

**CHAPTER 36. STATE BOARD OF
CERTIFIED REAL ESTATE APPRAISERS**

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GENERAL PROVISIONS

§ 36.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Act—The Real Estate Appraisers Certification Act (63 P. S. §§ 457.1—457.19).

Ad valorem tax appraisal—Valuation for tax purposes involving the appraisal of real estate, its analysis, opinions and conclusions regarding taxation.

Applicant—A natural person.

Appraisal—A written analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, identified real property, for or in expectation of compensation.

Appraisal review—An analysis of a completed appraisal report to determine if it conforms to specific requirements and guidelines and to insure that the report is consistent and mathematically correct.

Board—The State Board of Certified Real Estate Appraisers of the Commonwealth.

FIRREA—The Financial Institutions Reform, Recovery and Enforcement Act of 1989, the act of August 9, 1989 (Pub. L. 101-73, 103 Stat. 183).

Feasibility analysis—A study of the cost-benefit relationship of an economic endeavor.

Federally-related transaction—A real estate-related financial transaction which a Federal financial institution regulatory agency or the Resolution Trust Corporation engages in, contracts for or regulates, and which requires the services of an appraiser.

Highest and best use analysis—A study which represents the reasonable and probable use that results in the highest present value of the land or improved property after considering all legally permissible, physically possible and economically feasible uses.

Real estate counseling—Providing, for a fee, disinterested and unbiased advice, professional guidance and judgment in the broad field of real estate, involving all segments of the business, including marketing, leasing, managing, planning, financing, appraising, providing testimony and other similar services. Real estate counseling is a specialty area in which the counselor clearly iden-

tifies the real estate problem to be solved, determines the most satisfactory solutions and, where appropriate, follows through on the implementation.

Real estate-related financial transaction—A transaction involving the following:

- (i) Sale, lease, purchase, investment in or exchange of real property, including interests in property or the financing thereof.
- (ii) Refinancing of real property or interests in real property.
- (iii) Use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

Review appraiser—A person who performs an appraisal review.

State certified general real estate appraiser—A person who satisfies the certification requirements of the act and this chapter, pertaining to the appraisal of residential and nonresidential real property utilized in connection with Federally related transactions, and who holds a current, valid certificate issued under the act and this chapter.

State certified residential real estate appraiser—A person who satisfies the certification requirements of the act and this chapter, pertaining solely to the appraisal of residential real property utilized in connection with Federally related transactions, and who holds a current, valid certificate issued under the act and this chapter.

Authority

The provisions of this § 36.1 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.1 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended December 3, 1993, effective December 4, 1993, 23 Pa.B. 5713. Immediately preceding text appears at serial pages (173208) and (183405).

§ 36.2. Application process.

(a) *Application form.* A person interested in becoming State certified as a residential real estate appraiser or a general real estate appraiser shall complete and file with the Board a notarized application form and an application fee. Application forms may be obtained from the Administrative Office of the Board, Post Office Box 2649, Harrisburg, Pennsylvania 17105-2649, (717) 783-4866.

(b) *Application fee.* The application fee for certification as a real estate appraiser is as set forth in § 36.6 (relating to fees). Application fees are nonrefundable. Payments shall be in the form of a personal check or money order made payable to the “Commonwealth of Pennsylvania.”

(c) *Approved applications.* Subject to the provisions of subsection (e), an approved application will be valid for 1 year from the date of approval. If an applicant does not pass the certification examination within this 1-year period, the applicant’s application will be considered to have been withdrawn. If the appli-

cant wishes to take the examination after 1 year from the date of approval, a new application, along with the required fee, shall be submitted to the Board. The application will be reviewed on the basis of statutes and regulations in effect at the time that the new application is received by the Board.

(d) *Disapproved applications.* Subject to the provisions of subsection (e), an applicant whose application has been disapproved by the Board will be notified in writing of the reasons for the disapproval, and will have 1 year from the date of disapproval to correct the deficiencies or to file a request for reconsideration. A request for reconsideration shall give the reason for the applicant's request, shall be accompanied by documentary materials not previously submitted which the applicant wishes the Board to consider and may include a request for an informal interview with the Board. If a request for reconsideration is denied or, subject to the provisions of subsection (e), an applicant is unable to correct the deficiencies which resulted in disapproval of the application within 1 year from the date of disapproval, a new application, along with the required fee, shall be submitted to the Board. An applicant's new application will be reviewed on the basis of statutes and regulations in effect at the time that the new application is received by the Board.

(e) If the education or experience criteria established by the Appraiser Qualifications Board of the Appraisal Foundation (AQB) are amended during the 1-year period following application approval under subsection (c), the applicant will be required to satisfy the new education or experience requirements established by the AQB as a condition to receiving certification from the Board. If the AQB's education or experience criteria is amended during the 1-year period following application disapproval under subsection (d), the applicant will have 1 year from the date of application disapproval to correct the deficiencies which resulted in application disapproval and to satisfy the AQB's new education or experience requirements.

Authority

The provisions of this § 36.2 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.2 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended December 16, 1994, effective December 17, 1994, 24 Pa.B. 6298. Immediately preceding text appears at serial pages (185631) to (185632).

§ 36.3. Examinations.

(a) The examination required for certification as a residential or general real estate appraiser is the National Uniform Appraiser Examination issued or endorsed by the Appraiser Qualifications Board of the Appraisal Foundation. The certification examination will be administered by a professional testing organization under contract with the Board at times and places established by the Board.

(b) General information regarding the real estate appraiser examinations and instructions regarding examination scheduling will be prepared by the professional testing organization under contract with the Board and compiled in a candidate booklet to be made available to each candidate whose State-certified real estate appraiser application has been approved by the Board.

Authority

The provisions of this § 36.3 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.3 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864.

§ 36.6. Fees.

The following is the schedule of fees charged by the Board:

Certification of scores	\$25
Verification of certification or registration	\$15
<i>Certified Real Estate Appraisers</i>	
Application (nonreciprocity)	\$235
Application (reciprocity)	\$40
Temporary practice registration	\$30
Initial certification (if certified on or after 7/1 of odd-numbered years or on or before 6/30 of even-numbered years)	\$90
Initial certification (if certified between 7/1 of even-numbered years and 6/30 of odd-numbered years)	\$45
Biennial renewal	\$225
<i>Certified Broker/Appraisers</i>	
Application (for application period of 9/3/96 to 9/3/98)	\$40
Initial certification (if certified between 7/1/97 and 6/30/98)	\$90
Initial certification (if certified between 9/3/96 and 6/30/97 or if certified on or after 7/1/98, if the application for initial certification was submitted by 9/3/98)	\$45
Biennial renewal	\$225
<i>Certified Pennsylvania Evaluators</i>	
Application	\$55

Initial certification (if certified on or after 7/1 of odd-numbered years or on or before 6/30 of even-numbered years)	\$90
Initial certification (if certified between 7/1 of even-numbered years and 6/30 of odd-numbered years)	\$45
Biennial renewal	\$225
<i>Continuing Education Providers</i>	
Application for continuing education provider approval	\$85

Authority

The provisions of this § 36.6 issued under section 812(b) and (c) of The Administrative Code of 1929 (71 P. S. § 279.3a)); and sections 5(2) and (6) and 9(a) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2) and (6) and 457.9(a)); amended under section 812.1 of The Administrative Code of 1929 (71 P. S. § 279.3a); and section 9 of the Act of April 16, 1992 (P. L. 155, No. 28) (63 P. S. 458.9).

Source

The provisions of this § 36.6 adopted March 22, 1991, effective March 23, 1991, 21 Pa.B. 1168; amended April 17, 1992, effective April 18, 1992, 22 Pa.B. 1919; amended April 30, 1993, effective May 1, 1993, 23 Pa.B. 2119; amended August 27, 1993, effective August 28, 1993, 23 Pa.B. 4070; amended December 16, 1994, effective December 17, 1994, 24 Pa.B. 6298; amended May 5, 1995, effective May 6, 1995, 25 Pa.B. 1774; amended October 25, 1996, effective October 26, 1996, 26 Pa.B. 5104; amended October 25, 1996, effective January 2, 1997, 26 Pa.B. 5103; amended March 26, 1999, effective March 27, 1999, 29 Pa.B. 1610; amended January 17, 2003, effective January 18, 2003, 33 Pa.B. 359; amended May 23, 2003, effective May 24, 2003, 33 Pa.B. 2476. Immediately preceding text appears at serial pages (295817) to (295818).

