

# Chapter 458-10 WAC

## ACCREDITATION OF REAL PROPERTY APPRAISERS

WAC	
458-10-010	Accreditation of real property appraisers—Implementation—Definitions.
458-10-020	Application for accreditation.
458-10-030	Accreditation examination—Prerequisites—Waiver or exemption—Reexamination.
458-10-040	Accreditation certificate.
458-10-050	Continuing education requirements—Appraisal practice and ethics.
458-10-060	Standards of practice.
458-10-070	Denial, suspension, or revocation of accreditation.

**WAC 458-10-010 Accreditation of real property appraisers—Implementation—Definitions. (1) Implementation of accreditation requirements.** The rules in this chapter implement the provisions of chapter 36.21 RCW dealing with the accreditation of persons responsible for valuing real property for purposes of taxation. To the extent practical, these rules coordinate accreditation requirements with the requirements for certified and licensed real estate appraisers under chapter 18.140 RCW. The purpose of these rules is to promote uniformity and consistency throughout the state in the education and experience qualifications and maintain minimum standards of competence and conduct of persons responsible for valuing real property for purposes of taxation.

(2) **Accreditation required for persons valuing real property for purposes of taxation.** Any person responsible for valuing real property for purposes of taxation must be an accredited appraiser. This requirement includes persons acting as assistants or deputies to a county assessor who determine real property values or review appraisals prepared by others. This requirement does not apply to persons working in the county assessor's office who do not exercise appraisal judgment with respect to real property.

(3) **Definitions.** Unless the context clearly requires otherwise, the following definitions apply throughout chapter 458-10 WAC:

(a) "Accreditation" means the act or process by which persons are authorized by the department to assess real property for purposes of taxation and includes the status of being accredited.

(b) "Accredited appraiser" means a person who has successfully completed and fulfilled all requirements imposed by the department for accreditation and who has a currently valid accreditation certificate.

(c) "Appraisal" means the act or process of estimating the value of real property; an estimate of value of real property; or of or pertaining to appraising real property and related functions.

(d) "Assessment" means the act or process of estimating the value of real property for purposes of taxation only; an estimate of value of real property for purposes of taxation only; or of or pertaining to assessing real property and related functions.

(e) "Classroom hour" means a minimum of fifty minutes out of each sixty-minute hour spent attending an approved course.

(f) "Department" means the department of revenue.

(g) "IAAO" means the International Association of Assessing Officers.

(h) "Real property" means an identified parcel or tract of land, including any improvements, and includes one or more defined interests, benefits, or rights inherent in the ownership of real estate.

(i) "Transactions involving real property" means any of the following:

(i) The sale, lease, purchase, investment in, or exchange of real property, including interests in property or the financing thereof;

(ii) The refinancing of real property or interests in real property; or

(iii) The use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 97-08-068, § 458-10-010, filed 4/1/97, effective 5/2/97.]

**WAC 458-10-020 Application for accreditation. (1) Prerequisite to application—Experience.** Prior to applying for accreditation, applicants must have had at least one year of experience related to the items listed in this subsection. The requisite experience may include hours worked during the preceding two years but must include a minimum of one thousand hours worked in a minimum time period of twelve months. The work experience must be directly connected with the following:

(a) Transactions involving real property;

(b) Appraisal of real property;

(c) Assessment of real property; or

(d) A combination of (a), (b), and (c) of this subsection.

(2) **Prerequisite to application—Knowledge.** Prior to applying for accreditation, applicants must be knowledgeable in:

(a) Repair and remodeling of buildings and improvement of land;

(b) The significance of locality and area to the value of real property; and

(c) The standards for appraising real property established by the department. (See WAC 458-10-060.)

