

April 14, 2025

Via Email

Daphne Hawk, Superintendent
Division of Real Estate & Professional Licensing
Department of Commerce
6606 Tussing Road
Reynoldsburg, OH 43068
Daphne.Hawk@com.ohio.gov

RE: ASC Compliance Review of Ohio's Appraisal Management Company (AMC) Regulatory Program

Dear Daphne Hawk:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Ohio AMC regulatory program (AMC Program) on December 3-5, 2024, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States must enforce and document ownership limitations for State-registered AMCs;² and
- States must resolve all complaints filed against AMCs within one year (12 months) of the complaint filing date, except for special documented circumstances.³

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Ohio will remain on a two-year Review Cycle.

¹ 12 U.S.C. §§ 3331-3356

² 12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

³ 12 U.S.C. § 3347; Policy Statement 10.

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,

A handwritten signature in black ink, appearing to read "M Ponzar", written in a cursive style.

Matt Ponzar
Acting Executive Director

Attachment

cc: Edward Woodruff, Division Counsel, Edward.Woodruff@com.ohio.gov

ASC Finding Descriptions

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 AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: April 14, 2025

Ohio AMC Regulatory Program (State)			
Ohio Real Estate Appraiser Board (Board)	PM: K. Klamet	ASC Compliance Review Date: December 3-5, 2024	Review Period: December 2022 to December 2024
Umbrella Agency: Ohio Department of Commerce, Division of Real Estate and Professional		Number of AMCs on AMC Registry: 115	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					
States must enforce and document ownership limitations for State-registered AMCs. (12 U.S.C. § 3353; 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				The State statute incorrectly limits the requirement that no owner has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause to owners of 10% or more.	On April 11, 2025, the State reported it continues to impose the correct requirement in practice through regulation and applications. It has worked and continues its efforts with the Ohio General Assembly and stakeholders to ensure the state statute in question is revised.	The State should amend its statute to bring it into compliance with the AMC Rule and ASC Policy Statement 8, and provide the ASC staff with a copy of the statute once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
National Registry:	X						
				No compliance issues noted.	N/A	None	None
Enforcement:		X					
States must resolve all complaints filed against AMCs within one year (12 months) of the complaint filing date, except for special documented circumstances. (12 U.S.C. § 3347; Policy Statement 10.)				The State had 4 AMC complaints which were unresolved for more than 1 year without the exemption for special documented circumstances.	On April 11, 2025, the State reported it continues working to reduce the number of outstanding AMC complaints that remain unresolved for more than 1 year.	The State must resolve all complaints filed against AMCs within one year (12 months) of the complaint filing date in the absence of special documented circumstances	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.