



Rules of
Department of Insurance,
Financial Institutions and
Professional Registration
Division 2245—Real Estate Appraisers
Chapter 9—Competency and Scope of
Practice Standards

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**Title 20—DEPARTMENT OF
INSURANCE, FINANCIAL
INSTITUTIONS AND
PROFESSIONAL REGISTRATION**
Division 2245—Real Estate
Appraisers
**Chapter 9—Competency and Scope of
Practice Standards**

**20 CSR 2245-9.010 Competency and Scope
of Practice Standards**

PURPOSE: This rule sets the scope of practice standards for the development and communication of real estate appraisals by state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed real estate appraisers.

(1) Prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser shall properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or alternatively, must:

(A) Disclose the lack of knowledge and/or experience to the client before accepting the assignment;

(B) Take all steps necessary or appropriate to complete the assignment competently; and

(C) Describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.

(2) If an appraiser discovers during the course of an appraisal assignment that he or she lacks the required knowledge or experience to complete the assignment competently, at the point of such discovery, the appraiser shall notify the client and comply with subsections (1)(B) and (1)(C) of this rule.

(3) Notwithstanding the requirements and allowances of sections (1) and (2) of this rule, state-certified and state-licensed real estate appraisers shall limit their practice to the development and communication of real estate appraisals as follows:

(A) State-certified general real estate appraisers may perform appraisals on all types of real estate regardless of complexity or transaction value and may perform appraisal consulting, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment;

(B) State-certified residential real estate appraisers may perform appraisals on residential real estate of one to four (1-4) residential units without regard to transaction value or complexity and may perform appraisal consulting in the area of residential

real estate, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. This designation permits the appraisal of vacant or unimproved land that may be utilized for one- to four- (1-4) family purposes. This certification does not permit the appraisal of subdivisions or of agricultural real estate. Individual parcels of property located within a residential subdivision shall be considered residential real estate. For all other appraisals, the appraisal report shall be signed by the state-certified residential real estate appraiser and a state-certified general real estate appraiser. For the purposes of this rule, "agricultural real estate" shall be defined as improved or unimproved land with a highest and best use and primary purpose devoted to income production by crops, livestock and other products of the soil (fruit, pasture, timberland, etc).

(C) State-licensed real estate appraisers may perform appraisals of real property consisting of one (1) residential unit, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. For all other appraisals, the appraisal report shall be signed by the state-licensed real estate appraiser and a state-certified real estate appraiser.

(4) A state-licensed or state-certified real estate appraiser shall be exempt from the provisions of section (3) of this rule if providing valuation services in a setting for which licensure or certification would not be required under section 339.501.5, RSMo. In all other instances, a real estate appraiser must comply fully with sections (1), (2) and (3) of this rule. Sections (1), (2) and (3) shall not be interpreted so as to except a real estate appraiser from compliance with the other sections.

(5) Prior to July 1, 2007, the provisions of section (3) of this rule shall not apply to any person that was certified or licensed as a real estate appraiser before the effective date of this rule.

AUTHORITY: section 339.509(5), RSMo 2000. This rule originally filed as 4 CSR 245-9.010. Original rule filed June 25, 2004, effective Feb. 28, 2005. Moved to 20 CSR 2245-9.010, effective Aug. 28, 2006.*

**Original authority: 339.509, RSMo 1990, amended 1998.*