All appraisal schools must utilize this course outline in conducting their programs. This course outline is not intended to substitute for specific outlines for the proposed course.

The below course must be completed by all new Supervisory Appraisers and Trainee Appraisers who become credentialed as of January 1, 2015.

**SUPERVISORY APPRAISER/TRAINEE APPRAISER
COURSE
SCOPE OF SYLLABUS**

1. Course Objectives	.25 hour
2. Course Introduction and Overview	.25 hour
3. Qualification and Credentialing Entities	.25 hour
4. Qualifications for Appraiser Credentials	.5 hour
5. Overview – USPAP Sections Relevant to Trainee Appraiser	.5 hour
6. Overview – Supervisory Appraiser Expectations and Responsibilities	1 hour
7. Overview – Trainee Appraiser Expectations and Responsibilities	1 hour
8. Summary	.25 hour

§1103.13 Distance learning

Distance learning is defined as any educational process based on the geographical separation of instructor and student. Educational providers who wish to offer distance learning programs must have their programs evaluated and approved in accordance with sections 1103.14, 1103.15 and 1103.16.

§1103.14 Distance learning program requirements

(a) Distance learning course material must be divided into major units and the content of those units must be divided into modules of instruction.

(b) Distance learning programs must contain a time-default mechanism for inactivity so that a student does not receive credit when not actively participating in the program.

(c) Providers of distance learning programs must retain a record of each student’s participation in and completion of the distance learning program for a period of three years from the date of completion and shall make these records available for review and inspection by the Department, upon request.

(d) Providers of distance learning programs must make an instructor approved pursuant to section 1103.4 of this Part available to students during reasonable business hours to answer questions pertaining to the qualifying course content.

(e) Distance learning courses must include a proctored final examination which must be held at a location within New York State approved by the Department.

(f) Distance learning courses must obtain course delivery mechanism approval from one of the following sources:

- (1) an Appraiser Qualifications Board approved organization providing approval or course design and delivery;
- (2) a college that qualifies for content approval and awards academic credit for the distance education course; or
- (3) a qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporates interactivity.

§1103.15 Request for approval of distance learning programs

Applications for approval to conduct distance learning courses of study shall be made on an application prescribed by the Department 60 days before the proposed course is to be conducted.

§1103.16 Course completion for distance learning courses

(a) To earn credit for a distance learning course, a student must successfully complete the course within 12 months of starting the program. This shall include passing the course provider’s final examination.

(b) Providers of distance learning courses shall provide students who have successfully completed such a distance learning course with a certificate of completion. The certificate shall include, at a minimum, the following information: the name of the student, the name of the person or entity providing the course, the name of the course, the Department of State-issued code number of the approved course provider and the date on which the student completed the course. The certificate must be signed by the owner of the entity providing the course or the course coordinator and dated.

PART 1104

RECIPROCAL/TEMPORARY CERTIFICATION AND LICENSING RECIPROCAL CERTIFICATION AND RECIPROCAL LICENSING

§1104.1 Certification and licensing by reciprocity

An applicant may be certified or licensed in the State of New York without examination and without further qualification if the applicant provides proof, satisfactory to the Department of State:

- (a) that the applicant is certified or licensed in another state or territory; and
- (b) that the certification and licensing requirements of that state or territory meet the following criteria:
 - (1) the state or territory's certification and licensing program is in compliance with the provisions of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989;
 - (2) the state or territory's examination has been approved by the Appraiser Qualification Board of the Appraisal Foundation; and
 - (3) the state or territory has licensing and certification qualification requirements that meet or exceed those of New York State.

§1104.2 Term of reciprocal certificate and reciprocal license

- (a) The term of a reciprocal certificate shall be two years.
- (b) The term of a reciprocal license shall be two years.

