

# FYI Cover Page

November 17, 2021



The Appraisal  
**FOUNDATION**

Authorized by Congress as the Source of Appraisal  
Standards and Appraiser Qualifications

# Vision 2030 Strategic Plan

Working Draft V12

Town Hall  
10/19/2021



**Project Facilitated by:**

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# Project Overview

## Summary of Vision 2030 Goals

### BACKGROUND

The coming decade will bring change to The Appraisal Foundation and the appraisal profession. To lead rather than react as the profession and Foundation move into the future, to create a stable and innovative environment, and to ensure a consistent focus throughout the decade, the Board of Trustees deemed 2021 as an ideal time to create a long-term strategic plan, and it committed resources, time, and talents to pursue Vision 2030.

The concept for the long-term strategic plan was centered on current teachings on the subject including those found in *Lead from the Future: How to Turn Visionary Thinking into Breakthrough Growth* by Mark W. Johnson and Josh Suskewicz. The following quote, taken from the pages of this book, propelled the BOT to action:

*Neither a wise man nor a brave man lies down on the tracks of history to wait for the train of the future to run over him.*

*Dwight D. Eisenhower*

To this end, 2021 BOT Chair Jeremy Gray empaneled the Vision 2030 Task Force comprised of trustees and Foundation staff (listed, page 17) and charged them to develop a strategic plan to guide the Foundation in determining an envisioned future for the appraisal profession and The Appraisal Foundation in 2030. Further, the Board of Trustees provided funding to hire a strategic planning professional to assist the Vision 2030 Task Force and facilitate planning efforts.

### PROJECT PLAN

Under the guidance of Glenn Tecker and his staff at Tecker International, a comprehensive project plan was implemented to allow input from all groups affiliated with the Foundation. The multi-phased approach included:

- Qualitative 30-minute confidential telephone interviews with 25 important stakeholders or representatives of stakeholder groups not otherwise involved in the project activities.
  - An Environment Scan involving all trustees, sponsoring organization and Foundation standards and qualifications board representatives (the Large Group) using on-line survey tools to assess the current landscape for the profession and Foundation and to identify the key drivers of anticipated change.
  - Envisioned Future sessions and on-line discussion activities with the Large Group to provide insights about what the coming years could bring in light of the identified key drivers.
  - Strategic planning sessions with the Vision 2030 Task Force to take the information gleaned in the previous sessions and develop the goals, objectives, and strategies to serve as the Foundation's guide through 2030.
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The Vision 2030 Task Force presented its preliminary report at the May BOT meeting noting two primary areas of impact that needed further exploration. Facilitated by Foundation leadership, the Task Force continued to refine the draft plan and members of the larger Envisioned Future Group assisted with its review. The seven goals outlined below and presented further on the following pages represent what will constitute the Foundation's future success.

## SUMMARY OF GOALS

Goal A: The Appraisal Foundation's relationship with its sponsoring organizations will be stronger, with all actively engaged in promoting and moving forward the work of the Foundation and profession.

Goal B: Policy makers and the public will recognize the value of diverse, expert, and qualified appraisers and other valuation professionals, who meet national qualifications and adhere to standards in providing objective, independent, reliable services free of bias.

Goal C: The Appraisal Foundation will maintain its financial independence and long-term financial stability.

Goal D: Users of valuation services will have sufficient access to a diverse, competent, high-quality population of appraisers and other qualified valuation-service professionals.

Goal E: Implementation of the *Real Property Appraiser Qualification Criteria* will be more consistent across jurisdictions with uniformity in education and experience approvals and improved reciprocity of licenses/certifications across jurisdictional boundaries.

Goal F: The Appraisal Foundation will be recognized as the trusted resource for uniform standards and qualifications for all valuation professionals and services in the United States.

Goal G: The Appraisal Foundation will provide leadership in determining the reliability and credibility of the application of technology to the process of developing valuation conclusions.

## CONCLUSION

The long-term Vision 2030 Strategic Plan is the result of more than 800 hours of collective effort by 70+ highly regarded and engaged individuals who completed their work in a virtual environment due to the COVID-19 pandemic. It is evident that each cares deeply about the success of the Foundation and appraisal profession. Vision 2030 is presented as a living document, one to be frequently revisited and revised as needed, to guide the Foundation through the coming decade.

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# Timeless Core Ideology

Core Ideology describes an organization's consistent identity that transcends all changes related to its relevant environment. In other words, the Core Ideology clarifies what does not change for an organization in an environment of rapid and unpredictable change. Core Ideology consists of the Mission and Core Values. The **Mission** describes who we are, what we do, and at a very high-level, how we do it. Our **Core Values** are the essential and enduring principles that guide the behavior of the organization. Core Values are guiding principles, standards or qualities that are so fundamentally held that we would rather suffer a penalty than break one of them. Behaving in a fashion consistent with the Core Values is necessary to be able to fulfill our Mission.

