

March 4, 2025

**Via Email**

D. Scott Murphy, Chairperson  
Georgia Real Estate Appraisers Board  
229 Peachtree Street, NE  
International Tower, Suite 1000  
Atlanta, GA 30303-1605  
[DSMurphy@dsmurphy.com](mailto:DSMurphy@dsmurphy.com)

RE: ASC Compliance Review of Georgia's Appraisal Management Company (AMC)  
Regulatory Program

Dear D. Scott Murphy:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Georgia AMC regulatory program (AMC Program) on October 8-10, 2024, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs;<sup>2</sup>
- States must enforce and document ownership limitations for State-registered AMCs.<sup>3</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Georgia will remain on a two-year Review Cycle.

The final ASC Compliance Review Report (Report) of the Georgia AMC Program is attached.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356

<sup>2</sup> Title XI § 1124, 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

<sup>3</sup> Title XI § 1124, 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read "M Ponzar", written in a cursive style.

Matt Ponzar  
Acting Executive Director

Attachment

cc: Craig Coffee, Deputy Commissioner, [CCoffee@grec.state.ga.us](mailto:CCoffee@grec.state.ga.us)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\*An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State AMC Program Compliance Review Report

**ASC Finding: Good**

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**Final Report Issue Date: March 4, 2025**

<b>Georgia AMC Regulatory Program (State)</b>			
<b>Georgia Real Estate Appraisers Board (Board)</b>	PM: N. Fenochietti	ASC Compliance Review Date: October 8-10, 2024	Review Period: March 2022 to October 2024
Umbrella Agency: Georgia Real Estate Commission		Number of AMCs on AMC Registry: 137	Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures:</b>		X					
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				The State's ownership limitation for an owner who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for substantive cause is not consistent with the AMC rule. The AMC rule requires this ownership limitation be applied to all owners. The State's statutory definition of owner limits this requirement to owners of more than 10 percent.	On January 6, 2025, the State reported that they are evaluating amending the State's AMC statute.	The State must ensure that the State's AMC statutes appropriately enforce the ownership limitations of the AMC Rule.	During the next Compliance Review, ASC staff will pay particular attention to this area.
<b>Statutes, Regulations, Policies and Procedures: (continued)</b>		X					
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				The State's procedure to determine an AMC's eligibility to be included on the AMC Registry incorrectly limits the requirement that no owner has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause to owners of more than 10% .	On January 6, 2025, the State reported that they reviewed AMC applications and internal processes regarding ownership and background checks to ensure compliance.	The State must ensure that its internal processes and procedures correctly apply the ownership limitations of the AMC Rule.	During the next Compliance Review, ASC staff will pay particular attention to this area.
<b>National Registry:</b>	X						
				No compliance issues noted.	N/A	None	None
<b>Enforcement:</b>	X						
				No compliance issues noted.	N/A	None	None