

**APPRAISAL SUBCOMMITTEE  
QUARTERLY MEETING MINUTES  
MARCH 15, 2023**

LOCATION: Webex

**ATTENDEES**

**MEMBERS:** CFPB – Zixta Martinez (Chair)  
FDIC – Luke Brown  
FRB – Suzanne Williams  
NCUA – JeanMarie Komyathy  
OCC – Enice Thomas

**ALTERNATES:** FHFA – Julie Giesbrecht  
HUD – Brian Barnes

**STAFF:** Executive Director – Jim Park  
Deputy Executive Director – Denise Graves  
Acting General Counsel – Juan Burgos  
Grants Director – Rae Frederique  
Financial Manager – Girard Hull  
Attorney Advisor – Ada Bohorfoush  
Attorney Advisor – Natalie Lutz  
Management and Program Analyst – Lori Schuster  
Administrative Officer – Brian Kelly  
Administrative Assistant – Oteal Griffin  
Policy Manager – Tom Lewis

**OBSERVERS:** See attached list.

The Meeting was called to order at 10:00 a.m. by Chair Z. Martinez.

**REPORTS**

- **Chair**

Z. Martinez announced that HUD has a new member, Julia Gordon. She thanked former Vice Chair B. Borland for her service. She also thanked ASC members, member staff and ASC staff for their assistance with the January 24<sup>th</sup> hearing.

- **Executive Director**

J. Park updated the ASC on recent staff activity as noted below.

- The ASC held its first hearing on Appraisal Bias on January 24<sup>th</sup> at CFPB headquarters. The hearing was held in hybrid format with in-person and on-line attendees. Thus far, there have been over 5,000 views of the hearing.
- He introduced the new Grants Director Regeane (Rae) Frederique who started on February 13<sup>th</sup>.
- The Appraisal Standards Board will issue a fifth Exposure Draft of Proposed Changes to USPAP soon.
- The Appraiser Qualifications Board issued its first Exposure Draft on Proposed Changes to the Real Property Appraiser Qualification Criteria. ASC staff is preparing a response.
- After nearly a 3-year hiatus due to COVID-19, the Policy Managers began conducting on-site State Compliance Reviews in January.
- It has been nearly one year since the Interagency Property Appraisal and Valuation Equity Task Force released its *Action Plan to Advance Property Appraisal and Valuation Equity*. The ASC continues to work on commitments that came out of the Action Plan.
- **Grants Program**

R. Frederique noted her 20 years of experience in grants at the Federal and State level. She has been reviewing ASC grants policies and procedures and reaching out to current grant recipients to introduce herself.

- **Financial Manager**

G. Hull provided an update for the first quarter of Fiscal Year 2023.

- For the first quarter of Fiscal Year 23 (FY23) which ended on December 31, 2022, the ASC recognized total revenue of \$2.9M, representing 99% of the FY23 budgeted amount for the 1<sup>st</sup> quarter of FY23. This total revenue is comprised of \$934K of Appraiser Registry fees and approximately \$2M of AMC Registry fees. The total budgeted revenue for FY23 is \$11.6M and, as of now, the ASC is on track to attain that amount.
- Expenditures for the 1<sup>st</sup> quarter of FY23 totaled \$2.1M representing 85% of the budgeted expenditure amount, \$2.4M, for the same period. Overall, expenditures in FY23 have been within budget with no unusual budget variances.

## **ACTION ITEMS**

- **November 16, 2022 Quarterly Meeting Minutes**

Z. Martinez asked for a motion to approve the November 16<sup>th</sup> Quarterly Meeting Minutes. J. Komyathy made a motion to approve the November 16<sup>th</sup> quarterly meeting minutes as presented. E. Thomas seconded and all members present voted to approve.

- **Future ASC Public Hearings**

J. Park reported that the first hearing set the stage for future hearings. The Hearing Working Group (WG) has been meeting regularly to discuss the focus for future hearings. The WG recommendations are included in the motion. Z. Martinez asked for a motion pursuant to the ASC's authority under 12.U.S.C. § 3335 to hold a series of at least three public hearings, scheduled for three hours each, to further explore the causes and impact of bias in real estate appraisals. The public hearings will be held at periodic times throughout 2023 and early 2024. The next hearing will take place on May 19, 2023, at 10:00 a.m. ET, to be hosted by the Federal Housing Finance Agency at 400 7<sup>th</sup> Street SW, Washington, DC (Constitution Center auditorium), with a focus on the appraiser regulatory system and exploring: (1) appraisal standards, (2) appraiser qualifications and criteria, (3) barriers to entry into the appraisal profession, (4) appraisal and appraiser practices, and (5) State regulation and enforcement. The following representatives will serve as witnesses at this hearing: (1) Appraisal Standards Board, (2) Appraiser Qualifications Board, (3) Association of Appraiser Regulatory Officials, (4) National Fair Housing Alliance, and (5) an active appraiser. Future public hearings may focus on the development and use of appraisals, and what opportunities may be available for the ASC to lead industry changes in the future. S. Williams moved to approve the motion. J. Komyathy seconded and all members present voted to approve.

