

AMENDATORY SECTION (Amending WSR 16-02-008, filed 12/28/15, effective 1/28/16)

WAC 308-125-025 Application process to register as a real estate appraiser trainee. (1) Anyone who is not a licensed or certified appraiser or a registered appraiser trainee cannot provide assistance that includes analytical work and exercising discernment or discretion that leads to an appraisal conclusion.

(2) As a prerequisite to registration as a registered appraiser trainee, the applicant shall present evidence satisfactory to the director of successful completion within five years of the date of application of the following appraiser qualifications board modules of qualifying core curriculum of approved qualifying education:

(a) Basic appraisal principles, (~~((thirty))~~) 30 hours.

(b) Basic appraisal procedures, (~~((thirty))~~) 30 hours.

(c) Valuation bias and fair housing laws and regulations, 8 hours.

(d) The National USPAP course or equivalent (~~((fifteen))~~) 15 hours.

(~~((d))~~) (e) A course that, at a minimum, complies with the specifications for course content established by the appraiser qualifications board that is oriented toward the expectations for the applicant.

(3) Application for registration as a trainee from persons who have had either a real estate license or real estate appraiser license suspended or revoked shall not be accepted by the department until after the time period of the suspension or revocation has expired.

(4) An applicant for registration as a trainee shall present a completed registration form together with the appropriate fee and copies of core curriculum course completion certificates to the director prior to issuance of the approved trainee registration certificate.

(5) Registration as a trainee may be denied for unprofessional conduct as provided in RCW 18.235.130.

AMENDATORY SECTION (Amending WSR 24-03-043, filed 1/9/24, effective 2/9/24)

WAC 308-125-030 Examination prerequisite general classification. The general real estate appraiser classification applies to the appraisal of all types of real property.

(1) 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 director that (~~((he/she has))~~) they have successfully completed not less than (~~((300))~~) 308 hours in the following core modules:

(a) Basic appraisal principles, 30 hours.

(b) Basic appraisal procedures, 30 hours.

(c) Valuation bias and fair housing laws and regulations, 8 hours.

(d) The National USPAP course or equivalent, 15 hours.

(~~((d))~~) (e) General appraiser market analysis and highest and best use, 30 hours.

(~~((e))~~) (f) Statistics, modeling and finance, 15 hours.

((f)) (g) General appraiser sales comparison approach, 30 hours.
((g)) (h) General appraiser site valuation and cost approach, 30 hours.

((h)) (i) General appraiser income approach, 60 hours.

((i)) (j) General appraiser report writing and case studies, 30 hours.

((j)) (k) Appraisal subject matter electives, 30 hours.

(2) Credit towards qualifying education requirements may be obtained via the completion of a degree program in real estate from an accredited degree-granting college or university provided the college or university has had its curriculum reviewed and approved by the appraiser qualifications board.

(3) An original certification as a state-certified general real estate appraiser shall not be issued to any person who does not possess 3,000 hours of appraisal experience obtained continuously over a period of not less than 18 months in Washington or in another state having comparable certification requirements.

(4) To fulfill the experience requirement, an applicant must have at least 1,500 hours of nonresidential appraisal experience.

(5) Applicants for the certified general license must possess a bachelor's degree or higher in any field of study.

AMENDATORY SECTION (Amending WSR 24-03-043, filed 1/9/24, effective 2/9/24)

WAC 308-125-040 Examination prerequisite state-certified residential classification. The state-certified residential real estate appraiser classification applies to appraisals of all types of residential property of one to four units without regard to transaction value or complexity and nonresidential property having a transaction value less than \$250,000.

(1) 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 director that ((he/she has)) they have successfully completed not less than ((200)) 208 hours in the following core modules:

(a) Basic appraisal principles, 30 hours.

(b) Basic appraisal procedures, 30 hours.

(c) Valuation bias and fair housing laws and regulations, 8 hours.

(d) The National USPAP course or equivalent, 15 hours.

((d)) (e) Residential market analysis and highest and best use, 15 hours.

((e)) (f) Residential appraiser site valuation and cost approach, 15 hours.

((f)) (g) Residential sales comparison and income approaches, 30 hours.

((g)) (h) Residential appraiser report writing and case studies, 15 hours.

