



November 1, 2004

Ben Henson
Executive Director
Appraisal Subcommittee
2000 K Street, NW, Suite 310
Washington, DC 20006

Dear Mr. Henson:

We have recently become aware of two issues regarding the Appraisal Subcommittee that require your attention and further clarification. Your response and thoughts would be greatly appreciated.

We have been informed that the National Registry of Appraisers has publicly listed the Social Security Numbers of all licensed and certified appraisers throughout the country. Apparently, for an undetermined period of time, the Social Security Numbers were accessible through the Registry. We understand that after being notified, the Appraisal Subcommittee deleted this information.

We appreciate the Appraisal Subcommittee taking swift action to protect sensitive information of appraisers, although we have not seen an official announcement or communication explaining the issue. Therefore, to help our members understand what occurred and how it has been remedied, we respectfully request information on the following:

- How many appraisers had their Social Security Number posted on the Registry and for how long?
- Why were Social Security Numbers included on the Registry?
- When will the Appraisal Subcommittee notify appraisers regarding this situation?

On a separate matter, we have been informed that approximately 40 certified appraisers in Puerto Rico have been directed to retake a certification examination due in part to a long standing issue regarding Puerto Rico's Certification Program. We understand that failure to retake this exam prior to December 31, 2004, may cause them to be ineligible to perform certain assignments in Puerto Rico

Having reviewed correspondence between the Appraisal Subcommittee and the Puerto Rico Real Estate Appraisers Board, it appears that this issue is the result of an unfortunate misunderstanding between the Appraisal Subcommittee, the Puerto Rico Real Estate Appraisal Board and the Appraiser Qualifications Board of The Appraisal Foundation. What is clear is that this situation is in no way due to any wrongdoing on the part of the individual appraisers. Each of these individuals has acted in good faith and has met all the requirements and stipulations that were asked of them.

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Since these appraisers have taken and passed a certification exam and have met the minimum education and experience requirements established by the AQB (since they have been credentialed by the Puerto Rico Real Estate Appraisers Board), we ask that these individuals retain their certifications without having to retake a certification exam they have already passed.

As you know, most appraisers are small business owners with busy schedules and tight profit margins and to retake a certification exam is a costly and time consuming exercise. We believe the respective governing authorities should accommodate these appraisers given their actions and the circumstances involved.

To the extent that Puerto Rico needs time to address this situation legislatively, we request that you suspend any action that would limit the currently certified appraisers in Puerto Rico from performing appraisals in federally related transactions.

If you have any questions or need further information on either issue, please contact Don Kelly, Vice President of Public Affairs, Appraisal Institute at 202-298-5583 or dkelly@appraisalinstitute.org, Ted Baker, Executive Vice President, American Society of Appraisers at 703-733-2109 or tbaker@appraisers.org or Steve Runyan, Government Relations Chair, American Society of Farm Managers and Rural Appraisers at 661-747-6458 or srunyan@bak.rr.com

Sincerely,

Appraisal Institute
American Society of Appraisers
American Society of Farm Managers and Rural Appraisers

Cc: Carlos Velez Reyes, President, Puerto Rico Real Estate Appraiser Examining Board
The Honorable Anibal Acevedo-Vila, Resident Commissioner, U.S. House of Representatives