Appraisal Subcommittee

Federal Financial Institutions Examination Council

December 20, 1999

Ronald Hudson, Chairperson District of Columbia Board of Appraisers 941 North Capitol Street, NE, Suite 7W50 !ashington, DC 20002

Dear Mr. Hudson:

Thank you for your cooperation and your staff's assistance in the November 16-17, 1999 Appraisal Subcommittee ("ASC") review of the District of Columbia Board of Appraisers ("Board") and appraiser regulatory program ("Program").

We commend your Board and staff for their diligence in correcting serious deficiencies identified during our 1996 field review and in subsequent correspondence. Most recently, we were pleased with your efforts to identify and evaluate the qualifications of appraisers licensed or certified after January 1, 1998, to ensure their credentials were equivalent to or surpassed those specified by the Appraiser Qualifications Board Criteria ("AQB Criteria") and Board regulation. Based on your file review, it appears that all certified general appraisers in the District meet current AQB Criteria and are, therefore, eligible to perform appraisals for federally related transaction.

During the current review, we identified the following two areas that need your attention.

• A certified residential appraiser was reciprocally awarded a certified general designation in the District.

[Deletion], a certified residential appraiser in Virginia and Georgia, apparently in error issued a certified general designation in the District. Although Mr. [Deletion] requested certified general recognition on his application, all supporting documentation including the letters of good standing from Virginia and Georgia indicated that Mr. [Deletion] was a certified residential appraiser in those jurisdictions. Further, we understand that Mr. [Deletion] used the certified general designation received from the District to become reciprocally recognized at that level in Maryland.

The District must immediately revoke the General Certificate of [Deletion] until such time as Mr. [Deletion] documents the additional 85 hours of pre-qualifying education, 1,000 hours of experience, and the successful completion of the certified general examination. Further, the District must notify all States that received letters of good standing for Mr. [Deletion] that his certificate has been revoked because he does not meet the Appraiser Qualifications Board Criteria for general certification.

Processing temporary practice requests occasionally is delayed while awaiting the letter

of good standing from the home State.

The complete temporary practice permit applications are approved within the five-day period specified in ASC Policy Statement 5. We noted that delays of a week or more occurred in a few cases because the letter of good standing from the appraiser's home State was not received in a timely fashion. We encourage you to use the License History Report feature on our Web site (www.asc.gov) to eliminate these delays.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that time period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 60-day response period, whichever is earlier, this letter, your response and any other correspondence between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

If you have any questions, please contact us.

Sincerely,

Herbert S. Yolles Chairman