§1104.3 Fees for reciprocal certificate and reciprocal license

- (a) The application and renewal fee for a reciprocal certificate shall be the same as the application fee for certification established by §160-f of the Executive Law.
- (b) The application and renewal fee for a reciprocal license shall be the same as the application fee for licensing established by §160-f of the Executive Law.

§1104.4 Temporary reciprocal certificate and temporary reciprocal license

- (a) A nonresident applicant may apply for a temporary reciprocal certificate. Each such applicant must comply with the conditions set forth in §1104.1 of this Part. The term of a temporary reciprocal
NYS Department of State Division of Licensing Service

certificate shall be one year from the date of issue. The application fee for a temporary reciprocal certificate shall be 50 percent of the application fee for certification established by §160-f of the Executive Law.

- (b) A nonresident may apply for a temporary reciprocal license. Each such applicant must comply with the conditions set forth in §1104.1 of this Part. The term of a temporary reciprocal license shall be one year from the date of issue. The application fee for a temporary reciprocal license shall be 50 percent of the application fee for licensing established by §160-f of the Executive Law.

PART 1105

REAL ESTATE APPRAISAL EXAMINATIONS

§1105.1 Licensing and certification examinations

The AQB's Real Property Appraiser Licensing and Certification Examinations may be provided by any test provider that is an Appraiser Qualifications Board ("AQB") Approved Examination Administrator. Examinations shall be administered at locations that are representative of the geographic regions of New York State.

§1105.2 Request for approval to offer appraiser examinations

- (a) Approval to offer the AQB's Real Property Appraisal Licensing and Certification Examinations shall be effective for a period of one year and annual renewal applications shall be received thereafter. Applications for approval to offer the AQB's Real Property Appraiser Licensing and Certification Examinations shall be made not less than 60 days before the proposed examinations are to be offered. Within 60 days after receipt of the application for approval to offer the AQB's Real Property Appraiser Licensing and Certification Examinations, the Department shall inform the applicant as to whether the offering has been approved, denied or whether additional information is needed. An acceptable application, or reapplication, on a form prescribed by the Department, shall include the following:
 - (1) name and business address of the proposed AQB approved examination administrator who will administer the examination;
 - (2) if applicant is a partnership, the names and home addresses of all the partners of the entity;
 - (3) if applicant is a corporation, the names and home address of any persons who own five percent or more of the stock of the entity;
 - (4) the name, home and business address and telephone number of the examination administrator that will be responsible for compliance with the regulations contained in this Part;
 - (5) locations where examinations will be offered;
 - (6) proof that the test provider is an Appraiser Qualifications Board ("AQB") Approved Examination Administrator for the AQB's Real Property Appraiser Licensing and Certification Examinations;
 - (7) the frequency with which each certification or licensing examination will be administered per year;
 - (8) an acknowledgment that the test provider will adhere to the requirements set forth in the Appraisal Foundation's most recent edition of the "Examination Administration Manual."

(b) Approved examination administrator must develop a system, including the use of a “Unique Identification Number” (UID), for scheduling, re-scheduling and canceling of candidates for examinations. The system must include the following:

- (1) a toll-free number or an internet (online) site that allows candidates to schedule, reschedule or cancel examinations;
- (2) directions to test centers;
- (3) information on test center closings due to inclement weather or other causes;
- (4) a candidate information bulletin, either available for online viewing or downloadable. The candidate information bulletin must include all information and forms necessary to register, schedule or take an examination.

§1105.3 Examination registration and scheduling

The department will pre-approve all exam candidates and provide them with a “Unique Identification Number” (UID) which will provide the candidate with access to an on-line or toll-free number system for scheduling examinations, as provided in subdivision (b) of Section 1105.2 of this Part.

§1105.4 Examination content: State specific questions

Real Property Appraiser Licensing and Certification Examinations offered by approved examination administrators shall also include state specific questions as prescribed by the Department to examine knowledge and understanding of New York Appraisal Law, rules and regulations.

§1105.5 Examination results: reporting

An approved examination administrator shall report examination results to each examinee and the Department of State in such form and in such manner as prescribed by the Department.

