

Regulation No. 2

Admission to Residential Associate Membership and SRA Membership

Effective November 5, 2010

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General Provisions

Part A: Purpose

The purpose of this Regulation is to set forth uniform requirements for admission and readmission to residential Associate Membership, termination of residential Associate Membership and admission to SRA membership.

Part B: Scope

This Regulation contains the basic information to implement this Regulation’s purpose as stated in this Article. There shall also be detailed policies and procedures that further implement the purposes of this Regulation.

Part C: Definitions

As used in this Regulation, the following terms shall have the following meanings unless the context clearly indicates that another meaning is intended:

“Admissions Appeal Board” means an Admissions Appeal Board of the Appraisal Institute, as described in Regulation No. 7 concerning National Committees.

“ADQC” means the Admissions and Designation Qualifications Committee.

“Applicant” means an individual who has initiated the process of applying for admission to (or readmission to) residential Associate Membership but has not been granted residential Associate Member status.

“Chapter” means any one of the local Chapters of the Appraisal Institute that have been established by the Board of Directors.

“Code of Professional Ethics” or “Code” means the Appraisal Institute Code of Professional Ethics.

“Conflict of interest” means a situation in which an individual’s judgment in matters regarding another person’s interests or rights would be materially affected by the individual’s own financial, business, property, or personal interests.

“Good moral character” means honesty, truthfulness, and respect for law.

“Investigative Team” means two or more members with the SRA designation appointed to investigate matters of good moral character.

41
42 “Local Committee” means a Chapter Membership Admissions, Development, and Retention
43 Committee.
44
45 “Local Chair” means the Chair of a Chapter Membership Admissions, Development, and Retention
46 Committee.
47
48 “Admissions Department” means the administrative section of the Appraisal Institute that handles and
49 coordinates administrative matters in conformance with this Regulation and the policies and
50 procedures further implementing this Regulation.
51
52 “Personal bias” means an individual’s predisposition, either favorable or prejudicial, to the interests or
53 rights of another individual. It is the opposite of being impartial.
54
55 “Region” means any one of the several Regions of the Appraisal Institute that have been established
56 by the Board of Directors.
57
58 “Residential Associate Member” means an individual who has completed the initial application
59 process and has been admitted to the Appraisal Institute as a residential Associate Member.
60
61 “Residential Associate Member in good standing” means an individual who: (1) has been accepted by
62 the Appraisal Institute to pursue the SRA designation; (2) holds Associate Member status with the
63 Appraisal Institute; (3) is not suspended from membership; (4) is not the subject of a disciplinary
64 proceeding as defined in the Regulations of the Appraisal Institute; and (5) is not the subject of a peer
65 review proceeding where Ethics and Counseling has offered the individual a publishable disciplinary
66 action as set forth in the Regulations of the Appraisal Institute.
67
68 “Residential Associate Member effective starting date” means the first day of the calendar month
69 immediately following the month in which the individual is admitted to the Appraisal Institute as a
70 residential Associate Member.
71
72 “Experience Committee” means an Experience Committee of the Experience Panel.
73
74 “SRA designation” means the SRA logo and initials which only members of the Appraisal Institute
75 who are admitted to SRA membership are authorized to use to indicate membership and to promote
76 their services.
77
78 “Standards of Professional Appraisal Practice,” “Standards of Professional Practice” or “Standards”
79 means the Appraisal Institute Standards of Professional Appraisal Practice. The recognized methods
80 and techniques necessary to perform a credible appraisal in accordance with the Appraisal Institute
81 Standards of Professional Appraisal Practice are set forth in Appraisal Institute textbooks, courses,
82 seminars, Body of Knowledge and other publications.
83
84 “15-Hour USPAP Course” shall mean the 15-Hour USPAP Course taught by an instructor certified by
85 the Appraiser Qualifications Board of The Appraisal Foundation.

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“7-Hour USPAP Update Course” shall mean the 7-Hour USPAP Update Course taught by an instructor certified by the Appraiser Qualifications Board of The Appraisal Foundation.

Part D: Confidential Nature of Admissions Proceedings

Section 1. Files to be Confidential

Except as required or permitted by this Regulation, the files of the ADQC, Admissions Appeals Panel, Admissions Appeal Boards, and all local Membership Admissions, Development, and Retention Committees shall be confidential. No documents or information furnished to any committee, panel, or board, pertaining to an individual pursuant to this Regulation and the policies and procedures implementing this Regulation shall be made public or discussed with anyone except the following when needed for their deliberations or decision making:

- a) The members of the appropriate committee, panel or board authorized for that purpose under the Regulations of the Appraisal Institute;
- b) The Officers of the Appraisal Institute or a Chapter when and to the extent authorized for that purpose under the Bylaws and Regulations of the Appraisal Institute;
- c) The members of the national Executive Committee;
- d) Legal counsel of the Appraisal Institute;
- e) The employees and agents of the various committees, panels and boards authorized or created under this Regulation; and
- f) The members of the Board of Directors when the Board of Directors is in executive session.

Section 2. Confidential Treatment of Notices

All notices and other documents or communications mailed in connection with application for examination credit, demonstration appraisal report credit, experience credit or in connection with any proceeding relating to a determination or assessment of the good moral character of a residential Associate Member shall be transmitted in sealed envelopes or packages clearly marked “Confidential.”