## **MISSION:**

The Mission of The Appraisal Foundation (Foundation) is to advance the valuation profession by setting standards of excellence, promoting education, and upholding the public trust.

## **CORE VALUES:**

The values of the Foundation are:

- Professionalism
  - Trust
  - Leadership
  - Integrity
  - Knowledgeable
  - Qualified
  - Ethical
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# Key Drivers of Change

Key drivers of change are powerful forces that necessitate the Foundation develop strategies to address them. They are conditions and dynamics in the relevant environment that will make tomorrow vastly different than today. In completing interviews and preliminary surveys, the team from Tecker International found the following key drivers at the forefront of stakeholders' opinions.

## KEY DRIVERS:

### FINANCIAL INDEPENDENCE FOR THE FOUNDATION

1. Need for more diverse, stable, sustainable, and independent funding for the Foundation.
2. The dynamics of the Uniform Standards of Professional Appraisal Practice (USPAP) (frequency, content, authority, pressure, etc.) and identifying funding streams that do not rely on the 2-year USPAP cycle.
3. Ability of The Appraisal Foundation to remain an objective, impartial, and independent voice.
4. Relationship/dynamic with the Appraisal Subcommittee (grant funding, changing relationship, increasing oversight pressure).
5. Possible cyclical economic downturn within the next 10 years and its impact on the profession as well as the Foundation.

### SIZE OF THE VALUATION PROFESSION WORKFORCE

1. Career outlook for appraisers compared to other financial services careers with similar education and training requirements (varies by discipline and geographic location).
2. Desire to increase diversity in the profession and create new career pathways.
3. Barriers to entry for new appraisers (e.g., state overlays that increase the minimum Appraiser Qualification Board (AQB) requirements for licensure/certification, training, cost, etc.).
4. Shrinking workforce, a large percentage of the workforce retiring over the next 10 years; significant technological changes that may result in many exiting the profession.
5. The number of transactions is being squeezed; could limit future growth of the profession.
6. Lack of data/evidence workforce is shrinking and/or outdated – concern it could be a scare tactic used to undermine the profession.

### TECHNOLOGY

1. Increased reliance on technology/automated valuation models (AVMs)/ artificial intelligence (AI), decreasing the need for human analysis in the valuation process.
  2. New technology is being introduced by those with a vested interest in the lending process.
  3. Technology that is relied on for alternative valuation is not built to meet quality, reliability, ethical standards, or regard for long-term economic impact.
  4. Rapid pace of technological advancement and its impact on the valuation cycle.
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## **REGULATORY/LENDER ENVIRONMENT**

1. Lender exerting more control over the data and the appraisal report (decreasing independence of data).
2. Lack of transparency on the part of the secondary market to consider and consult with appraisers as major stakeholders.
3. Carve-outs from the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) – because of exemptions by the federal banking regulators, FIRREA now covers less than 10% of the mortgage transactions.
4. New regulations and focus on fair housing; potential for increased risk of reliance on alternative valuation products or legislative mandates impacting appraisal standards and appraiser qualifications.

## **LICENSURE/CERTIFICATION**

1. No centralized portal for all states and a national registry with limited data provides little insight into which states add additional requirements beyond the minimum set by the AQB.
2. Differences across state requirements when they exceed the minimum qualification criteria cause confusion.
3. Possibility of developing a more robust exam as another alternative to the traditional experience requirement for licensure/certification.

## **VALUATION PROFESSION**

1. Increased use of appraisal waivers, alternative valuation products that do not require a licensed or certified appraiser, such as evaluations, automated valuation models, etc.
  2. As technology/AVMs/AI become more widely used in the valuation process, mitigating risk is essential in protecting the public interest.
  3. Lack of unified voice to represent the majority of the valuation profession.
  4. No incentives for supervision combined with a desire for compensation as a trainee. Apprenticeship model is not working as it once did.
  5. Impact that the Practical Applications of Real Estate Appraisal (PAREA) (mentorship model) may have on the profession.
  6. Appraisal management companies (AMCs) can make rules, institute policies, and procedures without ever taking responsibility for the work products.
  7. Need for transparency, public education, and a standardized complaint process.
  8. Environmental, social, and governance (ESG) ratings and their impact on real estate, business valuation, and financial instruments.
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# Envisioned Future

## *10+ Year Vision*

Envisioned future conveys a concrete, yet unrealized vision for the organization. It includes a vivid description describing how the world could be different for key stakeholders and a vision statement – a clear and compelling catalyst that serves as a focal point for effort, the intersection of what a group is passionate about, what they do best, and what they can marshal the resources to accomplish.

### **VISION**

The vision of the Foundation is to ensure public trust in the valuation profession.

