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Appraisal Subcommittee

Federal Financial Institutions Examination Council

February 28, 2007

Philip Humphries, President
Association of Appraiser Regulatory Officials
c/o North Carolina Appraisal Board
5830 Six Forks Road
Raleigh, NC 27609

Dear Mr. Humphries:

Thank you for your January 5, 2007 email to us forwarding an October 16, 2006 Association of Appraiser Regulatory Officials (“AARO”) resolution for Appraisal Subcommittee (“ASC”) consideration. The resolution requested that the ASC “develop an official position and/or policy regarding national and/or natural disaster scenarios, and how such scenarios might affect the appraiser regulatory system, including alternative means or methods of education and/or appraisal experience documentation in the event of a national and/or natural disaster.”

The ASC, at its February 8, 2007 meeting, considered AARO’s resolution. The ASC concluded that the best and most flexible way to handle national and/or natural disasters is on a case-by-case basis. Each disaster and its effect on the the regulatory system established by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, (“Title XI”) are unique and require an appropriately tailored and flexible regulatory response.

We already have taken this approach with respect to Louisiana and Mississippi regarding Hurricane Katrina. We were able to work with both States to achieve each State’s needs within the parameters of Title XI’s requirements. The remedies for each State differed considerably based on each State’s needs. The ASC, in the future, will continue to take this case-by-case approach.

Please contact us if you have further questions.

Sincerely,

Ben Henson
Executive Director