

**OFFICE OF REAL ESTATE APPRAISERS**1755 CREEKSIDE OAKS DRIVE, SUITE 190
SACRAMENTO, CA 95833-3637

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April 30, 1999

Mr. Ben Henson
Executive Director
Appraisal Subcommittee
2000 K Street, NW, Suite 310
Washington, D.C. 20006

Dear Mr. Henson:

Thank you for your letter concerning the Office of Real Estate Appraisers' (OREA) historical National Registry data and fee submissions. We appreciate the work that went into the Appraisal Subcommittee's (ASC) reconstruction of OREA's past fee submissions.

The letter indicates that OREA is responsible for fees due ASC for registration of California-licensed appraisers. OREA would very much like to resolve this matter so that we can proceed with the spirit of cooperation that has characterized our past relationship with ASC. Following is some historical information that might help to illustrate our situation.

OREA's original implementing legislation provided for a four-year real estate appraiser license, with expiration on a licensee's fourth birthday. This, however, inadvertently allowed for a license period of less than four years, depending upon when the appraiser was issued the license in relation to his or her birthdate. California law was subsequently amended to establish a new license expiration date coinciding with a licensee's fifth birthday, thereby furnishing a licensee with a period of licensure that extended over four years. Herein lies the problem with regard to ASC's stated deficiency in OREA National Registry fee submittals.

We agree that, in the past, OREA made annual payments of National Registry fees for each real estate appraiser in the amount of \$25 for each year of California's four-year licensing period. In addition, OREA provided ASC with the names of appraisers who would appear on the National Registry for only partial-year periods, exceeding the four year term. OREA did not submit Registry fees for the partial-year periods.

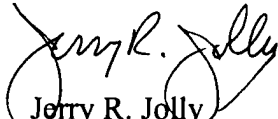
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Payment of National Registry fees now for those appraisers whose term of licensure exceeded four years would not be feasible, because California law did not allow OREA to increase fees to cover those partial years. Because the Office could not collect National Registry fees or licensing fees for those time periods, OREA does not have fees to forward to ASC. In addition, many real estate appraisers have not renewed their California licenses and it is not practicable for OREA to bill them in arrears for back Registry fees.

While OREA appreciates ASC's position with regard to the deficiency that your letter states exists in OREA's National Registry fee submittals, we hope that ASC can understand our situation in this matter. We also hope that we can continue the effective teamwork that we have come to know.

If you have any questions or need any further information from us, please contact me at (916) 263-0880.

Sincerely,


Jerry R. Jolly
Acting Director