§1105.6 Suspensions and denials of approval

The department may deny, suspend, or revoke the approval of an examination administrator if it is determined that he or she is not in compliance with this Part, or if the examination administrator has lost approval from the Appraisal Qualifications Board. A written order of suspension, revocation or denial of approval will be issued by the Department. Administrators shall have the opportunity to appeal the Department’s order to the Secretary of State or his or her designee.

§1105.7 Reports

Approved examination administrators shall copy the Department on any Appraisal Qualification board required reports.

PART 1106

UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE

§1106.1 Appraisal Standards

- (a) Every appraisal assignment shall be conducted and communicated in accordance with the following provisions and standards set forth in the 2024 edition of the Uniform Standards of Professional Appraisal Practice (USPAP):

- (b) The 2024 edition of the Uniform Standards of Professional Appraisal Practice (USPAP) is published by the Appraisal Foundation, which is authorized by the United States Congress as the source of appraisal standards. Copies may be obtained from: The Appraisal Foundation 1155 15th Street, NW, Suite 1111 Washington, D.C. 20005 tel: 202-347-7722 WWW.APPRAISALFOUNDATION.ORG.

The 2024 edition of the Uniform Standards of Professional Appraisal Practice (USPAP) can be purchased from [HTTP://WWW.APPRAISALFOUNDATION.ORG](http://WWW.APPRAISALFOUNDATION.ORG).

Copies are also available for inspection and copying at the following offices of the Department of State:

Division of Licensing Services
N.Y.S. Department of State
One Commerce Plaza
99 Washington Ave., 5th Fl.
Albany, NY 12231
tel: 518-473-2728

Division of Licensing Services
N.Y.S. Department of State
295 Main Street
Buffalo, NY 14203
tel: 716-847-7110

Division of Licensing Services
N.Y.S. Department of State
123 William Street
New York, NY 10038
tel: 212-417-5747

Division of Licensing Services
N.Y.S. Department of State
250 Veterans Memorial Highway
Hauppauge, NY 11788
tel: 631-952-6579

PART 1107

APPROVAL OF REAL ESTATE APPRAISAL CONTINUING EDUCATION

§1107.1 General requirements

No offering of a course of study in the Real Estate Appraisal field for the purpose of compliance with the continuing education requirements of §160-t(2) of the Executive Law shall be acceptable for credit unless such course of study shall have been approved by the Department under the provisions of this part. For purposes of this Part, unless otherwise noted, a course of study means a particular course or educational offering or a program inclusive of several such courses or offerings.

§1107.2 Individual continuing education requirements

- (a) For State license and certification periods that commence on or after January 1, 2000, real estate appraisers and real estate appraiser assistants who hold State licenses or certifications must successfully complete 28 hours of approved continuing education, every two years including the 7-Hour National USPAP Continuing Education Course, or its equivalent, as prescribed by section 1107.9 of this Part, in order to renew their licenses or certifications.

(b) Effective January 1, 2026, every licensed or certified appraiser, within the requirements of subdivision (a) of this section, must successfully complete a course of study which meets the content requirements of the Valuation Bias and Fair Housing Laws and Regulations outline every two calendar years, as prescribed by sections 1107.33 and 1107.34 of this Part, in order to renew a license or certification. The first time an appraiser completes the continuing education requirement for this course, the course length must be seven (7) hours. If an appraiser successfully completed a seven (7) hour (plus 1 hour exam) course as part of their qualifying education, they have met this requirement. Every two calendar years thereafter, the course length must be at least four (4) hours.

§1107.3 Failure to complete continuing education

(a) Holders of a license or certification must provide evidence of satisfactory completion of the continuing education requirements upon request of the department.

(b) Any individual who is issued a renewal of a license and/or certification and subsequently cannot provide evidence of completing the continuing education during the immediately preceding terms of certification or license may be subject to disciplinary action by the department.

