



Matt Blunt, Governor
State of Missouri

Alison Craighead, Director
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MISSOURI REAL ESTATE APPRAISERS COMMISSION

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Kristi Wilson
Executive Director

DEC 1 2005

VIA EMAIL

November 30, 2005

Ben Henson, Executive Director
Appraisal Subcommittee
2000 K Street, NW
Suite 310
Washington, DC 20006

Dear Mr. Henson:

This letter is in response to your correspondence of November 2, 2005 requesting the Missouri Real Estate Appraisers Commission (MREAC) to respond to the Appraisal Subcommittee's (ASC) findings from the October 2004 field review that still require *Necessary Action* by the MREAC. Please find below those *necessary actions* identified by the ASC and the Commission's response.

Missouri does not investigate and resolve complaints promptly.

- *Necessary Action: Continue providing the Appraisal Subcommittee with quarterly complaint logs and case status reports.*

The MREAC will continue to provide the ASC with quarterly complaint logs and Attorney General Case Status reports with the understanding that the information contained in these reports is considered confidential under Missouri law (Section 620.0 10.14(7)) and will not be disclosed to the public by the ASC. Therefore, if you will please confirm that these reports will be maintained as confidential we will forward the 2 quarter reports.

Missouri accepts examinations that do not conform to AQB criteria

- *Necessary Action: Provide a copy of the letter sent to each appraiser whose credentials were supported by examination results older than 24 months informing him/her of the loss of eligibility to appraise properties in connection with federally related transactions.*

As you will recall, at our meeting in August 2005 there were six (6) appraisers remaining who had been identified as those with credentials which were supported by examination results older than 24 months. Since that time, please be advised that one (1) appraiser successfully passed the required examination, one (1) appraiser downgraded his certification to a state license and one (1) appraiser has an expired certification and cannot currently do any appraisals in the State of Missouri. This individual will not be able to renew the expired certification until such time as an examination has been successfully passed. The remaining three (3) appraisers have been notified that the ASC is now reporting their certification status as inactive on the National Registry and that this may mean they are no longer eligible to appraise properties in connection with federally related transactions. (See attached copy)

Missouri's policy to accept affidavits in support of credential renewal is inconsistent with ASC Policy Statement 10

- *Necessary Action: Take appropriate disciplinary action and report such action to the ASC for those appraisers who failed to provide continuing education documentation in connection with the MREAC's audit of such*

On September 2, 2005, the MREAC voted to refer the two (2) appraisers who failed to provide continuing education documentation in connection with the MREAC's audit of such to the Attorney General's Office for revocation of their certifications.

The provisions in Missouri's statutes for waiving or extending continuing education are not consistent with AOB criteria

- *Necessary Action: Provide the status of any certified appraisers who received waivers or extensions of continuing education requirements.*

The appraiser who received a waiver and extension of continuing education has notified the MREAC that he has not been able to obtain the necessary continuing education hours at this time. He has advised the MREAC to issue replacement credentials with the wording "Not Eligible to Appraise Federally Related Transactions" over stamped on his credentials until such time as he has fulfilled all continuing education requirements. Please be advised that the MREAC will proceed with fulfilling his request.

- *Necessary Action: Initiate amendments to the statutes that allow waivers or extensions of continuing education requirements to Missouri appraisers to ensure conformance with the AQB's certification criteria and Title XI.*

Attached please find the proposed amendments to the Missouri statutes that will remove the language allowing waivers or extensions of continuing education. Please be advised that these amendments will be presented to the Missouri General Assembly during the next legislative session which convenes January 3, 2006. In addition to these proposed changes, I have also included all other proposed changes to the Missouri statutes for your information. Please let me know if you have any questions or concerns regarding these proposals. In an effort to get these changes through the General Assembly as smoothly and quickly as possible, the Commission respectfully requests the ASC's consideration in providing support in the form of written

testimony and/or formal verbal testimony when the legislation is presented to the respective House and Senate committees.

Missouri's statutes and regulations do not conform to 2003 AOB criteria changes

- *Necessary Action: Provide the ASC with a copy of the proposed rule regarding the adoption of the 2008 A QB criteria changes for your review and comment.*

Attached please find the draft proposed rule changes regarding the adoption of the 2003 and 2008 AQB criteria changes. In addition, I have provided you with a draft of the other new proposed rules and amendments for your review and comment.

Please let me know if you have any questions or need any additional information in regard to these responses.

I also wanted to let you know of the MREAC's 2006 meeting dates:

February 7-9, 2006
May 16-18, 2006
August 8-10, 2006
November 7-9, 2006

All of these meetings will be held in Jefferson City and, as always, you are welcome to join us.

Sincerely,



Kristi Wilson
Executive Director

Cc: Commission Members
Alison Craighead, Division Director
Craig Jacobs, Assistant Attorney General