### **VIVID DESCRIPTION**

Public recognition, appreciation, and trust in the valuation profession are at an all-time high thanks to the Foundation's leadership in setting standards of excellence, developing professional-level qualification criteria, operating in an open and transparent manner, and committing to collaborative partnerships.

The Foundation has broadened its scope and sphere of influence to provide standards and determine the qualifications criteria for all professional valuation disciplines and products. The Foundation provides the unified force to maintain the public's trust in the valuation profession. Gathering the strength of all valuation organizations, the Foundation has facilitated the national harmonization of licensing and education requirements across all states and jurisdictions and helped bring uniformity in oversight of professional conduct. Valuation professionals and their organizations view the Foundation as the resource for maintaining uniformity across the profession and regulatory system. The Foundation expertly guides the nation through appraisal-related fair housing issues and communicates to the market the importance of quality valuation services to protect the public from future economic shocks due to financial industry misconduct.

Employers of valuation professionals (banks, lenders, lawyers, insurance companies, accounting firms, etc.) recognize the worth of a credentialed/designated professional and have access to a larger number of qualified candidates that reflect the diversity of the community. Employers and end-users are confident that the valuation products they receive adhere to the standards set by the Foundation. The valuation industry has successfully modernized the valuation process by merging technology and professional expertise to provide end-users with an accurate and confidence-inspiring risk-based product. All end-users, especially homeowners, are making informed decisions knowing that the valuation services received are fair and unbiased.

Federal and state regulators, education providers, and the Foundation work collaboratively throughout the United States to advance the valuation profession. They employ standardized methods to provide an accessible, unified, and centralized platform for credentials/licenses, education programs, and experience opportunities to create consistency in implementing the

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minimum appraiser qualification criteria set by the AQB. There are more opportunities to provide PAREA programs for aspiring valuation professionals who seek an alternative method to gain experience, and for advanced training for supervisors, mentors, and other stakeholders connected to the valuation profession. The valuation industry benefits from thoughtful educational and experiential learning programs that remove barriers to entry for underrepresented and underserved groups, ensuring the valuation profession is inclusive of diverse backgrounds and disciplines and better reflects the community it serves.

As a result, the number of valuation professionals increases tremendously. Federal and state regulators no longer seek appraisal waivers and other flexibilities to cover potential shortages of valuation professionals.

The Foundation remains relevant and continues to serve the public with distinction as the foremost authority on the valuation profession. Through exemplary leadership and an evolving business model, the Foundation is well-positioned to anticipate and swiftly respond to unforeseen challenges, embrace new opportunities as they arise, ensure financial sustainability, and maintain public trust.

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# Goals, Objectives & Strategies

**Goals** are outcome-oriented statements that represent what will constitute the organization's future success. The achievement of each goal will move the Foundation toward the realization of its vision.

**Objectives** describe what we want to happen with an issue. What would constitute success in observable or measurable terms? They indicate a direction – *increase, expand, decrease, reduce, consolidate, abandon, all, distribute, none*. Objectives have a three- to five-year timeframe and are reviewed every year by the Board of Trustees.

**Strategies** describe how the Foundation will commit its resources to accomplish the goal. They bring focus to the operational allocation of resources and indicate an activity – *redesign, refine, create, identify, revise, develop, improve, enhance, implement, establish*. Strategies set strategic priorities for staff and all volunteer workgroups.

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**Goal A: The Appraisal Foundation’s relationship with its sponsoring organizations will be stronger, with all actively engaged in promoting and moving forward the work of the Foundation and profession.**

*The work of the Foundation will benefit from a refocused effort to build upon the strengths and reach of its sponsoring organizations. By rejuvenating the symbiotic relationship between the Foundation and its sponsors, trust in the profession will flourish.*

**Objectives:**

1. Increase collaborative efforts among the Foundation and its sponsoring organizations to support the profession and the Foundation.
2. Increase the use of the sponsoring organizations’ network to promote and support the work of the Foundation.
3. Increase the use of the Foundation’s resources and networks to promote the sponsoring organizations and their profession-building efforts.
4. Expand opportunities for communication and dialogue with and among the sponsoring organizations.