Cross References

This section cited in 49 Pa. Code § 36.2 (relating to application process); 49 Pa. Code § 36.91 (relating to reactivation of certification); 49 Pa. Code § 36.203 (relating to application process); 49 Pa. Code § 36.221 (relating to qualifications for certification as a Pennsylvania evaluator); and 49 Pa. Code § 36.271 (relating to reactivation of certification).

QUALIFICATIONS FOR CERTIFICATION

§ 36.11. Residential real estate appraiser.

An applicant for certification as a residential real estate appraiser shall be of good moral character, meet the following education and experience requirements and pass an examination for certification as a residential real estate appraiser. Neither a real estate salesperson’s license nor a real estate broker’s license issued under the Real Estate Licensing and Registration Act (63 P. S. §§ 455.101—455.902) is a prerequisite to certification as a real estate appraiser.

- (1) *Education.* An applicant shall submit evidence to the Board of having completed 120 classroom hours of courses in subjects related to real estate appraisal, including the 15-hour National Uniform Standards of Professional

Appraisal Practice Course, together with coverage of the topics listed in paragraph (2). There is no time limit regarding when qualifying education credit shall be obtained.

(i) *Length of classroom hour requirement.* Credit toward the classroom hour requirement will only be granted when the length of the educational offering is at least 15 hours, and the applicant successfully completes an examination pertinent to that educational offering. A classroom hour is defined as 50 minutes out of each 60 minute segment.

(ii) *Teaching credit.* Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses for actual classroom time,

but credit will not be given for course repetition. A teacher requesting credit for the classroom hour requirement may not request credit for experience. A teacher may request credit for either the classroom hour or experience requirement, but not both. No more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses.

(iii) *Providers of appraisal courses.* Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges. Subject to Board approval under § 36.31 (relating to provider registration/appraisal courses), credit for the classroom hour requirement may also be obtained from real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers.

(iv) *Correspondence courses.* Correspondence courses may be acceptable to meet the classroom hour requirement if each course is approved by the Board and meets the following conditions:

(A) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers correspondence programs in other disciplines.

(B) The applicant successfully completes a written examination administered at a location by an official approved by the college or university.

(C) The content and length of the course meets the requirements of subparagraph (i) and paragraph (2).

(v) *Video and remote television courses.* Video and remote television courses may be acceptable to meet the classroom hour requirement if each offering is approved by the Board and meets the following conditions:

(A) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers similar programs in other disciplines.

(B) The applicant successfully completes a written examination administered at a location by an official approved by the college or university.

(C) The content and length of the course meets the requirements of subparagraph (i) and paragraph (2).

(vi) *Credit for challenge examination.* The Board may grant credit for courses if the applicant obtained credit from the course provider by challenge examination without attending the courses, if that credit was granted by the course provider prior to July 1, 1990, and the Board is satisfied with the quality of the challenge examination that was administered by the course provider.

(2) *Mandatory course topics.* Applicants shall demonstrate that their education included coverage of the topics listed in this paragraph with particular emphasis on the appraisal of one-to-four unit residential properties:

- (i) Influences in real estate value.
 - (A) Physical and environmental.
 - (B) Economic.
 - (C) Governmental and legal.
 - (D) Social.
- (ii) Legal considerations in appraisal.
 - (A) Real estate versus real property.
 - (B) Real property versus personal property.
 - (C) Limitations on real estate ownership.
 - (D) Legal rights and interests.
 - (E) Forms of property ownership.
 - (F) Legal descriptions.
 - (G) Transfer of title.
- (iii) Type of values.
 - (A) Market value or value in exchange.
 - (B) Price.
 - (C) Cost.
 - (D) Investment value.
 - (E) Value in use.
 - (F) Assessed value.
 - (G) Insurable value.
- (iv) Economic principles.
 - (A) Anticipation.
 - (B) Balance.
 - (C) Change.
 - (D) Competition.
 - (E) Conformity.
 - (F) Contribution.
 - (G) Increasing and decreasing returns.
 - (H) Opportunity cost.
 - (I) Substitution.
 - (J) Supply and demand.
 - (K) Surplus productivity.
- (v) Real estate markets and analysis.
 - (A) Characteristics of real estate markets.
 - (B) Absorption analysis.
 - (C) Role of money and capital markets.
 - (D) Real estate financing.
- (vi) Valuation process.
 - (A) Definition of the problem.

- (B) Collection and analysis of data.
- (C) Analysis of highest and best use.
- (D) Application and limitations of each approach to value.
- (E) Reconciliation and final value estimate.
- (F) The appraisal report.
- (vii) Property description.
 - (A) Site description.
 - (B) Improvement description.
 - (C) Basic construction and design.
- (viii) Highest and best use analysis.
 - (A) Four tests.
 - (B) Vacant site or as if vacant.
 - (C) As improved.
 - (D) Interim use.
- (ix) Appraisal math and statistics.
 - (A) Compound interest concepts.
 - (B) Statistical concepts used in appraisal.
- (x) Sales comparison approach.
 - (A) Research and selection of comparables.
 - (B) Elements of comparison.
 - (C) Adjustment process.
 - (D) Application of sales comparison approach.
- (xi) Site value.
 - (A) Sales comparison.
 - (B) Land residual.
 - (C) Allocation.
 - (D) Extraction.
 - (E) Plottage and assemblage.
- (xii) Cost approach.
 - (A) Steps in cost approach.
 - (B) Application of the cost approach.
- (xiii) Income approach.
 - (A) Gross rent multiplier analysis.
 - (B) Estimation of income and expenses.
 - (C) Operating expense ratios.
 - (D) Direct capitalization.
- (xiv) Valuation of partial interests.
 - (A) Life estates.
 - (B) Undivided interest in commonly held property
 - (C) Easements.
 - (D) Timeshares.
 - (E) Cooperatives.
 - (F) Leased fee estate.

(G) Leasehold estate.

(xv) Appraisal standards and ethics.

(xvi) Narrative report writing.

(3) *Experience.* In addition to meeting the education requirements, an applicant shall submit evidence to the Board of having completed 2,500 hours of acceptable appraisal experience obtained during no fewer than 24 months. Fifty percent of the experience obtained by an applicant shall be in the actual preparation of real estate appraisal reports which include a physical inspection of the interior and exterior of the subject property. Hours may be treated as cumulative to achieve the necessary 2,500 hours of appraisal experience. Cumulative is defined to mean that experience may be acquired over any time period in excess of 24 months. There is no minimum number of hours which must be acquired in any 12 months. The following will serve as an example:

Year 1	400 Hours
Year 2	800 Hours
Year 3	200 Hours
Year 4	500 Hours
Year 5	600 Hours
<u>Year 5</u>	<u>600 Hours</u>
Total	2,500 Hours

Acceptable appraisal experience includes:

(i) Fee and staff appraisals.

(ii) Ad valorem tax appraisals, if the appraiser can demonstrate that the appraiser used techniques to value properties similar to those used by other appraisers and that the appraiser effectively used the appraisal process.

(iii) Review appraisals, if the reviews are in compliance with Standard 3 of the Uniform Standards of Professional Appraisal Practice.

(iv) Appraisal analysis (synonymous with an appraisal).

(v) Real estate counseling, if the counselor can satisfactorily demonstrate that:

(A) The client clearly asked for counseling services.

(B) The client was informed that the counselor’s time would be devoted to counseling services, which are separate from other real estate functions such as appraising, sales management and mortgage lending.

(C) A file memorandum was prepared on each assignment indicating the nature of the assignment, recommendations and disposition.

(D) Compensation for the counseling services was separate from other real estate services rendered.

(vi) Highest and best use analysis.

