

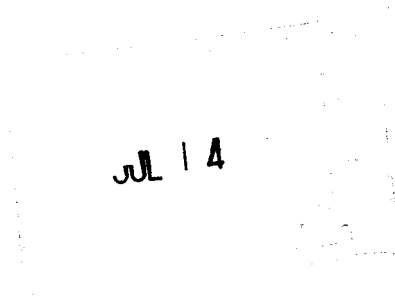
The Chicopee Group

E-Mail chicopeegr@AOL.com

3301-R-Coors Rd. NW #255
Albuquerque, NM 87120

Phone: 888-212-7341
Fax: 216-274-9275

Mr. Ben Henson
Appraisal Subcommittee
2000K Street, NW, Suite 310
Washington, DC 20006



July 12, 2000

Dear Mr. Henson;

Over the past year or so, attendees at our courses have expressed comments relating to the following topic. At your convenience, would you please clarify the ASC's position so that I may relay appropriate guidance.

ISSUE:

Appraisers state, that they are aware of appraisers who have received state sanctions ranging from education, to suspension, but nothing is ever listed on the ASC's website. The appraisers are told that it is the "State's" option as to whether the sanction is publically recorded. **Often** their "evidence" is their state's newsletter disclosing a sanction, and the lack of any corresponding indication of sanction on the ASC website.

Also, some appraisers who have had complaints processed by certain appraiser boards, or are currently in this process, have told us that this issue of sanction disclosure is a part of the "negotiated" settlement process between their lawyers and the Board. Other comments also indicate that some states are believed to be somewhat "unconcerned", or less likely to proceed on complaints. (actually the comment begins, "I'm glad I'm in this state because...")

OUR PROGRAM:

Our focus in these courses is to inform the appraisers about the separation of powers issue (state versus federal) and the different roles of the ASC and the state appraiser licensing/certification Board or Commission. The overriding premise is the appraisal of a federally related transaction (FRT).

We discuss in class, that Title XI of the Financial Institutions Reform Recovery Enforcement Act of 1989 (FIRREA), also known as "Public Law 101-73", is the primary regulation for all FRT's. Since the ASC is charged with ensuring that all jurisdictions comply with Title XI, then the responsibility for FRT appraisals ultimately rests with the ASC.

Also, the purpose of the ASC "registry site" is to inform appraisal users as to who is eligible to perform FRT's and identify appraisers who may have had sanctions as a result of improper or illegal appraisal activity. This information of course, is an integral aspect of the appraisal procurement process. If an appraiser has had difficulties with operating in a professional or legal manner regarding his or her services to the client, then other potential clients should have the ability to obtain this information prior to hiring the FRT eligible appraiser. This is also the case with other professions such as physicians and lawyers.

If it is decided that the publication of sanctions is useful and necessary, then it would seem that it should be universally enforced and required. If the ASC determines that there are perhaps degrees of publically noticed sanctions, or that the reporting of sanctions is optional, then it would be great if we could receive some documentation in this regard to pass on to our attendees.

Thank you for your time

Carl Dutch



Director of Education