**Strategies:**

1. Enhance opportunities for collaborative efforts among the sponsoring organizations and the Foundation.
  2. Provide additional ways for the sponsoring organizations to be engaged in and promote Foundation efforts.
  3. Establish mechanisms for increased, timely communication between the Foundation and sponsoring organizations.
  4. Create additional methods for the Foundation to promote the sponsoring organizations.
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**Goal B: Policy makers and the public will recognize the value of diverse, expert, and qualified appraisers and other valuation professionals, who meet national qualifications and adhere to standards in providing objective, independent, reliable services free of bias.**

*The Foundation will reach its vision to promote public trust in valuation as those making legislative decisions, users of appraisal services, and the public gain a greater understanding of the importance of valuation services performed by qualified individuals.*

**Objectives:**

1. Increase policy maker's awareness of the development of FIRREA and the importance of returning FIRREA to its original legislative intent.
2. Increase recognition and use of credentialed/and designated appraisers and other valuation professionals who meet the qualification criteria and follow USPAP.
3. Increase policy maker's awareness of the differences between valuation products and the importance of qualified valuation professionals performing valuation services.
4. Increase the public's awareness of the importance of the standards and qualifications of licensed/certified or designated appraisers or valuers and how they differ from other valuation practitioners.
5. Increase the public's understanding of the difference between valuation products and the importance of qualified valuation professionals performing valuation services in accordance with national standards.

**Strategies:**

1. Promote the application of the safeguards contained in FIRREA to all mortgage transactions, including those conducted by non-banking institutions.
  2. Expand the federal government's reliance on the Foundation to create standards for all types and disciplines of valuation services and qualifications for those performing those services.
  3. Promote the use of qualified appraisers and valuation professionals by users of valuation services including federal government entities that need valuation services for loss mitigation and other purposes.
  4. Re-educate the public regarding the origin and development of USPAP. Promote its value and relevance in asset appraisals other than real property.
  5. Enhance the credibility of valuation practitioners that adhere to the professional requirements set forth by USPAP
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**Goal C: The Appraisal Foundation will maintain its financial independence and long-term financial stability.**

*The Foundation will meet its Congressional mandates and obligations to the appraisal profession, users of appraisal services, and the public, and invest in the valuation profession's future through a sustainable revenue model that is not dependent on federal grant funding for operational expenses or reliant on a cyclical sale of the book of standards.*

**Objectives:**

1. Increase and diversify the Foundation's sources of revenue to provide adequate funding to support the Foundation's mission and goals without giving up authority or independence.
2. Increase the generated reserves to build a dedicated funding stream to allow ample resources for innovative activities and other supports to further the mission of the Foundation and advance the profession.
3. Decrease financial reliance on the cycle of USPAP.
4. Decrease reliance on federal grant funding for operational expenses.

**Strategies:**

1. Establish stable, sustainable funding that comes from more than one source.
  2. Create a revenue model that maintains the Foundation's not-for-profit status and does not require the organization to give up its independence, authority, or rights to its intellectual property.
  3. Focus the application of federal grant funding to special projects.
  4. Devote resources to fund innovative activities and other supports to further the mission of the Foundation and advance the profession.
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**Goal D: Users of valuation services will have sufficient access to a diverse, competent, high-quality population of appraisers and other qualified valuation-service professionals.**

*Trust in valuation will reach new highs with an ample, diverse pool of qualified appraisers and valuation professionals who ethically and competently meet market demands by providing high-quality services.*

**Objectives:**

1. Increase diversity, equity, and inclusiveness in the profession.
2. Increase the number of qualified individuals who complete credible, professional appraisals and valuation products.
3. Increase the number and diversity of supervisors, mentors, and educators.
4. Reduce unnecessary barriers to entering the profession without compromising quality or integrity.

**Strategies:**

1. Develop initiatives to attract an adequate number of people from diverse backgrounds choose the appraisal profession as their career.
  2. Implement initiatives to attract an adequate number of people from diverse backgrounds to serve as supervisors, mentors, educators, and the profession's future leaders.
  3. Develop additional innovative, alternative pathways for aspiring appraisers to meet entry criteria.
  4. Develop a system or pathway for qualified professionals providing non-appraisal valuation services to become appraisers without compromising quality or integrity.
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**Goal E: Implementation of the *Real Property Appraiser Qualification Criteria* will be more consistent across jurisdictions with uniformity in education and experience approvals and improved reciprocity of licenses/certifications across jurisdictional boundaries.**

*Real property appraisers practicing in multiple jurisdictions and sponsoring organizations providing education in more than one state will benefit from uniformity in the implementation of appraiser qualification criteria and approval of educational offerings across jurisdictions.*

**Objectives:**

1. Improve consistency across states and jurisdictions in the implementation of appraiser qualification criteria and education course approval.
2. Increase the uniformity of regulations across states and increase reciprocity for licensees/credential holders across state lines.
3. Reduce burdens of meeting requirements to maintain a license/credential in multiple states.
4. Improve the system for education approval in multiple states.
5. Increase support and buy-in from state regulatory agencies for a one-stop, central location for submission of appraiser license/certification information.