(3) **Application procedure.** Any person desiring to be an accredited appraiser must complete an "Application for Accreditation" form and submit it to the property tax division of the department. The department shall review the application and verify that the applicant meets the qualifications prescribed by chapter 36.21 RCW and chapter 458-10 WAC, including either passing the accreditation examination or qualifying for a waiver of or exemption from the examina-

tion. Upon completion of review and verification, the department shall, as appropriate, issue an accreditation certificate, reject the application and give the reason or reasons for the rejection, or notify the applicant of any further requirements prior to issuing an accreditation certificate. Forms shall be prepared by and are available from the property tax division of the department.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 97-08-068, § 458-10-020, filed 4/1/97, effective 5/2/97.]

**WAC 458-10-030 Accreditation examination—Prerequisites—Waiver or exemption—Reexamination.** (1) **Prerequisites to taking examination.** Any person desiring to take the accreditation examination must complete a "Request for Administration of Appraiser Examination" form and submit it to the property tax division of the department. As a prerequisite to taking the examination for accreditation an applicant shall submit evidence to the department that he or she has successfully completed at least thirty classroom hours of courses approved by the department in the basic principles of real property appraising. These courses must have been completed within two years of the date the evidence is submitted to the department. Course content required prior to taking the accreditation examination must include coverage of basic principles of real property appraisal or related topics such as, but not limited to:

- (a) Influences on real property value;
- (b) Legal considerations in appraisal;
- (c) Types of value;
- (d) Economic principles;
- (e) Real estate markets and analysis;
- (f) Valuation process;
- (g) Property description;
- (h) Highest and best use analysis;
- (i) Appraisal math and statistics;
- (j) Sales comparison approach;
- (k) Site value;
- (l) Cost approach;
- (m) Income approach, including:
  - (i) Gross rent multiplier analysis;
  - (ii) Estimation of income and expenses;
  - (iii) Operating expense ratios; and
  - (iv) Direct capitalization;
- (n) Valuation of partial interests; and
- (o) Washington state property tax law.

(2) **Examination required unless waived—Passing score.** No person shall assess real property for purposes of taxation without passing the accreditation examination or without receiving an examination waiver under subsection (4) of this section or without meeting the requirements set out in subsection (6) of this section. A minimum score of seventy is required to pass the accreditation examination.

(3) **Accreditation examination—Fee.** The accreditation examination shall be prepared and administered by the department on subjects related to the valuation of real property. In preparing the examination, the department may request assistance from an advisory committee made up of assessors, assessor's appraisal staff, other qualified appraisers, or persons from the department of personnel. In administering the test, the department may contract with others to supervise the examination of applicants. An appropriate fee

to cover the costs of such supervision must be paid by the applicant at the time of application.

(4) **Waiver of examination requirement.** The department shall waive the accreditation examination requirement for those persons who provide adequate evidence of any one of the following:

(a) The person has either attended a presentation of IAAO Course 1, or its equivalent, and successfully passed the course examination or successfully passed the course examination without having attended the presentation of the course;

(b) The person is currently certified or licensed as a real estate appraiser under chapter 18.140 RCW, the Certified Real Estate Appraiser Act; or

(c) The person has sufficient education and experience that is the equivalent of passing the accreditation examination. For purposes of this section, sufficient education means successfully completing a minimum of seventy-five classroom hours of courses approved by the department in the basic principles of real property appraising, and sufficient experience means a minimum of two years (twenty-four months), and not less than two thousand hours, of experience appraising real property.

(5) **Procedure for requesting a waiver.** An applicant may request a waiver of the accreditation examination requirement by completing an "Application for Accreditation" form and submitting it to the property tax division of the department. The department shall determine if the applicant has shown the necessary qualifications that are the equivalent of passing the examination. The department may require additional documentation or verification from the applicant's employer(s) or others in making this determination.

(6) **Exemption from examination requirement.** Accreditation examination requirements shall not apply to persons who have either:

(a) Been certified as a real property appraiser by the department of personnel prior to July 1, 1992; or

(b) Attended and satisfactorily completed the assessor's school operated jointly by the department and the Washington state assessors association prior to August 9, 1971.

(7) **Reexamination.** An applicant who has failed the accreditation examination, or failed to appear for a scheduled examination, may apply for reexamination or examination by submitting a new "Request for Administration of Appraiser Examination" form not less than sixty days from the date the examination was administered. No additional fee is required for one reexamination or one rescheduled examination.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 97-08-068, § 458-10-030, filed 4/1/97, effective 5/2/97.]