Section 3. Breach of Confidential Nature of Admissions Proceedings

A Member who fails to observe the rules relating to the confidential nature of admissions proceedings under this Regulation shall be subject to:

- a) Disciplinary proceedings under the Bylaws and Regulations of the Appraisal Institute, which may result in disciplinary actions such as expulsion from membership; and

- 129 b) Legal proceedings for damages suffered by the Appraisal Institute as the result of such Member's
130 failure to observe the rules relating to the confidential nature of admissions proceedings under
131 this Regulation.
132
133

134 **Part E: Processing Residential Associate Members Not Within the** 135 **Territorial Jurisdiction of a Chapter or Region**

136 If a Chapter recommendation is required under this Regulation concerning a residential Associate
137 Member whose principal place of business is not located within a Region of the Appraisal Institute,
138 the Admissions Department shall request the cooperating foreign institution or organization having
139 jurisdiction to forward such recommendation to the ADQC. If the principal place of business of the
140 residential Associate Member is not located within the jurisdiction of any cooperating foreign
141 institution or organization, or if an appropriate recommendation cannot reasonably be obtained from
142 such cooperating foreign institution or organization, the ADQC shall have the power and the authority
143 to proceed without Chapter recommendation.
144
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146 **Part F: Extensions**

147 The Chair of the ADQC may extend the time limitations imposed by this Regulation or the procedures
148 and policies implementing this Regulation on any act required to be performed by a residential
149 Associate Member for a residential Associate Member's:
150

- 151 a) Military service when the residential Associate Member is called to active duty;
152
153 b) Serious illness or disability that substantially impairs his or her ability to complete the
154 requirements within the established time limits; or
155
156 c) Other good cause shown.
157

158 Individuals requesting extension of such time limitations shall provide appropriate evidence of the
159 nature and specific period of the seriousness illness or disability, military service, or other good cause
160 to the Admissions Department.
161

162 Payment of dues by residential Associate Members shall be waived during periods of their federal
163 military service when called to active duty. Individuals requesting dues waivers shall provide
164 appropriate evidence of such military service to the Appraisal Institute's Chief Executive Officer. On
165 written request, the Chief Executive Officer may, in his or her discretion, extend the dues waiver to a
166 date beyond the termination date of the active federal military service.
167

169

170 Residential Associate Membership

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172 **Part A: Admission to Residential Associate Membership**

173 **Section 1. Formal Application**

174 Each application for admission to residential Associate Membership must be made on the official form
175 furnished by the Admissions Department.

176

177 An applicant for residential Associate Membership must submit three (3) references from employers
178 or clients, or as acceptable to the ADQC or its designee.

179

180 An applicant for residential Associate Membership must submit an essay that introduces himself or
181 herself, describes the type of work he or she has done, articulates his or her career goals, and
182 explains why it is important for him or her to become an SRA member.

183

184 Each Applicant must sign an irrevocable waiver of any claims or causes of action that he or she may
185 have at any time against the Appraisal Institute, its Board of Directors, officers and committees or
186 members thereof or any Chapter, or Region, and all Members and other persons cooperating with the
187 Appraisal Institute in its official activities.

188

189 Each Applicant shall sign an agreement to comply with and uphold the Bylaws, Code of Professional
190 Ethics, Standards of Professional Appraisal Practice, and Regulations of the Appraisal Institute, as
191 modified from time to time. Applicants shall certify to an understanding that, as residential Associate
192 Members, they are not designated members of the Appraisal Institute. Applicants shall further certify
193 to an understanding of the provisions contained in Part B of this Article and to an understanding that
194 any misuse of residential Associate Member status may subject them to Peer Review proceedings
195 conducted pursuant to Regulation No. 6. Applicants shall further certify to an understanding that both
196 as Applicants and residential Associate Members, they may be required to submit to representatives
197 of the Appraisal Institute in the admissions process, sufficient samples of their appraisal work to
198 enable the representatives to make a proper evaluation.

199

200 An individual who knowingly makes false statements, submits false information or fails to fully
201 disclose information requested in an application for admission to residential Associate Membership
202 shall be subject to discipline pursuant to Regulation No. 6. In addition, an individual who, while a
203 designated Member or a residential Associate Member, is convicted of a crime committed prior to
204 application for residential Associate Member shall be subject to discipline pursuant to Regulation
205 No. 6.

206

207 **Section 2. Good Moral Character**

208 An applicant shall have good moral character. Applicants shall truthfully answer the items related to
209 good moral character on the application form and fully disclose information related to a possible lack
210 of good moral character. From the date of submission of the application for residential Associate

211 Membership to the date of admission to residential Associate Membership, an Applicant shall
212 immediately disclose to the Admissions Department circumstances and events occurring after the
213 date of submission of the application that may have a material bearing on the Applicant's character. If
214 information contained in the application or in the Appraisal Institute's files indicates that the Applicant
215 may lack good moral character, then the application shall be processed pursuant to the policies and
216 procedures further implementing this Regulation.

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219 **Part B: Rules Pertaining to Residential Associate Membership**

220 **Section 1. Privileges**

221 A residential Associate Member shall have the privileges and obligations set forth in the Bylaws,
222 Regulations, and policies of the Appraisal Institute.

223

224 The intent of the Appraisal Institute is that all admissions decisions made with respect to any
225 Applicant or residential Associate Member be free of conflict of interest and personal bias.

226

227 **Section 2. References to Residential Associate Member Status**

228 Each residential Associate Member of the Appraisal Institute:

229

- 230 a) Shall only be referred to and shall only refer to him or herself both orally and in writing as an
231 "Associate Member" or "residential Associate Member" which title shall not be abbreviated, with
232 initials or otherwise, or be converted to an acronym;
- 233
- 234 b) Shall use the term "Associate Member" or "residential Associate Member" only in conjunction with
235 the name of an individual and not in connection with the name, logo or signature of any firm,
236 partnership or corporation; and
- 237
- 238 c) May not use the term "Associate Member" or "residential Associate Member" to refer to a
239 designation, nor include the term under a heading concerning professional designation. The term
240 may be included under a heading concerning professional affiliations.