§1107.4 Equivalency

(a) Individuals who complete a course of study offered outside of the State of New York which course of study has not been approved by the department, may file a request to the department for review and evaluation thereof. All applications for such consideration must be submitted with official documentation of satisfactory completion and the official descriptions of the course of study.

(1) Notwithstanding this subdivision (a) of this Section, an applicant for recertification or renewal of license may receive credit of up to 50% of the hourly requirements by presenting evidence of acceptable equivalency experience as provided by subdivisions (b)-(d) of this Section.

(b) Instructors of approved qualifying and continuing education courses or programs may be awarded one hour of continuing education credit for each direct hour of instruction during the license or certificate cycle not to exceed 14 hours. Credit shall not be awarded for teaching the same course/program more than once in a license/certification cycle. Instructors must submit evidence of such experience with an equivalency application.

(c) Authorship of program development. An individual who provides evidence of developing an appraisal related course of study that has been accepted by a school or organization may receive continuing education credit equivalent to the number of hours of such course, not to exceed 14 hours. If more than one individual participated in such development, the continuing education credit may be prorated accordingly.

(d) Authorship of publications. Authorship of a published book related to real estate appraising, a published monograph, a master's thesis or doctoral dissertation, a published article, book review or instructional material is eligible for continuing education credit in the year of publication. If more than one individual authored the document, the continuing education credit may be prorated accordingly. The maximum number of hours that may be credited per continuing education cycle are:

Published book	14 hours
Program development	2 to 14 hours
Published article, monograph, master's thesis	

or dissertation, book review, or instructional material 14 hours

(e) An individual holding a license or certification in another jurisdiction must submit an application for equivalent credit if the continuing education course of study taken has not been approved by the department.

(f) All applications and evidence for equivalent credit must be submitted to the department for consideration no later than 30 days prior to the expiration of the license/certification.

§1107.5 Holders of more than one appraiser classification

Any person holding a license and a certification or both a residential and general classification shall be deemed to satisfy the continuing educational requirement of each classification by completing 28 hours of approved courses of study every two years, including the 7-Hour National USPAP Continuing Education Course, or its equivalent, as required by §1107.2 of this Part.

§1107.6 Individual credit for continuing education

Any course approved under this section cannot be taken more than once during the same continuing education period.

§1107.7 Qualifying course credit for continuing education

An individual who successfully completes a qualifying appraiser course during any license term in anticipation of changing its appraiser classification may receive continuing education credit for such a course.

§1107.8 [Repealed]

§1107.9 Ethics and standards of professional practice for continuing education

(a) To renew a license or certification expiring on or after January 1, 2004, the licensed or certified real estate appraiser or licensed real estate appraiser assistant must have completed the 7-Hour National USPAP Continuing Education Course or its equivalent during the two-year license period prior to renewal. A course is equivalent to the 7-Hour National USPAP Continuing Education Course only if the course has been certified as equivalent by the Appraisal Qualification Board of the Appraisal Foundation.

(b) Continuing-education credit shall be granted for the completion of the 7-Hour National USPAP Continuing Education Course or its equivalent only if the course is taught by an instructor who has been certified as a "Certified USPAP Instructor" by the Appraisal Qualification Board of the Appraisal Foundation and who is, in addition, either a certified residential real estate appraiser or a certified general real estate appraiser. For the purposes of this subdivision, an instructor may be a certified real estate appraiser in New York or any other state.

§1107.10 Approved entities.

(a) Real Estate Appraisal continuing education courses of study may be presented by any college or university accredited by the Department of Education of the State of New York, public or private vocational schools, real estate boards or associations, and real estate appraisal societies or organizations.

(b) No person or organization seeking approval of a real estate appraisal course of study may be owned, affiliated with, or controlled directly or indirectly by any real estate broker, salesperson, appraiser or employee of an appraiser.

