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Appraisal Subcommittee

Federal Financial Institutions Examination Council

November 14, 2000

William Scranton, Chair
Vermont Board of Real Estate Appraisers
Drawer # 9
81 River Street, Heritage Building
Montpelier, Vermont 05609-1106

Dear Mr. Scranton:

Thank you for your cooperation and your staff's assistance in the October 5-6, 2000 Appraisal Subcommittee ("ASC") review of the Vermont Board of Real Estate Appraisers ("Board") and appraiser regulatory program ("Program"). Based on our review, we believe Vermont generally has an effective Program. Board actions appeared to be fair and equitable. Complaints were investigated and resolved in a timely manner, and all files were well documented. We have two recommendations for improving your Program.

- **National Registry of Real Estate Appraisers**

Vermont traditionally has not remitted National Registry fees within 45 days of the date of invoice as required by ASC Policy Statement 8. We received 19 data submissions and issued 19 invoices from January 1998 through September 2000. Only eight payments have been received. Vermont often has outstanding balances resulting from unpaid invoices for periods from four to seven months from the invoice date. Vermont currently owes Registry fees for both the June and September 2000 data submissions. Please pay this outstanding balance immediately and establish procedures to ensure the timely payment of all subsequent invoice amounts.

- **Temporary Practice and Reciprocity (Endorsement)**

During its October 6, 2000 meeting, the Board voted to provide temporary practice on an assignment basis, where assignment is defined as one or more real estate appraisals performed under one contract for a single client. This action brought Vermont's temporary practice procedures into compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, and as implemented by ASC Policy Statement 5. We noted, however, that processing temporary practice and reciprocal (endorsement) applications often are delayed because the State requires letters of good standing from each jurisdiction in which appraisers hold licenses or certificates. We strongly encourage the Board to rely on the License History Report available on our Web site (www.asc.gov) to expedite the application process.

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,

Thomas E. Watson, Jr.
Chairman