**Strategies:**

1. Engage the state regulatory agencies in developing solutions to homogenize practices.
  2. Establish and expand products and services to assist state regulatory agencies in meeting their regulatory requirements.
  3. Encourage refinement of Appraisal Subcommittee efforts and use of funding to support consistent implementation of qualification criteria and license/certification reciprocity.
  4. Promote and enhance the Course Approval Program for education approval.
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**Goal F: The Appraisal Foundation will be recognized as the trusted resource for uniform standards and qualifications for all valuation professionals and services in the United States.**

*The Foundation will promote the public trust in valuation by setting the professional standards of practice for all valuation services and qualification criteria for all individuals involved in the process of developing opinions of value.*

**Objectives:**

1. Expand The Foundation’s business model to include all valuation professionals, products, and services.
2. Increase the number and types of valuation organizations, and those with an interest in valuation, affiliated with the Foundation.
3. Expand the application of standards to more valuation disciplines and services.
4. Increase the number of qualified individuals providing appraisals and other valuation services and creating professional and credible products.
5. Increase policy makers’ and the public’s awareness of the importance of the standards and qualifications of professionals performing appraisals and other valuation services.

**Strategies:**

1. Develop uniform standards for all valuation practices.
  2. Create model minimum qualification criteria for any individual performing valuation-related services.
  3. Improve awareness of the importance of qualified professionals performing appraisals and other valuation services under uniform standards.
  4. Revise the Foundation’s communication plan, including visual, audio, and written messaging, to represent the broader footprint.
  5. Strengthen consistency of the valuation profession across the globe with continued collaboration with relevant international bodies.
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**Goal G: The Appraisal Foundation will provide leadership in determining the reliability and credibility of the application of technology to the process of developing valuation conclusions.**

*The Appraisal Foundation will meet its responsibilities to valuation professionals, the public, and users of valuation services by providing a means to determine the reliability and credibility of outputs produced by technology used in valuation.*

**Objectives:**

1. Increase recognition of the Foundation's role in establishing the quality control standards and criteria by which technology is used and relied upon in performing an appraisal and other valuation services.
2. Ensure the uniform standards and qualification criteria encompass the use of any current or future technology in appraisal or other valuation process.
3. Increase collaboration among holders of relevant data.
4. Improve access to relevant data for use by valuation professionals.

**Strategies:**

1. Establish criteria by which automated valuation models and other technologies used in the development of opinions of value can be assessed for reliability and credibility.
  2. Provide expertise and guidance as technology is developed for use in valuation.
  3. Build awareness by communicating the importance of using AVMs, and other types of technology used in valuation, that meet standards and reliability criteria.
  4. Create methods by which relevant data is shared with and among valuation professionals.
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## With Great Appreciation to Those Who Gave Their Time, Talents, and Insights for Vision 2030

### Strategic Planning Facilitators

Glenn Tecker, Chairman & Co-CEO  
Sharon Cox, Senior Consultant  
Jennifer Kelly, Project Manager  
Dan Tecker, President & CEO, Teckernologies



### Vision 2030 Project Advisors

Tom Boyer, Former Chair, Appraisal Foundation Board of Trustees  
Dave Bunton, President, The Appraisal Foundation  
Jeremy Gray, Chair, Appraisal Foundation Board of Trustees

### Vision 2030 Task Force

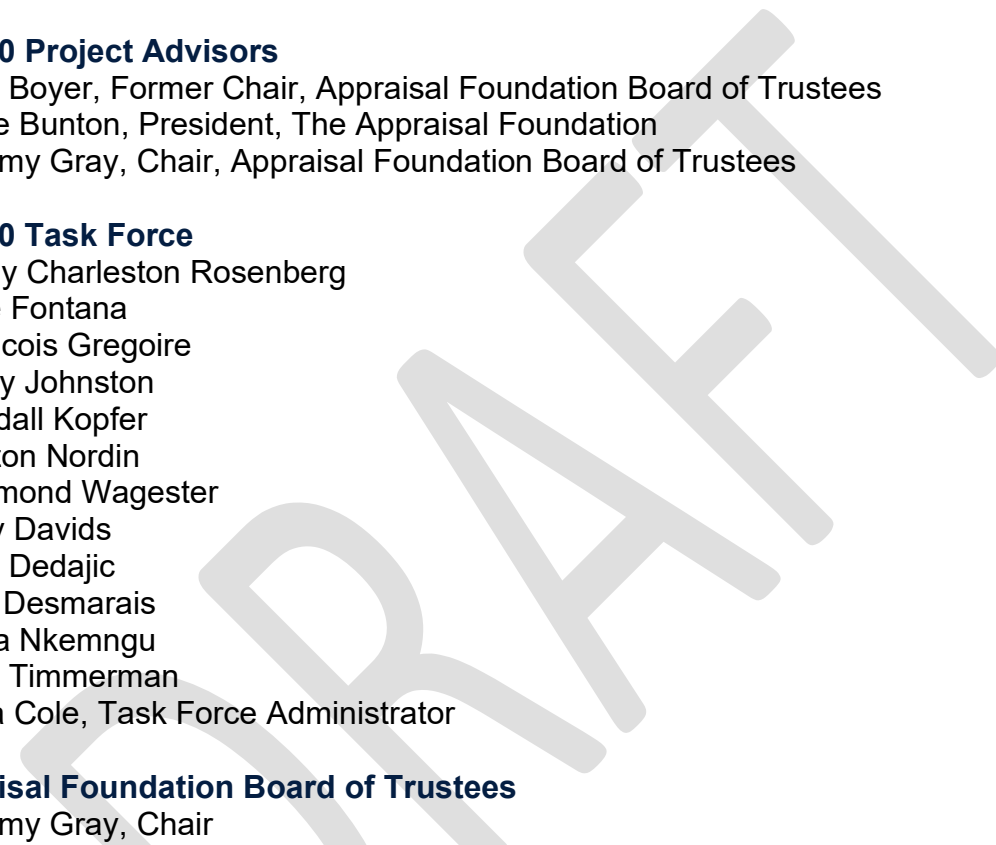
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### The Appraisal Foundation Board of Trustees

