

Texas Real Estate Appraiser Licensing and Certification Candidate Handbook

April 2024

STATE LICENSING INFORMATION

Candidates may contact the Texas Appraiser Licensing & Certification Board with questions about obtaining or maintaining a license after the examination has been passed.

> Texas Appraiser Licensing & Certification Board

Stephen F. Austin Building 1700 N. Congress Ave., Suite 400 Austin, TX 78701

Phone (512) 936-3000

Website www.talcb.texas.gov

EXAMINATION INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or about an upcoming examination.

Pearson VUE Texas Appraiser Program

5601 Green Valley Drive Bloomington, MN 55437

> **Phone** (800) 997-1248

Email pearsonvuecustomerservice@pearson. <u>com</u>

> Website www.pearsonvue.com

QUICK REFERENCE

RESERVATIONS Before making an exam reservation

Candidates should thoroughly review this handbook, as well as any state-specific materials provided by individual jurisdictions.

Making an exam reservation

Candidates may make a reservation by either visiting www.pearsonvue.com or calling Pearson VUE.

Candidates should make a reservation online at least twenty-four (24) hours before the desired examination date. **Walk-in examinations are not available.**

SCHEDULES & FEES

Test centers

A list of test centers appears on the back cover of this handbook. Candidates should contact Pearson VUE to confirm specific locations and schedules.

Exam fee

The examination fee of \$55 must be paid at the time of reservation by credit card, debit card, or voucher. **Payment will not be accepted at the test center. Examination fees are non-refundable and non-transferable except as detailed in** *Change/Cancel Policy*.

Fingerprinting Services

Fingerprinting services are available at IdentoGO by IDEMIA as detailed on pages 3. See page 2 for fingerprinting and criminal history requirements.

EXAM DAY

What to bring to the exam

Candidates should bring to the examination proper identification and other materials as dictated by the state licensing agency. A complete list appears in *What to Bring* (page 6).

Exam procedures

Candidates should report to the test center at least thirty (30) minutes before the examination begins.

Candidates will be given four (4) hours to complete the Licensed & Certified Residential Exams and six (6) hours to complete the Certified General Exam. The examination will end automatically after the examination time has expired. Candidates will leave the test center with an official score report in hand.

OVERVIEW

The candidate handbook is a useful tool in preparing for an examination.

It is highly recommended that the Texas Appraiser Licensing and Certification Candidate Handbook be reviewed, with special attention given to the content outlines, before taking the examination. (*content outlines begin on Content Outlines page 12 of this handbook*)

Individuals who wish to obtain a Texas Appraiser License must:

1. Apply for a license.

Before taking an examination, candidates must complete all prelicensing education or meet certain other criteria and file the appropriate application with the Texas Appraiser Licensing & Certification Board (TALCB). (See page 2 for additional details.)

2. Make a reservation and pay the examination fee.

Make a reservation either online or by phone with Pearson VUE for the examination. (See page 3)

3. Go to the test center.

Go to the test center on the day of the examination, bringing along all required materials. (*See page 6*)

4. Get fingerprinted.

Go to the designated fingerprint site at the appointed day/time, bringing all required materials. (*See page 3*)

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GENERAL INFORMATION

INTRODUCTION

The purpose of certifying real estate appraisers is found in Title XI of FIRREA, which states, "The purpose of this title is to provide that federal, financial and public policy interests in real-estate-related transactions will be protected by requiring that real estate appraisals utilized in connection with federally-related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision."

Licensure/certification is the process by which an agency of state government or jurisdiction grants permission to certain individuals to engage in the practice of, and prohibits all others from legally practicing, a particular profession, vocation, or occupation. By ensuring that a level of minimum competence is met, the licensure/certification process protects the general public. The state regulatory agency is responsible for establishing the acceptable level of safe practice and for furnishing the means for determining whether an individual meets that standard.

Most licensing agencies use examinations as one of several means for determining candidates' qualifications to practice. The purpose of an examination is to provide a measure of candidates' knowledge of the subject matter.

The examination and all associated content has been developed by and is the sole responsibility of the Appraiser Qualifications Board.

THE APPRAISAL FOUNDATION

The Appraisal Foundation is a not-for-profit educational corporation established in 1987 by the appraisal profession in the United States. The Foundation was created to foster professionalism by working to ensure that appraisers are qualified to offer their services.

The Appraisal Foundation achieves this goal by serving as the parent organization for two independent boards: the Appraiser Qualifications Board and the Appraisal Standards Board. These two boards were given significant responsibilities by the United States Congress under the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).

The Appraiser Qualifications Board establishes the qualification criteria for the state certification of appraisers and has issued recommended qualification criteria for state licensing. The Board both develops the examinations and establishes the scoring criteria for the examinations.

The Appraisal Standards Board sets forth the rules for developing an appraisal and reporting its results. This is accomplished through the promulgation of the Uniform Standards of Professional Appraisal Practice. These standards have been recognized throughout the United States as the generally accepted standards of professional appraisal practice.

PEARSON VUE

Pearson VUE is an independent testing company that focuses on the assessment of professional and occupational competence. As a full-service testing company, Pearson VUE provides expertise and support to associations, state credentialing agencies, and private industry in examination development, examination scoring, and reporting of examination results. Examination services supported by Pearson VUE include national licensure and certification programs as well as diagnostic programs within the health professions and private industry.

Contact Information

Candidates may contact Pearson VUE with questions about this handbook or an examination, or may contact the TALCB with questions about obtaining or maintaining a license.