§1107.11 Request for approval of courses of study

(a) An application for approval to conduct a course of study to satisfy the requirements for continuing education shall be made 60 days before the proposed course of study is to be conducted.

(b) The application shall be prescribed by the Department to include the following:

- (1) name and business address of the proposed school which will present the program or course;
- (2) if applicant is a partnership, the names and home addresses of all persons who own five percent or more of the interest in the partnership;
- (3) if applicant is a corporation, the names and home addresses of persons who own five percent or more of the shares of the corporation;
- (4) the name, home and business addresses and telephone numbers of the education coordinator who will be responsible for administering the regulations contained in this Part;
- (5) locations where classes will be conducted;
- (6) title of each course or program to be conducted;
- (7) a detailed outline of the subject matter, together with the time sequence of each segment; and
- (8) a description of materials that will be distributed.

§1107.12 Basic course of study requirements

Approval may be granted for courses of study which cover real estate appraisal related topics such as the following:

- (a) ad valorem taxation;
- (b) arbitrations, dispute resolution;
- (c) courses related to the practice of real estate appraisal or consulting;
- (d) development cost estimating;
- (e) ethics and standards of professional practice, USPAP;
- (f) land use planning, zoning;
- (g) management, leasing, time sharing;
- (h) property development, partial interests;
- (i) real estate (financing and investment);
- (j) real estate law, easements, and legal interests;
- (k) real estate litigation, damages, condemnation;
- (l) real estate appraisal related computer applications;
- (m) real estate securities and syndication;
- (n) developing opinions of real property value in appraisals that also include personal property and/or business value;
- (o) seller concessions and impact on value;
- (p) energy efficient items and “green building” appraisals;

(q) valuation bias and fair housing laws and regulations; and

(r) any other subject matter directly related to real estate appraisal.

§1107.13 Program approval

Sponsors of courses of study that are conducted for periods between two hours and 7½ hours may file applications for approval within 30 days of the completion of the program. The sponsor conducting the program may not guarantee to licensees/or certificate holders that approval will be granted. Advertisements of such courses of study must indicate that such approval is not guaranteed.

§1107.14 Length of programs

Any sponsor seeking approval must present a course of study containing a minimum of two and a maximum of 28 contact hours of instruction.

§1107.15 Facilities

Each course shall be conducted in such premises and in such facilities as shall be necessary to properly present the course. The sponsor must attest that there is a certificate of occupancy, as well as fire and health permits, for the specific facility to be used and, in addition, must attest that the facility is in full compliance with the Federal Americans with Disabilities Act.

§1107.16 Suspensions and denials of program or course approval

(a) Within 60 days after the receipt of the application for approval of a course of study, the department shall inform the sponsor as to whether it has been approved, denied, or whether additional information is needed to determine acceptability. The department may deny, suspend, or revoke the approval of a real estate appraiser course of study, instructor, or location, if it is determined not to be in compliance with the law and regulations, or if the offering does not adequately reflect and present current real estate knowledge.

(b) If disciplinary action is taken, a written order of suspension, revocation or denial of approval shall be issued. Appeal thereof may be made to the Secretary of State or designee.

§1107.17 Change in approved course of study

There shall be no change or alteration in any approved course of study of any subject without prior written notice to and approval by the department.

§1107.18 Instruction time

To meet the minimum statutory requirement, attendance shall be computed on the basis of an hour equaling 50 minutes. For every 50 minutes of instruction there shall be an additional 10-minute break. The time of the breaks shall be left to the discretion of the individual education coordinator. Breaks shall not be considered optional.

§1107.19 Policies concerning course cancellation and tuition refund

An educational institution or other organization, which requests approval for courses from the Department of State, must have a policy relating to course cancellation and tuition refunds. A copy of that policy must be provided, in writing, to prospective students prior to the acceptance of any fees.

