

## **Information taken directly from the Supervisor/Intern 4 Hour Course:**

A Supervisory Appraiser must be “in good standing” in the jurisdiction where the Trainee Appraiser practices. The Supervisory Appraiser must not have been subject to any disciplinary action within the prior three-year period that affects the Supervisory Appraiser’s legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to such a disciplinary action would be considered to be “in good standing” three years after the successful completion or termination of the sanction imposed against the appraiser.

Minor sanctions such as warning letters or reprimands would not be considered disciplinary actions that affect the Supervisory Appraiser’s legal eligibility to engage in appraisal practice.

Supervisory Appraisers are required to complete a course that complies with the AQB specifications for course content oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. This course is intended to fulfill this requirement.

## **Responsibility 5: Verifying Proper Documentation of Experience Logs**

The Supervisory Appraiser is responsible for verifying that the Supervisory Appraiser and Trainee Appraiser are properly documenting all appropriate experience logs.

Each jurisdiction has its own specific experience log form and format; these are mostly similar and are based on the AQB *Criteria*. In its Policy Statement 4, the Appraisal Subcommittee (ASC) requires the experience logs used by the states to conform to the AQB minimum criteria. As with the requirements for licensure and certification, states may use log forms that contain more or additional information if they so choose.

The AQB *Criteria* requires the experience log to include, at a minimum:

- Type of property (Single-family, condo, warehouse, commercial, farm, etc.)
- Date of report
- Address of subject property
- Description of work performed by the Trainee Appraiser/applicant and the scope of the review and supervision of the Supervisory Appraiser
- Number of actual hours the trainee/applicant worked on the assignment
- Signature and state certification number of the supervising appraiser if applicable

The fourth bulleted requirement, “Description of work performed by the Trainee Appraiser/applicant and the scope of the review and supervision of the Supervisory Appraiser” is actually a two-pronged requirement, which we will address in detail on the next page.

If a Trainee Appraiser has more than one Supervisory Appraiser, it is advisable to maintain separate appraisal logs for each Supervisory Appraiser.

The AQB’s sample log states “Verification for experience credit must be reported on forms prescribed by the state certification/licensing agency.”

It is prudent to check with the state appraisal regulatory agency on a periodic basis to see if they have revised their experience log form. No one wants to spend hours and hours filling out a log and submitting it to the state appraisal regulatory agency, only to be informed that they used an outdated log form.

## **Description of Work and Scope of Review**

Regardless of the format of the experience log, it must contain, at a minimum, (1) a description of work performed by the Trainee Appraiser/applicant and (2) the scope of the review and supervision of the Supervisory Appraiser. This is a dual requirement, which requires input from both the Trainee Appraiser and the Supervisory Appraiser.

First, let's look at the description of the work performed by the Trainee Appraiser. This is somewhat self-explanatory. What tasks did the Trainee Appraiser perform in this assignment? How did the Trainee Appraiser assist in the development and/or reporting of the assignment results? For example, did the Trainee Appraiser inspect the property? Did the Trainee Appraiser assist in market analysis, highest and best use analysis, site analysis, improvement analysis? Did the Trainee Appraiser assist in the development of the approach(es) to value, and in the final reconciliation?

It is to be expected that as the Trainee Appraiser progresses through his or her apprenticeship period, that he or she will be assigned more responsibilities. Early on in the Trainee Appraiser's apprenticeship period, it is likely that he or she will be given relatively few responsibilities on each assignment, with the idea that as his or her knowledge and experience progresses, he or she will be assigned more responsibilities. Towards the end of the apprenticeship period, the Trainee Appraiser should be performing most – if not all – of the valuation process, of course under the watchful eye of the Supervisory Appraiser.

The second requirement is that the scope of the review and supervision by the Supervisory Appraiser must be addressed in the experience log. As the Trainee Appraiser's knowledge and experience grows, and the Trainee Appraiser assumes a greater role in the appraisal process, the Supervisory Appraiser's scope of review should be decreasing commensurately. This does not mean the Supervisory Appraiser should let the Trainee Appraiser operate unsupervised. To the contrary, because the Supervisory Appraiser is a signatory to the appraisal, he or she is responsible for the certification, the opinions and conclusions, and the report content. However, as the Trainee Appraiser becomes more competent and experienced, the Supervisory Appraiser's scope of supervision should decrease over time.