Live Chat is available to address your support inquiries and is the quickest way to reach a customer service agent. It's available from 8:00 AM through 5:00 PM Central Time, Monday through Friday, subject to change during locally designated holidays.

Please visit <u>www.pearsonvue.com/tx/appraisers/contact</u> for further information.

ELIGIBILITY REQUIREMENTS

Specific requirements to take the examination may be established by individual state boards or commissions. Candidates must follow procedures handed down by these entities in applying to take the national uniform appraiser examination, and must also meet the requirements of the state in which they wish to be licensed. Candidates are responsible for knowing the requirements they must meet to take the examination. Candidates who have filed an application and met the requirements to take the examination have one year from the date the application is filed to pass the examination. A candidate who has failed the examination three times will be unable to retest on the application or submit a new application until an additional 30 hours of appraiser qualifying education has been completed. Please see *Retaking the Exam* for additional information.

FINGERPRINT AND CRIMINAL HISTORY REQUIREMENTS

Pursuant to §1103.2031 of the Texas Appraiser Licensing and Certification Act, any person applying for an appraiser license must be fingerprinted specifically for TALCB and pass a background history check before a license will issue.

When you pass the examination, your license will not issue until TALCB receives your criminal history report from the DPS and the FBI and clears your background history check. TALCB encourages applicants to use the electronic fingerprinting process. Electronic fingerprinting is fast and accurate, and in most cases will avoid potential delays in the processing of applications.

All fingerprints taken for TALCB at IDEMIA locations are electronically transmitted to the DPS and the FBI for criminal history background checks. A fingerprint processing fee must be paid to IdentoGO by IDEMIA to cover the cost of the criminal history reports.

Electronic fingerprinting

When you have received your exam eligibility letter form TALCB you may schedule a fingerprint appointment through IdentoGO by IDEMIA. You will need the TALCB ID number from the eligibility letter when making your appointment. The exam reservation must be made by following the instructions on page 3.

Candidates may call (888) 467-2080 (hours – Monday – Friday, 8 AM – 5 PM Central Time) to make a fingerprint reservation or by going online to TALCB's website at http://www.talcb.texas.gov.

EXAM RESERVATIONS

MAKING AN EXAMINATION RESERVATION

Walk-in examinations are not available. Online reservations are the most efficient way for candidates to schedule their examination. Candidates **must** go to <u>www.pearsonvue.com/tx/appraisers/</u> to make an online reservation for an examination. First-time users are required to create an account. The candidate will need to fill in all required fields, which are preceded by an asterisk (*), on the online form in order to create an ID and be assigned a password. Step-by-step instructions will lead the candidate through the rest of the examination reservation process.

Candidates **must** make an online reservation at least twenty-four (24) hours before the desired examination date. Candidates who wish to make a phone reservation at (800) 997-1248 must do so at least twenty-four (24) hours before the desired examination date.

Before making a reservation, candidates should have the following:

- Legal name, address, daytime telephone number, date of birth, and Social Security number (based on state's requirements)
- The name of the examination(s)
- The preferred examination date and test center location (lists of locations appear on state-specific materials)

TEST CENTER LOCATIONS

A list of test centers appears on the back cover of this handbook. In addition, candidates may review the test center locations by going to <u>https://wsr.pearsonvue.com/testtaker/find/testcenter/txapp</u>. If the candidate has questions regarding the confirmation of specific locations and/or examination schedules, please contact Pearson VUE.

Texas Appraiser licensure exams are now available at select Pearson VUE test centers on military installations across the globe. Service members, dependents, and contractors with authorized base access who want to gain Texas Real Estate licensure from their duty station or assignment in another state and foreign deployment will have the option to take their exams without having to leave their base. In addition to Pearson VUE's standard ID policy, candidates must have valid government ID and authorization to gain access to military testing sites. Civilians without valid government ID will be turned away by the test center and/or military entrance gate security. To locate a Pearson VUE authorized testing center, visit http://www.pearsonvue.com/tx/appraisers/ and select the "Find an on-base test center" link on the lower right-hand side of the page.

MAKING A FINGERPRINTING RESERVATION

Candidates may schedule fingerprint appointments at any IDEMIA location throughout Texas. Candidates can only print in TX. Candidates outside of TX need to refer to the TALCB instructions for fingerprint submission. Appointments are required and candidates are encouraged to make their reservation at least twenty-four (24) hours in advance. Same day fingerprint service without an appointment is not available.

Candidates must contact IdentoGO by IDEMIA to schedule their reservation at (888) 467-2080 (hours are Monday-Friday 8am-5pm Central Time) or visit TALCB's website.

Electronic Fingerprinting

- 1. You will need the TALCB ID number from your eligibility letter to make your electronic fingerprint appointment.
- 2. All electronic fingerprint appointments must be made by DPS' vendor, IdentoGO by IDEMIA. The vendor has many Texas fingerprint locations. Schedule an appointment for electronic fingerprinting. You must schedule a fingerprint appointment by calling (888) 467-2080 or by visiting TALCB's website at http://www.talcb.texas.gov. Pursuant to DPS requirements, you will be photographed as part of the fingerprint process. You must pay a fingerprinting fee to the vendor in a manner that is acceptable to the vendor.