241

242 The term "Associate Member" or "residential Associate Member" may be used on business cards,
243 letterhead and other publications.

244

245 **Section 3. Time Limit**

246 A residential Associate Member will receive credit for courses and examinations (with the exception
247 of the Appraisal Institute Business Practices and Ethics Course and the Standards of Professional
248 Practice Course and examination) taken and passed within ten (10) years prior to application for
249 residential Associate Membership. A residential Associate Member will receive credit for the Business
250 Practices and Ethics Course and the Standards Course and examination taken and passed within
251 four (4) years prior to application for residential Associate Membership.

252

253 **Section 4. Dual Associate Membership**

254 An individual may concurrently be a residential Associate Member and a general Associate Member.

255

256 **Section 5. Compliance**

257 Each residential Associate Member must comply with and uphold the Bylaws, Code of Professional
258 Ethics, Standards of Professional Appraisal Practice and Regulations of the Appraisal Institute, as
259 modified from time to time.

260

261 **Section 6. Initial Standards and Ethics Education Requirement**

262 Except as otherwise provided, each residential Associate Member must, within the first twelve (12)
263 months after admission to residential Associate Membership:

264

- 265 a) Attend the Appraisal Institute Business Practices and Ethics Course; and
266
267 b) Attend the 15-Hour USPAP Course taught by an instructor certified by the Appraiser
268 Qualifications Board of The Appraisal Foundation and pass the corresponding examination.

269

270 (Hereinafter, "Initial Standards and Ethics Education Requirement")

271

272 However, if the residential Associate Member:

273

- 274 a) Attended the Appraisal Institute Business Practices and Ethics Course within the four (4) year
275 period prior to admission, the residential Associate Member is not required to take such course
276 within the first year of residential Associate Membership.
277
278 b) Attended the fifteen (15) hour USPAP Course taught by an instructor certified by the Appraiser
279 Qualifications Board of The Appraisal Foundation and passed the corresponding examination
280 within the four (4) year period prior to admission, the residential Associate Member is not required
281 to take such course and pass the corresponding examination within the first year of residential
282 Associate Membership.
283
284 c) Previously attended the fifteen (15) hour USPAP Course and passed the corresponding
285 examination, the residential Associate Member may satisfy the fifteen (15) hour USPAP course
286 requirement by taking the seven (7) hour USPAP Course taught by an instructor certified by the
287 Appraiser Qualifications Board of The Appraisal Foundation and passing any related examination.
288
289 d) Attended the seven (7) hour USPAP Course taught by an instructor certified by the Appraiser
290 Qualifications Board of The Appraisal Foundation and passed any corresponding examination
291 within the four (4) year period prior to admission and has previously taken the fifteen (15) hour
292 USPAP Course and passed the corresponding examination, the residential Associate Member is
293 not required to take and pass a seven (7) hour or fifteen (15) hour USPAP Course within the first
294 year of residential Associate Membership.

295

296 **Section 7. Continuing Education Requirements.**

297 Residential Associate Members must complete the continuing education requirements set forth in
298 Regulation No. 10.

299

300 **Part C: Rules Pertaining to Suspension and Termination of Residential**
301 **Associate Membership**

302
303 **Section 1. Suspension of Residential Associate Member**

304 The membership of a residential Associate Member shall be suspended if any of the following occur:

- 305
306 a) The residential Associate Member is suspended pursuant to the Bylaws for failure to pay dues or
307 other indebtedness in accordance with the Bylaws. The duration of such suspension shall be for
308 the period set forth in the Bylaws.
309
310 b) The residential Associate Member is subject to the disciplinary action of suspension pursuant to
311 Regulation No. 6. The duration of such suspension shall be for the period determined in
312 accordance with Regulation No. 6.
313
314 c) The residential Associate Member fails to complete the Initial Standards and Ethics Education
315 Requirement as set forth in this Regulation. Such suspension shall commence on the day after
316 the date by which the residential Associate Member was to complete such Requirement and shall
317 run for a period of up to six (6) months. If the residential Associate Member completes the
318 Requirement within the suspension period, the suspension for such failure shall be lifted.
319
320 d) The residential Associate Member is suspended pursuant to Regulation No. 10 for failure to
321 complete continuing education requirements. The duration of the suspension shall be for the
322 period set forth in Regulation No. 10.
323

324 **Section 2. Termination of Residential Associate Membership**

325 The membership of a residential Associate Member shall be terminated if any of the following occur:

- 326
327 a) The residential Associate Member delivers notice of resignation in writing to the Chief Executive
328 Officer of the Appraisal Institute, along with any indicia of membership issued to such residential
329 Associate Member. If required by the Bylaws, such resignation shall be published in a manner
330 that the Appraisal Institute deems appropriate.
331
332 b) The membership of the residential Associate Member is terminated pursuant to the Bylaws for
333 failure to pay residential Associate Member dues or other indebtedness to the Appraisal Institute.
334 If required by the Bylaws, such termination shall be published in a manner that the Appraisal
335 Institute deems appropriate.
336
337 c) The residential Associate Member is subject to the disciplinary action of expulsion pursuant to
338 Regulation No. 6. The expulsion shall be published as set forth in Regulation No. 6.
339
340 d) The residential Associate Member does not exercise a right to appeal a decision to terminate
341 residential Associate Membership.
342

