

December 6, 2023

Via Email

Dr. Pamela Zickafoose
Executive Director
Council on Real Estate Appraisers
Division of Professional Regulation
Cannon Building, Suite 203
861 Silver Lake Boulevard
Dover, DE 19904
Pamela.Zickafoose@delaware.gov

RE: ASC Compliance Review of Delaware's Appraiser Regulatory Program

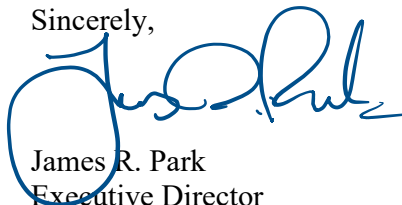
Dear Dr. Pamela Zickafoose:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Delaware appraiser regulatory program (Appraiser Program) on September 18-21, 2023, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Good." An area of concern that was identified is being addressed by the Appraiser Program. Delaware will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Delaware Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



James R. Park
Executive Director

Attachment

cc: Shauna Slaughter, Interim Director, Shauna.Slaughter@delaware.gov
Jennifer Witte, Administrative Specialist III, Jennifer.Witte@delaware.gov
Carla Jarosz, Administrative Law and Education Unit Head, Carla.Jarosz@delaware.gov
Stacey Bonvetti, Deputy State Solicitor, Stacey.Bonvetti@delaware.gov
A. Zachary Naylor, Deputy Attorney General, Andrew.Naylor@delaware.gov

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

** An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Good
 Final Report Issue Date: December 6, 2023

DE Appraiser Regulatory Program (State)

Council on Real Estate Appraisers PM: T. Lewis ASC Compliance Review Date: September 18-21, 2023 Review Period: March 2022 to August 2023

Umbrella Agency: Division of Professional Regulation Number of State Credentialed Appraisers on Appraiser Registry: 624 Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	None	None
Temporary Practice:			X	The State failed to process requests for 4 temporary practice permits within 5 business days of receipt of a completed application.	On November 13, 2023, the State reported that it revised its process to ensure the timely processing of temporary practice permits.	The State should monitor the process to ensure temporary practice permits are issued within 5 business days of receipt of application.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 2.
National Registry:	X			No compliance issues noted.	N/A	None	None
Application Process:	X			No compliance issues noted.	N/A	None	None
Reciprocity:	X			No compliance issues noted.	N/A	None	None
Education:	X			No compliance issues noted.	N/A	None	None
Enforcement:	X			No compliance issues noted.	N/A	None	None