- 3. Arrive at your scheduled appointment with your TALCB exam eligibility letter. Pursuant to TX Department of Public Safety (DPS) requirements, you will also be photographed as part of the background check requirement. After your fingerprints and photograph are taken, the technician will give you a receipt stating that you were fingerprinted. Do not throw away the receipt. You will not get a printed fingerprint card. Your fingerprints will be sent electronically to DPS and the FBI.
- 4. Upon completion of your appointment, the IdentoGO by IDEMIA Enrollment Agent will furnish a receipt of services. Please save the receipt. Fingerprints and photos are transmitted electronically to the DPS and the FBI.

AVAILABLE EXAMS, TIME ALLOTTED AND FEES

The examination fee of \$55 must be paid at the time of reservation by credit card, debit card, or voucher. Payment will not be accepted at the test center, nor will a single payment that covers more than one candidate be accepted.

Candidates are responsible for knowing all regulations regarding fees and examination scheduling as presented here. Examination fees are non-refundable and non-transferable, except as detailed in *Change/ Cancel Policy*.

APPRAISER QUALIFICATIONS BOARD EXAMINATIONS						
ΕΧΑΜ ΝΑΜΕ	QUESTIONS	PRETEST QUESTIONS	TOTAL QUESTIONS	EXAM TIME	FEE	
TALCB Licensed Residential Appraiser	110	15	125	4 hours	\$55	
TALCB Certified Residential Appraiser	110	15	125	4 hours	\$55	
TALCB Certified General Appraiser	110	15	125	6 hours	\$55	

VOUCHERS

Vouchers offer another convenient way to pay for tests. Vouchers can be purchased online at www.pearsonvue.com/vouchers/pricelist/txappraisers.asp by credit card either singly or in volume. To redeem a voucher as payment when scheduling a test, simply indicate Voucher as the payment method and provide the voucher number. All vouchers are pre-paid. Vouchers are nonrefundable and nonreturnable.

Vouchers expire twelve (12) months from the date they are issued. Voucher expiration dates cannot be extended. The exam must be taken by the expiration date printed on the voucher.

CHANGE/CANCEL POLICY

Candidates should call Pearson VUE at (800) 997-1248 at least forty-eight (48) hours before the examination to change or cancel a reservation. Candidates who change or cancel a reservation with proper notice may either transfer their fees to a new reservation or request a refund. **Candidates who change or cancel a reservation without proper notice will forfeit the examination fee.**

ABSENCE/LATENESS POLICY

Candidates who are late or absent from an exam may call Pearson VUE within 14 days of the exam date to request an excused absence for the following reasons:

- Illness of the candidate or of the candidate's immediate family member
- Death in their immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

A case number will be assigned and instructions provided for emailing supporting documentation. **Candidates**

absent from or late to an exam who have not changed or canceled the reservation according to the *Change/Cancel Policy* will not be admitted to the exam and will forfeit the exam fee.

WEATHER DELAYS AND CANCELLATIONS

If severe weather or a natural disaster makes the Pearson VUE test center inaccessible or unsafe, the examination may be delayed or canceled. Pearson VUE will notify and reschedule candidates in the case of severe weather.

ACCOMMODATIONS

Pearson VUE complies with the provisions of the Americans with Disabilities Act as amended. The purpose of accommodations is to provide candidates with full access to the test. Accommodations are not a guarantee of improved performance or test completion. Pearson VUE provides reasonable and appropriate accommodations to individuals with documented disabilities who demonstrate a need for accommodations.

Test accommodations may include things such as:

- A separate testing room
- Extra testing time
- A Reader or Recorder, for individuals with mobility or vision impairments and cannot read or write on their own

Test accommodations are individualized and considered on a case-by-case basis. All candidates who are requesting accommodations because of a disability must provide appropriate documentation of their condition and how it is expected to affect their ability to take the test under standard conditions. This may include:

- Supporting documentation from the professional who diagnosed the condition, including the credentials that qualify the professional to make this diagnosis
- A description of past accommodations the candidate has received

The steps to follow when requesting test accommodations vary, depending on your test program sponsor. To begin, go to <u>http://pearsonvue.com/accommodations</u>, and then select your test program sponsor from the alphabetized list. Candidates who have additional questions concerning test accommodations may contact the ADA Coordinator at accommodationspearsonvue@pearson.com.



WHAT TO BRING Required Materials

All candidates must bring to the test center on examination day the following:

• Identification that is deemed acceptable, as detailed under Acceptable Forms of Candidate Identification

REQUIRED ITEMS

Candidates who do not present the required items will be denied admission to the examination, will be considered absent, and will forfeit the examination fee.

Suggested Materials

The following is recommended but not required:

• Financial calculator that does not contain alpha characters and is non-programmable

NOTE: Candidates that bring a programmable calculator to the examination must also bring the written instruction manual that was provided with the calculator when purchased (or instructions downloaded from the manufacturer's website). The examination proctor will ensure that numeric programs previously stored in the calculator are cleared before it is used during the examination.

Programmable calculators must be cleared upon conclusion of the examination by the examination proctor to prevent potential security breaches.

Programmable calculators cannot be used if the candidate fails to bring the instruction manual.

SUGGESTED ITEMS

Candidates should bring their financial calculator for problem solving.

Acceptable Forms of Candidate Identification

Candidates must present **two (2)** forms of current signature identification. The name on the identification must exactly match the name on the registration. The primary identification must be government-issued and photobearing with a signature, and the secondary identification must contain a valid signature. Identification must be in English.

