

## Initial Education Requirements

There are three types of education used to qualify for initial licensing requirements (not including Continuing Education, which is used to renew a license):

- Basic (or Required Core Curriculum) education;
- California required education; and
- College Level education

**Initial applicants must meet ALL education requirements as identified by license type below.**

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### **Trainee License (AT)**

#### **Basic Education:**

150 hours must include instruction in the following modules:

<b>Hours</b>	<b>Module</b>
30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-Hour National USPAP Course
15 hours	Residential Market Analysis and Highest & Best Use
15 hours	Residential Appraiser Site Valuation and Cost Approach
30 hours	Residential Sales Comparison and Income Approaches
15 hours	Residential Report Writing and Case Studies

#### **California Education:**

California Education requirements are not eligible towards the 150 hours of Basic Education identified above:

1. Approved Supervisory/Trainee Appraisers course
2. Approved state and federal laws course

#### **College Education:**

Not required.

**Note:** Course work for the Trainee License taken more than five (5) years prior to the application date is not acceptable.

## **Residential License (AL)**

### **Basic Education:**

150 hours must include instruction in the following modules:

<b>Hours</b>	<b>Module</b>
30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-Hour National USPAP Course
15 hours	Residential Market Analysis and Highest & Best Use
15 hours	Residential Appraiser Site Valuation and Cost Approach
30 hours	Residential Sales Comparison and Income Approaches
15 hours	Residential Report Writing and Case Studies

### **California Education:**

California Education requirements are not eligible towards the 150 hours of Basic Education identified above:

1. Approved state and federal laws course

### **College Education:**

Not required.

## **Certified Residential (AR)**

### **Basic Education:**

200 hours must include instruction in the following modules:

<b>Hours</b>	<b>Module</b>
30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-Hour National USPAP Course
15 hours	Residential Market Analysis and Highest & Best Use
15 hours	Residential Appraiser Site Valuation and Cost Approach
30 hours	Residential Sales Comparison and Income Approaches
15 hours	Residential Report Writing and Case Studies
15 hours	Statistics, Modeling and Finance
15 hours	Advanced Residential Applications and Case Studies
20 hours	Appraisal Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not listed above.

### **California Education:**

California Education requirements are not eligible towards the 200 hours of Basic Education identified above:

1. Approved state and federal laws course

### **College Education:**

Must meet one of the college level education options\* listed on Page 3.

<b>* College Level Education Options for Certified Residential</b>	
<b>Option #1</b>	Bachelor's Degree from an accredited college or university in any field of study
<b>Option #2</b>	Associate's Degree from an accredited college or university in a field of study related to: Business Administration, Accounting, Finance, Economics; or Real Estate
<b>Option #3</b>	Successful completion of 30 semester units of college-level courses from an accredited college or university that cover each of the following specific topic areas and are at least 3 units each: (1) English Composition; (2) Microeconomics; (3) Macroeconomics; (4) Finance; (5) Algebra, Geometry or Higher Math; (6) Statistics ; (7) Computer Science; (8) Business Law or Real Estate Law; (9)(10) Two elective courses in any of the above topics, or in: Accounting, Geography, Agricultural Economics, Business Management, or Real Estate
<b>Option #4</b>	Successful completion of at least 30 semester units of College Level Examination Program® (CLEP®) examinations that cover each of the specific topic areas in Option #3 (see Equivalency Table below**)
<b>Option #5</b>	Any combination of Option #3 and Option #4 that includes all of the topics identified in Option #3.
<b>Option #6</b>	No college-level education required. This option applies only to appraisers who have held a Licensed Residential credential for a minimum of five (5) years and have no record of any adverse, final and non-appealable disciplinary action affecting the Licensed Residential appraiser's legal eligibility to engage in the appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential.

<b>** College Level Examination Program® (CLEP®) Equivalency Table</b>		
CLEP® Exams	CLEP® Semester Units Granted	Applicable College Courses
College Algebra	3	Algebra, Geometry, Statistics, or higher mathematics
College Composition	6	English Composition
College Composition Modular	3	English Composition
College Mathematics	6	Algebra, Geometry, Statistics, or higher mathematics
Principles of Macroeconomics	3	Macroeconomics or Finance
Principles of Microeconomics	3	Microeconomics or Finance
Introductory Business Law	3	Business Law or Real Estate Law
Computer Science	3	Information Systems

## **Certified General License (AG)**

### **Basic Education:**

300 must include instruction in the following modules:

#### **Hours    Module**

30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-Hour National USPAP Course
30 hours	General Appraiser Market Analysis and Highest & Best Use
15 hours	Statistics, Modeling and Finance
30 hours	General Appraiser Sales Comparison Approach
30 hours	General Appraiser Site Valuation and Cost Approach
60 hours	General Appraiser Income Approach
30 hours	General Appraiser Report Writing and Case Studies
30 hours	Appraisal Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not listed above.

### **California Education:**

California Education requirements are not eligible towards the 300 hours of Basic Education identified above:

1. Approved state and federal laws course

### **College Education:**

Bachelor's degree or higher from an accredited college or university.

## BASIC EDUCATION MODULE REQUIREMENTS

A module is a subject matter area and not necessarily the name of the course. A course may consist of one or two complete modules or portions of several different modules. The following is a list of modules that are required for each license level.