Jeremy Gray, Chair  
Randall Kopfer, Vice Chair  
Dayton Nordin, Treasurer  
Tracy Johnston, Secretary  
Leila Dunbar, Immediate Past Chair

Cindy Charleston Rosenberg  
Shaun Fitzgerald  
Dave GaNun  
Francois Gregoire  
Lawrie Hollingsworth  
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Michael Christensen  
Pete Fontana  
Krysta Gerstner  
Chris Greenwalt  
Leigh Lester  
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**Envisioned Future, Survey, and Interview Participants**

Linda Selvin	Edgardo Ortiz Ayala
Meredith Meuwly	Dana Murray
Steve Choi	Michelle Bradley
Jerry Yurek	Jim Amarin
Peter Christensen	Peter Gallo
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Craig Morley	Katherine Owen
Jim Park	PJ Patel
Diana Piechocki	Lyle Radke
John Russell	John Ryan
Mark Schiffman	Scott Shafer
Brian Stockman	Shawn Telford
Joan Trice	Elizabeth von Habsburg
Danny Wiley	Robbie Wilson

***And with special thanks to each of you who gave your time and talents to review and provide input on the strategic plan and participate in the Town Hall discussion.***

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November 1, 2021

Mr. Dave Bunton  
Ms. Kelly Davids  
The Appraisal Foundation  
1155 15th St NW, Ste 1111  
Washington, DC 20005



**Subject: REVA Comments on TAF Vision 2030**

Submitted by email to [dave@appraisalfoundation.org](mailto:dave@appraisalfoundation.org) and [kelly@appraisalfoundation.org](mailto:kelly@appraisalfoundation.org)

Dear Dave and Kelly:

Thank you for the opportunity to provide comment on The Appraisal Foundation's Vision 2030 strategic plan.

As you know, the Real Estate Valuation Advocacy Association (REVA) is a trade group whose membership includes Appraisal Management Companies (AMC) and valuation providers that collectively provide residential real estate appraisals for the nation's mortgage lenders. In addition, many REVA members create innovative technologies and provide other important lender valuation services such as Evaluations, Broker Price Opinions (BPO) and Automated Valuation Models (AVM) on behalf of national, state and local lenders.

REVA respects and appreciates the important work of The Appraisal Foundation (TAF). We realize the significance of strategic organizational planning, such as Vision 2030, to mapping TAF's future. The following comments are not meant to be critical of this effort, nor written with malice. Rather reviewing Vision 2030 raised questions and concerns to share with TAF from the perspective of AMCs and valuation providers.

While we are honored for the opportunity to be a "stakeholder" and participate in TAF's planning process, the Vision 2030 draft plan was provided to stakeholders only hours before a TAF zoom call to introduce it, which provided neither adequate time nor venue to provide meaningful feedback before by the TAF Executive Committee and Board of Trustees two later. From our perspective, TAF's draft strategic plan has significant far-reaching impact on the appraisal industry, which underscores the vital importance of obtaining substantive stakeholder input prior to final approval.

Following are REVA's comments. We appreciate the time to review and organize our thoughts in a productive manner. Once you've reviewed them, we welcome the opportunity to meet with TAF for further discussion.