(vii) Feasibility analysis/study.

(viii) Teaching of appraisal courses; however, no more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses and no credit will be given for course repetition.

(ix) Real estate related experience such as that of an officer of a lending institution, if the experience consists of the actual performance or professional review of real estate appraisals in compliance with the Uniform Standards of Professional Appraisal Practice.

(4) *State certified residential real estate appraiser.* An applicant who has passed an examination and who is certified under this section will be deemed to have met the minimum criteria for the certified residential real property appraiser classification adopted by the Appraiser Qualifications Board of the Appraisal Foundation, and shall be qualified to perform residential real property appraisals in Federally-related and non-Federally related transactions without regard to value.

Authority

The provisions of this § 36.11 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.11 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended December 3, 1993, effective December 4, 1993, 23 Pa.B. 5713; amended March 18, 1994, effective upon publication and apply retroactively to January 1, 1994, 24 Pa.B. 1486; amended December 23, 1994, effective December 24, 1994, 24 Pa.B. 6421; amended August 4, 2000, effective August 5, 2000, 30 Pa.B. 3934. Immediately preceding text appears at serial pages (253980) and (201919) to (201922).

Cross References

This section cited in 49 Pa. Code § 36.13 (relating to experience options).

§ 36.12. General real estate appraiser.

An applicant for certification as a general real estate appraiser shall be of good moral character, meet the following education and experience requirements and pass an examination for certification as a general real estate appraiser. Neither a real estate salesperson's license nor a real estate broker's license issued under the Real Estate Licensing and Registration Act (63 P. S. §§ 455.101—455.902) is a prerequisite to certification as a real estate appraiser.

(1) *Education.* An applicant shall submit evidence to the Board of having completed 180 classroom hours of courses in subjects related to real estate appraisal, including the 15-hour National Uniform Standards of Professional Appraisal Practice Course, together with coverage of the topics in paragraph (2). There is no time limit regarding when qualifying education credit must be obtained.

(i) *Length of classroom hour requirement.* Credit toward the classroom hour requirement will only be granted where the length of the educational offering is at least 15 hours, and the applicant successfully completes an examination pertinent to that educational offering. A classroom hour is defined as 50 minutes out of each 60 minute segment.

(ii) *Teaching credit.* Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses for actual classroom time, but credit will not be given for course repetition. A teacher requesting credit for the classroom hour requirement may not request credit for experience. A teacher may request credit for either the classroom hour or experience requirement, but not both. No more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses.

(iii) *Providers of appraisal courses.* Credit for the classroom hour requirement may be obtained from colleges or universities and community or junior colleges. Subject to Board approval under § 36.31 (relating to provider registration/appraisal courses), credit for the classroom hour requirement may also be obtained from real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers.

(iv) *Correspondence courses.* Correspondence courses may be acceptable to meet the classroom hour requirement if each course is approved by the Board and meets the following conditions:

(A) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers correspondence programs in other disciplines.

(B) The applicant successfully completes a written examination administered at a location by an official approved by the college or university.

(C) The content and length of the course meets the requirements of subparagraph (i) and paragraph (2).

(v) *Video and remote television courses.* Video and remote television courses may be acceptable to meet the classroom hour requirement if each offering is approved by the Board and meets the following conditions:

(A) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers similar programs in other disciplines.

(B) The applicant successfully completes a written examination administered at a location by an official approved by the college or university.

(C) The content and length of the course meets the requirements of subparagraph (i) and paragraph (2).

(vi) *Credit for challenge examination.* The Board may grant credit for courses when the applicant obtained credit from the course provider by challenge examination without attending the courses, if credit was granted by the course provider prior to July 1, 1990, and the Board is satisfied with the quality of the challenge examination that was administered by the course provider.

(2) *Mandatory course topics.* Applicants shall demonstrate that their education included coverage of the topics listed in this paragraph with particular emphasis on the appraisal of nonresidential properties. Residential is defined as one to four residential units.

- (i) Influences on real estate value.
 - (A) Physical and environmental.
 - (B) Economic.
 - (C) Governmental and legal.
 - (D) Social.
- (ii) Legal considerations in appraisal.
 - (A) Real estate versus real property.
 - (B) Real property versus personal property.
 - (C) Limitations on real estate ownership.
 - (D) Legal rights and interests.
 - (E) Forms of property ownership.
 - (G) Legal descriptions.
 - (H) Transfer of title.
- (iii) Type of values.
 - (A) Market value or value in exchange.
 - (B) Price.
 - (C) Cost.
 - (D) Investment value.
 - (E) Value in use.
 - (F) Assessed value.
 - (G) Insurable value.
 - (H) Going concern value.
- (iv) Economic principles.
 - (A) Anticipation.
 - (B) Balance.
 - (C) Change.
 - (D) Competition.
 - (E) Conformity.
 - (F) Contribution.
 - (G) Increasing and decreasing returns.
 - (H) Opportunity cost.
 - (I) Substitution.
 - (J) Supply and demand.

- (K) Surplus productivity.
- (v) Real estate markets and analysis.
 - (A) Characteristics of real estate markets.
 - (B) Absorption analysis.
 - (C) Role of money and capital markets.
 - (D) Real estate financing.
- (vi) Valuation process.
 - (A) Definition of the problem.
 - (B) Collection and analysis of data.
 - (C) Analysis of highest and best use.
 - (D) Application and limitations of each approach to value.
 - (E) Reconciliation and final value estimate.
 - (F) The appraisal report.
- (vii) Property description.
 - (A) Site development.
 - (B) Improvement description.
 - (C) Basic construction and design.
- (viii) Highest and best use analysis.
 - (A) Four tests.
 - (B) Vacant site or as if vacant.
 - (C) As improved.
 - (D) Interim use.
- (ix) Appraisal math and statistics.
 - (A) Compound interest concepts.
 - (B) Statistical concepts used in appraisal.
- (x) Sales comparison approach.
 - (A) Research and selection of comparables.
 - (B) Elements of comparison.
 - (C) Adjustment process.
 - (D) Application of sales comparison approach.
- (xi) Site value.
 - (A) Sales comparison.
 - (B) Land residual.
 - (C) Allocation.
 - (D) Extraction.
 - (E) Ground rent capitalization.
 - (F) Subdivision analysis.
 - (G) Plottage and assemblage.
- (xii) Cost approach.
 - (A) Steps in cost approach.
 - (B) Application of the cost approach.
- (xiii) Income approach.
 - (A) Estimation of income and expenses.

- (B) Operating statement ratios.
- (C) Direct capitalization.
- (D) Cash flow estimates (before tax only).
- (E) Measures of cash flow.
- (F) Discounted cash flow analysis (DCF).
- (xiv) Valuation of partial interests.
 - (A) Interests created by a lease.
 - (B) Lease provisions.
 - (C) Valuation considerations.
 - (D) Other partial interests.
- (xv) Appraisal standards and ethics.
- (xvi) Narrative report writing.

(3) *Experience.* In addition to meeting the education requirements, an applicant shall submit evidence to the Board of having completed 3,000 hours of acceptable appraisal experience, including 1,500 hours in nonresidential work, obtained during no fewer than 30 months. Fifty percent of the experience obtained by an applicant shall be in the actual preparation of real estate appraisal reports which include a physical inspection of the interior and exterior of the subject property. Hours may be treated as cumulative to achieve the necessary 3,000 hours of appraisal experience. Cumulative is defined to mean that experience may be acquired over any time period in excess of 30 months. There is no minimum number of hours which must be acquired in any 1 year. The following will serve as an example:

Year 1	1,000 Hours
Year 2	800 Hours
Year 3	100 Hours
Year 4	1,000 Hours
Year 5	100 Hours
<u>Total</u>	<u>3,000 Hours</u>

Acceptable appraisal experience includes:

- (i) Fee and staff appraisals.
- (ii) Ad valorem tax appraisals, if the appraiser can demonstrate that the appraiser used techniques to value properties similar to those used by other appraisers and that the appraiser effectively used the appraisal process.
- (iii) Review appraisals, if the reviews are in compliance with Standard 3 of the Uniform Standards of Professional Appraisal Practice.
- (iv) Appraisal analysis (synonymous with an appraisal).
- (v) Real estate counseling, if the counselor can satisfactorily demonstrate that:
 - (A) The client clearly asked for counseling services.