((h)) (i) Statistics, modeling and finance, 15 hours.

((i)) (j) Advanced residential applications and case studies, 15 hours.

((j)) (k) Appraisal subject matter electives, 20 hours.

(2) Credit towards qualifying education requirements may be obtained via the completion of a degree program in real estate from an accredited degree-granting college or university provided the college or university has had its curriculum reviewed and approved by the appraiser qualifications board.

(3) An original certification as a state-certified residential real estate appraiser shall not be issued to any person who does not possess 1,500 hours of appraisal experience obtained continuously over a period of not less than 12 months in Washington or in another state having comparable certification requirements.

(4) Applicants for the certified residential appraiser license must satisfy one of the following college education requirement options:

(a) Possess a bachelor's degree or higher in any field of study; or

(b) Possess an associate's degree in a field of study related to business administration, accounting, finance, economics, or real estate; or

(c) Successful completion of 30 semester hours of college level courses in all of the following subject matter areas:

(i) English composition, three hours; and

(ii) Microeconomics, three hours; and

(iii) Macroeconomics, three hours; and

(iv) Finance, three hours; and

(v) Algebra, geometry, or higher mathematics, three hours; and

(vi) Statistics, three hours; and

(vii) Business or real estate law, three hours; and

(viii) Computer science, three hours; and

(ix) Two elective courses in: Accounting, geography, agricultural economics, business management, or real estate, three hours each.

(d) Successful completion of at least 30 semester hours of college level examination program (CLEP) examinations in all of the following subject matter areas:

(i) College algebra, three hours; and

(ii) College composition, six hours; and

(iii) College composition modular, three hours; and

(iv) College mathematics, six hours; and

(v) Principles of macroeconomics, three hours; and

(vi) Principles of microeconomics, three hours; and

(vii) Introductory business law, three hours; and

(viii) Information systems, three hours.

(e) Any 30 semester credit hour combination of (c) and (d) of this subsection that includes at least one course or CLEP exam in each of the following subject matter areas:

(i) Composition; and

(ii) Microeconomics; and

(iii) Macroeconomics; and

(iv) Business law; and

(v) Algebra, geometry or higher mathematics.

(f) No college level education is required to apply for state-certified residential real estate appraiser license for an appraiser that has held a state-licensed real estate appraiser license for a minimum of five years, and satisfies all of the following requirements:

(i) No record of any adverse, final and nonappealable disciplinary action affecting the state-licensed real estate appraiser's legal eligibility to engage in appraisal practice within five years immedi-

ately preceding the date of application for a state-certified residential real estate appraiser license; and

(ii) Successful completion of the following core qualifying education modules:

(A) Statistics, modeling, and finance, 15 hours; and

(B) Advanced residential applications and case studies, 15 hours; and

(C) Appraisal subject matter electives, 20 hours; and

(iii) Successful completion of the required experience as specified in subsection (3) of this section; and

(iv) Successful completion of the certified residential real property appraiser examination as specified in these rules.

AMENDATORY SECTION (Amending WSR 24-03-043, filed 1/9/24, effective 2/9/24)

WAC 308-125-045 Examination prerequisite state-licensed classification. The state-licensed real estate appraiser classification applies to appraisal of noncomplex one to four residential units having a transaction value less than \$1,000,000 and complex one to four residential units having a transaction value less than \$400,000 and non-residential property having a transaction value less than \$250,000.

(1) As a prerequisite to taking the examination for certification as a state-licensed real estate appraiser, an applicant shall present evidence satisfactory to the director that ~~((he/she has))~~ they have successfully completed not less than ~~((150))~~ 158 hours in the following core modules:

(a) Basic appraisal principles, 30 hours.

(b) Basic appraisal procedures, 30 hours.

(c) Valuation bias and fair housing laws and regulations, 8 hours.

~~((d))~~ (d) The National USPAP course or equivalent, 15 hours.

~~((e))~~ (e) Residential market analysis and highest and best use, 15 hours.

~~((f))~~ (f) Residential appraiser site valuation and cost approach, 15 hours.

~~((g))~~ (g) Residential sales comparison and income approaches, 30 hours.

~~((h))~~ (h) Residential appraiser report writing and case studies, 15 hours.