- Vision 2030 fails to substantively address head-on the two most pressing issues facing the residential appraisal industry today. Not only is this omission disappointing, but it also makes TAF appear tone deaf to these problems and misses an important opportunity for TAF leadership in helping resolve them.
  - Diversity, Equity and Inclusion / Appraisal Bias – There is not one mention of the Biden Administration's identification of this issue as a priority, nor the creation of the interagency Property Appraisal and Valuations Equity (PAVE) Task Force or their important mandate. The publication of PAVE's report to President Biden is likely to include significant recommendations that could impact TAF and the future of the industry.
  - New Industry Entrants / Trainees – Although it is by most industry stakeholders as a bottleneck to new industry entrants, outside of the continued process for creating and approving the Practical Applications for Real Estate Appraisal (PAREA), the TAF Vision 2030 plan does not offer any immediate solutions to this massive problem. REVA attended AARO recently and was surprised to learn that while TAF wants to lobby Congress as an appraiser advocate, there is no strategy around influencing states to adopt PAREA - full adoption by the states is paramount for PAREA's success.

- The Vision 2030 plan provides an industry changing look at TAFs proposed future with overarching goals and strategies, but very few details other than to protect appraisers while growing its financial standing / sphere of influence over non-appraisal products and the professionals who provide them.

In addition to providing few specifics, TAFs plan uses terms such as “increase,” “enhance,” “expand,” “promote,” and “develop” but Vision 2030 does not include measurable outcomes or other metrics to evaluate whether this plan is successful or a failure. Without metrics, how will TAF and the Board of Trustees know when it has achieved its objectives?

- TAF’s vision relies on expanding into setting standards for AVMs, BPOs and other non-appraisal alternatives, and the professionals who perform them. The creation, sales and periodic updating of these standards appears to be identified as a future revenue source for TAF as it seeks financial independence. However, given TAFs public position as a vehement advocate for appraisal and appraiser-only solutions, there is no mention of how TAF will eliminate its own bias against the use of non-appraisal products performed by non-appraisers? This conflicting position is more problematic given recent actions by the Federal Housing Finance Agency and other federal regulators working to modernize the industry with alternatives in the face of an appraiser shortage.
- In our opinion, it seems odd that the very first "Key Driver" listed is Financial Independence for TAF. TAF is a non-profit, authorized by Congress to set appraisal standards and appraiser qualifications, not to be financially independent. With the knowledge that Congress was authorizing a non-profit, the ASC was authorized to provide grant funding to perform its duties and obligations. It is similarly distressing to see TAF refer to "increasing oversight pressure" by the ASC. An entity with Congressional authority must have appropriate oversight, which appears to be something TAF is strongly resisting.

TAF indicates it wants to gain new revenue streams outside of USPAP, which it has every right to do. However, it is not clear in Vision 2030 from where these new revenues will come. Will these new funds come from AMCs, valuation providers, practitioners and lenders as TAF monetizes the new non-appraisal standards it plans to create?

- In Goal B, Strategy #2 on page 11 of Vision 2030 it says TAF wants to "Expand the federal government’s reliance on the Foundation to create standards for all types and disciplines of valuation services and qualifications for those performing those services."
- This appears to be outside the authority bestowed on TAF by Congress. Title XI does not instruct TAF to exert influence beyond the current Congressional mandate by selling products and services based on setting standards for non-appraisal financial products and the non-appraisers who perform them. If TAF truly now intends to lobby Congress to pursue authority beyond that in Title XI, TAF needs to explain how it intends to do so in a way that: (1) does not conflict with its non-profit status, given our other points regarding TAF’s financial independence and that (2) does not abuse TAF’s congressional authorization specific to setting standards and qualifications for real estate appraisers.
- Related, we find it strange that while TAF appears intent to influence Congress, it has done little to influence states on areas such as PAREA.
- In Goal G, it's worth noting that USPAP requires appraisers to use recognized methods and techniques, but does not specify what those may be. Without prescribed methodology in its own standards, how is TAF going to determine what is appropriate?

This seems eerily reminiscent of TAF's former Appraisal Practices Board, which was heavily criticized for dictating methodology. Further, considering the criticism the ASB has faced over the many changes to USPAP in recent years (including some highly controversial ones), how can TAF be trusted to determine the best methodology for valuation techniques using current technology?

- Lastly, for "Key Drivers" on page 6, #6 under Valuation Profession states, "Appraisal management companies (AMCs) can make rules, institute policies, and procedures without ever taking responsibility for the work products."

It is disappointing to see a respected organization like TAF make such a baseless claim about AMCs, this time in writing in such an important document, especially given the strong involvement and support of AMCs in TAFs Industry Advisory Council and the TAF Advisory Committee.

Considering this type of public statement, and previous negative comments about AMCs, how can the AMC industry believe TAF would consider any impact to AMCs in an objective manner?

In fact, AMCs are:

- The only stakeholders required by law to regularly monitor and review the work product of licensed/certified appraisers (not even state appraisal regulatory entities are required to periodically review the work of all their licensees).
- Required to file copies of policies and procedures with some state licensing entities.
- Often more heavily regulated than appraisers and state appraisal regulatory entities that regulate them.
- Bearing a disproportionate cost-of-regulation compared to the co-licensees (appraisers).