**WAC 458-10-040 Accreditation certificate.** (1) **Requirements for issuance of accreditation certificate.** The department shall issue an accreditation certificate to any applicant who meets the requirements of WAC 458-10-020 and who satisfies one of the following:

(a) Successfully passes the accreditation examination;

(b) Has received a waiver of the examination from the department under WAC 458-10-030(4); or

(c) Is exempt from the examination requirement under WAC 458-10-030(6).

(2) **Certificate duration.** An accreditation certificate is valid for two years from the date issued.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 97-08-068, § 458-10-040, filed 4/1/97, effective 5/2/97.]

**WAC 458-10-050 Continuing education requirements—Appraisal practice and ethics. (1) Introduction.** This rule provides information about the process for renewing an accreditation certificate, including detailed information about the continuing education requirements required of renewal applicants.

(2) **Renewal of accreditation certificate.** An accredited appraiser desiring to renew his or her accreditation certificate must complete a renewal application and submit it to the property tax division of the department at least two weeks prior to the expiration date of the certificate. In order to receive a renewal of the certificate, the applicant must provide proof that he or she has attended a minimum of fifteen classroom hours of approved instruction within the two years preceding the expiration date of the certificate.

(3) **Extensions of time for renewal.** An applicant may request an extension of time to submit the renewal application and complete the continuing education requirements if the request is submitted prior to the expiration date of the certificate. The time extension shall only be approved upon a showing of good cause by the applicant and only for a maximum time period of three months from the original expiration date of the certificate. Good cause may include, but is not limited to, a showing of long-term illness or extended absence from work for valid reasons. Excessive workload, insufficient funds, lack of budget allocation, or other similar reasons are not satisfactory to show good cause.

(4) **Preapproval of courses.** All courses, seminars, or workshops must be preapproved by the department in order to be applied toward the continuing education requirement. The department will use the following criteria to approve courses, seminars, or workshops:

(a) Any course, seminar, or workshop directly related to real property appraising and offered by qualified personnel will be approved for the full number of classroom hours involved; and

(b) Any seminar or workshop directly related to a topic or topics of general interest to an assessor's office and offered by qualified personnel will be approved for a maximum of three classroom hours. No more than three hours out of the fifteen classroom hours required may be on a topic or topics of general interest to an assessor's office.

(5) **Course examination not required.** No examination is required for courses, seminars, or workshops taken to satisfy the requirement for continuing education classroom hours.

(6) **Participation in education other than as a student.** The continuing education requirement may be satisfied by participating other than as a student in educational process and programs approved by the department including teaching, program development, and authorship of textbooks or other written instructional materials. Approval of the number of classroom hours will be based upon the subject matter and time spent in preparation or development of the training or materials. In order to meet the continuing education requirement in this manner, the following criteria must be met:

(a) Textbook, course, or presentation materials must originate with and be developed by the textbook or course author or the presenter;

(b) The textbook or course author or presenter must provide the department with a description of the work involved in preparing the textbook, course, or presentation, together with the amount of time spent in preparation and amount of time, if any, proposed to be spent in actual training or presenting; and

(c) The course author or presenter must provide the department with a copy of the course or presentation outline showing the amount of time allotted to each topic covered in the course or presentation.

(7) **Topics covered.** Courses, seminars, or workshops taken to satisfy the continuing education requirement for accredited appraisers must cover topics related to real property appraisal, such as:

(a) Ad valorem taxation;

(b) Arbitrations;

(c) Business courses related to practice of real estate;

(d) Construction estimating;

(e) Ethics and standards of professional practice;

(f) Land use planning, zoning, and taxation;

(g) Property development;

(h) Real estate law;

(i) Real property exchange;

(j) Real property computer applications;

(k) Mass appraisal;

(l) Geographic information systems (GIS);

(m) Levy process;

(n) Boards of equalization; and

(o) Other subjects as are approved by the department.

