

MISSOURI REAL ESTATE APPRAISERS COMMISSION

IMPORTANT INFORMATION

2 YEAR EXAMINATION EXPIRATION

The Missouri Real Estate Appraisers Commission would like to advise you of the following change to Section 339.515.3.

“If an applicant is not certified or licensed within **two** years after passing an examination given pursuant to the provisions of this section, he or she shall be required to retake the examination prior to certification or licensure.”

This change was made as a result of an audit finding by the Appraisal Subcommittee (ASC). The ASC performs routine audits of the state appraiser regulatory commissions throughout the country. The Missouri Real Estate Appraisers Commission (MREAC) was audited in October 2004. Following the audit, the MREAC was informed by the ASC that Missouri’s appraiser statutes were in conflict with a July 1, 2000 Appraiser Qualifications Board (AQB) interpretation related to the time period an appraiser has to complete his/her requirements. Missouri’s law allowed an appraiser three years from the date the appraiser passed the examination to obtain the experience necessary for certification/licensure and the AQB’s interpretation allows only two years.

Therefore, to ensure that the Missouri requirements are in compliance with federal law (Title XI) and that Missouri appraisers are qualified for inclusion on the Federal Registry, the statute was revised.

The Commission does not have the authority to waive this provision.

2006 USPAP

The 2006 edition of USPAP was adopted with an effective date of July 1, 2006, meaning the current (2005) edition of USPAP is valid until June 30, 2006. It is anticipated that the 2006 edition will be effective until December 31, 2007 (a period of 18 months). Effective with the 2008 edition, USPAP is planned to be issued on a two-year publication cycle.

The Commission will be mailing to each Missouri licensed and certified appraiser the new 2006 USPAP edition within the next few weeks. Watch your mailboxes.

RENEWAL AND CE

Your current license or certificate expires on June 30, 2006. Renewal notices will be mailed to all certified and licensed appraisers on or around April 1st. In order to renew, you will need 28 hours of approved CE that includes a **7 hour National USPAP Update Course**. The CE must have been obtained within the past two year cycle (July 1, 2004 – June 30, 2006). No carry over of CE is allowed. Please do not submit course completion certificates with your renewals. All continuing education will be “attested to” by you on the renewal application as having been completed. The Commission will randomly audit at least 15% of all certified and licensed appraisers for verification of the required CE.

New this year – Appraisers will have the option to renew ONLINE. Instructions will be included in your renewal notice.

The notices will be mailed to the contact address the Commission currently has on file for you. So, if you have moved and have not notified the commission not only will you not receive your renewal notice, but you are also in violation of Section 339.529 RSMo that requires the Commission be notified, in writing, within thirty (30) days of any change.

COMPETENCY AND SCOPE OF PRACTICE STANDARDS

THIS RULE BECAME EFFECTIVE FEBRUARY 28, 2005

**Title 4 - DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 245 - Real Estate Appraisers
Chapter 9
Competency and Scope of Practice Standards**

4 CSR 245-9.010 Competency and Scope of Practice Standards

PURPOSE: This rule sets the scope of practice standards for the development and communication of real estate appraisals by state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed real estate appraisers.

(1) Prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser shall properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or alternatively, must:

- (A) Disclose the lack of knowledge and/or experience to the client before accepting the assignment;
- (B) Take all steps necessary or appropriate to complete the assignment competently; and
- (C) Describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.

(2) If an appraiser discovers during the course of an appraisal assignment that he or she lacks the required knowledge or experience to complete the assignment competently, at the point of such discovery, the appraiser shall notify the client and comply with subsections (1)(B) and (1)(C) of this rule.

