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Appraisal Subcommittee

Federal Financial Institutions Examination Council

July 14, 2003

Chloe A. Riley-Haner
248 ½ Conklin Ave W
Binghamton NY 13903

Dear Ms. Riley-Haner:

Thank you for your July 3rd email transmitting your letter concerning the Appraisal Foundation's Appraiser Qualifications Board ("AQB") Certified USPAP ("Uniform Standards of Professional Appraisal Practice") Instructor Program.

Your letter expressed several concerns about the new program. You believe that the new requirements have unfairly labeled you as "incompetent to teach." You feel discriminated against and you object to completing an application form to qualify to take Instructor Certification Course.

The AQB's Certified USPAP Instructor Program is part of a broader AQB initiative to improve the knowledge of USPAP by real property appraisers. This initiative resulted from the large numbers of appraiser disciplinary cases being heard by State appraiser regulatory agencies. A review of many of these cases revealed an obvious lack of USPAP knowledge on the part of the appraiser. Additionally, many State appraiser regulatory agency board members and officials attended various USPAP courses and commented on the lack of competence by some instructors. The AQB, as the Congressionally-authorized organization charged with established minimum qualifications for appraisers, undertook its initiative to address these shortcomings. Also part of this broad initiative is the requirement for appraiser applicants to take the 15-hour National USPAP Course and for all appraisers to take the 7-hour National USPAP Update every two years, about which you expressed your agreement.

The AQB's Certified USPAP Instructor Program is an integral part of the AQB's overall initiative. For a real property appraiser to receive credit for attending one of the National USPAP Courses, the course must have been taught by an AQB Certified USPAP Instructor who is also a State certified residential or certified general appraiser.

The AQB does not consider you to be incompetent to teach. However, to teach either of the National USPAP Courses, you will need to demonstrate your competence by taking the Certified USPAP Instructor Course and passing the examination. You are not being discriminated against because this requirement applies to all individuals who wish to teach the National USPAP Courses.

You stated that you have talked with several instructors who have taken the course and have been told that the instructors are "atrocious." We have reviewed the evaluations prepared by instructors who have taken the course. The vast majority of the evaluations rate both the course and the instructors as top quality. You stated that the poor quality of the instructors was reflected

in the high fail rate on the examination. Based on our latest information, 681 instructors have taken the course and 406 have passed. This is almost a 60% pass ratio.

We will forward your letter expressing your concerns about the Instructor Certification Program to the AQB for their consideration.

Sincerely,

Steven D. Fritts
Chairman