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Appraisal Subcommittee

Federal Financial Institutions Examination Council

September 8, 2003

Gregory Syphax, Chair
District of Columbia Board of Appraisers
941 North Capitol Street, NE Suite 7W50
Washington, DC 20002

Dear Mr. Syphax:

Thank you for your September 2nd response to our May 1, 2003 field review letter. In that letter, we noted our concerns regarding the District of Columbia's appraiser regulatory program ("Program") and its compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI"). According to your response, you have taken several positive actions since our field review. We appreciate your cooperation and efforts in these areas.

Regarding the second bullet in our letter (Appraiser Qualifications Board ("AQB") criteria), we understand that the District of Columbia Board of Appraisers ("Board") has adopted the AQB's January 2003 criteria revision. We further understand that, although the Department of Consumer and Regulatory Affairs ("Department") has yet to promulgate the necessary implementing regulations, the Board has notified appraisers of the changes and the appraisers' need to comply with the revised criteria. Please keep us apprised of the Department's progress in promulgating the necessary regulations.

Regarding the third bullet (failure to fully investigate and resolve complaints), please submit to us a description of the complaint tracking system, when developed, a complaint log printed from the system, and the list of contract investigator appraisers.

Regarding the fourth bullet (revocation of appraiser credential), we note that [DELETION] remains listed as an active appraiser in the District. We fail to understand why Section 21 of DC's appraiser-related statute has not been invoked. Section 21 provides that "The Mayor shall immediately suspend the license or certificate of any person who is convicted in a court of competent jurisdiction...of...criminal conspiracy to defraud...." Please explain why you have not suspended [DELETION]'s credential and keep us apprised of your progress in revoking his credential, including forwarding a copy of the revocation order to us, and notify us of the effective date of the revocation.

Regarding the fifth bullet (reciprocal applicants), it appears from your response that you did not review the files of all reciprocal certified general appraisers credentialed since Promissor began issuing your credentials. We recognize your actions regarding two of the identified appraisers. However, as noted in our May 1st letter, we identified ten appraisers that might have been incorrectly credentialed. This implied a possible pattern requiring more extensive investigation. As discussed in our letter, you need to review the credentials of every reciprocal credential granted by Promissor. Please provide us with a report of your findings by October 31, 2003.

Regarding the eighth bullet (using the ASC's license history report function), you stated that you were awaiting the necessary access codes to access this section of our Web site. We understand that Promissor personnel would be using these access codes. Currently, non-governmental personnel do not have access to the National Registry License History Report function. We are investigating security and privacy issues and will advise you of our decision regarding granting access to Promissor personnel.

We will perform a review of your Program approximately 18 months from our December 2002 field review, during which time we will formally follow-up on your activities in these areas.

Please respond at your earliest convenience, but not later than October 31st. Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director

cc: Clifford Cooks, Program Manager
Division of Business and Professional Licensing