Primary ID (photograph and signature, not expired)

- Government-issued Driver's License
- U.S. Department of State Driver's License
- U.S. Learner's Permit (plastic card only with photo and signature)
- National/State/Country ID card
- Passport
- Passport Card
- Military ID
- Military ID for spouses and dependents
- Alien Registration Card (Green Card, Permanent Resident Visa)

Secondary ID (signature, not expired)

- U.S. Social Security card
- Debit (ATM) card
- Any form of ID on the Primary list

If the ID presented has an embedded signature that is not visible (microchip), or is difficult or impossible to read, the candidate must present another form of identification from the Primary ID or Secondary ID list that contains a visible signature.

Pearson VUE does not recognize grace periods. For example, if a candidate's driver's license expired yesterday and the state allows a 30-day grace period for renewing the ID, the ID is considered to be expired.

EXAM PROCEDURES

Candidates should report to the test center thirty (30) minutes before the examination and check in with the test center administrator. The candidate's identification and other documentation will be reviewed and he/she will be photographed for the score report.

Candidates are required to review and sign a **Candidate Rules Agreement** form. If the **Candidate Rules Agreement** is not followed and/or cheating or tampering with the examination is suspected, the incident will be reported as such and the appropriate action will be taken. The examination fee will not be refunded, the exam may be determined invalid, and/or the state may take further action, such as prohibiting re-tests for a designated amount of time.

Candidates must take a tutorial on the computer on which the examination will be administered. The time spent on this tutorial will not reduce the examination time. The examination administrators will answer questions, but candidates should be aware that the administrators are not familiar with the content of the examinations nor with the state's licensing requirements. Examination administrators have been instructed not to advise candidates on requirements for licensure.

Candidates may begin the examination once they are familiar with the computer. The examination begins the moment a candidate looks at the first examination question.

Candidates will be given four (4) hours to complete the Licensed and Certified Residential Exams, six (6) hours to complete the Certified General Exam.

The examination will end automatically after the examination time has expired.

For security purposes, Pearson VUE will capture each candidate's digital signature and photograph upon check-in.

SCORE REPORTING

Scores are based on the number of questions answered correctly. Candidates should consider answers to each question carefully and eliminate the least likely answers, instead of randomly selecting an answer. It is always better to answer a question than to leave a blank.

Individual score reports are available at the test center upon completion of the examination. Candidates who pass the exam will not receive a numeric score. Candidates who fail the exam will receive a score report that contains a numeric score, diagnostic information, and information on how to retake the exam. Reservations for re-examination may not be made at the test center, and candidates must wait twenty-four (24) hours after failing an examination before making a reservation to retake it.

RETAKING THE EXAM

Candidates who fail the examination will receive a score report that includes a numeric score and diagnostic information relating to the failed portion of the examination, as well as information about re-examination.

The examination fee of \$55 (*see chart on page 4*) must be paid at the time of reservation by credit card, debit card, or voucher. **Payment will not be accepted at the test center, nor will a single payment that covers more than one candidate be accepted.**

Candidates have three attempts to pass the examination prior to the application expiration date. If the examination is failed three times, the candidate is unable to retest on the application or submit a new application until an additional 15 hours of appraiser qualifying education is completed. After completion of the additional education, the course completion document(s) and a copy of the third failed score report must be submitted to the TALCB at <u>documents@talcb.texas.gov</u>. Allow 5-7 business days for the education to be processed and authorization submitted to Pearson VUE to allow rescheduling. If the application expires during this time, candidates may reapply for licensure and meet current requirements.

SCORE EXPLANATION

The Appraiser Qualifications Board develops and maintains the National Uniform Licensing and Certification Examinations. Scores are reported to candidates as scaled scores. Scaled scores can range from 0 to 110, with 75 representing passing.

Examinations change over time. Each examination may vary in difficulty, with one examination easier or more difficult than other examinations. However, when converting raw scores to scaled scores, it should not make a difference whether candidates take an easier or more difficult examination. With the mathematical adjustment, the scaled score accounts for differences by adjusting the scores up or down depending on the difficulty of the examinations. When these adjustments are made, the effect is to produce an unbiased and constant passing standard that does not change from one examination to another. A scaled score is not a percentage score, but simply a transformation of a raw score to report comparable results when examinations vary in difficulty.

The score report will also be accessible in the candidate profile in <u>pearsonvue.com</u> within 24 hours of testing.

DUPLICATE SCORE REPORTS

For test center exams prior to April 28, 2022, contact customer service at (800) 274-7488, to request a copy of your score report. After April 28, candidate score reports will be available within the individual candidate profiles as found on pearsonvue.com

REVIEW OF EXAMS

For security reasons, examination material is not available to candidates for review.

TEST CENTER POLICIES

The following policies are observed at each test center. Candidates who violate any of these policies will not be permitted to finish the examination and will be dismissed from the test center, forfeiting the examination fee.