(B) The client was informed that the counselor's time would be devoted to counseling services, which are separate from other real estate functions such as appraising, sales management and mortgage lending.

(C) A file memorandum was prepared on each assignment, indicating the nature of the assignment, recommendations and disposition.

(D) Compensation for the counseling services was separate from other real estate services rendered.

(vi) Highest and best use analysis.

(vii) Feasibility analysis/study.

(viii) Teaching of appraisal courses; however, no more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses and no credit will be given for course repetition.

(ix) Real estate related experience such as that of an officer of a lending institution, if the experience consists of the actual performance or professional review of real estate appraisals in compliance with the Uniform Standards of Professional Appraisal Practice.

(4) *State certified general real estate appraiser.* An applicant who has passed an examination and who is certified under this section will be deemed to have met the minimum criteria for the Certified General Real Property Appraiser Classification adopted by the Appraiser Qualifications Board of the Appraisal Foundation, and shall be qualified to perform residential and nonresidential real property appraisals in Federally related and non-Federally-related transactions without regard to value.

Authority

The provisions of this § 36.12 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.12 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; corrected August 7, 1992, effective July 25, 1992, 22 Pa.B. 4098; amended December 3, 1993, effective December 4, 1993, 23 Pa.B. 5713; amended December 23, 1994, effective December 24, 1994, 24 Pa.B. 6421; amended August 4, 2000, effective August 5, 2000, 30 Pa.B. 3934. Immediately preceding text appears at serial pages (201922) to (201925).

Cross References

This section cited in 49 Pa. Code § 36.13 (relating to experience options).

§ 36.13. Experience options.

(a) An applicant seeking to meet the experience requirements for certification as a residential real estate appraiser or a general real estate appraiser may do so by:

36-14.2

(1) Performing real estate appraisals which are not required by FIRREA to be performed by State-certified or State-licensed real estate appraisers, under the Real Estate Licensing and Registration Act (63 P. S. §§ 455.101—455.901) and Chapter 35 (relating to State Real Estate Commission).

(2) Performing appraisals or other evaluations of real estate in connection with a loan transaction in the capacity of an elected officer, director or employee of a banking institution, savings institution, savings bank, credit union or trust company operating under applicable Federal or State laws, when acting on behalf of the institution in performing the appraisal.

(3) Assisting in the preparation of a real estate appraisal required by FIRREA to be performed by a State-certified or State-licensed real estate appraiser, under the supervision of a certified residential real estate appraiser or a certified general real estate appraiser, if the certified real estate appraiser:

(i) Directly supervises and controls the applicant's work, assuming total responsibility for the content of the appraisal documents and value conclusions. The applicant may not arrive at an independent determination of value.

(ii) Personally makes a physical inspection of the interior and exterior of the subject property, unless an interior and complete exterior inspection of the property is not possible as of the effective date of the appraisal—that is, where improvements have been destroyed, removed or not yet built; inspections are not legally or contractually possible; the appraiser is denied access by the property owner; or, a contract stipulates a “drive-by” appraisal.

(iii) Signs the appraisal document as “certified real estate appraiser” and has the applicant sign as “assistant to the certified real estate appraiser.”

(b) Experience obtained after August 2, 1993, will only be acceptable to the Board if an applicant shows evidence of first having completed 45 classroom hours of courses in subjects related to real estate appraisal in §§ 36.11(2) and 36.12(2) (relating to residential real estate appraiser; and general real estate appraiser), which includes at least 15 hours of the Uniform Standards of Professional Appraisal Practice. Appraisal experience obtained prior to August 2, 1993, will not be subject to the educational requirement imposed by this section.

Authority

The provisions of this § 36.13 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.13 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended July 31, 1992, effective August 1, 1992, 22 Pa.B. 3987; amended April 30, 1993, effective April 31, 1993 and apply retroactively to August 1, 1992, 23 Pa.B. 2118; amended December 3, 1993, effective December 4, 1993, 23 Pa.B. 5634. Immediately preceding text appears at serial pages (181288) to (181289).

§ 36.21. [Reserved].**Source**

The provisions of this § 36.21 adopted April 5, 1991, effective April 6, 1991, 21 Pa.B. 1442; reserved July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864. Immediately preceding text appears at serial page (167704).

§ 36.22. [Reserved].**Source**

The provisions of this § 36.22 adopted April 5, 1991, effective April 6, 1991, 21 Pa.B. 1442; amended July 12, 1991, effective July 13, 1991, 21 Pa.B. 3148; reserved July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864. Immediately preceding text appears at serial pages (167704) and (161679) to (161685).

§ 36.23. [Reserved].**Source**

The provisions of this § 36.23 adopted April 5, 1991, effective April 6, 1991, 21 Pa.B. 1442; reserved July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864. Immediately preceding text appears at serial pages (161685) to (161686).

§ 36.24. [Reserved].**Source**

The provisions of this § 36.24 adopted April 5, 1991, effective April 6, 1991, 21 Pa.B. 1442; reserved July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864. Immediately preceding text appears at serial pages (161687) to (161688).

§ 36.25. [Reserved].**Source**

The provisions of this § 36.25 adopted April 5, 1991, effective April 6, 1991, 21 Pa.B. 1442; reserved July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864. Immediately preceding text appears at serial pages (161688) to (161689).

APPROVAL PROCESS—PROVIDERS**§ 36.31. Provider registration/appraisal courses.**

Real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers other than accredited colleges or universities and community or junior colleges, seeking to offer appraisal courses for classroom hour credit or continuing education credit shall complete and file with the Board an application for Board approval as a provider for appraisal courses. Application forms and a list of Board approved providers of appraisal courses may be obtained from the Administrative Office of the Board, Post Office Box 2649, Harrisburg, Pennsylvania 17105-2649, (717) 783-4866.

Authority

The provisions of this § 36.31 amended under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.31 adopted October 11, 1991, effective October 12, 1991, 21 Pa.B. 4844; amended July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864. Immediately preceding text appears at serial pages (161689) to (161690).

Cross References

This section cited in 49 Pa. Code § 36.11 (relating to residential real estate appraiser); 49 Pa. Code § 36.12 (relating to general real estate appraiser); 49 Pa. Code § 36.42 (relating to continuing education subject matter); and 49 Pa. Code § 36.241 (relating to provider registration/appraisal or assessment courses).

§ 36.32. Standards for providers.

(a) Approved providers shall:

(1) Establish a mechanism measuring the quality of the course/continuing education program being offered.

(2) Establish criteria for selecting and evaluating faculty.

(3) Establish criteria for the evaluation of each course/continuing education program upon completion.

(4) Submit a course outline and summary of faculty qualifications for each appraisal course proposed to be offered.

(b) The provider shall provide adequate facilities and appropriate instructional materials to carry out the courses/continuing education programs.

(c) The provider shall insure that the instructors have suitable qualifications and are of good reputation and character.

Authority

The provisions of this § 36.32 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.32 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864.

Cross References

This section cited in 49 Pa. Code § 36.33 (relating to withdrawal of approval of providers); and 49 Pa. Code § 36.241 (relating to provider registration/appraisal or assessment courses).

§ 36.33. Withdrawal of approval of providers.

The Board may, following notice and hearing under 2 Pa.C.S. §§ 501—508 (relating to practice and procedure of Commonwealth agencies), withdraw the approval of an approved provider that it finds guilty of one or more of the following:

- (1) Having acquired the Board's approval by misrepresentation.
- (2) Failing to maintain compliance with § 36.32 (relating to standards for providers).
- (3) Otherwise failing to comply with the requirements of this chapter.

Authority

The provisions of this § 36.33 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.33 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864.

§ 36.41. Continuing education requirement.

