



State of Tennessee
Department of Commerce and Insurance
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Appraisal Subcommittee
Federal Financial Institutions Examination Council
2000 K Street, NW, Suite 310

Attention: Virginia M. Gibbs, Chairman

Dear Ms. Gibbs;

Your letter dated April 20, 2007, regarding the ASC review of our program during the December 11-12, 2006 visit has been received and presented to the Real Estate Appraiser Commission during our monthly Commission meeting on May 15, 2007. During that meeting your findings of non-compliance were presented and discussed by the Commission members.

As you may already know, I began as Administrative Director of the Real Estate Appraiser Commission on July 3, 2006. There had been no director of the Commission for several months prior to that date and the prior director had not resolved complaints in a timely manner. When I began in 2006 there were 78 open complaints and 36 of them were unresolved over one year of the date of the complaint being filed. At the time of the ASC review our total number of complaints had been reduced to 48 and only 22 of them were over the one year time frame. At this time, we have 39 open complaints and only 9 of them are over year old. Each of those nine are slated for formal hearing in the next six months. It is our goal to have no complaint go unresolved over the one year time frame. We are hoping to have 90% of complaints resolved within six months. I have enclosed a copy of our open complaint log with a hand written note for the status of each open complaint at this time.

The complaint standard operating procedure has changed drastically in the last year. All complaints are now filed in binders that hold the information in the order it was received.

Additionally, the legal report has been changed to include a "Recommendation and Reasoning" at the end of each item so that the reasoning for each decision will be automatically recorded into the minutes. I have enclosed a copy of the May 2007 minutes from the Real Estate Appraiser Commission meeting for your review. We have also included a section on the signed consent orders received so that they go directly into the minutes with the names of the Respondent's and it helps our Commission members with consistency of decisions and evidence of progress.

Regarding the temporary practice applications not being completed within 5 business days, I am afraid this is a rare occurrence, but out of program's our control. All money goes to either the cashier's office or the revenue department for the State of Tennessee. During busy times they occasionally take longer than 5 days to deliver the paid applications to this program. I have no means of laying my hands on those applications until delivered and; therefore, cannot always process them within the allotted 5 days. I stress to you this is infrequent and the vast majority of applications are completed with just two or three days of receipt by the State.

To address the last matter brought to our attention during the ASC visit, our regulations have been brought up to date with all AQB criteria. Our Rule Making Hearing for the 2008 AQB Qualification Criteria were approved as of May 16, 2007 and all of the concerns brought to our attention by Vicki Ledbetter and Marc Weinberg were addressed. Our Commission has also updated our Commission Policies as well. Our laws, rules, and policies are posted on our website at: www.tennessee.gov/commerce/boards/treac

I hope we will have addressed all of your concerns by the next ASC review visit and that we will then be taken off the shorter review cycle and audit requirements. I feel we have made great progress and have gone a long way to changing the insufficient practices of the past.

If you have any further questions or concerns, please do not hesitate to contact me at Nikole.Urban@state.tn.us or 615-741-1831.

Best regards,

Nikole Urban
Administrative Director
Real Estate Appraiser Commission
State of Tennessee