§1107.20 Certificates of completion

Evidence of successful completion of a course must be furnished to students in the form of a certificate. The certificate must be signed by the education coordinator or designee and must indicate the following: the name of the school or organization providing the course; the name of the student; the name of the course that has been completed; the assigned course code number; and the date the student completed the course.

§1107.21 Attendance

In order to obtain a certificate of completion for continuing education, appraisers must attend 100% of the required instruction time.

§1107.22 Open to the public

Any course approved pursuant to this Part shall be open to all members of the public regardless of the membership of the prospective student in any real estate board, or professional society or association.

§1107.23 Advertisements

An educational institution or other organization offering approved courses may not make or publish a false or misleading statement regarding employment opportunities which may be available as the result of the successful completion of a course of study, or upon acquisition of a license.

§1107.24 Retention of records

All persons and organizations conducting approved programs or courses of study shall retain the records of all students for a period of two years after the completion thereof, and such papers shall be available for inspection by duly authorized representatives of the department at all times during such period.

§1107.25 Employment recruitment

Faculty members and employees of educational institutions or other organizations are prohibited from any recruitment activities which may result in the offering of employment to students.

§1107.26 Auditing

A duly authorized representative of the department may audit any course offered, and may verify attendance and inspect the records of attendance of the course, at any time during its presentation or thereafter, without prior notice to the sponsor.

§1107.27 Faculty approval and qualifications

(a) License instructor. In order for an individual to be eligible to teach an approved continuing education course of study in subject matters relating to the license classification:

(1) the individual must provide evidence of having obtained a general or residential appraiser certification or State licensed real estate appraiser classification in New York State or any other state; or

(2) the individual must pass the New York State certified residential or certified general appraiser examination.

(b) Residential instructor. In order for an individual to be eligible to teach an approved continuing education course of study in subject matters relating to the residential certification classification:

(1) the individual must provide evidence of having obtained a general or residential appraiser certification in New York State or any other state; or

(2) the individual must pass the New York State certified residential or certified general appraiser examination.

(c) General instructor. In order for an individual to be eligible to teach an approved continuing education course of study in subject matters relating to the general certification classification:

(1) the individual must provide evidence of having obtained a certified general certification in New York State or any other state; or

(2) the individual must pass the New York State certified general appraiser examination.

(d) An approved sponsor which engages program instructors or presenters to conduct classes of continuing education identified as technical subjects, closely related to real estate appraisal but not classified as specific subject matter pertaining to appraisal principles and/or theories, are exempt from the provisions of the subdivisions (b)-(d) of this section, except that the sponsor of such program(s) must make application to the department certifying to the claimed expertise. All technical instructor applications must be submitted directly by the approved sponsor to the department for approval.

(e) The successful completion of the instructor examination may be applied towards the examination requirement for licensing/certification.

(f) An individual whose real estate broker's license, or salesperson's license or real estate appraiser's license or certification is revoked or suspended is ineligible to receive or retain approval as an instructor.

(g) An individual who obtains approval to teach qualifying courses is not required to reapply for approval as a teacher under this Part.

§1107.28 Registration period

Each registration period for approved programs or courses shall be for 12 months or part thereof. Each registration period for renewal of programs or courses shall be for 12 months or part thereof. The period shall run from each January 1st to the subsequent December 31st.

§1107.29 Distance learning

Distance learning is defined as any educational process based on the geographical separation of instructor and student. Educational providers who wish to offer distance learning programs must have their programs evaluated and approved in accordance with sections 1107.30, 1107.31 and 1107.32.

§1107.30 Distance learning program requirements

(a) Distance learning course material must be divided into major units, and the content of those units must be divided into modules of instruction.

(b) Distance learning programs must contain a time-default mechanism for inactivity so that a student does not receive credit when not actively participating in the program.

(c) Providers of distance learning programs must retain a record of each student's participation in and completion of the distance learning program for a period of three years from the date of

completion and shall make these records available for review and inspection by the Department, upon request.