For example, at the beginning of the apprenticeship period, the Supervisory Appraiser will have primary responsibility for the entire process. Essentially, the assignment results and the report content will be the supervisor's, and the trainee will have some limited input. Then, as the trainee becomes more experienced, the supervisor's scope of review and supervision will be as a co-appraiser, with each appraiser sharing the work. The Supervisory Appraiser may even independently verify or confirm some of the Trainee Appraiser's data, just as a check. Then, as the trainee is almost ready to become licensed or certified, the Supervisory Appraiser's level of involvement might simply consist of reviewing and approving the work that was performed by the Trainee Appraiser.

## **Number of Hours**

The experience log requires the Trainee Appraiser/applicant to state the number of hours actually worked on the assignment. There is no “formula” or “magic number” of hours for assignments. It is to be expected that this number will vary somewhat with each assignment. No two properties are the same, and therefore no two appraisal assignments are the same.

Several jurisdictions have established limits for the number of hours that can be claimed in particular types of assignments. For example, the state of Utah has a schedule of hours available on their website that states a maximum number of hours that may be earned in various types of assignments. In Utah, the maximum number of hours that can be credited for an appraisal on a single-family home with less than 4,000 square feet, reported on a form, is 5 hours. If the home is larger than 4,000 square feet, the maximum is 7.5 hours. Please note that this information is being provided merely for example purposes, and should not be used by appraisers in other states. Check with your state to see if they have established a maximum number of hours that can be claimed for different types of assignments.

Most states have no established limits on the number of hours that may be awarded for an assignment; however the experience logs are subject to review by the state’s appraisal regulatory agency. It is likely that non-credible experience claims (e.g., 30 hours for the appraisal of a non-complex single-family home for mortgage purposes) will result in a request for additional documentation from the applicant, or even outright rejection of the application.

In this chapter, we covered the expectations and responsibilities of Supervisory Appraisers, including:

1. Providing the Trainee Appraiser with a basic understanding of USPAP requirements
2. Understanding the AQB minimum requirements of both the Supervisory Appraiser and Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the Criteria
3. Providing proper guidance to the Trainee Appraiser when he or she selects a specific credentialing path
4. Monitoring the Trainee Appraiser’s progress in satisfying both the education and experience requirements necessary to achieve his or her selected credential
5. Verifying that the Supervisory Appraiser and Trainee Appraiser are properly documenting all appropriate experience logs
6. Accompanying the Trainee Appraiser on all inspections until the Trainee Appraiser is competent to conduct inspections independently, and has met all specific requirements pertaining to property inspection established by the credentialing jurisdiction
7. Monitoring and providing assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value
8. Verifying that the Trainee Appraiser is properly identified and acknowledged in the appraisal report in compliance with USPAP requirements

9. Immediately notifying the Trainee Appraiser if the Supervisory Appraiser is no longer qualified to supervise and/or sign the Trainee Appraiser's experience log

In the next chapter, we will cover the expectations and responsibilities of the Trainee Appraiser.

## **Intern**

The Trainee Appraiser is responsible for:

1. Having a basic understanding of the AQB minimum requirements to become a Trainee Appraiser as well as the requirements of the credentialing jurisdiction that may exceed those of the Criteria
2. Having an understanding about the importance of selecting an appropriate Supervisory Appraiser, specifically that:
  - a. The Supervisory Appraiser-Trainee Appraiser relationship is a long-term commitment by both parties
  - b. The Trainee Appraiser is inherently connected to the "good standing" of the Supervisory Appraiser
  - c. The importance of selecting a Supervisory Appraiser with the experience and competency that best matches the Trainee Appraiser's selected credentialing path
  - d. Options for the Trainee Appraiser if the Supervisory Appraiser is no longer qualified to serve as a Supervisory Appraiser
3. Having an understanding of how to determine if an appraiser is qualified and in good standing to be a Supervisory Appraiser by searching the ASC National Registry and/or jurisdictional websites
4. Understanding that it is the Supervisory Appraiser's responsibility to monitor the progression of the Trainee Appraiser's education and experience necessary to achieve the Trainee Appraiser's selected credentialing path
5. Understanding that it is the Supervisory Appraiser's responsibility to provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value
6. Understanding the responsibilities of both the Trainee Appraiser and the Supervisory Appraiser in properly documenting all appropriate Trainee Appraiser's experience logs
7. Understanding that the Supervisory Appraiser must accompany the Trainee Appraiser on all inspections until he or she is competent to conduct inspections independently, and has met all requirements pertaining to property inspection established by the credentialing jurisdiction

## **Trainee Responsibility 6: Understanding Responsibilities for Experience Logs**

The Trainee Appraiser is responsible for understanding the responsibilities of both the Trainee Appraiser and the Supervisory Appraiser in properly documenting all appropriate Trainee Appraiser's experience logs.