- 343 e) The residential Associate Member is unsuccessful in an appeal to an Admissions Appeal Board
344 of a decision to terminate residential Associate Membership.
345
- 346 f) The residential Associate Member fails to fulfill the Initial Standards and Ethics Education
347 Requirement and then fails to complete the Requirement within the resulting six (6) month
348 suspension period.
349
- 350 g) The membership of the residential Associate Member is terminated pursuant to Regulation No.
351 10 for failure to complete continuing education requirements.
352

353 **Section 3. Invalidation of Credit**

354 Termination of residential Associate Membership for any reason shall automatically invalidate all
355 credit that has previously been awarded toward the SRA designation.
356

357 **Part D: Rules Pertaining to Readmission to Residential Associate** 358 **Membership**

359 **Section 1. Procedure for Readmission**

360 An individual whose residential Associate Membership has been terminated may apply for
361 readmission to residential Associate Membership unless the individual's residential Associate
362 Membership was terminated with a decision that the individual may not apply for readmission to
363 residential Associate Membership. If the decision was that an individual may reapply after a certain
364 period of time, then the individual may only apply for readmission to residential Associate
365 Membership after the specified time period. An Applicant for readmission must satisfy all of the
366 requirements of this Regulation related to admission to residential Associate Membership.
367

368 In addition, the individual must provide the following prior to being considered for readmission:
369

- 370 a) Payment in full of all outstanding fees or other indebtedness owed the Appraisal Institute during
371 the individual's former residential Associate Membership; and
372
- 373 b) Proof that the individual has, in the four (4) years prior to readmission, attended the following
374 courses and passed any corresponding examination(s):
375
- 376 (i) The fifteen (15) hour USPAP Course taught by an instructor certified by the Appraiser
377 Qualifications Board of The Appraisal Foundation (or if eligible, the seven (7) hour USPAP
378 Course taught by an instructor certified by the Appraiser Qualifications Board of The
379 Appraisal Foundation); and
380
 - 381 (ii) The Appraisal Institute Business Practices and Ethics Course.
382

383 Applications for readmission to residential Associate Membership will be processed in accordance
384 with this Regulation.
385

386 **Section 2. Restoration of Credit**

387 Credit for courses and examinations (with the exception of the Appraisal Institute Business Practices
388 and Ethics Course and the Standards of Professional Practice Course and examination), and credit
389 for Residential Appraisal Experience, and the demonstration appraisal report earned by a former
390 residential Associate Member within ten (10) years prior to application for readmission to residential
391 Associate Membership, but invalidated by termination, shall be automatically restored upon
392 readmission as a residential Associate Member. Credit for the Appraisal Institute Business Practices
393 and Ethics Course and the Standards of Professional Practice Course and examination earned by a
394 former residential Associate Member within four (4) years prior to application for readmission shall be
395 restored upon readmission as a residential Associate Member.

396

397

398 **Section 3. Rules Applicable to Readmission to Residential Associate Membership**

399 An individual who is readmitted as a residential Associate Member is subject to the requirements in
400 effect on the date of readmission, as modified from time to time. Upon readmission, any peer review
401 proceedings that were pending at the time the individual's membership was terminated or the
402 individual resigned, shall be reopened and processed.

403

405

406 Requirements Relating to Admission to SRA 407 Membership

408

409 To be admitted to SRA membership and to be authorized to use the SRA designation, a residential
410 Associate Member shall satisfy the requirements set forth in this Article, except as otherwise
411 provided.

412

413

414 **Part A: Good Moral Character**

415 The residential Associate Member must have good moral character.

416

417

418 **Part B: Good Standing**

419 The residential Associate Member must be a residential Associate Member in good standing.

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421

422 **Part C: College Degree**

423 The residential Associate Member must:

424

425 a) Hold an Associate degree, or higher, from an accredited college, junior college, community
426 college, or university;

427

428 b) Received a score of 500 or higher on the Graduate Management Admissions Test (GMAT)*; or

429

430 c) Successfully pass the following collegiate subject matter courses from an accredited college,
431 junior college, community college or university:

432

433 1. English Composition;

434 2. Principles of Economics (Micro or Macro);

435 3. Finance;

436 4. Algebra, Geometry or higher mathematics;

437 5. Statistics;

438 6. Introduction to Computers – Word processing/spreadsheets; and

439 7. Business or Real Estate Law.

440

441 The course hours must total at least 21 semester credit hours. If an accredited college, junior college,
442 community college or university accepts the College-Level Examination Program® (CLEP)
443 examination(s) and issues a transcript for the exam, showing its approval, it will be considered as
444 credit for the college course.

445

446 c. For good cause shown, the Chair of the ADQC (or designee) may, in his or her discretion,
447 determine that the residential college degree requirement is met if a residential Associate
448 Member has received at least 21 credit semester hours from among the topics listed above and
449 has completed the other requirements necessary to apply for SRA membership.
450

451 *Note 1: A residential Associate Member who wishes to fulfill the college degree requirement through
452 this alternative must complete such alternative by December 31, 2013.
453

454 Note 2: Individuals admitted to residential Associate Membership as the result of an application
455 postmarked before January 1, 2005, may refer to the College Degree provisions in the Appendix to
456 the Residential Admissions Procedure Manual.
457
458

459 **Part D: Courses and Examinations**

460 **Section 1. Courses**

461 The residential Associate Member must have attended the following courses:
462

- 463 a) The 15-Hour USPAP Course;
- 464
- 465 b) The Appraisal Institute Business Practices and Ethics Course;
- 466
- 467 c) The Appraisal Institute Residential Report Writing (and Case Studies) Courses, as determined by
468 the ADQC; and
- 469
- 470 d) At least two hundred (200) creditable class hours as specified in the AQB's 2008 required Core
471 Curriculum Appendix for Certified Residential Real Property Appraisers (which corresponds to the
472 titles of examinations shown in the next section). A residential Associate Member who is state
473 certified will be deemed to have met this requirement (d).
474
475

