

## Chapter RL 84

## EDUCATION

RL 84.01 Course approval

RL 84.02 Certified residential appraiser course requirements

RL 84.03 Certified general appraiser course requirements

RL 84.04 Licensed appraiser course requirements

**RL 84.01 Course approval.** (1) All educational courses designed to meet the requirements in s. 458.06 (2) (d), (3) (b) or (4) (b), Stats., s. 458.08 (3) (c), Stats., and this chapter, shall be submitted to the department for approval.

**Note:** Information relating to course approval is available from the Department of Regulation and Licensing, Bureau of Business and Design Professions, 1400 East Washington Avenue, P.O. Box 8936, Madison, Wisconsin 53708.

(2) For purposes of evaluation one semester credit at a college, university or technical college shall be the equivalent of 15 hours of instruction.

(3) Credit toward the course requirement may be granted only if the length of the educational course is at least 15 hours of instruction and the individual successfully completes an examination pertinent to that course.

(4) Credit shall be granted for educational courses regardless of when the courses were completed.

(5) Credit may be allowed for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted prior to July 1, 1990, and provided further that the department is satisfied with the quality of the challenge examination that was administered by the course provider.

(6) Credit may be allowed for a correspondence course which satisfies the following requirements:

(a) The course is presented by an accredited college or university which offers correspondence programs in other disciplines;

(b) An individual successfully completes a written examination administered by a proctor approved by the course provider;

(c) An individual is awarded a minimum of one semester credit upon successful completion of the course; and

(d) The course relates to one or more subject areas described under s. RL 84.02 (3), 84.03 (3) or 84.04 (3).

**Note:** For purposes of evaluating educational coursework, one semester credit is the equivalent of 15 hours of instruction.

(7) Course instructors shall be approved by the department. An instructor whose appraiser certificate has been limited, suspended or revoked may not instruct in approved courses while the disciplinary action is in effect. An approved instructor shall possess at least one of the following qualifications:

(a) Be an instructor of appraisal courses who teaches or has taught appraisal courses at an accredited college or

university or a vocational, technical and adult education school, or

(b) Be a licensed or certified appraiser who practices in the aspects of appraising being taught, and who has engaged in such practice for at least 5 years.

(8) Course providers shall agree to distribute course evaluation survey forms to individuals who complete courses offered by the providers, and shall retain the originals of the forms for at least 12 months after the date of completion.

(9) The licensed and certified residential programs of study are expected to provide all appraisers with a foundation of knowledge. The courses which satisfy the requirements for appraiser licensure and residential appraiser certification may be acceptable towards satisfying the course work requirement for general appraiser certification.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1) and (6), eff. 10-1-91; am. (1) and (6), Register, May, 1992, No. 437, eff. 6-1-92; am. (1), renum. (6) to be (9), cr. (6) to (8), Register, April, 1994, No. 460, eff. 5-1-94.

**RL 84.02 Certified residential appraiser course requirements.** (1) A program of study for certified residential appraisers shall include at least 105 hours of instruction. After April 1, 1994, a program of study for certified residential appraisers shall include at least 120 hours of instruction.

**Note:** After April 1, 1994, an individual who files an application under s. RL 81.01 for certification as a residential appraiser will be required to submit evidence of completion of 120 hours of instruction.

(2) Any approved program of study for certified residential appraisers shall include not less than 15 hours of instruction in professional standards and code of ethics applicable to appraisers.

(3) Any approved program of study for certified residential appraisers shall include the following subject areas:

(a) Appraisal standards and ethics;

(b) Appraisal statistical concepts;

(c) Cost approach;

(d) Economic principles;

(e) Highest and best use analysis;

(f) Influences on real estate value;

(g) Legal considerations in appraisal;

(h) Property description;

(i) Real estate financing;

## RL 84.02

- (j) Real estate markets and analysis;
- (k) Reconciliation of values;
- (l) Residential income approach;
- (m) Sales comparison approach;
- (n) Site value;
- (o) Types of value;
- (p) Valuation of partial interests; and
- (q) Valuation process.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1), (2) and (3) (intro.), eff. 10-1-91; am. (1) to (3) (intro.), Register, May, 1992, No. 437, eff. 6-1-92; am. (1) and (2), Register, April, 1994, No. 460, eff. 5-1-94.

**RL 84.03 Certified general appraiser course requirements.**

(1) A program of study for certified general appraisers shall include at least 165 hours of instruction.

(2) Any approved program of study for certified general appraisers shall include within the 165 hours:

(a) Not less than 15 hours of instruction in professional standards, code of ethics and state laws applicable to appraisers; and

(b) Not less than 40 hours in commercial income approach as described in sub. (3) (c).

(3) Any approved program of study for certified general appraisers shall include the following subject areas:

- (a) Appraisal standards and ethics;
- (b) Appraisal statistical concepts;
- (c) Commercial income approach:

1. Mathematics of finance, including compounding, discounting, and mortgage loans;

2. Property income and expense estimating, including lease analysis and analysis of operating statements;

3. Methods of calculating property reversions;

4. Methods of converting income to value:

a. Direct capitalization;

b. Residual methods, such as land, building, property, and equity;

c. Mortgage equity methods, such as simple mortgage equity and Ellwood/Akerson method; and

d. Discounted cash flow methods and internal rate of return.

- (d) Cost approach;
- (e) Economic principles;
- (f) Highest and best use analysis;
- (g) Influences on real estate value;
- (h) Legal considerations in appraisal;
- (i) Property description;

- (j) Real estate financing;
- (k) Real estate markets and analysis;
- (l) Reconciliation of values;
- (m) Residential income approach;
- (n) Sales comparison approach;
- (o) Site value;
- (p) Types of value;
- (q) Valuation of partial interests, including leasehold and leased fee valuation; and
- (r) Valuation process.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1), (2) and (3) (intro.), eff. 10-1-91; am. (1), (2) (intro.) and (3) (intro.), Register, May, 1992, No. 437, eff. 6-1-92.

**RL 84.04 Licensed appraiser course requirements.** (1) An applicant seeking licensure as an appraiser shall submit evidence satisfactory to the department that the applicant has completed a program of study for licensed appraisers of at least 75 hours of instruction.

(2) Any approved program of study for licensed appraisers shall include within the 75 hours, not less than 15 hours of instruction in professional standards and code of ethics applicable to appraisers.

(3) Any approved program of study for licensed appraisers shall include the following subject areas:

- (a) Appraisal standards and ethics;
- (b) Appraisal statistical concepts;
- (c) Cost approach;
- (d) Economic principles;
- (e) Highest and best use analysis;
- (f) Influences on real estate value;
- (g) Legal considerations in appraisal;
- (h) Property description;
- (i) Real estate financing;
- (j) Real estate markets and analysis;
- (k) Reconciliation of values;
- (l) Residential income approach;
- (m) Sales comparison approach;
- (n) Site value;
- (o) Types of value;
- (p) Valuation of partial interests; and
- (q) Valuation process.

**History:** Cr. Register, May, 1992, No. 437, eff. 6-1-92; am. (1), Register, April, 1994, No. 460, eff. 5-1-94.