- **No personal items are allowed in the testing room.** Personal items include but are not limited to the following: cellular phones, hand-held computers or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books, and/or notes, pens, or pencils.
- You will be asked to empty your pockets for the purpose of allowing the TA to verify that nothing is in them. If you have hair that covers your ears, you may be asked to show them for the purpose of allowing the TA to verify that no electronic devices are present. The TA may also ask you to roll up your sleeves to verify that you have no writings on your arms. Before you enter the testing room, you will be asked to pat yourself down (for example: arms, legs, waistline) to show there is nothing hidden on your body.
- Candidates must store all personal items in a secure area as indicated by the administrator, or return items to their vehicle. All electronic devices must be turned off before storing them in a locker. **The test center is not responsible for lost, stolen, or misplaced personal items.**
- Studying **is not** allowed in the test center. Visitors, children, family, and/or friends **are not** allowed in the test center.
- Dictionaries, books, papers (including scratch paper), and/or reference materials are not permitted in the examination room (unless permitted by the exam sponsor), and candidates are strongly urged not to bring such materials to the test center. When the candidate enters and is seated in the testing room, the test administrator will provide the candidate with materials to make notes or calculations and any other items specified by the exam sponsor. **The candidate may not write on these items before the exam begins or remove these items from the testing room.**
- Eating, drinking, chewing gum, smoking, and/or making noise that creates a disturbance for other candidates is prohibited during the exam.
- Break policies are established by the exam sponsor. Most sponsors allow unscheduled breaks. To request an unscheduled break, the candidate **must** raise his/her hand to get the administrator's attention. **The exam clock will not stop while the candidate is taking a break. (See Breaks on page 9.)**

- Candidates must leave the testing room for all breaks. However, candidates **are not permitted to leave the floor or building for any reason during any unscheduled break, unless specified by the administrator and the exam sponsor**. If a candidate is discovered to have left the floor or building, he/she will not be permitted to proceed with the examination and may forfeit the exam fees.
- While taking a break, candidates are permitted to access personal items that are being stored during the exam only if necessary—for example, personal medication that must be taken at a specific time. However, a candidate must receive permission from the administrator prior to accessing personal items that have been stored. Candidates are not allowed access to other items, including but not limited to cellular phones, exam notes, and study guides, unless the exam sponsor specifically permits this.
- Any candidate discovered causing a disturbance of any kind or engaging in any kind of misconduct giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing examination materials or notes from the examination room—will be summarily dismissed from the examination and will be reported to the state licensing agency. Decisions regarding disciplinary measures are the responsibility of the state licensing agency.

Breaks

Scheduled Breaks

The exam is structured in two sections divided by a 30-minute break. Once you move through the first section you can not go back to that section.

Break policies are established by the exam sponsor. All candidates are permitted one 30-minute **scheduled** break and unscheduled breaks as needed. Candidates are not allowed to eat in the test center. During all scheduled breaks, candidates are only allowed to remove items from his or her locker with prior permission from the test administrator.

A 30-minute scheduled break is built into the exam approximately midway between the exam sections. The 30-minute scheduled break is optional for the candidate. If the candidate chooses to take the scheduled break, he/she must raise his/her hand to get the administrator's attention before taking the break.

During the scheduled break, candidates are allowed to leave the floor or building. After the 30-minute scheduled break ends, the next exam section appears and begins counting down immediately.

If a candidate decides to take the 30-minute break, he/she will be responsible for monitoring his/her allotted time. Section 2 of the exam will automatically begin after the 30-minute break has expired. The candidate's allotted time for Section 2 will begin to count down after the break and will continue to do so even if the candidate has not returned on time to resume testing after the break.

Unscheduled Breaks

Unscheduled breaks are also available for the candidate. Candidates must raise their hand to get the administrator's attention before taking a break. During unscheduled breaks, candidates are not allowed to remove items from their locker, unless they require personal items such as medication that must be taken at a specific time. If this is the case, the candidate must receive prior permission from the test administrator before taking items from the locker.

During unscheduled breaks, candidates are not allowed access to other items, including but not limited to cellular phones, exam notes, and study guides.

During unscheduled breaks, candidates are not allowed to leave the floor or building for any reason. If the candidate is discovered to have left the floor or building, he/she will not be permitted to proceed with the examination and may forfeit the exam fees.

SAMPLE QUESTIONS

The following questions are offered as examples of the types of questions you will be asked during the course of the examination. The examples do not represent the full range of content or difficulty levels found in the actual examinations. They are intended to familiarize you with the types of questions you can expect to find in the examinations. The answer key is found at the end of the sample questions.

- 1. The subject property is a 10,000-sf office building encumbered by a full-service lease with a contract base rent of \$1.25 per square foot monthly. Stabilized vacancy/credit loss allowance for similar properties within the market area is 7% of PGI. The operating expense ratio for similar properties is 30% of EGI, plus reserves for replacement of \$0.15 per square foot. What is the projected net operating income?
 - A) \$93,000
 - B) \$94,500
 - C) \$96,150
 - D) \$97,650
- 2. The subject assignment is to appraise a vintage house built in 1880 using the cost approach. The house has metal stamped ceilings, lath, and plaster walls, which are items not easily available in today's construction. The estimated replacement cost using modern materials is \$120 per square foot. Contractors charge \$15 more per square foot to work on older houses. The estimated reproduction cost is \$185 per square foot. What is the estimated loss in utility?
 - A) \$15 per square foot
 - B) \$33 per square foot
 - C) \$65 per square foot
 - D) \$80 per square foot
- 3. The occupants of a dwelling have been granted a life estate by their daughter. What interest does the daughter hold in the property?
 - A) Life tenant
 - B) Remainder
 - C) Trustee
 - D) Trustor

4. A client requires the cost approach be completed for a warehouse located in an industrial park. There are no vacant land comparables in the market area. There are three sales of commercial buildings in the industrial park with similar lots that the appraiser has researched extensively. The appraiser found the following information:

Sale 1 sold for \$1,750,000. The buyer allocated 20% of the value to the site and 80% to the value of the structure.

Sale 2 sold for \$1,000,000. The buyer was not available for verification, but the seller was available. The seller had just built the structure after holding the lot for 10 years as an investment property. The seller paid \$100,000 for the lot and had earned 25% straight line annual return on his investment over the cost of the structure and its entrepreneurial profit.