476 **Section 2. Examinations**

477 The residential Associate Member must have received a passing grade on the 15-Hour USPAP
478 Course examination and the following Appraisal Institute examinations.
479

- 480 a) Basic Appraisal Principles
- 481 b) Basic Appraisal Procedures
- 482 c) Residential Market Analysis and Highest & Best Use
- 483 d) Residential Appraiser Site Valuation and Cost Approach or AI equivalent
- 484 e) Residential Sales Comparison and Income Approaches or AI equivalent
- 485 f) Residential Report Writing (and Case Studies)
- 486 g) Real Estate Finance, Statistics and Valuation Modeling
- 487 h) Advanced Residential Applications and Case Studies or AI equivalent
- 488 i) Twenty (20) hours of other Appraisal Subject Matter Electives
489

490 Note: Individuals admitted to residential Associate Membership as the result of an application
491 postmarked before January 1, 2005, may refer to the Course and Examination requirements in the
492 Appendix to the Residential Admissions Procedure Manual.

493

494 **Section 3. Equivalencies**

495 The Appraisal Institute may offer one or more Equivalency Examinations to substitute for two or more
496 examinations set forth in Section 2 (other than the Standards and certain Report Writing
497 examinations).

498

499 An MAI or SRPA Designated Member shall be deemed to have satisfied the course and examination
500 requirements for SRA membership.

501

502 A residential Associate Member who is state certified will be deemed to have satisfied the
503 examination requirements for Basic Appraisal Principles and Basic Appraisal Procedures.

504

505 A dual residential and general Associate Member who: (a) attends the courses and passes the
506 examinations (excluding the Comprehensive Examination) required by Regulation No. 1 for MAI
507 membership; and (b) passes the Real Estate Finance, Statistics and Valuation Modeling examination,
508 shall be deemed to have completed the course and examination requirements for SRA membership.

509

510 If the ADQC determines that one or more courses or examinations offered by an accredited college,
511 junior college, community college, or university are equivalent to one or more Appraisal Institute
512 courses and examinations required for SRA membership, a residential Associate Member who has
513 completed such equivalent course(s) or examination(s) shall be deemed to have completed the
514 appropriate course or examination requirement for SRA membership.

515

516

517 **Section 4. Rewriting Examinations**

518 A residential Associate Member shall have two opportunities to challenge an examination without
519 attending the corresponding course. Individuals who have attended either the 15-hour USPAP
520 Course or the Appraisal Institute Residential Report Writing (and Case Studies) Course or equivalent
521 and subsequently fail the examination(s) for that course may challenge the appropriate
522 examination(s) twice more before they are required to attend the course again. If a residential
523 Associate Member is notified that he or she failed a required Appraisal Institute examination and if the
524 residential Associate Member makes a written request within sixty (60) days of the date of
525 notification, the failing examination will be reviewed by the Chair of Education Committee or his or her
526 designee.

527

528 **Section 5. Grading**

529 If a residential Associate Member earns a passing grade for a required examination, the credit shall
530 be posted on the residential Associate Member's record.

531

532

533 **Part E: Demonstration Appraisal Report**

534 **Section 1. Demonstration Appraisal Report Requirements**

535 Except as provided below, the residential Associate Member shall have received credit for one
536 demonstration appraisal report relating to a residential property which satisfactorily demonstrates the
537 residential Associate Member's ability to present a properly supported value estimate or opinion
538 evaluating the nature, quality or utility of a parcel of real estate or any interest in, or aspect of, real
539 property in accordance with the criteria set forth in *The Official Guide to Demonstration Appraisal*
540 *Reporting*. The residential property chosen as the subject for the report must allow for the
541 demonstration of the proper methods of handling at least two forms of depreciation, one of which
542 must be physical incurable and the other either functional or external obsolescence. The
543 demonstration appraisal report must contain all three recognized approaches to value. The residential
544 demonstration appraisal report may be submitted in a narrative format specified by the ADQC.

545
546 The residential Associate Member shall select a date of valuation no more than five (5) calendar
547 years prior to the year of submission to the Appraisal Institute. Upon written request, the Chair of the
548 Demonstration Appraisal Grading Panel may extend this time period for good cause shown.

549
550 All appraisal data contained in a demonstration appraisal report must be factual. In addition, the
551 statements of the residential Associate Member in the application for credit must be factual in that the
552 residential Associate Member must personally and without assistance assemble all of the data used
553 in preparing the demonstration appraisal report, analyze the data, form the conclusions, and prepare
554 the demonstration appraisal report. In preparing the demonstration appraisal report, the residential
555 Associate Member may receive assistance in matters such as photography, drawings, typing, and
556 word processing.

557 **Section 2. Modular Demonstration of Knowledge Alternative**

558
559 A residential Associate Member may satisfy the demonstration appraisal report requirement by
560 receiving credit for the following four modules, in accordance with the criteria set forth in the guide
561 to modules:

- 562
563 a) Sales Comparison Approach Module;
564
565 b) Cost Approach Module;
566
567 c) Income Approach Module; and
568
569 d) Assessment Module.

570
571 Before completing any module, the residential Associate Member must have:

- 572
573 a) Passed the Level I examinations (or an accepted alternative); and
574
575 b) Attended the Advanced Residential Form and Narrative Report Writing Course (500) or Report
576 Writing and Valuation Analysis (Course 540) and passed the corresponding examination.

577

578 The modules may be completed in any order. A residential Associate Member who fails the
579 Assessment Module two or more times must attend at least one Level I or Level II Course (other than
580 a Standards or Ethics Course) and pass the related examination before retaking the Assessment
581 Module.

