

June 6, 2025

Via Email

Vanessa Beauchamp, Executive Director
Missouri Real Estate Appraisers Commission
Department of Commerce and Insurance
3605 Missouri Boulevard
Jefferson City, MO 65109
Vanessa.Beauchamp@pr.mo.gov

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

Dear Vanessa Beauchamp:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Missouri AMC regulatory program (AMC Program) on March 25-27, 2025, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

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 area of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs.²
- States must have the authority to collect and transmit to the Appraisal Subcommittee annual registry fees from an appraisal management company that either has registered with a State appraiser certifying and licensing agency or operates as a subsidiary of a federally regulated financial institution.³

ASC staff will confirm that appropriate corrective actions have been taken during the next Review.

Areas of concern that were identified are being addressed by the AMC Program.

¹ 12 U.S.C. §§ 3331-3356

² 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.

³ 12 U.S.C. § 3338(a)(4); 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 9.

Missouri will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Missouri AMC Program is attached.

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', with a stylized flourish at the end.

Matt Ponzar
Acting Executive Director

Attachment


cc: Sheila Solon, Division Director, Sheila.Solon@pr.mo.gov

ASC Finding Descriptions

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

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|---|--|--|-------------------------------------|------------------------|--|--|--|---|--|------------------|--|
| <div></div> <div>ASC State AMC Program Compliance Review Report</div> | | | | | ASC Finding: Good | | | | | | |
| | | | | | Final Report Issue Date: June 06, 2025 | | | | | | |
| Missouri AMC Regulatory Program (State) | | | | | | | | | | | |
| Missouri Real Estate Appraisers Commission | | | PM: A. Nespor | | ASC Compliance Review Date: March 25-27, 2025 | | Review Period: August 2021 to February 2025 | | | | |
| Umbrella Agency: Department of Commerce and Insurance | | | Number of AMCs on AMC Registry: 107 | | | 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 | | | | | | | |
| Statutes, Regulations, Policies and Procedures: | | | | X | | | | | | | |
| States must have funding and staffing sufficient to carry out their Title XI-related duties. (12 U.S.C. § 3347; Policy Statement 8.) | | | | | The 7-member commission currently has 4 vacancies and lacks a statutory quorum. The commission is conducting meetings under the Rule of Necessity. The commission members have substantial responsibilities in reviewing application and enforcement files. The loss of one or more current commission members could result in an inability to timely process applications and complaints. | On June 2, 2025, the State reported that, pursuant to statute, all commission members are appointed by the governor with advice and consent of the senate. | The State should continue to monitor the appointment process and encourage the appointment of members to the 4 vacant positions. | During the next Compliance Review, ASC staff will pay particular attention to this area for compliance. | | | |



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| Applicable Federal Citations | Compliance (YES/NO) Areas of Concern (AC) | | | ASC Staff Observations | State Response | Required/Recommended State Actions | General Comments |
|---|--|----|----|---|---|---|---|
| | YES | NO | AC | | | | |
| Statutes, Regulations, Policies and Procedures (continued): | | 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.) | | | | State statute regarding ownership limitation for an owner does not provide the State the opportunity to determine whether a credential that was refused, denied, canceled, surrendered in lieu of revocation, or revoked in any State was done so for a substantive cause as determined by the State. | On June 2, 2025, the State reported that the longtime practice has been and continues to be to obtain disciplinary records from the State that took action and to review the information to determine if Missouri should take action. Pursuant to statute, the commission may refuse to issue or renew any license for "Disciplinary action against the holder of a license, certificate or other right to practice any profession regulated pursuant to sections 339.500 to 339.549, imposed by another state, territory, federal agency or country upon grounds for which revocation or suspension is authorized in this state." The State went on to say that, based upon this language, the commission is given authority to review and make determinations based upon information received from the State. | The statute cited addresses disciplinary action against the holder of a license, certificate, or other right to practice any profession regulated pursuant to sections 339.500 to 339.549, but does not specifically address disciplinary action against an owner of an AMC. It also addresses disciplinary action upon grounds for which revocation or suspension is authorized in the State of Missouri, but does not specifically address grounds for which refusal, denial, cancellation or surrender in lieu of disciplinary action is authorized. The State must continue the process to amend its statute to bring it into compliance and provide ASC staff with a copy once finalized. | During the next Compliance Review, ASC staff will pay particular attention to this area for compliance. |



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| Applicable Federal Citations | Compliance (YES/NO) Areas of Concern (AC) | | | ASC Staff Observations | State Response | Required/Recommended State Actions | General Comments |
|--|--|----|----|---|---|---|---|
| | YES | NO | AC | | | | |
| Statutes, Regulations, Policies and Procedures (continued): | | X | | | | | |
| States must have the authority to collect and transmit to the Appraisal Subcommittee annual registry fees from an appraisal management company that either has registered with a State appraiser certifying and licensing agency or operates as a subsidiary of a federally regulated financial institution. (12 U.S.C. § 3338(a)(4); 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 9.) | | | | State regulations determine the annual registry fee by multiplying the number of appraisers who have performed an appraisal for the AMC in connection with a covered transaction by twenty-five dollars (\$25) for each reporting period and do not specify that the appraisals be in connection with a covered transaction in the State. | On June 2, 2025, the State responded that the National Registry form was worked on with ASC staff, and since the AMC is completing the form for the State and reporting their practices in the State for the prior year, it is apparent that all information on the form pertains to the State. | The State must continue the process to amend its regulations to bring them into compliance, and provide ASC staff with a copy once finalized. | During the next Compliance Review, ASC staff will pay particular attention to this area for compliance. |
| National Registry: | | | X | | | | |
| States must ensure the accuracy of all data submitted to the AMC Registry. (12 U.S.C. § 3347; Policy Statement 9.) | | | | Federally regulated AMCs submitting annual registry fees do not currently appear on the AMC Registry. | On June 2, 2025, the State reported that the Division of Professional Registration implemented a new licensing system on January 14, 2025. The State went on to say that staff have worked with the ASC since that time to correct integration issues, and the AMCs appear on the National Registry at this time. | The State should monitor the integration of AMC information in the licensing software with the AMC Registry to ensure compliance. | During the next Compliance Review, ASC staff will pay particular attention to this area for compliance. |
| Enforcement: | X | | | | | | |
| | | | | No compliance issues noted. | N/A | None | None |