(3) Notwithstanding the requirements and allowances of sections (1) and (2) of this rule, state-certified and state-licensed real estate appraisers shall limit their practice to the development and communication of real estate appraisals as follows:

- (A) State-certified general real estate appraisers may perform appraisals on all types of real estate regardless of complexity or transaction value and may perform appraisal consulting, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment;
- (B) State-certified residential real estate appraisers may perform appraisals on residential real estate of one to four (1.4) residential units without regard to transaction value or complexity and may perform appraisal consulting in the area of residential real estate, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. This designation permits the appraisal of vacant or unimproved land that may be utilized for one- to four- (1.4) family purposes. This certification does not permit the appraisal of subdivisions or of agricultural real estate. Individual parcels of property located within a residential subdivision shall be considered residential real estate. For all other appraisals, the appraisal report shall be signed by the state-certified residential real estate appraiser and a state-certified general real estate appraiser. For the purposes of this rule, agricultural real estate shall be defined as improved or unimproved land with a highest and best use and primary purpose devoted to income production by crops, livestock and other products of the soil (fruit, pasture, timberland, etc).
- (C) State-licensed real estate appraisers may perform appraisals of real property consisting of one (1) residential unit, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. For all other appraisals, the appraisal report shall be signed by the state-licensed real estate appraiser and a state-certified real estate appraiser.

(4) A state-licensed or state-certified real estate appraiser shall be exempt from the provisions of section (3) of this rule if providing valuation services in a setting for which licensure or certification would not be required under section 339.501.5, RSMo. In all other instances, a real estate appraiser must comply fully with sections (1), (2) and (3) of this rule. Sections (1), (2) and (3) shall not be interpreted so as to except a real estate appraiser from compliance with the other sections.

(5) Prior to July 1, 2007, the provisions of section (3) of this rule shall not apply to any person that was certified or licensed as a real estate appraiser before the effective date of this rule.

AUTHORITY: section 339.509(5), RSMo 2000. Original rule filed June 25, 2004, effective Feb. 28, 2005.*

**Original authority: 339.509, RSMo 1990, amended 1998.*

Implementation of the 2008 AQB Criteria

The Missouri Real Estate Appraisers Commission will accept applications for examination from those individuals meeting the current 2003 AQB education criteria until **June 30, 2007**. Those applicants will then have to pass the examination by **December 31, 2007**, for their education and examination to qualify under the 2003 criteria. If an applicant does not have the application for examination submitted to the Commission by June 30, 2007 and/or does not pass the examination by December 31, 2007 he/she will be required to meet the new 2008 AQB criteria. No exceptions. For more information please call the Missouri Real Estate Appraisers Commission at 573-751-0038.

SEE A SUMMARY OF THE CHANGES TO APPRAISER QUALIFICATIONS ON THE FOLLOWING PAGE

On February 20, 2004, the Appraiser Qualifications Board of The Appraisal Foundation adopted changes to the *Real Property Appraiser Qualification Criteria* that will become effective on January 1, 2008. These changes represent the minimum national requirements that each state must implement for individuals applying for a real estate appraiser license or certification as of January 1, 2008. The changes include increased required education, which is summarized as follows:

Category	Current Requirements ¹	1/1/08 Requirements ^{1, 2}	1/1/08 College-Level Course Requirements ³
License	90 hours	150 hours	None
Certified Residential	120 hours	200 hours	Associate degree or higher. In lieu of the required degree, Twenty-one (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers – Word Processing/Spreadsheets; and Business or Real Estate Law.
Certified General	180 hours	300 hours	Bachelors degree or higher. In lieu of the required degree Thirty (30) semester credit hours covering the following subject matter courses: English Composition; Micro Economics; Macro Economics; Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers – Word Processing/Spreadsheets; Business or Real Estate Law; and two (2) elective courses in accounting, geography, ag-economics, business management, or real estate

1) Hours required include completion of the 15-hour National USPAP Course (or its equivalent).

2) Hours required include specific core curriculum courses and hours – please see the *Real Property Appraiser Qualification Criteria* for details.

3) College-level courses and degrees must be obtained from an accredited college or university.

Please note that individual states may adopt requirements more stringent than the national requirements, and may opt to impose those requirements prior to January 1, 2008. Therefore, applicants for a real estate appraisal license or certification should always check with their state for individual requirements.

Copies of the Real Property Appraiser Qualification Criteria (contains the current and 2008 Criteria) as well as guidance such as A Guide for Understanding the 2008 Criteria are available from The Appraisal Foundation. To receive your complimentary copies, please visit www.appraisalfoundation.org. Questions regarding the national requirements can be directed to The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005; online at www.appraisalfoundation.org; or, via phone at 202.347.7722.