582
583 For the three modules that relate to a specific approach to value, the residential Associate Member
584 must:

- 585
586 a) Prepare the module in a written report format; and
587
588 b) Properly treat any obsolescence that exists in a property.

589
590 For the Cost Approach Module the Associate Member must use an improved residential property.

591
592 The residential Associate Member shall select a date of valuation no more than five (5) calendar
593 years prior to the year of submission to the Appraisal Institute. Upon written request, the Chair of the
594 Demonstration Appraisal Grading Panel may extend this time period for good cause shown.

595
596 All appraisal data contained in a written module must be factual. The residential Associate Member
597 must personally and without assistance assemble all of the data used in preparing the written module,
598 analyze the data, form the conclusions, and prepare the written module, and must so attest in the
599 application for credit. In preparing the written module, the residential Associate Member may receive
600 assistance in matters such as photography, drawings, typing, and word processing.

601
602 To receive credit, a written module must meet the requirements of this Regulation, the Code of
603 Professional Ethics, the Standards of Professional Appraisal Practice, and the guide to modules, as
604 modified from time to time.

605

606 **Section 3. General Demonstration Appraisal Report Alternative**

607 If a residential Associate Member receives credit for a general demonstration appraisal report on
608 income producing property under Regulation No. 1, excluding credit for the research project or three
609 appraisal report alternative, the residential Associate Member will be deemed to have satisfied the
610 residential demonstration appraisal report requirement under this Part.

611

612 **Section 4. 45-Hour Package Alternative**

613 A residential Associate Member may satisfy the demonstration appraisal report requirement by
614 receiving credit for a 45-Hour Package of Residential Courses, which includes the 15-hour Advanced
615 Residential Applications and Case Studies Course and the 30-hour Advanced Residential Report
616 Writing Course. To receive such credit, a residential Associate Member must attend both Courses
617 and pass the examinations for both Courses.

618

619 **Section 5. Applications, Fees, Ownership**

620 Each demonstration appraisal report or written module submitted for credit shall:

621

- 622 a) Be accompanied by an application furnished by the Admissions Department, and the required
623 fee; and
624
625 b) Become the property of the Appraisal Institute and shall not be returned to the residential
626 Associate Member.
627

628 **Section 6. Procedures Relating to the Demonstration Appraisal Report Requirement**

629 Each demonstration appraisal report submitted for credit shall be graded to determine whether it
630 meets the requirements established by Sections 1 or 2 of this Part. The procedures related to
631 demonstration appraisal reports are set forth in this Regulation and the policies and procedures
632 further implementing this Regulation.
633

634 **Section 7. Additional Residential Experience/Five Reports Alternative**

635
636 A residential Associate Member may satisfy the demonstration appraisal report requirement by:

- 637
638 a) Obtaining 3,000 additional hours of Residential Experience credit;
639
640 b) Demonstrating through an interview based on five (5) reports covered by Standards Rules 1
641 through 3 the same level of knowledge, understanding and application of appraisal principles and
642 practices required in the traditional demonstration appraisal report; and
643
644 c) Meeting requirements for this alternative set forth in the Official Guide to Demonstration Appraisal
645 Reporting published by the Appraisal Institute, as modified from time to time.
646

647 All appraisal data contained in the reports must be factual. The residential Associate Member must
648 have primary responsibility for assembling the data, analyzing the data, forming the conclusions and
649 preparing the reports submitted, and must so attest in the application for credit. In preparing the
650 submitted reports, the residential Associate Member may receive assistance in matters such as
651 photography, drawings, typing, and word processing. The submitted reports shall be signed only by
652 the residential Associate Member. The residential Associate Member may enhance reports delivered
653 to clients and submit the enhanced reports for grading.
654

655 The procedures for evaluating work submitted under this section are set forth in this Regulation and
656 the policies and procedures further implementing this Regulation.
657

658 Appraisal reports that meet the technical requirements after an interview may be processed for
659 factual verification before a decision is made whether to grant credit. Field verification of information
660 contained in appraisal reports and in residential Associate Members' applications for credit shall be
661 conducted pursuant to procedures contained in the Procedure Manual, substituting the words
662 "report(s)" for the words "demonstration appraisal report."
663

664 If an application for credit is not factual or if an appraisal report contains appraisal data that is not
665 factual, then the residential Associate Member may not submit the appraisal report for re-grading or
666 revise the appraisal report. The residential Associate Member may submit a substitute report (on a
667 different property) prepared after the date of the interviewer's critique.

668

669 **Section 8. Master's Thesis or Doctoral Dissertation Alternative**

670 A residential Associate Member may satisfy the demonstration appraisal report requirement by
671 receiving credit for a Master's Thesis or Doctoral Dissertation (in a field related to real property
672 economics) approved by the ADQC or its designee.

673

674 **Section 9. Peer Reviewed Publications Alternative**

675 A residential Associate Member may satisfy the demonstration appraisal report requirement by
676 receiving credit for at least two (2) peer reviewed publications based on original research (in a field
677 related to real property economics) approved by the ADQC or its designee.

678

679

680 **Part F: Experience**

681 **Section 1. Definition of Residential Experience**

682 Residential Experience is work relating to residential real estate that is covered by Standards Rules 1
683 through 6 of the Standards of Professional Appraisal Practice, or experience gained by providing
684 practical solutions to residential real property economics problems as may be further defined by the
685 An alternative for individuals in supervisory positions is set forth in Article IV of the Residential
686 Admissions Procedure Manual.