(a) Continuing education for certified general appraisers, residential appraisers and broker/appraisers is necessary to ensure that they maintain and increase their skill, knowledge and competency in real estate appraising. Except as provided in subsection (b), every certified general appraiser, residential appraiser and broker/appraiser shall complete 28 classroom hours of continuing education—including at least 4 hours on the Uniform Standards of Professional Appraisal Practice (USPAP) and at least 2 hours on the act, this chapter and the policies of the Board—during each biennial renewal period as a condition of renewal of certification for the next biennial renewal period. Effective with renewal of certification for the 2005-2007 biennial renewal period, the 7-hour National USPAP Update Course, or an equivalent 7-hour course approved by the Appraiser Qualifications Board, will replace the minimum 4-hour requirement on the USPAP.

(b) A certified general appraiser or residential appraiser whose initial certification becomes effective between January 1 and June 30 of a biennial renewal year will not be required to furnish proof of continuing education as a condition of renewal of certification in that biennial renewal year.

(c) The Board will accept continuing education hours completed by a certified broker/appraiser between January 1, 2001, and June 30, 2001, toward the continuing education requirement for renewal of certification for the 2003-2005 biennial renewal period.

Authority

The provisions of this § 36.41 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.41 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended March 12, 1999, effective March 13, 1999, 29 Pa.B. 1393; amended June 20, 2003, effective June 21, 2003, 33 Pa.B. 2869. Immediately preceding text appears at serial pages (253887) to (253888).

Cross References

This section cited in 49 Pa. Code § 36.42 (relating to continuing education subject matter); and 49 Pa. Code § 36.91 (relating to reactivation of certification).

§ 36.42. Continuing education subject matter.

(a) The following subjects are acceptable for continuing education:

- (1) Ad valorem taxation.
- (2) Arbitration.
- (3) Business courses related to the practice of real estate appraisal.
- (4) Development cost-estimating.
- (5) Ethics and standards of professional practice.
- (6) Land use planning, zoning and taxation.
- (7) Management, leasing, brokerage and timesharing.
- (8) Property development.
- (9) Real estate appraisal.
- (10) Real estate financing and investment.
- (11) Real estate law.
- (12) Real estate litigation.
- (13) Real estate appraisal related computer applications.
- (14) Real estate securities and syndication.
- (15) Real property exchange.
- (16) Mass appraisal model building.
- (17) Mass appraisal model calibration.
- (18) Assessment administration.
- (19) Mapping.

(b) Credit toward the classroom hour requirement will be granted only when the length of the education offering is at least 2 hours. A classroom hour is defined as 50 minutes out of each 60 minute segment.

(c) Credit for the classroom hour requirement may be obtained from colleges or universities and community or junior colleges. Subject to Board approval under § 36.31 (relating to provider registration/appraisal courses), credit for the classroom hour requirement may also be obtained from real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers.

(d) Educational offerings which cover real estate appraisal related topics other than those listed in subsection (a) may be acceptable for continuing education credit if the applicant can demonstrate to the Board that the topic or program contributed to the applicant's professional competence and is consistent with the purpose of continuing education as stated in § 36.41 (relating to purpose).

(e) Continuing education credit may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted include teaching, program develop-

ment, authorship of textbooks or similar activities which the applicant can demonstrate to the Board are equivalent to obtaining continuing education.

Authority

The provisions of this § 36.42 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.42 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended March 12, 1999, effective March 13, 1999, 29 Pa.B. 1393. Immediately preceding text appears at serial pages (201930) to (201931).

Cross References

This section cited in 49 Pa. Code § 36.43 (relating to correspondence courses/video and remote television presentations).

§ 36.43. Correspondence courses/video and remote television presentations.

(a) *Correspondence courses.* Correspondence courses may be acceptable for continuing education credit provided:

(1) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers correspondence programs in other disciplines.

(2) An individual successfully completes a written examination administered at a location by an official approved by the college or university.

(3) The offering is equivalent to a minimum of 10 classroom hours in length and is consistent with the accepted topics listed in § 36.42(a) (relating to continuing education subject matter).

(b) *Video and remote television presentations.* Video and remote television presentations are acceptable for continuing education credit if the presentation is for an organized group in an instructional setting, with a qualified resource person available to answer questions and provide information or if the following exist:

(1) The offering has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers similar programs in other disciplines.

(2) An individual successfully completes a written examination administered at a location by an official approved by the college or university.

(3) The offering is equivalent to a minimum of 10 classroom hours in length and is consistent with the accepted topics listed in § 36.42(a).

Authority

The provisions of this § 36.43 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.43 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864.

§ 36.44. Reporting of continuing education credit hours.

Applicants applying for certificate renewal shall provide, at the time of biennial renewal, and on forms approved by the Board, a signed statement certifying that continuing education requirements have been met and providing information to document their certification.

Authority

The provisions of this § 36.44 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.44 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864.

§ 36.51. Uniform Standards of Professional Appraisal Practice.

Certified real estate appraisers are under a duty to perform a physical inspection of the interior and complete exterior of the subject property on appraisals required by FIRREA to be performed by a State-certified or State-licensed real estate appraiser, unless an interior and complete exterior inspection is not possible as of the effective date of the appraisal—that is, when improvements have been destroyed, removed or not yet built; inspections are not legally or contractually possible; the appraiser is denied access by the property owner; or, a contract stipulates a “drive-by” appraisal. Certified real estate appraisers shall perform real estate appraisals in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated and adopted by the Appraisal Standards Board (ASB) of the Appraisal Foundation. The USPAP will be amended by the ASB and published annually in separate yearly bound editions. A copy of the USPAP may be obtained from the Appraisal Foundation, 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005, (202) 347-7722. A violation of one or more provisions of the USPAP may result in disciplinary action by the Board under the authority of section 11(a)(6) of the act (63 P. S. § 457.11(a)(6)).

Authority

The provisions of this § 36.51 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.51 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended December 3, 1994, effective December 4, 1994, 24 Pa.B. 5713; amended December 17, 1993, effective December 18, 1993, 23 Pa.B. 5914. Immediately preceding text appears at serial page (173225).

§ 36.52. Use of certificate number and title.

Each certified real estate appraiser shall place his name, signature and certificate number adjacent to or immediately below the title “Pennsylvania certified general real estate appraiser” or “Pennsylvania certified residential real estate appraiser” on each written appraisal report and each written appraisal agreement used by the certified appraiser in conducting appraisal activities. Professional designations may be included adjacent to the signature, if applicable. The following will serve as an example:

/s/ _____

John Doe, (Professional designation, if applicable)
 Pa. Certified Residential Real Estate Appraiser
 Certification number 1234

Authority

The provisions of this § 36.52 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.52 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864.

§ 36.53. Temporary practice.

(a) The Board will recognize on a temporary basis the certification or license of an appraiser issued by another state if the following exist:

- (1) The property to be appraised is part of a Federally-related transaction.
- (2) The appraiser's business is of a temporary nature.
- (3) The appraiser registers with the Board and pays the required fees.

(b) Temporary means no more than three specific appraiser assignments during a period not to exceed 12 consecutive calendar months.

(c) Application forms for temporary practice may be obtained from the Administrative Office of the Board, Post Office Box 2649, Harrisburg, Pennsylvania, 17105-2649, (717) 783-4866.

Authority

The provisions of this § 36.53 issued under sections 5(2), 6(h) and 10(b) of the Real Estate Appraisers Certification Act (63 P. S. §§ 457.5(2), 457.6(h) and 457.10(b)).

Source

The provisions of this § 36.53 adopted July 24, 1992, effective July 25, 1992, 22 Pa.B. 3864; amended December 3, 1993, effective December 4, 1993, 23 Pa.B. 5713. Immediately preceding text appears at serial page (173226).

MISCELLANEOUS PROVISIONS**§ 36.91. Reactivation of certification.**

(a) A certificate holder whose certification has lapsed by failing to biennially renew certification may apply to the Board for reactivation of certification by paying the current biennial renewal fee as set forth in § 36.6 (relating to fees), meeting the continuing education requirements of § 36.41 (relating to purpose) for the current biennial renewal period and submitting documentation to verify the period of time in which the certificate holder abstained from performing appraisals in connection with Federally-related transactions in this Commonwealth and from holding himself out as a State-certified real estate appraiser.

