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Appraisal Subcommittee

Federal Financial Institutions Examination Council

VIA FAX

October 14, 2005

Mr. Dan L. Birdsong
Thomas, Birdsong & Mills, P.C.
1100 North Elm Street
P.O. Box 248
Rolla, MO 85402-024

Dear Mr. Birdsong:

This letter confirms your telephone conversation of October 7, 2005, with Marc Weinberg, ASC General Counsel, and responds to your October 6, 2005 letter concerning your client, [DELETION]. Mr. [DELETION] is one of the certified appraisers who did not comply with an Interpretation of the Appraiser Qualifications Board (“AQB”) specifying that examination results are valid for not more than two years. For more information on this issue, please refer to our November 18, 2004 field review letter to the Missouri Real Estate Appraiser Commission (“MREAC”) and subsequent correspondence. You can locate those letters in the FOIA Reading Room section of our Web site (www.asc.gov).

In your October 6th letter, you requested that the Appraisal Subcommittee (“ASC”) take one of the two following actions. First, you requested that the ASC return Mr. [DELETION]’s certified residential credential to Active status on the National Registry of State Certified and Licensed Appraisers (“National Registry”). Alternatively, you requested that the ASC activate Mr. [DELETION]’s credential as a licensed appraiser until he has the opportunity for a hearing regarding his certified residential credential. Finally, if Mr. [DELETION] must retake the certified residential examination, you asked that he be given sufficient time to comply before any action is taken against his certified residential credential.

As discussed during your telephone conversation with Mr. Weinberg, the ASC cannot grant your first request. We cannot return Mr. [DELETION]’s certified residential credential to Active status on the National Registry. With respect to certified appraisers, the ASC has an obligation under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, (“Title XI”) to list as Active on the National Registry only those certified appraisers who conform to *all* of the AQB’s certification qualifications criteria, included criteria Interpretations. Mr. [DELETION] does not conform to all those requirements. To do otherwise would misrepresent to users of appraisal services, including financial institutions and the public, Mr. [DELETION]’s scope of authority under Title XI to perform appraisals in connection with federally related transactions.

Your second request was that the ASC activate Mr. [DELETION]’s licensed appraiser credential on the National Registry. The ASC does not issue appraiser credentials; that is the States’ responsibility. Therefore, should Missouri determine that Mr. [DELETION] meets the State’s licensing requirements, all Missouri needs to do is issue a licensed appraiser credential to Mr. [DELETION] (or reactivate his expired licensed credential) and include the licensed

credential information in its National Registry data submission to us. Mr. [DELETION]'s licensed appraiser credential would be added to the National Registry as soon as we receive and process Missouri's data file. As a licensed appraiser, Mr. [DELETION] would be able to perform appraisals for federally regulated financial institutions within the scope of practice allowed under Title XI and the regulations of the Federal financial institutions regulatory agencies. In general, that scope of practice includes non-complex, one-to-four family residential transactions up to \$1,000,000 transaction value.

Based on the information Assistant Attorney General Craig Jacobs provided in his September 30th letter, Mr. [DELETION] passed the State examination on November 19, 1999, and obtained his licensed credential on November 20, 2000. Therefore, Mr. [DELETION]'s licensed credential meets AQB criteria. The National Registry database and our Web site would reflect that Mr. [DELETION]'s licensed credential is AQB Compliant.

Mr. Jacobs recently informed us in a telephone conversation that Missouri would appreciate our taking steps to reduce any potential delays in activating Mr. [DELETION]'s license if Mr. [DELETION] were to choose that course. Therefore, we are faxing this letter to you, with a copy to Mr. Jacobs.

Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director

cc: Craig Jacobs, Assistant Attorney General, Office of the Missouri Attorney General