Minimum Hours	Basic Education Modules	LICENSE LEVEL		
		Trainee & Residential	Certified Residential	Certified General
30	Basic Appraisal Principles	X	X	X
30	Basic Appraisal Procedures	X	X	X
15	15-Hour National USPAP Course	X	X	X
15	Residential Market Analysis and Highest & Best Use	X	X	
15	Residential Appraiser Site Valuation and Cost Approach	X	X	
30	Residential Sales Comparison and Income Approach	X	X	
15	Residential Report Writing and Case Studies	X	X	
15	Advanced Residential Applications and Case Studies		X	
15	Statistics, Modeling and Finance		X	X
30	General Appraiser Market Analysis and Highest & Best Use			X
30	General Appraiser Report Writing and Case Studies			X
60	General Appraiser Income Approach			X
	Appraiser Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not required.		20 Hours	30 Hours

## BASIC EDUCATION MODULES AND SUBTOPICS

The following are the subtopics for each module. Not all module subtopics are required for credit of a module. Courses may contain one module or parts of one or more modules.

### Basic Appraisal Principles (30 hours required at all levels)

- A. Real Property Concepts and Characteristics
  - Basic Real Property Concepts
  - Real Property Characteristics
  - Legal Description
- B. Legal Consideration
  - Forms of Ownership
  - Public and Private Controls
  - Real Estate Contracts
  - Leases
- C. Influences on Real Values
  - Governmental
  - Economic
  - Social
  - Environmental, Geographic and Physical
- D. Types of Value
  - Market Value
  - Other Value Types
- E. Economic Principles
  - Classical Economic Principles
  - Application and Illustrations of the Economic Principles
- F. Overview of Real Estate Markets and Analysis
  - Market Fundamentals, Characteristics and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- G. Ethics and How They Apply in Appraisal Theory and Practice

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### Basic Appraisal Procedures (30 hours required at all levels)

- A. Overview to Approaches to Value
- B. Valuation Procedures
  - Defining the Problem
  - Collecting and Selecting Data
  - Analyzing
  - Reconciling and Final Value Opinion
  - Communicating the Appraisal
- C. Property Description

- Geographical Characteristics of the Land/Site
  - Geologic Characteristics of the Land/Site
  - Location and Neighborhood Characteristics
  - Land/Site Considerations for Highest & Best Use
  - Improvements – Architectural Styles and Types of Construction
- D. Residential Applications
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### **The 15-Hour National USPAP Course or Its Equivalent (required at all levels)**

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#### **Residential Market Analysis and Highest & Best Use (15 hours required at AT, AL & AR levels)**

- A. Residential Markets and Analysis
- Market Fundamentals, Characteristics and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- B. Highest and Best Use
- Test Constraints
  - Application of Highest and Best Use
  - Special Considerations
  - Market Analysis
  - Case Studies
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#### **Residential Appraiser Site Valuation and Cost Approach (15 hours required at AT, AL & AR levels)**

- A. Site Valuation
- Methods
  - Case Studies
- B. Cost Approach
- Concepts and Definitions
  - Replacement/Reproduction Cost New
  - Accrued Depreciation
  - Methods of Estimating Accrued Depreciation
  - Case Studies
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#### **Residential Sales Comparison and Income Approaches (30 hours required at AT, AL & AR levels)**

- A. Valuation Principles & Procedures – Sales Comparison Approach
- B. Valuation Principles & Procedures – Income Approach
- C. Finance and Cash Equivalency
- D. Financial Calculator Introduction
- E. Identification, Derivation and Measurement of Adjustments
- F. Gross Rent Multipliers
- G. Partial Interests
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- H. Reconciliation
  - I. Case Studies and Applications
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**Residential Report Writing and Case Studies (15 hours required at AT, AL & AR levels)**

- A. Writing and Reasoning Skills
  - B. Common Writing Problems
  - C. Form Reports
  - D. Report Options and USPAP Compliance
  - E. Case Studies
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**Statistics, Modeling and Finance (15 hours required at AR & AG levels)**

- A. Statistics
  - B. Valuation Models (AVM's and Mass Appraisal)
  - C. Real Estate Finance
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**Advanced Residential Applications and Case Studies (15 hours required at AR level)**

- A. Complex Property, Ownership and Market Conditions
  - B. Deriving and Supporting Adjustments
  - C. Residential Market Analysis
  - D. Advanced Case Studies
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**General Appraiser Market Analysis and Highest & Best Use (30 hours required at AG level)**

- A. Real Estate Markets Analysis
    - Market Fundamentals, Characteristics and Definitions
    - Supply Analysis
    - Demand Analysis
    - Use of Market Analysis
  - B. Highest and Best Use
    - Test Constraints
    - Application of Highest and Best Use
    - Special Considerations
    - Market Analysis
    - Case Studies
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**General Appraiser Sales Comparison approach (30 hours required at AG level)**

- A. Value Principles
  - B. Procedures
  - C. Identification and Measurement of Adjustments
  - D. Reconciliation
  - E. Case Studies
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**General Appraiser Site Valuation and Cost Approach (30 hours required at AG level)**

- A. Site Valuation
    - Methods
    - Case Studies
  - B. Cost Approach
    - Concepts and Definitions
    - Replacement/Reproduction Cost New
    - Accrued Depreciation
    - Methods of Estimating Accrued Depreciation
    - Case Studies
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**General Appraiser Income Approach (60 hours required at AG level)**

- A. Overview
  - B. Compound Interest
  - C. Lease Analysis
  - D. Income Analysis
  - E. Vacancy and Collection Costs
  - F. Estimating Operating Expenses and Reserves
  - G. Reconstructed Income and Expense Statement
  - H. Stabilized Net Operating Income Estimate
  - I. Direct Capitalization
  - J. Discounted Cash Flow
  - K. Yield Capitalization
  - L. Partial Interests
  - M. Case Studies
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**General Appraiser Report Writing and Case Studies (30 hours required at AG level)**

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Report Options and USPAP Compliance
- D. Case Studies