We addressed the experience log in the previous chapter, but we will provide a refresher in this chapter. Each jurisdiction has its own specific experience log form and format; these are based on the minimum log requirements that appear in the *AQB Criteria*. As with the requirements for licensure and certification, states may use log forms that contain more or additional information if they so choose.

The *AQB Criteria* requires the experience log to include, at a minimum:

- Type of property (Single-family, condo, warehouse, commercial, farm, etc.)
- Date of report
- Address of subject property
- Description of work performed by the Trainee Appraiser/applicant and the scope of the review and supervision of the Supervisory Appraiser
- Number of actual hours the trainee/applicant worked on the assignment
- Signature and state certification number of the supervising appraiser if applicable

The Trainee Appraiser and the Supervisory Appraiser both have responsibility for documenting the experience log. If a Trainee Appraiser has more than one Supervisory Appraiser, it is advisable to maintain separate experience logs for each Supervisory Appraiser.

The requirements of the AQB also require that all experience claimed must be in conformance with USPAP and completed after January 1, 1992

The AQB requirements state that the Appraiser Intern and the supervisory appraiser are jointly responsible for maintaining the Intern experience log.

### **Supervisory Appraiser Responsibilities**

The supervisory appraiser must:

- Provide direct supervision of the work performed by the Intern
- Accept all responsibility for the appraisal and the report by signing and certifying that the report is in compliance with USPAP
- Properly acknowledge in the report that the Intern did provide significant real property appraisal assistance
- Personally inspect with the Registered Intern the first fifty (50) properties assigned to the Intern for appraisal
- Sign all appraisals signed by the Intern as the supervisory appraiser
- Jointly maintain an experience log with the Appraiser Intern

If the Registered Intern resigns or fails to renew his or her registration card, the supervisor must immediately file a notice of termination with the Division.

## Inspection

As stated on the previous page, the supervising appraiser must personally accompany the Intern on the inspection of the first fifty (50) properties assigned to the Intern.

After successfully completing 50 property inspections, an Intern is permitted to inspect a subject property that is located within 50 miles of the principal office of the supervisor without the supervisory appraiser being present.

A supervisory appraiser may submit an application to the Administrator of the Division of Real Estate for permission to allow a registered Intern to perform unsupervised inspections of properties that are located over 50 miles from the supervisor's office.

Remember the COMPETENCY RULE, though. The supervisor's decision of whether or not to accompany the Intern on the inspection should be made on an assignment-by-assignment basis. Just because the Intern has completed 50 property inspections does not mean that the Intern is ready to inspect any and all properties without the supervisory appraiser being present.

According to the Commission's regulations, the appraisal experience log must record the following information:

1. Type of property
2. Client name and address
3. Address of appraised property
4. Description of work performed
5. Number of work hours

## **INTERN LOG INSTRUCTION**

**General Information:** Pursuant to NAC 645C.065, experience gained as an appraiser or while in the employment of a certified appraiser as an intern or licensed appraiser must be obtained after January 30, 1989 and be in compliance with USPAP.

**Required Hours:** Licensed residential: 2400 hours in not less than two years. Certified Residential: 2500 hours, 500 of which must be complex pursuant to NRS 645C.055, in not less than 2 years. Certified General: 3600 hours, 1500 of which must be commercial, in not less than 3 years.

**Instructions:** This log must be completed by the appraiser/intern and each page signed by both the intern/licensed appraiser and supervisor. A separate log must be maintained for each supervisory appraiser if the intern/licensed appraiser works for multiple certified appraisers. Logs must be in chronological order and totaled on each page and a grand total. PLEASE TYPE OR PRINT LEGIBLY.