(2) Credit toward qualifying education requirements may be obtained via the completion of a degree program in real estate from an accredited degree-granting college or university provided the college or university has had its curriculum reviewed and approved by the appraiser qualifications board.

(3) An original certification as a state-licensed real estate appraiser shall not be issued to any person who does not possess 1,000 hours of appraisal experience obtained continuously over a period of not less than six months in Washington or in another state having comparable certification requirements.

WAC 308-125-070 Experience requirements. (1) State licensed applicants must accumulate 1,000 hours within a minimum of six months and a maximum of seven years. Certified residential applicants must accumulate 1,500 hours within a minimum of one year (12 months) and a maximum of seven years. Certified general applicants must accumulate 3,000 hours within a minimum of 18 months and a maximum of seven years.

(2) Any work product claimed for experience credit dated January 1, 1990, and later shall conform to the Uniform Standards of Professional Appraisal Practice in effect at the time the appraisal is completed.

(a) Reports shall be in writing.

(b) An appraisal work file must be available to the director to substantiate work performed.

(c) Appraisal experience must have been performed as a licensed or certified appraiser or a registered trainee to qualify. Appraisal experience accrued through a Practical Applications of Real Estate Appraisal program is exempt from the requirements of this subsection (2)(c) of this section.

(3) A registered trainee may gain experience under the supervision of no more than six supervisory appraisers during their trainee period.

(4) The department may request appraiser work files to verify, confirm, or compare entries made on the experience log. Failure to provide work files to the department upon its request may disqualify the reports as qualifying experience.

(5) An applicant for certification or license shall certify, under penalty of perjury, the completion of the required experience.

(6) Appraisal work qualifying for appraisal experience includes, but is not limited to, the following: Fee and staff appraisal, ad valorem tax appraisal, appraisal review, appraisal analysis, appraisal consulting, highest and best use analysis, feasibility analysis/study.

(7) The department may require a supervisory appraiser to certify, under penalty of perjury, the applicant's work experience.

(8) The department may request written reports or work files to verify an applicant's experience.

(9) As an alternative means to satisfy the experience requirements of this section, applicants may complete a Practical Applications of Real Estate Appraisal (PAREA) program. PAREA programs must be approved by the Appraiser Qualification Board prior to the program's administration.

(a) Participants may not receive partial credit for a Practical Applications of Real Estate Appraisal program.

(b) Participants may not receive a certificate of completion until all required components of the Practical Applications of Real Estate Appraisal program have been successfully completed and approved by a program mentor.

(c) Experience hours gained from Practical Applications of Real Estate Appraisal programs are exempt from state locality requirements outlined in WAC 308-125-020(2), 308-125-040(3), and 308-125-045(3).

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

(i) A Licensed Residential PAREA certificate of completion may satisfy up to 100 percent of the required experience hours for the Licensed Residential classification.

(ii) A Licensed Residential PAREA certificate of completion may satisfy up to 67 percent of the required experience hours for the Certified Residential classification.

(iii) 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.

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

(i) A Certified Residential PAREA certificate of completion may satisfy up to 100 percent of the required experience hours for the Licensed Residential classification.

(ii) A Certified Residential PAREA certificate of completion may satisfy up to 100 percent of the required experience hours for the Certified Residential classification.

(iii) 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.

AMENDATORY SECTION (Amending WSR 20-18-024, filed 8/26/20, effective 9/26/20)

WAC 308-125-090 Continuing education required. (1) As a prerequisite to renewal of an active or inactive certification, licensure, or registration, the holder of a certificate, license, or registration shall present evidence satisfactory to the director of successful completion of the continuing education requirements of this section.

(2) The continuing education requirements for renewal of an active or inactive certification, licensure, or registration shall be the completion by the applicant of ~~((twenty-eight))~~ 28 hours of instruction in courses or seminars which have received the approval of the director. Courses must be completed within the term of certification, licensure, or registration immediately preceding renewal. An applicant shall not receive credit in consecutive renewals for courses that have the same or very similar content and are deemed comparable by the department. The holder of a certificate, license, or registration will present evidence of successful completion of the seven-hour National USPAP update course or its equivalent.