(b) A certificate holder will not be assessed a late renewal fee for the preceding biennial periods in which the certificate holder abstained from the performance of appraisals in connection with Federally-related transactions in this Commonwealth and from holding himself out as a State-certified real estate appraiser.

(c) A certificate holder whose certification has lapsed by failing to biennially renew certification is prohibited from performing an appraisal in connection with a Federally-related transaction in this Commonwealth unless the certification status is reactivated. If a certificate holder performs an appraisal in connection with a Federally-related transaction in this Commonwealth or holds himself out as a State-certified real estate appraiser during a period in which the certificate holder's certification is not renewed, the certificate holder shall pay a late fee of \$5 for each month or part of a month beyond the date specified for renewal, as provided in section 225 of the Bureau of Professional and Occupational Affairs Fee Act (63 P.S. § 1401-225), in addition to the prescribed biennial renewal fee. The certificate holder may also be subject to disciplinary action by the Board for performing an appraisal in connection with a Federally-related transaction in this Commonwealth or for holding himself out as a State-certified real estate appraiser without a current certificate, or both.

Source

The provisions of this § 36.91 adopted November 26, 1993, effective November 27, 1993, 23 Pa.B. 5637.

Subchapter B. [Reserved]

§ 36.101. [Reserved].

Source

The provisions of this § 36.101 adopted July 31, 1992, effective August 1, 1992, 22 Pa.B. 4012; reserved May 20, 1994, effective immediately and apply retroactively to March 17, 1994, 24 Pa.B. 2616. Immediately preceding text appears at serial page (173227).

§ 36.102. [Reserved].

Source

The provisions of this § 36.102 adopted July 31, 1992, effective August 1, 1992, 22 Pa.B. 4012; reserved May 20, 1994, effective immediately and apply retroactively to March 17, 1994, 24 Pa.B. 2616. Immediately preceding text appears at serial page (173228).

§§ 36.121—36.125. [Reserved].**Source**

The provisions of these §§ 36.121—36.125 adopted July 31, 1992, effective August 1, 1992, 22 Pa.B. 4012; reserved May 20, 1994, effective immediately and apply retroactively to March 17, 1994, 24 Pa.B. 2616. Immediately preceding text appears at serial pages (173228) to (173230).

§§ 36.141—36.143. [Reserved].**Source**

The provisions of these §§ 36.141—36.143 adopted July 31, 1992, effective August 1, 1992, 22 Pa.B. 4012; reserved May 20, 1994, effective immediately and apply retroactively to March 27, 1994, 24 Pa.B. 2616. Immediately preceding text appears at serial pages (173231) to (173232).

§§ 36.161—36.164. [Reserved].**Source**

The provisions of these §§ 36.161—36.164 adopted July 31, 1992, effective August 1, 1992, 22 Pa.B. 4012; reserved May 20, 1994, effective immediately and apply retroactively to March 17, 1994, 24 Pa.B. 2616. Immediately preceding text appears at serial page (173232).

Subchapter C. CERTIFIED PENNSYLVANIA EVALUATORS

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36.281. Standards of Professional Conduct.

Authority

The provisions of this Subchapter C issued under sections 4(d) and 12 of the Assessors Certification Act (63 P. S. §§ 458.4(d) and 458.12), unless otherwise noted.

Source

The provisions of this Subchapter C adopted May 20, 1994, effective immediately and apply retroactively to March 17, 1994, 24 Pa.B. 2616, unless otherwise noted.

GENERAL PROVISIONS

§ 36.201. Definitions.

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

Act—The Assessors Certification Act (63 P. S. §§ 458.1—458.16).

Ad valorem taxation purposes—The establishment of the value of real property as determined by a government employe or revaluation company personnel on contract with a governmental entity for real estate tax assessment.

Appraisal assessing profession—The body of individuals who are deemed to be qualified to perform ad valorem tax appraisals.

Assessor—A person responsible for the valuation of real property for ad valorem taxation purposes.

Business with which a certified Pennsylvania evaluator is associated—A business in which the certified Pennsylvania evaluator or a member of the cer-

tified Pennsylvania evaluator's immediate family is a director, officer, owner or employe, or has a financial interest.

Certified Pennsylvania evaluator—An individual who has completed a minimum of 90 hours of basic courses of study covering the appraisal assessing profession and has successfully completed a comprehensive examination covering all phases of the appraisal process and the assessment function established by the assessment statutes of the Commonwealth.

Conflict of interest—A situation in which a certified Pennsylvania evaluator uses the certified Pennsylvania evaluator's employment or confidential information received through the course of the employment for the private pecuniary benefit of the certified Pennsylvania evaluator, a member of the certified Pennsylvania evaluator's immediate family, or a business with which the certified Pennsylvania evaluator or a member of the certified Pennsylvania evaluator's immediate family is associated.

Financial interest—A financial interest in a legal entity engaged in business for profit which comprises more than 5% of the equity of the business or more than 5% of the assets of the economic interest in indebtedness.

Immediate family—A parent, spouse, child, brother, sister, grandparent or grandchild and, when living in the family household (or under a common roof), all other individuals related by blood or marriage.

Real estate appraisal—A written analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, identified real property, for or in expectation of compensation.

Real estate tax assessment—A valuation placed on real property for governmental purposes by a government employe or revaluation company personnel on contract with a government.

Authority

The provisions of this § 36.201 amended under sections 3 and 7(a)(6) of the Assessors Certification Act (63 P. S. §§ 458.3 and 458.7(a)(6)).

Source

The provisions of this § 36.201 amended October 25, 1996, effective October 26, 1996, 26 Pa.B. 5105; amended April 24, 1998, effective April 25, 1998, 28 Pa.B. 1941. Immediately preceding text appears at serial pages (221120) to (221121).

§ 36.202. Certification requirements.

An assessor employed on or before March 16, 1992, who does not hold the title of "certified Pennsylvania evaluator," and an assessor employed after March 16, 1992, shall obtain certification as a Pennsylvania evaluator within 3 years from the effective date of employment as an assessor.

§ 36.203. Application process.

(a) *Application forms.* Application forms for certification as a Pennsylvania evaluator may be obtained from the Administrative Office of the Board, Post Office Box 2649, Harrisburg, Pennsylvania 17105-2649, (717) 783-4866.

(b) *Application fee.* The application form shall be accompanied by the fee for certification as a Pennsylvania evaluator as set forth in § 36.6 (relating to fees). The application fee is nonrefundable. Payment shall be in the form of a personal check or money order payable to the “Commonwealth of Pennsylvania.”

(c) *Approved applications.* An approved application will be valid for 1 year from the date of approval. If an applicant does not pass the certification examination within this 1-year period, the applicant’s application will be considered to have been withdrawn. If the applicant wishes to take the examination after 1 year from the date of approval, a new application, along with the required fee, shall be reviewed on the basis of statutes and regulations in effect at the time the new application is received by the Board.

(d) *Disapproved applications.* An applicant whose application has been disapproved by the Board will be notified in writing of the reasons for the disapproval and will have 1 year from the date of disapproval to correct the deficiencies or to file a request for reconsideration. A request for reconsideration shall give the reason for the applicant’s request, shall be accompanied by documentary materials not previously submitted which the applicant wishes the Board to consider and may include a request for an informal interview with the Board. If a request for reconsideration is denied or an applicant is unable to correct the deficiencies which resulted in disapproval of the application within 1 year from the date of disapproval, a new application, along with the required fee, shall be submitted to the Board. An applicant’s new application will be reviewed on the basis of statutes and regulations in effect at the time that the new application is received by the Board.

Authority

The provisions of this § 36.203 amended under section 3 of the Assessors Certification Act (63 P. S. § 458.3).

Source

The provisions of this § 36.203 amended October 25, 1996, effective October 26, 1996, 26 Pa.B. 5104. Immediately preceding text appears at serial page (201937).

§ 36.204. Scope of practice.