Sale 3 sold for \$3,500,000. The buyer estimated that 90% of what he paid was for the structure.

What is the indicated value of the lot using the allocation approach?

- A) \$125,000
- B) \$135,000
- C) \$350,000
- D) \$500,000
- 5. A homeowner purchased two adjacent lots in a tract subdivision 20 years ago and built a single-unit dwelling entirely on one lot, utilizing the second lot as a side yard. The homeowner has decided to build a smaller home on the vacant side lot and retain the existing home as a rental. What term applies to the second yard?
 - A) Excess land
 - B) Surplus land
 - C) Underutilized site
 - D) Vacant site
- 6. While working on an appraisal of a residential property in a new home subdivision, the appraiser finds that the builders have a total of 100 home sites currently offered for sale. In measuring market demand, the appraiser notes that all of the builders combined are currently averaging two new sales contracts per month, and are expecting to sell 24 dwellings within the next year. What conclusion can be drawn with regard to the 100 available home sites and a market period of the next 12 months?
 - A) The market is in a condition of supply and demand
 - B) The market is in a condition of balance
 - C) The market is in a condition of undersupply
 - D) The market is in a condition of oversupply

- 7. A fee appraiser seeks to get on the approved list for a local mortgage company. In order to be considered for approval, the lender requires appraisers to provide sample appraisal reports performed within the past year. Can the appraiser provide the reports without violating USPAP?
 - A) No; unless the appraiser secures a release from the client of each sample appraisal report
 - B) No; the ETHICS RULE prohibits appraisers from soliciting appraisal work
 - C) Yes; if all essential elements of confidential information are removed through redaction or the process of aggregation
 - D) Yes; an exception to the Confidentiality section of the ETHICS RULE permits an appraiser to provide appraisal reports to a lender for this purpose
- 8. The owner of a self-service car wash has a \$900,000 self-amortizing, 25-year mortgage at a 9.25% interest rate, payable monthly. The loan must be paid off after 10 years. What is the amount of the balloon payment due at that time, rounded to the nearest \$1,000?
 - A) \$540,000
 - B) \$833,000
 - C) \$808,000
 - D) \$749,000
- 9. A shopping center has direct costs of \$2,500,000. Indirect and soft costs are equal to 10% of direct cost. Entrepreneurial profit is estimated to be 15% of hard and soft costs. What is the replacement cost of the shopping center?
 - A) \$3,125,000
 - B) \$3,162,500
 - C) \$2,875,000
 - D) \$2,750,000

10. What interdependent economic factors create value?

- A) Amenities, assemblage, scarcity and effective purchasing power
- B) Utility, scarcity, desire, and plottage
- C) Amenities, plottage, desire, and supply/demand
- D) Utility, scarcity, desire, and effective purchasing power
- 11. A 50-unit apartment complex is being appraised. The appraiser is calculating the appropriate annual replacement reserve allowance. Several items are new, but were determined to have useful lives shorter than the physical structure: the appliances are \$750 per unit, the roofs are \$200,000, and, the clubhouse furniture is \$11,000. The appraiser believes management can earn a safe rate of 4.5% on their reserve funds. What average annual reserve per unit must be allocated in order to take care of the short-lived items, assuming they must be replaced every seven years and have no salvage value?
 - A) \$620
 - B) \$560
 - C) \$770
 - D) \$710

12. What type of lease is most advantageous to a lessor in a rising expense market?

- A) Base year stop
- B) Triple net
- C) Modified gross
- D) Gross
- 13. The local zoning ordinance requires that any property with impervious coverage that discharges more than 100,000 gallons of water in a 4-inch rainstorm must have a retention pond to handle the water. The proposed subject property will have 260,000 s.f. of impervious surface. A cubic foot of water contains 7.48 gallons and retention ponds can hold no more than 500,000 gallons for safety reasons. There is no retention pond on the plan. How should the appraiser describe the building and its compliance or noncompliance?
 - A) The building will discharge 86,667 gallons in a 4-inch rainstorm and will need a retention pond
 - B) The building will discharge 21,645 gallons in a 4-inch rainstorm and will not need a retention pond
 - C) The building will discharge 648,580 gallons in a 4-inch rainstorm and therefore needs a retention pond
 - D) The building will discharge 1,944,800 gallons in a 4-inch rainstorm and will need a retention pond
- 14. A new building representing the highest and best use of its site can be constructed at a total cost, including entrepreneurial incentive, of \$12,000,000. The building capitalization rate is 11% and the land capitalization rate is 7%. The property will generate a net operating income of \$1,500,000. What is the indicated value of the site, rounded to the nearest \$1,000?
 - A) \$6,750,000
 - B) \$1,636,000
 - C) \$2,571,000
 - D) \$4,667,000
- 15. The subject property is 80 years old, and has a remaining economic life of 45 years, an observed age of 15 years, and, a total life of 60 years, using the straight line or age-life method. What is the total amount of accrued depreciation?
 - A) 25%
 - B) 33%
 - C) 18%
 - D) 56%
- 16. An appraiser has developed an appraisal of a single-unit dwelling that is currently occupied by tenants. Although the subject's zoning is currently residential, the appraiser estimates that due to the rising price of commercial land along this street, the subject will be purchased for commercial development within two to three years. What term describes the current use of the property?
 - A) Nonconforming use
 - B) Speculative use
 - C) Interim use
 - D) Special purpose use

