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Appraisal Subcommittee

Federal Financial Institutions Examination Council

September 24, 1998

Scott R. Williams, Chairman
Appraiser Qualifications Board
1029 Vermont Avenue, NW, Suite 900
Washington, DC 20005-3517

Dear Scott:

This letter follows up our telephone conversation of last week. You agreed to have the Appraiser Qualifications Board (“AQB”), at its October 9, 1998 meeting, address the issue of when an individual “qualifies” under AQB criteria. Generally, several steps must be taken before an individual becomes a certified or licensed appraiser:

- Obtain the necessary experience;
- Obtain the necessary education;
- Submit an application to the appropriate State regulatory agency;
- Be approved to take the appropriate examination;
- Take and pass the appropriate examination;
- Pay the appropriate State and Federal fees; and
- Receive a credential from the State.

In the AQB’s opinion, which of the above-listed steps must be completed before a person substantively qualifies to perform appraisals in connections with Federally related transactions?

We also discussed a second issue for AQB consideration, preferably at your October 9, 1998 meeting. Is there, or should there be, a time limit regarding when an individual must take the examination after being authorized by the State? Currently, States have varying requirements - *e.g.*, six months, one year, three years, no time limit. Please address the following questions:

- During the application process, when is an individual eligible to take the examination? Please keep in mind that this answer may differ for certified versus licensed appraisers based on Title XI requirements.
- Should there be a time period, after State approval, within which the applicant must take the examination?
- If the individual fails the examination, should there be any limitations on how often and when that individual can re-take the examination?

Dennis Greene will be attending the AQB meeting on October 9th and will be able to provide additional information on these topics, if needed. Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director