## **Supervision of Interns**

### **Nevada Administrative Code**

#### **NAC 645C.108 Qualifications for supervisory appraiser; requirements for inspection of property by intern. (NRS 645C.210, 645C.270)**

1. A supervisory appraiser must:
  - (a) Have been certified as a residential appraiser or general appraiser for at least 3 years before he or she supervises a registered intern;
  - (b) Complete the course of instruction described in [NAC 645C.2445](#) before he or she supervises a registered intern;
  - (c) Be in good standing with the Division;
  - (d) Not have been subject to any disciplinary action within the immediately preceding 3 years that affects the ability of the supervisory appraiser to engage in the practice of appraisal; and
  - (e) Not supervise more than two registered interns at a time.
2. A supervisory appraiser shall personally inspect with a registered intern the first 50 properties assigned to the registered intern for appraisal.
3. Except as otherwise provided in this subsection, a registered intern who has completed at least 50 appraisals of property to the satisfaction of his or her supervisory appraiser may perform an inspection of property for appraisal which is located within 50 miles of the principal office of his or her supervisory appraiser without the personal supervision of the supervisory appraiser at the site of the property. A supervisory appraiser may submit an application to the Administrator for permission to allow a registered intern to perform inspections of properties for appraisal which are located more than 50 miles from the principal office of his or her supervisory appraiser.

(Added to NAC by Comm'n of Appraisers of Real Estate by R100-03, eff. 1-30-2004; A by R158-05, 9-18-2006; R088-12, 6-3-2013; R011-13, 6-23-2014)

#### **NAC 645C.110 Duties of supervisory appraiser when intern resigns, fails to renew registration card or is discharged. (NRS 645C.210, 645C.410)** A supervisory appraiser under whom an intern is registered shall immediately file with the Division a notice of termination, on a form supplied by the Division, when an intern resigns, fails to renew his or her registration card or is discharged. The supervisory appraiser shall immediately surrender the registration card of the intern to the Division.

(Added to NAC by Comm'n of Appraisers of Real Estate, eff. 1-26-90; A by R100-03, 1-30-2004)

#### **NAC 645C.115 Failure of supervisory appraiser to renew certificate. (NRS 645C.210)**

1. If a supervisory appraiser fails to renew his or her certificate, the registration cards of all interns under his or her supervision will immediately be placed on inactive status unless the intern applies for a transfer and pays the required fee.

2. If a supervisory appraiser reinstates and renews his or her certificate pursuant to subsection 1, an intern whose registration card is placed on inactive status may resume his or her association with the appraiser if the intern reinstates his or her registration card and pays the required fee.

(Added to NAC by Comm'n of Appraisers of Real Estate, eff. 1-26-90; A 11-19-91; R100-03, 1-30-2004)

#### **NAC 645C.118 Termination of certificate of supervisory appraiser. (NRS 645C.210)** If the certificate of a supervisory appraiser is cancelled, suspended or revoked, the supervisory appraiser shall deliver his or her certificate to the Division with the registration cards of his or her interns. The interns may, upon proper application and payment of the required fees, transfer to the association of another supervisory appraiser. No refund will be given if a certificate is cancelled, suspended or revoked.

(Added to NAC by Comm'n of Appraisers of Real Estate, eff. 1-26-90; A 11-19-91; R100-03, 1-30-2004)  
— (Substituted in revision for NAC 645C.135)

**NAC 645C.120 Reporting on experience of intern; maintenance of log by intern; access of intern to appraisal. (NRS 645C.210)**

1. The Division will require a verified statement from a supervisory appraiser indicating the extent of experience of any intern associated with him or her in order to determine the extent of experience the registered intern has gained while associated with the supervisory appraiser.

2. The information required by subsection 1 must be reported on a form provided by the Division. The completed form must include:

(a) The period of association with the supervisory appraiser.

(b) The average number of hours worked per week for the supervisory appraiser.

(c) Any other information concerning the activities of the intern which should be considered as contributing towards the experience of the intern while associated with the supervisory appraiser.

3. Each registered intern shall maintain a separate log for each appraiser who supervises the intern.

4. The registered intern shall record in the log for each appraisal:

(a) The type of property appraised;

(b) The name and address of the client for whom the appraisal was conducted;

(c) The address of the appraised property; and

(d) A description of work performed and the number of hours required to conduct the appraisal.

5. Each page of a log maintained pursuant to this section must include the signature and number of the certificate of the supervisory appraiser.

6. A registered intern who assists in the preparation of an appraisal may obtain a copy of that appraisal.

(Added to NAC by Comm'n of Appraisers of Real Estate, eff. 1-26-90; A 11-19-91; R100-03, 1-30-2004)