

September 9, 2025

Via Email

Kristin Mitchell, Executive Director
Board of Registration of Real Estate Appraisers
Division of Occupational Licensure
One Federal Street, Suite 600
Boston, MA 02110
Kristin.M.Mitchell@mass.gov

RE: ASC Compliance Review of Massachusetts' Appraiser Regulatory Program

Dear Kristin Mitchell:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Massachusetts appraiser regulatory program (Appraiser Program) on June 10-12, 2025, to determine the 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 Appraiser Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) of the Massachusetts Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must ensure the accuracy of all data submitted to the Appraiser Registry.² Despite this finding, it is acknowledged that the State submitted a substantial number of appraiser records to the National Registry and has over 1,900 State credentialed appraisers, where only one record was found in which accuracy was in question.
- States must verify that all claimed qualifying and continuing education courses are acceptable under AQB Criteria.³ While one application file did not include documentation of the applicant's QE, the ASC recognizes that of the 72 appraiser credentials issued, 29 application files were examined and 28 of the files examined were appropriately documented.

ASC staff will confirm that appropriate corrective actions have been taken through off-site monitoring and during the next Review. Massachusetts will remain on a two-year Review Cycle.

¹ 12 U.S.C. §§ 3331-3356.

² 12 U.S.C. § 3347; Policy Statement 3 A, D.

³ 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B, C.

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 cursive script that reads "Frederick Grier".

Frederick Grier
Acting Executive Director

Attachment


cc: Colleen Maloney, Associate Deputy Commissioner, Colleen.R.Maloney3@mass.gov
Richard Holtz, Deputy General Counsel, Richard.Holtz@mass.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.

<div></div> <div>ASC State Appraiser Program Compliance Review Report</div>							ASC Finding: Good	
							Final Report Issue Date: September 9, 2025	
Massachusetts Appraiser Regulatory Program (State)								
Massachusetts Board of Registration of Real Estate Appraisers (Board)			PM: N. Fenochietti		ASC Compliance Review Date: June 10-12, 2025		Review Period: May 2023 to June 2025	
Umbrella Agency: Massachusetts Division of Occupational Licensure					Number of State Credentialed Appraisers on Appraiser Registry: 1991		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, at a minimum, adopt and implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)					<p>AQB Criteria provides that the scope of practice of the Trainee Appraiser classification is to work under the direct supervision of a Supervisory Appraiser who is certified. The State's statute allows a Trainee Appraiser to be supervised by a State Licensed Appraiser.</p> <p>On August 22, 2025, the State reported that the statutory provision allowing Trainees to be supervised by State Licensed Appraisers has been in effect since the Board's authorizing statutes were first enacted in 1991, and that the provision conflicts with a statute that requires the Board to establish regulations for trainees that are consistent with Title XI. Further, superseding sections of the Board's statute require the Board to comply with the AQB Criteria and all guidelines issued under Title XI.</p> <p>At the same time, the State reported that the Board's application form requires every Trainee to identify each supervisor by license type and number. The Program reviews each form and denies supervision by a State Licensed Appraiser.</p> <p>The State also reported that, as a licensing board within the executive branch of government, the Board does not enact or propose legislation, but if such legislation were proposed and the Board were consulted, it would provide comments supporting amendments to ensure this section is fully consistent with the AQB Criteria.</p>	<p>The State should, if given the opportunity, support legislation that addresses this conflict and brings the statute into compliance with AQB Criteria.</p>	<p>During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.</p>	

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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					
Temporary Practice:		X							
					No compliance issues noted.		None		
National Registry:			X						
States must ensure the accuracy of all data submitted to the Appraiser Registry. (12 U.S.C. § 3347; Policy Statement 3 A, D.)					The State reported 1 Certified Residential credential to the Appraiser Registry without verifying that the applicant completed all required qualifying education (QE).	On August 22, 2025, the State reported that in the application file at issue, the course certificate included only the course name and did not state whether the applicant completed the course as QE or CE. The State further reported that as soon as this finding was identified by the ASC reviewers the Board’s application review process was refocused on confirming that every certificate matches an approved Qualifying Education course with an exam before the license is approved and transmitted to the National Registry. Further, the Board’s process to ensure the accuracy of all qualifying education and other application materials was immediately corrected.	The State must monitor its process of verifying the Qualifying Education of each applicant and ensure appraisers meet AQB Criteria.	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 1 Certified Residential credential to an applicant who did not pass an examination for the submitted QE courses. The QE courses were approved by the State for 14 hours of continuing education without examination and 15 hours of QE after passing an examination.	On August 22, 2025, the State reported that in the application file at issue, the course certificates included only the courses' names and did not verify that the applicant identified during the review completed the courses as QE or CE. Further, the Board’s application review process was refocused on confirming that every certificate matches an approved Qualifying Education course with an exam.	The State must monitor its process of verifying the Qualifying Education of each applicant. Within 60 days, the State must provide documentation to ASC staff that the applicant identified during the review has successfully completed all QE hours consistent with the AQB Criteria or take the steps necessary to inactivate the credential on the Appraiser Registry.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.	
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