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Appraisal Subcommittee

Federal Financial Institutions Examination Council

October 22, 2002

Joseph Ibach, Chair
North Dakota Real Estate Appraiser
Qualifications and Ethics Board
P.O. Box 1336
Bismarck, ND 58502

Dear Mr. Ibach:

Thank you for your cooperation and your staff's assistance in the August 19-20, 2002 Appraisal Subcommittee ("ASC") review of the North Dakota appraiser regulatory program ("Program"). Based on our review, your Program appears to function effectively and in a manner generally consistent with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI"). Board actions appeared to be fair and equitable. The complaint investigation and resolution process appeared timely and disciplines imposed, if any, appeared equitable. We have two recommendations regarding your Program.

- **The Board needs to complete adoption of the 2003 changes to the Appraiser Qualifications Board ("AQB") Criteria.**

On January 1, 2003, revised AQB Criteria become effective. These Criteria affect education, experience, and examination requirements for certifying appraisers. We understand that you have drafted regulations to implement the revisions and anticipate adopting the revised regulations by February 2003. Please keep us informed of your progress and notify us when the amendment process is completed.

- **The Board should use the License History Report from the ASC Web site in processing temporary practice requests.**

We encourage the Board to use the ASC Web site's License History Report feature for processing temporary practice and reciprocal applications from out-of-State appraisers. We believe License History Reports provide a more complete record on an appraiser's good standing in all States and in a more timely manner than other methods of verification, including letters of good standing from individual States. The National Registry provides a complete record of an appraiser's standing in every jurisdiction in which he or she holds, or has ever held, a credential.

Your response should be submitted for our receipt within 60 days from the date of this letter. Until the expiration of that 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,

Steven D. Fritts
Chairman

cc: Jodie Campbell, Executive Secretary