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October 26, 1999

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Mr. Herbert Yolles, Chairman
Appraisal Subcommittee
2000 K Street, NW Suite 310
Washington, DC 20006

Dear Mr. Yolles:

We thank you for the October 20, 1999 letter from Ben Henson, Executive Director which responded in-part to the questions we posed in our September 27, 1999 response, concerning appraisers who have passed a certified residential examination prior to 1/1/95. You provided the following example to illustrate when it would not be appropriate for appraisers to take the CRA-specific examination in effect since 1/1/95:

I. Pre-1/1/95 action:

- A. Person filed an application (although you do not state this, we infer you meant this as a stipulation);
- B. Person met the education requirement to qualify for a CRA;
- C. Person was deficient in the experience requirement for the CRA;
- D. Person passed a CRA examination;
- E. Person awarded a licensed designation;

II. Post 1/1/95 action:

- A. Person satisfied the CRA experience requirement deficiency; and
- B. Person applied for and was upgraded to CRA.

Despite the above, we still need further clarification from your office to render a decision on the applicability of the CRA-specific examination in effect since 1/1/95, for those listed appraisers with an asterisk. Our request for clarification consists of:

1. A person met the above Pre-1/1/95 actions A., B., C., and D. when filing an application for a CRA designation, and also met Post 1/1/95 action A. to be awarded a CRA designation. Having originally applied for a CRA designation, the person was not "awarded the Licensed designation" (action I.E.), nor was the person an "upgrade" (action II.B.). **Would you believe it appropriate that this appraiser not be required to take the CRA-specific examination in effect since 1/1/95?**

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2. A person met the above Pre-1/1/95 actions A., C., and D. when filing an application for a CRA designation, however there was a deficiency in the education requirement. Post 1/1/95, person submits additional documentation to verify the education requirement for the CRA designation was satisfied in accordance with Pre-1/1/95 action B. Thus, this person technically met Pre 1/1/95 actions A., B., C., and D. and also met Post 1/1/95 action A, to be awarded a CRA designation. Also, similar to 1. above, this person originally applied for a CRA designation and was not "awarded the Licensed designation" (action I.E.), nor was the person an "upgrade" (action II.B.). **Would you believe it appropriate that this appraiser not be required to take the CRA-specific examination in effect since 1/1/95?**

Also, on behalf of affected appraisers:

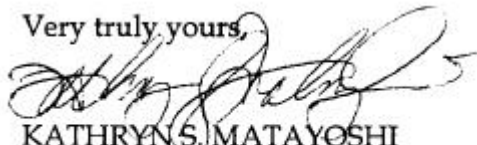
1. Will you grant our request that for those asterisked appraisers, your 90 day time period to take and pass the AQB certified residential appraiser examination (calculated to be December 16,1999) will not be imposed until such time the above questions are resolved. Should your next letter resolve our questions, your 90 day period would start from the date of your next letter; and
2. Will you allow those on inactive status, who will be required to take and pass the post 1/1/95 AQB certified residential appraiser examination, to retain their CRA designation during their inactive period but show proof of passing such exam within 90 days of their application for activation. A person on inactive status is a non-practitioner who is not taking advantage of his/her CRA designation. However, prior to DCCA's approval of the activation of their CRA license, they should be required to fulfill ASC requirement of passing the AQB CRA examination to retain their CRA designation, or face downgrade and be activated with a License designation.

Lastly, just to ensure there is no confusion, we would like to confirm that the concluding paragraph in your letter of October 20,1999, meant to state "your statute rules will be amended...". This would be consistent with your September 14,1999 letter to us.

Thank you for your patience and understanding in assisting us with the implementation of your directives to ensure our complete compliance.

Should you have any questions, please feel free to call Ms. Candace Ito at (808) 586-270 4 should you have any questions.

Very truly yours,



KATHRYN S. MATAYOSHI
Director