- 17. A four-unit residential property recently sold for \$320,000. At the time of the sale it was fully occupied with each tenant paying \$900 per month rent. The average vacancy rate is 5%. What is the indicated monthly gross rent multiplier derived from this sale?
 - A) 84.7
 - B) 84.4
 - C) 93.6
 - D) 88.9
- 18. A subject property is described as "the southeast 1/4 of the southwest 1/4 of the west 1/2 of Section 1, Township 32 South, Range 33 East." What type of legal description is exemplified in this situation?
 - A) Recorded plat
 - B) Rectangular survey
 - C) Public records
 - D) Metes and bounds
- 19. The subject property has a two-car garage. The cost to add a third bay at the time of construction was \$5,000. The cost to install a third bay on an existing property is \$8,000. The market will pay \$10,000 more for a house with a three-car garage. What is the garage adjustment to the sale price of the comparable sale with a three-car garage?
 - A) -\$5,000
 - B) -\$10,000
 - C) +\$5,000
 - D) -\$3,000
- 20. The subject is a 20-year-old residence with a replacement cost of \$500,000. The costs to replace short-lived items along with physical life expectancy are: HVAC - \$10,000, 25 years; and, roof cover -\$12,000, 25 years. The roof was replaced five years ago. The water heater is malfunctioning and will cost \$1,000 to replace. What is the incurable physical deterioration due to the HVAC?
 - A) \$7,200
 - B) \$8,000
 - C) \$4,800
 - D) \$2,400
- 21. A house in a commercial zone has a total property value of \$300,000 and a commercial site value of \$350,000. Which of the following house demolition cost estimates obtained by the homeowner will result in a highest and best use conclusion as a vacant commercial site?
 - A) \$55,000
 - B) \$45,000
 - C) \$65,000
 - D) \$60,000

- 22. An appraiser is asked to value the "E 1/2 of the SE 1/4 of the NE 1/4 of Section 35, T 4S, R 2E." What is the value of the parcel if the appraiser determines that land value is \$1,500 per acre?
 - A) \$60,000
 - B) \$30,000
 - C) \$7,500
 - D) \$15,000
- 23. The subject property includes a two-story attached dwelling on a site subject to ground rent. The annual ground rent for the subject property is \$90. The owner of the property can obtain a fee simple title to the land by paying the owner of the leased fee the capitalized value of the current rent at the agreed rate of 6%. What is the value of the leased fee?
 - A) \$9,000.00
 - B) \$18,000.00
 - C) \$1,500.00
 - D) \$5.40

24. In the appraisal of a cooperative ownership, what property rights are valued?

- A) Leased fee
- B) Fee simple
- C) Partial interest
- D) Life estate

ANSWERS: 1 = C, 2 = C, 3 = B, 4 = C, 5 = A, 6 = D, 7 = C, 8 = D, 9 = B, 10 = D, 11 = A, 12 = B, 13 = C, 14 = C, 15 = A, 16 = C, 17 = D, 18 = B, 19 = B, 20 = B, 21 = B, 22 = B, 23 = C, 24 = C

Appraiser Qualifications Board National Uniform Licensing and Certification Examinations Content Outline

Effective for exams taken on or after January 1, 2022

	# of items					
Code	Content Area Description	Licensed Residential	Certified Residential	Certified General		
1	Real Estate Market	20	20	20		
1.a	Types of Influences on Real Estate Value					
1.b	Types of Government Power					
1.c	Types of Real Estate Value					
1.d	Date of Value Premise					
1.e	Market Analysis					
1.f	Investment Analysis					
1.g	Tests of Highest and Best Use					
1.h	Analysis of Highest and Best Use					
2	Property Description	12	13	12		
2.a	Description of Land or Site					
2.b	Description of Improvements and Building Components					
2.c	Legal Interest					
2.d	Rights to Use					
2.e	Property Taxation					
3	Land or Site Valuation	3	3	4		
3.a	Land or Site Valuation Methods					
4	Sales Comparison Approach	24	20	15		
4.a	Identification of Comparable Sales					
4.b	Units of Comparison					
4.c	Elements of Comparison					
4.d	Quantitative Adjustments					
4.e	Qualitative Adjustments					
4.f	Reconciliation to Indicated Value by the Sales Comparison Approach					
5	Cost Approach	14	15	12		
5.a	Sources of Cost Information					
5.b	Cost Components					
5.c	Depreciation					
5.d	Methods of Estimating Depreciation					
5.e	Reconciliation to Indicated Value by the Cost Approach					

Appraiser Qualifications Board National Uniform Licensing and Certification Examinations Content Outline

Effective for exams taken on or after January 1, 2022

		# of items			
Code	Content Area Description	Licensed Residential	Certified Residential	Certified General	
6	Income Approach	5	9	20	
6.a	Sources of Income Generation				
6.b	Occupancy / Vacancy Analysis				
6.c	Expenses				
6.d	Capitalization				
6.e	Estimation of Value Using Income Approach				
6.f	Reconciliation to Indicated Value by the Income Approach				
7	Reconciliation of Value Indications	2	2	2	
7.a	Reconciliation of Approaches to Value				
8	Uniform Standards of Professional Appraisal Practice	22	20	19	
8.a	Definitions and Preamble				
8.b	Ethics Rule				
8.c	Record Keeping Rule				
8.d	Competency Rule				
8.e	Scope of Work Rule				
8.f	Jurisdictional Exception Rule				
8.g	Standard 1				
8.h	Standard 2				
8.i	Standard 3				
8.j	Standard 4				
8.k	USPAP Advisory Opinions and FAQs				
8.I	Extraordinary Assumption				
8.m	Hypothetical Condition				
9	Emerging Appraisal Methods	3	5	3	
9.a	Application of Online Property Information Database and Technological Tools				
9.b	Appropriate Use and Limitations of the Hybrid/Bifurcated Appraisal Method				
9.c	Use and Limitations of Automated Valuation Models				
10	Appraisal Statistical Methods	5	3	3	
10.a	Statistical Measures of Central Tendency				
10.b	Statistical Measures of Variation				
10.c	Inferential Statistical Techniques Used in Appraising				

Candidates may call (800) 997-1248 to make an exam reservation.

