

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](mailto:Daphne.Hawk@com.ohio.gov)

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

Dear Daphne Hawk:

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

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." The final ASC Compliance Review Report (Report) of the Ohio Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria;<sup>2</sup> and
- States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances.<sup>3</sup>

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

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3347; Policy Statement 6 A.

<sup>3</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

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](mailto:Edward.Woodruff@com.ohio.gov)

## ASC Finding Descriptions

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

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Final Report Issue Date: April 14, 2025

<b>Ohio Appraiser Regulatory Program (State)</b>			
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 Licensing		Number of State Credentialed Appraisers on Appraiser Registry: 2,721	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				
<b>Statutes, Regulations, Policies and Procedures:</b>	X			No compliance issues noted.	N/A	None	None
<b>Temporary Practice:</b>	X			The State's permit log did not include the "date completed application received."	On April 11, 2025, the State reported staff responsible for completing the permit log have been advised of this finding, and steps have been taken to ensure future compliance. However, it was observed in the State's materials sent to the ASC in November 2024 that the State's permit log contained Column G, titled "received correction/approval," which designated those files that were not complete upon initial receipt by the State. This included applications that required State legal review or additional data from the applicant. The State only included dates in Column G for those applications that required additional time. The remaining applications were complete upon the State's receipt (Column C) and did not require a new date to be re-entered into Column G. The State was under the belief this was understandable from the data in the permit log. Consequently, the State contends this was a clerical error or misunderstanding at best and requests reconsideration of this finding.	None	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>National Registry:</b>	X			No compliance issues noted.	N/A	None	None
<b>Application Process:</b>	X			No compliance issues noted.	N/A	None	None
<b>Reciprocity:</b>	X			No compliance issues noted.	N/A	None	None
<b>Education:</b>		X					
States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria. (12 U.S.C. § 3347; Policy Statement 6 A.)				AQB Criteria requires continuing education (CE) courses to cover real property related appraisal topics. The State approved 3 CE courses without sufficient documentation in the file to determine the appropriateness of the content.	On April 11, 2025, the State reported staff responsible for reviewing education provider applications have been advised of this finding and additional review protocols have been created to reduce the future occurrence of this finding.	The State must ensure that all documentation to support its validation methods is available to ASC staff for future Compliance Reviews.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
<b>Enforcement:</b>		X					
States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State had 37 aged complaints, of which 21 were unresolved for more than 1 year and 16 were unresolved for more than 2 years without the exemption for special documented circumstances.	On April 11, 2025, the State reported it has taken steps to reduce its outstanding enforcement caseload. The State went on to say that it has reduced the number of outstanding enforcement cases noted from 37 aged complaints to 14 aged complaints, and only 1 case from the compliance review that was over 2 years old remains outstanding and is scheduled for the upcoming Board meeting.	States must resolve all complaints filed against appraisers 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.