Assessors and revaluation company personnel who receive certification as a Pennsylvania evaluator may perform appraisals of real property only in limited circumstances, that is, for tax assessment/governmental purposes.

Authority

The provisions of this § 36.204 issued under section 3 of the Assessors Certification Act (63 P. S. § 458.3).

Source

The provisions of this § 36.204 adopted October 25, 1996, effective October 26, 1996, 26 Pa.B. 5105.

QUALIFICATIONS FOR CERTIFICATION**§ 36.221. Qualifications for certification as a Pennsylvania evaluator.**

(a) To be considered for certification as a Pennsylvania evaluator, an assessor shall meet the following requirements. The assessor shall:

- (1) Have a high school diploma or its equivalent, or 2 years of assessing experience.
- (2) Be 18 years of age or older.
- (3) Be a resident of this Commonwealth for at least 6 months.
- (4) Have successfully completed a minimum of 90 classroom hours of courses of study in subjects covering the appraisal assessing profession, including coverage of the topics in § 36.222 (relating to required courses of study).
- (5) Have successfully completed a comprehensive examination covering all phases of the appraisal process and the assessment function.

(b) An applicant for certification as a Pennsylvania evaluator who has demonstrated compliance with the requirements of subsection (a) and § 36.222 will be granted a certificate by the Board. The fee for certification is set forth in § 36.6 (relating to fees).

(c) Each certificate holder will be issued a wall certificate indicating initial certification and a registration packet, including a biennial renewal certificate and a wallet-size certification card, both of which show the expiration date of the certificate. Certificates expire on June 30 of each odd-numbered year, regardless of the date of issuance.

(d) Certificates are renewable for a 2-year period, beginning July 1 of each odd-numbered year. The fee for biennial renewal of certification is set forth in § 36.6.

§ 36.222. Required courses of study.

(a) *Courses of study.* The applicant for certification as a Pennsylvania evaluator shall submit evidence to the Board of having completed 90 classroom hours of courses in subjects covering the appraisal assessing profession, which include coverage of the following topics:

- (1) Influence in real estate value.
- (2) Legal considerations influencing value.
- (3) Types of values.

- (4) Economic principles.
- (5) Real estate markets and analysis.
- (6) Valuation process.
- (7) Property description.
- (8) Highest and best use analysis.
- (9) Appraisal statistical concepts.
- (10) Sales comparison approach.
- (11) Site value.
- (12) Cost approach.
- (13) Income approach, including direct and yield capitalization techniques.
- (14) Valuation of partial interests.
- (15) Uniform Standards of Professional Appraisal Practice.
- (16) Narrative report writing.
- (17) Assessment law and practice.
- (18) Mass appraisal systems.
- (19) Mapping.

(b) *Length of classroom hour requirement.* Credit toward the classroom hour requirement will only be granted if the length of the educational offering is at least 15 hours of instruction, and the applicant successfully completes an examination pertinent to that educational offering. A classroom hour is defined as 50 minutes out of each 60 minute segment.

(c) *Teaching credit.* Credit toward the classroom hour requirement will be awarded to teachers of appraisal or assessment related courses for actual classroom time. Credit will not be given for course repetition.

Cross References

This section cited in 49 Pa. Code § 36.221 (relating to qualifications for certification as a Pennsylvania evaluator); 49 Pa. Code § 36.224 (relating to correspondence courses); and 49 Pa. Code § 36.225 (relating to video and remote television courses).

§ 36.223. Providers of appraisal/assessment courses.

Credit for the classroom hour requirement may be obtained from accredited colleges, universities, community or junior colleges. Subject to Board approval under § 36.241 (relating to provider registration/appraisal or assessment courses), credit for the classroom hour requirement may also be obtained from real estate appraisal or assessment related organizations, State or Federal agencies or commissions, proprietary schools and other providers.

§ 36.224. Correspondence courses.

Correspondence courses will be acceptable to meet the classroom hour requirement if each course is approved by the Board and meets the following conditions:

- (1) The course is presented by an accredited college or university which offers correspondence programs in other disciplines.
- (2) The applicant successfully completes a written examination administered by an official approved by the college or university.
- (3) The content and length of the courses meets the requirements of § 36.222(a) and (b) (relating to required courses of study).

§ 36.225. Video and remote television courses.

Video and remote television courses will be acceptable to meet the classroom hour requirement if each offering is approved by the Board and meets the following conditions:

- (1) The course has been presented by an accredited college or university which offers similar programs in other disciplines.
- (2) The applicant successfully completes a written examination administered by an official approved by the college or university.
- (3) The content and length of the course meets the requirement of § 36.222(a) and (b) (relating to required courses of study).

APPROVAL PROCESS—PROVIDERS

§ 36.241. Provider registration/appraisal or assessment courses.

Real estate appraisal or assessment related organizations, State or Federal agencies or commissions, proprietary schools and other providers other than accredited colleges or universities and community or junior colleges, seeking to offer appraisal or assessment related courses for classroom hour credit or continuing education credit shall complete and file with the Board an application for Board approval as a provider of appraisal or assessment related courses. Providers of courses previously approved under §§ 36.31 and 36.32 (relating to provider registration/appraisal courses; and standards for providers) need not reapply for approval under this section. Application forms and a list of Board approved providers of appraisal and assessment courses can be obtained from the Administrative Office of the Board, Post Office Box 2649, Harrisburg, Pennsylvania 17105-2649, (717) 783-4866.

Cross References

This section cited in 49 Pa. Code § 36.223 (relating to providers of appraisal/assessment courses); and 49 Pa. Code § 36.262 (relating to continuing education subject matter).

§ 36.242. Standards for provider approval.

- (a) Applicants for provider approval shall:
 - (1) Establish a mechanism measuring the quality of the course/continuing education program being offered.

(2) Establish criteria for selecting and evaluating faculty which seek to insure that instructors have suitable qualifications and are of good reputation and character.

(3) Establish criteria for the evaluation of each course/continuing education program upon completion.

(4) Submit a course outline and summary of faculty qualifications for each appraisal or assessment course proposed to be offered.

(b) The provider shall provide adequate facilities and appropriate instructional materials to carry out the courses/continuing education programs.

Cross References

This section cited in 49 Pa. Code § 36.243 (relating to withdrawal of appraisal of providers).

§ 36.243. Withdrawal of approval of providers.

The Board may, following notice and hearing under 2 Pa.C.S. §§ 501—508 (relating to practice and procedure of Commonwealth agencies), withdraw the approval of an approved provider that it finds guilty of one or more of the following:

- (1) Having acquired the Board's approval by misrepresentation.
- (2) Failing to maintain compliance with § 36.242 (relating to standards for provider approval).
- (3) Otherwise failing to comply with this chapter.

CONTINUING EDUCATION

§ 36.261. Continuing education requirement.

Continuing education of 28 classroom hours per biennium, including at least 4 hours on the Uniform Standards of Professional Appraisal Practice and at least 2 hours on the Assessors Certification Act (63 P. S. §§ 458.1—458.16), this chapter and the policies of the Board, shall be required of a certified Pennsylvania evaluator as a condition of biennial renewal of certification. A certified Pennsylvania evaluator whose initial certification becomes effective between January 1 and June 30 of a renewal year will not be required to furnish proof of continuing education as a condition of biennial renewal of certification in that renewal year.

Source

The provisions of this § 36.261 amended March 12, 1999, effective March 13, 1999, 29 Pa.B. 1393. Immediately preceding text appears at serial page (201940).

§ 36.262. Continuing education subject matter.

(a) Continuing education subject matter shall relate to assessment and appraisal practices. The following subjects are acceptable for continuing education:

- (1) Ad valorem taxation.
- (2) Arbitration.
- (3) Business courses related to the practice of real estate appraisal.
- (4) Development cost-estimating.
- (5) Ethics and standards of professional practice.
- (6) Land use planning, zoning and taxation.
- (7) Management, leasing, brokerage and time sharing.
- (8) Property development.
- (9) Real estate appraisal.
- (10) Real estate financing and investment.
- (11) Real estate law.
- (12) Real estate litigation.
- (13) Real estate appraisal related computer applications.
- (14) Real estate securities and syndication.
- (15) Real property exchange.
- (16) Mass appraisal model building.
- (17) Mass appraisal model calibration.
- (18) Assessment administration.
- (19) Mapping.