687

688 **Section 2. Reasonable Relationship Hours**

689 There must be a reasonable relationship between: the number of hours claimed in a residential
690 Associate Member's application for experience credit and "List of Assignments"; and the amount and
691 complexity of the work.

692

693 **Section 3. Significant Professional Responsibility**

694 The residential Associate Member must be able to demonstrate significant professional responsibility
695 for work product submitted for experience credit. The residential Associate Member must be able to
696 show that he or she followed the appropriate process(es) and arrived at analyses, opinions and
697 conclusions that were incorporated in the report (or file memoranda showing data, reasoning, and
698 conclusions). The mere assembling and analyzing of facts relating to the solution of a valuation or
699 evaluation problem does not necessarily result in significant professional responsibility. To determine
700 if the residential Associate Member has significant professional responsibility for identified work
701 product, the party considering the experience may take into account: (a) whether the residential
702 Associate Member signed reports or certification forms in the report; (b) whether the residential
703 Associate Member's name was listed in certification forms as a person who had significant
704 professional responsibility; and (c) other appropriate evidence.

705

706 **Section 4. List of Assignments**

707 With respect to each application for Residential Experience credit, the residential Associate Member
708 shall submit a "List of Assignments" listing all Residential Experience. No more than 1,500 hours of
709 credit for Residential Experience may be received for work performed in a twelve-month period. The
710 work which is submitted for Residential Experience credit must have been performed within the
711 previous ten (10) years.

712

713 **Section 5. Advisory Guidance**

714 A residential Associate Member may request consideration of a sample of work for educational
715 purposes. The residential Associate Member shall select five assignments for this process. The
716 residential Associate Member may later list the five (5) assignments on the List of Assignments
717 submitted for Residential Experience Credit. However, the residential Associate Member may not
718 select any of those five (5) assignments to be considered again as part of the application for
719 Residential Experience Credit.

720

721 The Admissions Department shall assign an SRA designated Member from the Experience Panel to
722 consider the sample work and interview the residential Associate Member about the work. The
723 selected Panel Member shall provide the residential Associate Member with educational feedback.

724

725 **Section 6. Hours of Experience**

726 To satisfy the experience requirement for SRA membership, residential Associate Members must
727 receive credit for 3,000 hours of Residential Experience. The application must cover at least a 24-
728 month period and be the most recent work. The work performed must deal with more than one type of
729 residential real estate.

730

731 Note: Alternatives for supervisory and teaching experience are contained in the Residential
732 Admissions Procedure Manual. Individuals admitted to residential Associate Membership as the
733 result of an application postmarked before January 1, 2005, may refer to the Experience provisions in
734 the Appendix to the Residential Admissions Procedure Manual.

735

736 **Section 7. Evaluation of Experience**

737 To receive credit, the experience must meet the applicable requirements described above in this Part
738 F and:

739

- 740 a) Meet the Standards of Professional Appraisal Practice; or
741
742 b) Meet criteria appropriate to the type of work or the applicant's area of professional practice, if the
743 Standards of Professional Appraisal Practice do not apply.

744

745 In addition to either no credit or full credit, partial credit of 1,500 hours may be granted. If no credit or
746 partial credit is granted, the residential Associate Member may reapply for hours of experience for
747 work that began accruing after the date of the latest work in the previously submitted "List of
748 Assignments."

749

750 The Appraisal Institute shall select five assignments from the "List of Assignments" to consider, and
751 the residential Associate Member shall select five assignments.

752

753 **Section 8. Obtaining Experience Credit**

754

- 755 a) Procedures. The procedures for applying for experience credit, evaluating experience and
756 obtaining experience credit are set forth in this Regulation and the policies and procedures further
757 implementing this Regulation.
758
- 759 b) Application for Experience Credit. To apply for experience credit, a residential Associate Member
760 (or Applicant for residential Associate Membership) shall complete and submit to the Admissions
761 Department the forms entitled "Application for Experience Credit" and "List of Assignments," with
762 the appropriate fee.
763
- 764 c) Submission of Documents. Each applicant for experience credits shall, upon request, make
765 available to the Appraisal Institute such samples of his or her work product as selected by the
766 Appraisal Institute and the residential Associate Member from the "List of Assignments." The
767 reports (as transmitted to the client) and the files containing the data assembled by the appraiser,
768 the reasoning process employed, and any other relevant documents shall be provided to the
769 Appraisal Institute. The residential Associate Member shall be notified as to which reports and
770 files to forward in advance of the interview;
771
- 772 d) Interviews. At interviews, the residential Associate Member shall answer questions and describe
773 the procedures used in preparing the assignments. Interviews are conducted in a courteous and
774 professional manner.
775
- 776 e) Evaluation. Reports and files submitted for experience credit shall be evaluated in accordance
777 with this regulation. Limitations imposed by either a specific client or form do not relieve the
778 residential Associate Member of the obligation to comply with the Appraisal Institute Standards of
779 Professional Appraisal Practice and Code of Professional Ethics, where applicable;
780
- 781 f) Right to Formal Appeal. If the residential Associate Member is not satisfied with the Experience
782 Panel's award, the residential Associate Member may appeal to an Admissions Appeal Board, by
783 submitting a Notice of Appeal to the Admissions Department within sixty (60) days of the date
784 notice of the award was sent to the residential Associate Member by the Admissions Department.
785 If a residential Associate Member fails to file a timely Notice of Appeal, the right of such
786 residential Associate Member to appeal shall terminate. Procedures governing formal appeals
787 and Appeal Hearings regarding denial of experience credit are contained in the Admissions
788 Appeal Board Procedure Manual.
789
790
791
792
793

794 **Part G: Alternative Requirements for Associate Members Whose**
795 **Principal Place of Business is Outside of the United States**