(3) In order for courses or seminars to be accepted under subsection (2) of this section, the course or seminar must be a minimum of two hours in length and be directly related to real estate appraising. However, a maximum of one-half of the continuing education hours required for renewal can be in two-hour seminars or courses.

(4) An examination is not required for courses or seminars taken for continuing education classroom hours.

(5) Up to one-half of the requirement under subsection (2) of this section may be met by participation other than as a student in educational process and programs approved by the director including teaching, program development, and authorship of textbooks and other

written instructional materials. A licensee or certificate holder may receive continuing education credit for teaching an approved real estate appraisal course. Once a licensee or certificate holder has received credit for teaching an approved real estate appraiser course, the credential holder shall not receive credit for teaching that course or any substantially similar course on any subsequent occasion, with the exception of the Uniform Standards of Professional Appraisal Practice, USPAP, ~~((7)) seven-hour update, and valuation bias and fair housing laws and regulations course.~~

(a) The first time an appraiser completes the continuing education requirement for valuation bias and fair housing laws and regulations course, the course length must be seven hours. If an appraiser successfully completed a seven-hour course (plus a one-hour exam) as part of their qualifying education, they have met this requirement.

(b) Every two calendar years afterward, the valuation bias and fair housing laws and regulations course length must be at least four hours.

(6) Courses or seminars taken to satisfy the continuing education requirement for real estate appraisers, should include coverage of real estate appraisal related topics, such as:

(a) Ad valorem taxation.

(b) Appraisal and consulting report writing.

(c) Arbitrations, dispute resolution.

~~((e))~~ (d) Business courses related to practice of real estate appraisal and consulting.

~~((d))~~ (e) Construction estimating.

~~((e))~~ (f) Developing opinions of real property value in appraisals that also include personal property and/or business value.

(g) Ethics and standards of professional practice, USPAP.

~~((f))~~ (h) Green buildings.

(i) Land use planning, zoning, and taxation.

~~((g))~~ (j) Management, leasing, brokerage, timesharing.

~~((h))~~ (k) Property development, partial interests.

~~((i))~~ (l) Real estate appraisal (valuations/evaluations).

~~((j))~~ (m) Real estate financing and investment.

~~((k))~~ (n) Real estate law, easements and legal interests.

~~((l))~~ (o) Real estate litigation, damages and condemnation.

~~((m))~~ (p) Real estate related computer applications.

~~((n))~~ (q) Real estate securities and syndication.

~~((o))~~ (r) Real property exchange.

~~((p)) Appraisal and consulting report writing.~~

~~(q) Green buildings.~~

~~(r) Seller concessions.~~

~~(s) Developing opinions of real property value in appraisals that also include personal property and/or business value.~~

~~((t))~~ (s) Seller concessions.

(t) Valuation bias and fair housing laws and regulations.

(u) Such other presentations approved by the director.

(7) The director may approve continuing education credit for attendance at one real estate appraiser commission meeting of no more than seven hours.

(8) The director may defer completion of continuing education for the holder of a certificate, license, or registration returning from military service active duty and place the registration, license, or certificate in an active status for a period of ~~((ninety))~~ 90 days pending completion of education. If the holder of a certificate, license, or registration fails to comply with the continuing education

requirement within said ((~~ninety~~)) 90 days, the registration, license, or certificate will revert to an expired status.

(9) A licensee or certificate holder may receive continuing education credit for teaching an approved real estate appraisal course. One hour of education credit for each hour of teaching an approved real estate appraisal course shall be given. Once a licensee or certificate holder has received credit for teaching an approved real estate appraisal course, the credential holder shall not receive credit for teaching that course or any substantially similar course on any subsequent occasion.

AMENDATORY SECTION (Amending WSR 17-24-040, filed 11/30/17, effective 12/31/17)

WAC 308-125-095 Responsibilities of the appraiser supervisor.

(1) A certified real estate appraiser licensed by the state of Washington may supervise trainees in accordance with the following provisions:

(a) The certified real estate appraiser is in good standing and not subject to any disciplinary action which affects their legal eligibility to engage in appraisal practice within the three years preceding registration to become a supervisory appraiser.

(b) The certified real estate appraiser shall have been certified for a minimum of three years prior to becoming a supervisory appraiser.

