

June 25, 2025

**Via Email**

E. C. Neelly, IV, Executive Director  
Mississippi Real Estate Appraiser Licensing  
and Certification Board  
239 North Lamar Street, Suite 502  
Jackson, MS 39201  
[ECN@mab.ms.gov](mailto:ECN@mab.ms.gov)

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

Dear E. C. Neelly:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Mississippi appraiser regulatory program (Appraiser Program) on August 27-29, 2024, to determine the Appraiser 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 is given an ASC Finding of "Needs Improvement." The final ASC Compliance Review Report (Report) of the Mississippi Appraiser Program is attached.

The ASC identified the following area(s) of non-compliance:

- States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any;<sup>2</sup>
- States must ensure that staff authorization information provided to the ASC is updated and accurate;<sup>3</sup>
- States must designate a senior official, such as an executive director, who will serve as the State's Authorized Registry Official, and provide to the ASC, in writing, information regarding the selected Authorized Registry Official, and any individual(s) authorized to act on their behalf;<sup>4</sup>
- States must verify that all claimed qualifying and continuing education courses are acceptable under AQB Criteria;<sup>5</sup>

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3351; Policy Statement 2 B.

<sup>3</sup> 12 U.S.C. § 3347; Policy Statement 3 A, C.

<sup>4</sup> 12 U.S.C. § 3347; Policy Statement 9.

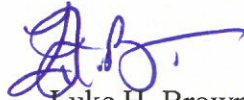
<sup>5</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B, C.

- States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria;<sup>6</sup> and
- States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>7</sup>

The ASC considers the State's proactive responses to the Preliminary Report to be indicative of an earnest effort to remedy non-compliance. ASC staff will confirm appropriate corrective actions have been taken during the next Review. Mississippi will remain on a two-year Review Cycle.

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,



Luke H. Brown  
Acting Chair

Attachment

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

<sup>7</sup> 12 U.S.C. § 3347; Policy Statement 6 A.

## 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: Needs Improvement

Final Report Issue Date: June 25, 2025

Mississippi Appraiser Regulatory Program (State)							
Mississippi Real Estate Appraisal Board (Board)		PM: K. Klamet		ASC Compliance Review Date: August 27-29, 2024		Review Period: June 2022 to August 2024	
Umbrella Agency: Independent				Number of State Credentialed Appraisers on Appraiser Registry: 1,018		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					
States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any. (12 U.S.C. § 3351; Policy Statement 2 B.)				The State's temporary practice permit log did not include the date the completed application was received.	On January 27, 2025, the State reported that the temporary practice permit log was corrected to include all required categories.	The State must continue to ensure that the temporary practice permit log includes all required information.	The State addressed the concern. During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
National Registry:		X					
States must ensure that staff authorization information provided to the ASC is updated and accurate. (12 U.S.C. § 3347; Policy Statement 3 A, C.)				The State failed to ensure that the authorization information for access to the Appraiser National Registry was updated and accurate	On January 27, 2025, the State reported that a Policy was adopted and implemented to identify persons authorized to access the AMC Registry.  At the same time, the State reported that the Policy will also ensure access authorization(s) are updated and accurate.	The State must continue to ensure that the authorization information for access to the AMC registry is updated and accurate.	The State addressed the concern. 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				
National Registry continued:		X					
States must designate a senior official, such as an executive director, who will serve as the State’s Authorized Registry Official, and provide to the ASC, in writing, information regarding the selected Authorized Registry Official, and any individual(s) authorized to act on their behalf. (12 U.S.C. § 3347; Policy Statement 9.)				The State failed to designate a senior official, such as an executive director, to serve as the State’s Authorized Registry Official.	On January 27, 2025, the State reported that a rule was adopted that specifically designates the Executive Director of the Appraisal Board as the selected Authorized Registry Official.	The State must continue to ensure it has an official designated to serve as the State's Authorized Registry Official.	The State addressed the concern. During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Application Process:		X					
States must verify that all claimed qualifying and continuing education courses are acceptable under AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B, C.)				The State issued 3 appraiser credential(s) without verifying the applicant(s) met the AQB Criteria required education.	On January 27, 2025, the State reported that 2 of the identified credential holders have provided proof of compliance and the respective files have been documented. The remaining credential holder has not been able to provide proof of the proper college educational courses, and, as a result, the credential has been downgraded to the licensed appraiser level.  At the same time, the State advised that a checklist has been developed and adopted to ensure all AQB Criteria requirements are met.	The State must ensure that all claimed qualifying and continuing education courses are verified for acceptance under AQB Criteria.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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Umbrella Agency: Independent				Number of State Credentialed Appraisers on Appraiser Registry: 1,018		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				
Reciprocity:	X						
				No compliance issues noted.	N/A	None	None
Education:		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 5 CE courses without sufficient documentation in the file to determine the appropriateness of the content.	On January 27, 2025, the State reported that the 5 CE courses are appropriate in content and credit for continuing education.  The State also advised that, after Board approval, the Executive Director will ensure that the files contain sufficient documentation to support approval or denial.	The State must ensure that all documentation to support its approval of appraiser courses is maintained and available to ASC staff for future Compliance Reviews.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Enforcement:		X					
States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)				The enforcement files provided to ASC staff were not sufficiently documented. 4 files did not include enough information to understand the basis of the complaint and the reasoning behind the resolution.	On January 27, 2025, the State reported that prior to separation from the Mississippi Real Estate Commission, trained staff maintained the enforcement files. Since that time, Board members have reviewed all complaint files and advised the Executive Director at scheduled Board meetings of their conclusion for each complaint which resulted in inconsistent documentation during this time. The State advised that an experienced reviewer has been hired to ensure adequate and consistent information is being documented in the file.	The State must ensure that all documentation pertaining to a complaint file can be easily accessed to ensure an understanding of all the facts and determinations made in the case.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.