796 **Section 1. Alternatives**

797 A residential Associate Member whose principal place of business is outside of the United States may
798 satisfy the alternative requirements set forth in this Part instead of satisfying certain requirements
799 described in Parts D and F of this Article. All other provisions of this Regulation apply.
800

USUAL REQUIREMENT	ALTERNATIVE
15- Hour National USPAP Course	International Valuation Standards Course or equivalent, as determined by the ADQC
Pass the examinations for Basic Appraisal Principles, Basic Appraisal Procedures, Residential Appraiser Site Valuation and Cost Approach, and Residential Sales Comparison and Income Approaches	Pass the International Equivalency Examination, or meet the certification requirements of the foreign country if the ADQC deems such requirements equivalent to passing the examinations for Basic Appraisal Principles, Basic Appraisal Procedures, Residential Appraiser Site Valuation and Cost Approach, and Residential Sales Comparison and Income Approaches
When work submitted for experience is required to meet the Standards of Professional Appraisal Practice	If Standards in the foreign jurisdiction conflict with Appraisal Institute Standards, meet the Standards for work in the jurisdiction of the property (or of the Associate Member's principal place of business)

801
802 **Section 2. Other Provisions**

803 All materials submitted to the Appraisal Institute must be in English, unless otherwise approved by the
804 Chair of the ADQC. These include, but are not limited to, applications, reports for experience credit,
805 demonstration appraisal reports, appeals, and examinations. A translator approved by the Appraisal
806 Institute may attend an experience interview.

807
808 For experience reviews, the Appraisal Institute shall select two reports and the residential Associate
809 Member shall select one appraisal.

810
811 If a residential Associate Member's principal place of business is not located within an Appraisal
812 Institute Chapter:

- 813
814 a) An Appraisal Institute ambassador may be contacted instead of a Chapter Admissions Chair
815 when the residential Associate Member applies for experience credit; and
816
817 b) The Admissions Department shall notify the Chair of the ADQC when the residential Associate
818 Member applies for designation.

819

820

821 **Part H: Equivalencies for Designated Members of Other Organizations.**

822 If the ADQC determines that one or more requirements for a professional designation in another

823 organization are equivalent to one or more requirements set forth in this Article, a residential

824 Associate Member who holds such professional designation and has fulfilled the other organization's

825 requirement(s) will be deemed to have satisfied such requirement(s) for the SRA designation.

826

828

829 **Process for Admission to SRA Membership**

830

831 **Part A: Application of an Individual Who Does Not Hold Another** 832 **Appraisal Institute Designation**

833 The procedures in this Part apply to individuals who apply for the SRA Designation but who do not
834 already hold another Appraisal Institute designation.

835

836 **Section 1. Application for Admission to Membership as an SRA Member**

837 Application for admission to SRA membership must be made within ninety (90) days from the date of
838 notice of completing the final designation requirement; otherwise, credit for the final requirement
839 completed is invalid.

840

841 Each application for admission to SRA membership must be made on the official form furnished by
842 the Admissions Department and shall be accompanied by a non-refundable application fee. A
843 residential Associate Member must truthfully answer the items related to good moral character on the
844 application form and fully disclose information related to a possible lack of good moral character.
845 From the date of submission of the application to the date of admission to SRA membership, a
846 residential Associate Member shall immediately disclose to the Admissions Department
847 circumstances and events occurring after the date of submission of the application that may have a
848 material bearing on the residential Associate Member's character.

849

850 **Section 2. Processing**

851 An application for admission to SRA membership under this Part will be processed in accordance
852 with this Regulation and the policies and procedures further implementing this Regulation. Such
853 procedures include, but are not limited to, determining that the application is in order, that the
854 appropriate application fee was submitted, that the residential Associate Member has complied with
855 the requirements set forth in this Regulation, consideration by the appropriate local committee and
856 consideration of the residential Associate Member's moral character.

857

858 Upon receipt of such notice from the Admissions Department that residential Associate Member has
859 completed all the requirements for the SRA designation, the President of the Appraisal Institute shall:
860 promptly notify such residential Associate Member that he or she has been admitted to SRA
861 membership and has been authorized to use the SRA designation; transmit the indicia of SRA
862 membership to the new SRA member; and give the Chapter and Region having jurisdiction
863 appropriate notice.

864

865

866 **Part B: Application of an Individual Who Holds Another Appraisal**
867 **Institute Designation**

868 Within ninety (90) days from the date of notice of completing the final SRA designation requirement,
869 an individual who already holds another Appraisal Institute designation shall make application for
870 admission to SRA membership; otherwise, credit for the final requirement completed is invalid. Such
871 applicant shall make application on the official form furnished by the Admissions Department and
872 shall pay a non-refundable application fee. From the date of submission of the application to the date
873 of admission to SRA membership, the Applicant shall immediately disclose to the Admissions
874 Department circumstances and events occurring after the date of submission of the application that
875 may have a material bearing on the his or her application.

876
877 Upon receipt of an application for the SRA designation from an individual who already holds another
878 Appraisal Institute designation and the appropriate application fee, the Admissions Department shall
879 make a preliminary investigation to determine that the applicant has complied with the requirements
880 set forth in Article III, Parts B through I of this Regulation and that the application is in order.

881
882 Upon receipt of notice from the Admissions Department that the applicant has completed such
883 requirements, the President of the Appraisal Institute shall: promptly notify the applicant that he or
884 she has been admitted as an SRA member and has been authorized to use the SRA designation;
885 transmit the indicia of SRA membership to the new SRA member; and give the Chapter and Region
886 having jurisdiction appropriate notice.

887
888 12/8/10