(c) The certified real estate appraiser shall have completed a course that, at a minimum, complies with the specification for course content established by the appraiser qualifications board. This course must be completed prior to supervising a registered appraiser trainee.

(d) Not more than three real estate appraiser trainees may be supervised in accordance with the appraiser qualifications board standards unless written authorization by the department is granted to exceed that number of trainees at any one time.

(e) Supervision of trainees in the process of appraising real property shall occur within the boundaries of the state of Washington and comply with jurisdictional and established agreements with other states. If a trainee is supervised by a certified appraiser who is licensed in both the state of Washington and with another state or has a temporary license in another state; and the trainee is registered as a trainee in that other state by either temporary permit, license, or registration, then the appraisal assignments shall qualify as work experience on the experience log.

(f) Authorization to exceed supervision of three trainees may be granted by the director upon approval of a written request and under the provisions of subsection (2) of this section.

(g) A registered real estate appraiser trainee may assist in the completion of an appraisal report, including determination of an opinion of value and may sign the appraisal report, provided that ((~~he/she is~~)) they are actively and personally supervised by a state-certified real estate appraiser, and provided that the appraisal report is reviewed and signed by the state-certified real estate appraiser; and provided the state-certified appraiser accepts total responsibility for the appraisal report.

(h) The certified appraiser shall:

(i) Personally inspect each appraised property with the trainee appraiser, until the supervisory appraiser determines the trainee is competent to inspect the property, in accordance with the Competency Rule of USPAP for the property type.

(ii) Personally review and verify each appraisal report prepared by the trainee as entered on the trainee experience log as qualifying work experience prior to the log being submitted to the department by the supervised trainee. The trainee shall be entitled to obtain copies of the appraisal reports in which the trainee provided appraisal assistance.

(iii) Personally review and verify each appraisal report prepared by a state licensed or certified residential appraiser as entered on the qualifying work experience log prior to the log being submitted to the department by the licensee. The state licensed or certified residential appraiser shall be entitled to obtain copies of the appraisal reports in which the state licensed and certified residential appraiser provided appraisal assistance.

(iv) Comply with all USPAP requirements.

(v) Maintain a separate "properties inspected with trainee" log for each supervised trainee. This log must be made available to the department upon request and is to be submitted with trainee's application for license or certification.

(vi) Register with the department as a supervisory appraiser and include the names of the registered real estate appraiser trainees being supervised. Registration must be five business days prior to the start of supervision. The supervisory appraiser shall notify the department when they are no longer a supervisory appraiser of a trainee, with such notice including the name, address, and registration number of the registered trainee.

(2) Authorization may be granted by the director to a certified appraiser to exceed the number of trainees allowed to be supervised providing:

(a) The certified appraiser has more than five years certified experience.

(b) The certified appraiser shall make a written application to the department requesting to supervise not more than three trainees with less than one year experience; and three trainees with more than one year experience; and five trainees with greater than two years experience. The total number of supervised trainees shall not exceed eight for all experience levels at any one time.

(c) The certified appraiser shall prepare and maintain trainee progress reports and make them available to the department until such time as the trainee becomes certified or licensed or after two years has lapsed since supervising the trainee.

(d) The certified appraiser shall provide to the department a mentoring plan for consideration prior to the department authorizing supervision of more than three trainees.

AMENDATORY SECTION (Amending WSR 20-18-024, filed 8/26/20, effective 9/26/20)

WAC 308-125-250 Inactive licenses. (1) Any license issued under this chapter and not otherwise revoked is deemed "inactive" at any time it is delivered to the director. Until reinstated under this

chapter, the holder of an inactive license is prohibited from conducting real estate appraisal services.

(2) An inactive license may be renewed on the same terms and conditions as an active license, except that a person with an inactive license shall pay ~~((a reduced renewal fee))~~ the inactive license reinstatement fee identified in WAC 308-125-120. Failure to renew shall result in cancellation in the same manner as an active license.

(3) An inactive license may be placed in an active status upon submission of a reinstatement application to include proof of successful completion within ~~((one hundred eighty))~~ 180 days of application of a ~~((fifteen))~~ 15 hour course in the uniform standards of professional appraisal practice.

(4) If an appraiser license is inactive for more than eight years, the license shall be canceled in the same manner as an active license.