(b) Credit for the classroom hour requirement will be granted only if the length of the educational offering is at least 2 hours. A classroom hour is defined as 50 minutes out of each 60 minute segment.

(c) Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges. Subject to Board approval under § 36.241 (relating to provider registration/appraisal or assessment courses) credit for the classroom hour requirement may also be obtained from real estate appraisal of assessment related organizations, State or Federal agencies or commissions, proprietary schools and other providers.

(d) Educational offerings which cover real estate appraisal or assessment related topics other than those listed in subsection (a) will be acceptable for continuing education credit if the applicant can demonstrate to the Board that the topic or program contributed to the applicant's professional competence.

(e) Continuing education credit will also be granted for participation, other than as a student, in appraisal or assessment educational processes and programs. Examples of activities for which credit will be granted include teaching, program development, authorship of text books or similar activities if the applicant can demonstrate to the Board that these activities are equivalent to obtaining continuing education.

Source

The provisions of this § 36.262 amended March 12, 1999, effective March 13, 1999, 29 Pa.B. 1393. Immediately preceding text appears at serial pages (201940) to (201941).

§ 36.263. Correspondence courses/video and remote television presentations.

(a) *Correspondence courses.* Correspondence courses will be acceptable for continuing education credit if:

(1) The course has been presented by an accredited college or university which offers correspondence programs in other disciplines.

(2) An individual successfully completes a written examination administered by an official approved by the college or university.

(3) The offering is at least 10 classroom hours in length and covers the accepted topics in § 36.262 (relating to continuing education subject matter).

(b) *Video and remote television presentations.* Video and remote television presentations are acceptable for continuing education credit if the presentation is for an organized group in an instructional setting, with a qualified resource person available to answer questions and provide information or if the following conditions are met:

(1) The offering has been presented by an accredited college or university which offers similar programs in other disciplines.

(2) An individual successfully completes a written examination administered by an official approved by the college or university.

(3) The offering is at least 10 classroom hours in length and covers the accepted topics listed in § 36.262.

§ 36.264. Reporting of continuing education credit hours.

Certified Pennsylvania evaluators applying for certificate renewal shall provide at the time of biennial renewal, and on forms approved by the Board, a signed statement certifying that continuing education requirements have been met along with information to document their certification.

§ 36.265. Use of certificate number and title.

(a) Each certified Pennsylvania evaluator shall place his name, signature and certificate number adjacent to or immediately below the title "Certified Pennsylvania Evaluator" on each written appraisal report prepared for external purposes and used by the certified Pennsylvania evaluator in conducting ad valorem tax appraisal activities.

(b) Professional designations may be included adjacent to the signature, if applicable. The following will serve as an example:

/S/ _____

John Doe, (Professional Designation, if applicable)

Certified Pennsylvania Evaluator

Certification Number 1234

REACTIVATION OF CERTIFICATION**§ 36.271. Reactivation of certification.**

(a) A certified Pennsylvania evaluator whose certification has lapsed by failing to biennially renew certification may apply to the Board for reactivation of certification by paying the current biennial renewal fee as set forth in § 36.6 (relating to fees), meeting the continuing education requirements established by law and regulation for the current biennial renewal period and submitting documentation to verify the period of time in which the certified Pennsylvania evaluator abstained from performing valuations of real property for ad valorem tax purposes in this Commonwealth and from holding himself out as a certified Pennsylvania evaluator.

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(b) A certified Pennsylvania evaluator will not be assessed a late renewal fee for the preceding biennial periods in which the certified Pennsylvania evaluator abstained from the performance of valuations of real property for ad valorem tax purposes in this Commonwealth and from holding himself out as a certified Pennsylvania evaluator.

(c) A certified Pennsylvania evaluator whose certification has lapsed by failing to biennially renew certification is prohibited from performing valuations of real property for ad valorem tax purposes in this Commonwealth unless the certification status is reactivated. If a certified Pennsylvania evaluator performs valuations of real property for ad valorem tax purposes in this Commonwealth or holds himself out as a certified Pennsylvania evaluator during a period in which the certified Pennsylvania evaluator's certification is not renewed, the certified Pennsylvania evaluator shall pay a late fee of \$5 for each month or part of a month beyond the date specified for renewal, as provided in section 225 of the Bureau of Professional and Occupational Affairs Fee Act (63 P.S. § 1401-225), in addition to the prescribed biennial renewal fee. The certified Pennsylvania evaluator may also be subject to disciplinary action by the Board for performing valuations of real property for ad valorem tax purposes in this Commonwealth or for holding himself out as a certified Pennsylvania evaluator without a current certificate, or both.

STANDARDS OF PROFESSIONAL CONDUCT

§ 36.281. Standards of Professional Conduct.

Preamble

Certified Pennsylvania evaluators shall comply with the act and this subchapter and conform to the standards of professional conduct in this section. Certified Pennsylvania evaluators who fail to adhere to these standards will be subject to professional discipline under section 7(a)(6) of the act (63 P. S. § 458.7(a)(6)).

Standard 1. General duties.

Certified Pennsylvania evaluators shall perform their duties in accordance with the general and specific county assessment laws and generally accepted assessment standards. Certified Pennsylvania evaluators shall perform all assessments and appraisal-related assignments in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated and adopted by the Appraisal Standards Board (ASB) of the Appraisal Foundation. The USPAP will be amended by the ASB and published annually in separate yearly bound editions. A copy of the USPAP may be obtained from the Appraisal Foundation, 1029 Vermont Avenue, N. W., Suite 900, Washington, D. C. 20005, (202) 347-7722.

Standard 2. Public review of assessments and records.

Certified Pennsylvania evaluators shall make property assessments available for public review and shall make all other records in their custody available for public review unless access to the records is specifically limited or prohibited by law or the information has been obtained on a confidential basis and the law permits the information to be treated confidentially.

Standard 3. Professional qualifications.

Certified Pennsylvania evaluators shall use professional designations only when they are properly authorized to do so. Certified Pennsylvania evaluators may not claim qualifications that are false, misleading or deceptive.

Standard 4. Limitations on activities.

Certified Pennsylvania evaluators may not perform assessment and appraisal-related assignments that could reasonably be construed as being in conflict with their responsibilities to their jurisdictions, employers or clients, in which they have unrevealed personal interests or biases, or that they are not qualified to perform.

Standard 5. Contingent fees.

Certified Pennsylvania evaluators may not perform an assessment or appraisal-related assignment if the employment itself is contingent upon the reporting of a predetermined analysis or opinion, or if the fee to be paid for the performance of the assignment is contingent upon the opinion, conclusion or valuation reached, or upon the consequences resulting from the assignment.

Standard 6. Advertising and promotion.

Certified Pennsylvania evaluators may not make false, misleading or deceptive statements or claims in advertising or promotions to solicit assessment and appraisal-related assignments.

Standard 7. Conflict of interest.

Certified Pennsylvania evaluators who are government employees may not solicit or perform assessment and appraisal-related assignments that could create conflicts of interest or the appearance of conflicts of interest.

Standard 8. Reporting of unethical practices.

Certified Pennsylvania evaluators shall report unethical practices or other similar actions or activities which may discredit or reflect adversely upon the appraisal or assessment profession to the Complaints Office of the Bureau of Professional and Occupational Affairs by telephoning the Complaints Office at (800) 822-2113 or by submitting a written complaint to the Complaints Officer of the Bureau of Professional and Occupational Affairs, Post Office Box 2649, Harrisburg, Pennsylvania 17105-2649.

Authority

The provisions of this § 36.281 issued under sections 3 and 7(a)(2) of the Assessors Certification Act (63 P. S. §§ 458.3 and 458.7(a)(6)).

Source

The provisions of this § 36.281 adopted April 24, 1998, effective April 25, 1998, 28 Pa.B. 1941.

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