(d) Providers of distance learning programs must make an instructor approved pursuant to section 1107.27 of this Part available to students during reasonable business hours to answer questions pertaining to the qualifying course content.

(e) Distance learning courses must obtain course delivery mechanism approval from one of the following sources:

- (1) an Appraiser Qualifications Board approved organization providing approval or course design and delivery;
- (2) a college that qualifies for content approval and awards academic credit for the distance education course; or
- (3) a qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporates interactivity.

§1107.31 Request for approval of distance learning programs

Applications for approval to conduct distance learning courses of study shall be made on an application prescribed by the Department 60 days before the proposed course is to be conducted.

§1107.32 Course completion for distance learning courses

(a) To earn credit for a distance learning course, a student must successfully complete the course within 12 months of starting the program.

(b) Providers of distance learning courses shall provide students who have successfully completed such a distance learning course with a certificate of completion. The certificate shall include, at a minimum, the following information: the name of the student, the name of the person or entity providing the course, the name of the course, the Department of State issued code number of the approved course provider, and the date on which the student completed the course. The certificate must be signed by the owner of the entity providing the course or the course coordinator and dated.

§1107.33 Mandatory Continuing Education in Valuation Bias and Fair Housing Laws and Regulations

(a) For State license and certification periods that commence on or after January 1, 2026, real estate appraisers and real estate appraiser assistants who hold State licenses or certifications must successfully complete a course which meets the content requirements of the Valuation Bias and Fair Housing Laws and Regulations Outline, every two calendar years.

(b) The first time an appraiser completes the continuing education requirement for this course, the course length must be seven (7) hours. If an appraiser successfully completed a seven (7) hour (plus 1 hour exam) course as part of their qualifying education, they have met this requirement. Every two calendar years thereafter, the course length must be at least four (4) hours.

(c) The difference between the seven (7) hour course and the eight (8) hour course is the eight (8) hour course includes a required one-hour exam. Therefore, the eight (8) hour course is the same identical content as the seven (7) hour course, with one extra hour added to allow for an exam to be administered.

§1107.34 Continuing Education in Fair Housing and Fair Lending Course Outline

The following are the required subjects to be included in the Valuation Bias and Fair Housing Laws and Regulations courses. The course must contain information to ensure the appraiser understands valuation bias and fair housing laws and regulations related issues. The same outline is required for the seven (7) hour course, the eight-hour course (which is the seven-hour course plus a one-hour exam) and the four (4) hour course. However, the four-hour course will have less content on the topics of "Understanding Real Estate Bias" and "Federal Fair Housing Laws and Regulations" and more content on "Valuation Bias" and "Case Studies."

Education developers must include the topics contained in the following outline when creating course content:

A. Understanding Real Estate Bias

1. Historical Context

- a. Role of the following: real estate agents, insurance, appraisers, lenders, Government Sponsored Enterprises, federal, state and local agencies, and legislation
- b. Redlining
- c. Restrictive Covenants
- d. Court Rulings

2. Contemporary Context

- a. Economic Impact of Property Value Disparities for Protected Classes
- b. Public Conversation Regarding Valuation Bias
- c. Recent Cases and Developments

B. Federal Fair Housing and Antidiscrimination Laws and Regulations

1. Laws and Regulations

- a. Civil Rights Act of 1866 (Section 1981 and Section 1982)
- b. Fair Housing Act
- c. Equal Credit Opportunity Act (ECOA)
- d. Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)
- e. Unfair and Deceptive Acts and Practices (UDAP)
- f. Unfair, Deceptive or Abusive Acts and Practices (UDAAP)

2. Key Legal Concepts

- a. Disparate Treatment
- b. Disparate Impact

C. Valuation Bias

1. Components of Valuation Bias

- a. Explicit
- b. Implicit
- c. Structural

2. Recognizing and Avoiding Valuation Bias

D. Case Studies

1. Current Valuation Bias Topics
Best Practices for Avoiding Valuation Bias.