(8) **Same or similar content.**

(a) No applicant will receive approval from the department for courses taken within any four-year time period that have the same or very similar content and are deemed comparable by the department, even if the course providers are different.

(b) Applicants who request approval from the department for continuing education hours for preparation and development of textbook, course, or presentation materials that have previously been approved by the department must provide sufficient information and explanation to indicate how the materials differ from the original approved materials and how much preparation and time was involved in the revision of the original materials.

(9) **Carry-over of classroom hours.** A maximum of five continuing education classroom hours may be carried over and applied to the following two-year period of accreditation.

(10) **Education requirement for standards of appraisal practice and ethics.** Each accredited appraiser is required to successfully complete fifteen classroom hours of a course or courses approved by the department in standards of appraisal practice and ethics. If the course or courses have not been successfully completed at the time an applicant is accredited, the course or courses attended to satisfy this requirement may also be used to satisfy the general continuing education requirement and are not in addition to the fifteen hours of continuing education required to be satisfied every two years. The requirement for successful completion

of fifteen classroom hours in standards of appraisal practice and ethics must be satisfied in any one of the following three ways:

(a) An accredited appraiser had successfully completed the fifteen classroom hours of a course or courses at the time he or she was initially accredited, and can provide proof to the department of such successful completion;

(b) An accredited appraiser who has not yet successfully completed the fifteen hours of such course or courses must do so within three years of the effective date of this rule; or

(c) An applicant for accreditation must either:

(i) Have successfully completed fifteen hours of such course or courses within three years prior to the date of application; or

(ii) Successfully complete fifteen hours of such course or courses within three years of the date of accreditation.

**(11) Failure to comply with continuing education requirements.** Any accredited appraiser whose accreditation certificate has expired, and who has not received an extension of time under subsection (3) of this section, is prohibited from appraising real property for purposes of taxation. After the certificate has expired, an applicant must show the following in order to renew the certificate:

(a) For a certificate that expired less than two years prior to the date the renewal application is submitted, an applicant must show that he or she has satisfied the fifteen classroom hours of continuing education requirement within the previous two years. Any application submitted within two years of the certificate expiration that fails to satisfy the continuing education requirement will be denied.

(b) For a certificate that expired more than two years prior to the date the renewal application is submitted, the application will be treated as a new application for accreditation and in addition, the applicant will be required to show that he or she has satisfied thirty classroom hours of continuing education within the previous four years.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 05-02-038, § 458-10-050, filed 12/30/04, effective 1/30/05; 97-08-068, § 458-10-050, filed 4/1/97, effective 5/2/97.]

**WAC 458-10-060 Standards of practice.** The standards of practice adopted by the department and governing real property appraisal activities by accredited appraisers are the generally accepted appraisal standards as evidenced by the current appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation. A complete text of these appraisal standards is available for viewing during normal working hours at the property tax division of the department.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 97-08-068, § 458-10-060, filed 4/1/97, effective 5/2/97.]

**WAC 458-10-070 Denial, suspension, or revocation of accreditation.** (1) **Reasons for denial, suspension, or revocation.** The department may deny, suspend, or revoke the accreditation of any person for any of the following reasons:

(a) Failure to meet the minimum qualifications established for accreditation by the department;

(b) Failure to pass the accreditation examination or to meet examination waiver or exemption requirements;

(c) Knowingly providing false information on application forms; or

(d) Failure to comply with continuing education requirements, including requirements regarding appraisal standards and ethics.

**(2) Notification of denial, suspension, or revocation—Appeal.** Notification of denial, suspension, or revocation by the department shall be in writing to the applicant at the applicant's last known address and, if the applicant is currently employed in an assessor's office, to the assessor. Any appeal by an applicant or accredited appraiser of the denial, suspension, or revocation of accreditation must be made in writing to the assistant director of the property tax division of the department.

[Statutory Authority: RCW 36.21.015, 84.08.010 and 84.08.070. 97-08-068, § 458-10-070, filed 4/1/97, effective 5/2/97.]