- **60-day Paperwork Reduction Act Notice for the Appraiser Survey Project**

J. Burgos provided background on the Appraiser Survey Project (Survey). The Survey will result in data that are needed for the ASC to better understand the challenges facing the appraisal industry today including barriers to entry into the profession and appraiser shortages. The data collected from this Survey will improve the ASC's understanding of the current demographics of the appraisal profession, barriers to entry for aspiring appraisers, especially women and persons from underserved communities historically denied equitable treatment due to their race or ethnicity, or both, current trends and patterns of the appraisal practice, including the use of new valuation technologies and appraisal engagement practices, geographic differences in the number of appraisers in urban and rural areas, and potential market imbalances between appraiser supply and demand. The Council on Licensure, Enforcement and Regulation will administer the survey. It will be distributed to approximately 1,500 appraisers with an additional 75 appraisers chosen for a further qualitative interview. The Survey will take approximately 30 minutes to complete, and the qualitative interview will take approximately 60 minutes. J. Burgos thanked ASC member staff for their assistance. J. Giesbrecht moved to approve the Paperwork Reduction Act

Notice for publication in the *Federal Register*. E. Thomas seconded and all members present voted to approve.

Z. Martinez thanked ASC members, ASC staff and observers for attending today's meeting. The meeting adjourned at 10:30 a.m. The next quarterly ASC meeting is scheduled for June 14, 2023.

Attachment: Observer list

<b>Meeting:</b>	<b>Appraisal Subcommittee Meeting</b>	<b>Meeting Date:</b>	March 15, 2023
<b>Time:</b>	10:00 AM ET	<b>Location:</b>	Webex

<b>OBSERVERS</b>	
<b>Affiliation</b>	<b>Name</b>
American Society of Appraisers	John Russell
Appraisal Foundation	Edna Nkemngu
Appraisal Institute	Brian Rodgers
Appraisal Standards Board	Michelle Bradley
Bank of America	Wade Coffey
Clear Capital	John Brennan
Berge Company Realtors	Thomas Berge, Jr.
Conference of State Bank Supervisors	Daniel Berkland
Consumer Financial Protection Bureau	Deana Krumhansl
Consumer Financial Protection Bureau	John Schroeder
Consumer Financial Protection Bureau	David Uejio
Council on Licensure, Enforcement and Regulation	David Byerman
Council on Licensure, Enforcement and Regulation	Ralph Morales
Department of Housing and Urban Development	Venida Brown
Federal Deposit Insurance Corporation	Erin Barry
Federal Deposit Insurance Corporation	Navid Choudhury
Federal Deposit Insurance Corporation	Dawnelle Guyette
Federal Deposit Insurance Corporation	Stuart Hoff

Federal Deposit Insurance Corporation	Tom Lyons
Federal Deposit Insurance Corporation	Patrick Mancoske
Federal Deposit Insurance Corporation	George Parkerson
Federal Deposit Insurance Corporation	Nefretete Smith
Federal Deposit Insurance Corporation	Meron Wondwosen
Federal Housing Finance Agency	Sara Todd
Federal Reserve Bank of Cleveland	Joe Gillis
Federal Reserve Board	Susan Ali
Federal Reserve Board	Trevor Feigleson
Federal Reserve Board	Carmen Holly
Federal Reserve Board	David Imhoff
Federal Reserve Board	Keshia King
HomeSight Appraisal	Peter Gallo
K.L. Scott & Associates	Alex Russell
National Credit Union Administration	Rachel Ackmann
National Credit Union Administration	Gira Bose
National Credit Union Administration	Victoria Nahrwold
Network Designs, Inc.	Kim Garcia
Office of the Comptroller of the Currency	Carolle Cantwell
Office of the Comptroller of the Currency	Kevin Lawton
Office of the Comptroller of the Currency	Jim Rives
Real Estate Valuation Advocacy Association	Mark Schiffman

TD Bank	J. Michael Hilton
Utah Division of Real Estate	Jonathan Stewart
	Jennifer Vincent