Candidates may test at any of our US test centers.

TEST CENTERS					
LOCATION	ADDRESS	SCHEDULE			
Abilene area	3444 N 1st St, Ste. 102, Abilene TX 79603	1-2 days per week, average 8 hours per day			
Amarillo area	1616 S Kentucky, Ste. C305, Amarillo, TX 79102	1-2 days per week, average 8 hours per day			
	5100 W US 290 Hwy Service Road Ste. 320 Building 2, Austin, TX 78735	3-4 days per week, average 8 hours per day			
Austin area (3 sites)	505 East Huntland Drive, 3rd Floor, Ste. 330 Centennial Towers Austin, TX 78752	1-2 days per week, average 8 hours per day			
	12345 North Lamar Boulevard, Ste. 270, Austin, TX 78753	3-4 days per week, average 8 hours per day			
Bellaire	6800 West Loop S, Prosperity Bank Bldg, Ste. 405, Bellaire, TX 77401	3-4 days per week, average 8 hours per day			
Bryan	3121 University Drive E, Ste. 225, Bryan, TX 77802	2-3 days per week, average 8 hours per day			
Corpus Christi area	5350 South Staples St, Ste. 327, Corpus Christi TX 78411	1-2 days per week, average 8 hours per day			
	12801 North Central Expressway, Ste. 820, Dallas, TX 75243	3-4 days per week, average 8 hours per day			
Dallas area	5801 Marvin D Love Freeway, Ste. 200, Dallas, TX 75237	2-3 days per week, average 8 hours per day			
Dallas al ea	2201 East Lamar Boulevard, Ste. 125, Arbors at Brookhollow, Arlington, TX 76006	2-3 days per week, average 8 hours per day			
	4100 Midway Road Ste. 1000, International Business Park Carrollton, TX 75007	3-4 days per week, average 8 hours per day			
El Paso area	1155 Westmoreland Dr, Ste. 135, El Paso, TX 79925	1-2 days per week, average 8 hours per day			
Harlingen area	222 East Van Buren, Ste. 610, Bank of America Bldg.Harlingen, TX 78550	1-2 days per week, average 8 hours per day			
	14425 Torrey Chase Blvd., Ste. 240, Houston, TX 77014	3-4 days per week, average 8 hours per day			
	8876 Gulf Freeway, 8876 Gulf Freeway Bldg., Ste. 220 Houston, TX 77017	3-4 days per week, average 8 hours per day			
Houston area (5 sites)	10740 North Gessner Road Ste. 450, Houston, TX 77064	3-4 days per week, average 8 hours per day			
(0 0.000)	1333 West Loop South, Ste. 1475, Houston, TX 77027	2-3 days per week, average 8 hours per day			
	2424 Wilcrest, Ste. 104, Houston, TX 77042	5-6 days per week, average 8 hours per day			
Hurst	500 Grapevine Hwy. Ste. 401, Hurst, TX 76054-2707	3-4 days per week, average 8 hours per day			
Lubbock area	2574 74th Street, Ste. 201, Lubbock, TX 79423	1-2 days per week, average 8 hours per day			
McAllen	1100 East Jasmine Ave, Ste. 106, McAllen, TX 78501	2-3 days per week, average 8 hours per day			
Midland area	3300 North A Street, Bldg. 4, Ste. 228, Midland, TX 79705-5457	1-2 days per week, average 8 hours per day			
	6100 Bandera Road, Stonewater Tower West, Ste. 407 San Antonio, TX 78238	3-4 days per week, average 8 hours per day			
San Antonio area (3 sites)	10000 San Pedro Ave, Ste. 175, San Antonio, TX 78216	1-2 days per week, average 8 hours per day			
	3619 Paesanos Parkway, Ste. 301, Shavano Center III, Shavano Park, TX 78231	1-2 days per week, average 8 hours per day			
Sugar Land	2245 Texas Drive, Ste. 190, Sugar Land Towne Center Sugar Land, Texas 77478	1-2 days per week, average 8 hours per day			
Tyler area	110 N College Ave, Ste. 1001, Tyler, TX 75702	1-2 days per week, average 8 hours per day			
Waco area	1105 Wooded Acres Dr, Wells Fargo Bank Bldg., Ste. 560 Waco, TX 76710	1-2 days per week, average 8 hours per day			

Locations and schedules are subject to change.

For more test centers in Texas, please visit <u>https://home.pearsonvue.com/tx/appraisers</u>.

PEARSON VUE HOLIDAY SCHEDULE

No exams on the following holidays or holiday weekends:

New Year's Day	Martin Luther	Memorial Day	Independence	Labor Day	Thanksgiving	Christmas Day
	King, Jr. Day		Day		Day	