

■ ■ ■ ■ ■ ■

Appraisal Subcommittee

Federal Financial Institutions Examination Council

July 25, 2007

Jim Martin, Executive Director
Arkansas Appraiser Licensing and Certification Board
101 East Capitol, Suite 430
Little Rock, AR 72201

Dear Mr. Martin:

This letter responds to your June 7, 2007 letter in which you raised questions regarding Minnesota's appraiser application review process. Your questions were raised as a result of Arkansas receiving an application for a certified residential credential based on an existing credential held by the applicant in Arizona. The appraiser's original certified residential credential was granted by Minnesota in 1991.

You stated that Arkansas requests certain documentation from "transferee" applicants to establish a master file similar to that maintained for in-State appraisers. When you requested documentation from the applicant to support compliance with Appraiser Qualifications Board ("AQB") criteria, the applicant stated that he did not have such documentation because "it was not required by Minnesota at the time he became credentialed." You expressed concern that Minnesota might not have enforced compliance with Title XI and AQB criteria when issuing appraiser credentials in 1991, or later.

Based on our records, the appraiser in question obtained a Registered Appraiser credential from Minnesota on January 24, 1990. Registered Appraisers were not required by Minnesota to conform to AQB criteria. On September 4, 1991, the appraiser obtained a certified residential credential from Minnesota. Subsequently, the appraiser relocated to Arizona and obtained a certified residential credential in Arizona, and allowed his Minnesota credential to lapse. Now, he has requested a reciprocal credential from Arkansas based on his Arizona credential.

On September 19, 2003, Minnesota notified the ASC by letter that Minnesota required all applicants for Minnesota appraiser credentials (*i.e.*, licensed, certified residential, and certified general) to conform to AQB criteria. On the basis of that representation, we reflected all Minnesota appraisers as "AQB compliant" on the ASC Web site.

We have contacted Minnesota and asked that they provide us documentation supporting the AQB compliance for the appraiser in question. Minnesota will be reviewing its records from 1991 to obtain and provide that documentation. Should Minnesota be unable to provide acceptable documentation, we will pursue this issue with the State.

Thank you for bringing this issue to our attention. If you have any questions, please let us know.

Sincerely,

Ben Henson
Executive Director