

December 3, 2025

Via Email

Marcia Waters, Division Director
Board of Real Estate Appraisers
Colorado Division of Real Estate
1560 Broadway, Suite 925
Denver, CO 80202
Marcia.Waters@state.co.us

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

Dear Marcia Waters:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Colorado appraiser regulatory program (Appraiser Program) on September 23-25, 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 Colorado Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States are required to report all disciplinary actions via the extranet application within 5 business days after the disciplinary action is final, as determined by State law;² and
- States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations.³

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

¹ 12 U.S.C. §§ 3331-3356.

² 12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 D.

³ 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 cursive script that reads "Frederick Grier".

Frederick Grier
Acting Executive Director

Attachment

cc: Garred Lyle, Deputy Director, Garred.Lyle@state.co.us

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 Appraiser Program Compliance Review Report

ASC Finding: Good
Final Report Issue Date: December 3, 2025

Colorado Appraiser Regulatory Program (State)							
Colorado Board of Real Estate Appraisers			PM: A. Nespor		ASC Compliance Review Date: September 23-25, 2025		Review Period: September 2023 to August 2025
Umbrella Agency: Division of Real Estate, Department of Regulatory Agencies					Number of State Credentialed Appraisers on National Registry: 2,623		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						
				No compliance issues noted.	N/A	None	None
National Registry:		X					
States are required to report all disciplinary actions via the extranet application within 5 business days after the disciplinary action is final, as determined by State law. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 D.)				The State failed to report 2 disciplinary actions via the extranet application within 5 business days after the disciplinary action was final.	On November 20, 2025, the State reported that it has updated the process guide used by staff who enter disciplinary actions on the National Registry so that it is clear what types of actions must be reported and when the reporting must occur. The State provided ASC staff with a copy of the updated process guide. In addition, the State reported that it has included the National Registry reporting in the workflow of its case management system to remind staff of the reporting requirement and to create a checks and balances process for the supervisor. The State further reported that the supervisor attended an extranet training session with ASC staff and recorded the session for the staff's benefit.	The State must monitor its revised procedures to ensure that it submits all disciplinary actions to the National Registry in a timely manner.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Application Process:	X						
				No compliance issues noted.	N/A	None	None
Reciprocity:	X						
				No compliance issues noted.	N/A	None	None



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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				
Education:	X						
				No compliance issues noted.	N/A	None	None
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.)				2 of 17 files selected lacked appropriate documentation showing that all ordered or agreed upon discipline, such as probation, fine, or completion of education, is tracked, and that completion of all terms is confirmed.	On November 20, 2025, the State reported that it confirmed completion of all terms for both files. The State further provided copies of documentation for one file to ASC staff and explained that in the other file, verbal confirmation of the case being closed was provided instead of a closure letter.	The State must ensure that documentation showing that all ordered or agreed upon discipline is tracked and that completion of all terms is confirmed 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.