We appreciate the opportunity to provide the perspective of AMCs. Please, contact me with any questions.

*Mark A. Schiffman*

Mark Schiffman  
Executive Director

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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

October 14, 2021

Via Email: [www.surveymonkey.com/r/ASBComments](http://www.surveymonkey.com/r/ASBComments)

Michelle Czekalski Bradley, Chair  
Appraisal Standards Board  
The Appraisal Foundation  
1155 15<sup>th</sup> Street NW, Suite 1111  
Washington, DC 20005

RE: ASC Staff Comments on First Exposure Draft of Proposed Changes for the  
2023 edition of the USPAP

Dear Chair Czekalski Bradley:

The Appraisal Subcommittee (ASC) staff appreciates the opportunity to comment on the Appraisal Standards Board's (ASB) First Exposure Draft of proposed changes for the 2023 edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP). The following comments reflect the opinions of ASC staff and not necessarily the ASC or its member agencies.

#### Section 1: ETHICS RULE

In ASC staff's opinion, the USPAP requirements for real property appraisers should prohibit the use of any conclusions in an appraisal that are based on race, color, religion, national origin, gender, marital status, familial status, age, receipt of public income and disability (protected classes).

The proposed revisions to the ETHICS RULE include a Comment that would allow a real property appraiser to reach a conclusion in an appraisal based on protected classes and be USPAP compliant. The rationale states "Adoption of this Comment will make it clear that a supported conclusion related to the characteristics of these protected classes is the exception, not the rule." As proposed, it does not prohibit the use of information that may be biased against a protected class, so long as it is supported. Another rationale given is that the USPAP ETHICS RULE covers personal property and business valuation and the ASB apparently wants to retain this option for those disciplines. Personal property and business valuation practices which are unregulated professions have little relevance to standards for real property appraisers. Therefore, the ASB may want to consider separating the publication of standards for the various disciplines in order to serve all three effectively.

## Section 2: PERSONAL INSPECTION AND THE CERTIFICATION

No comment.

## Section 3: DISCLOSURE IN REPORTING

No comment.

## Section 4: TRANSFERS AND SALES

The rationale indicates that this change is of particular importance for business valuers. No rationale is provided as to why it would benefit real property appraisers, users of their services or regulators. In fact, it may add another complication to the appraisal process for real property appraisers with little to no discernable benefit. This is another example of the need to separate real property from the other standards.

## Section 5: DEFINITIONS TO RETIRE

Three definitions are proposed to be retired:

- *Misleading*,
- *Relevant Characteristics*,
- *Personal Inspection*.

These definitions were new to USPAP for the current (2020-21) edition and now are proposed for retirement.

The ASB is proposing to modify three definitions:

- *Appraiser* is to be modified by reinstating a Comment that was previously deleted for the current edition of USPAP.
- *Assignment Elements* is proposed to be revised due to the current definition being unclear.
- *Workfile* is proposed to revert to 2018-19 version.

These definitions were recently revised and are now being revised again.

The rationale for most of these proposed changes (retirements and modifications) is that once the changes were put into practice, they proved to be problematic. Back and forth revisions to USPAP are not unusual throughout its history.

## Section 7: DEFINITIONS TO ADD

No comment.

## Section 8: MINOR EDITS

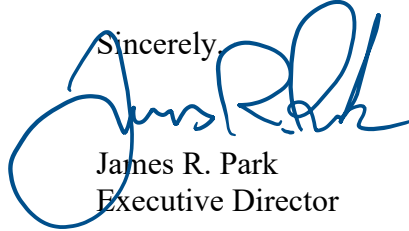
No comment.



We appreciate the work the ASB performs on behalf of appraisers, regulators, users of appraisal services and consumers.

Please contact us if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Park". The signature is stylized with large, overlapping loops and a long horizontal stroke at the end.

James R. Park  
Executive Director

## **Policy on Monitoring and Reviewing the Appraisal Foundation**

[September 15, 2021]

### **Purpose**

Title XI requires the Appraisal Subcommittee (ASC) to monitor and review specific aspects of the Appraisal Foundation (Foundation). This policy clarifies how the ASC will meet this statutory requirement and is in addition to the monitoring and review of grant-related activities as set forth in the ASC's Grants Handbook.

### **Statutory Authority**

Title XI, section 1103(b)<sup>1</sup>, *Monitoring and reviewing Foundation*, states that the ASC shall monitor and review the following aspects of the Foundation, including its "practices, procedures, activities and organizational structure."

### **Monitoring and Reviewing the Foundation**

The Foundation is a vital partner that plays a critical role in supporting and advancing the real estate appraisal regulatory system. ASC staff will monitor and review Foundation activities using a continuous improvement model that encourages constructive, ongoing communication between the ASC and the Foundation while providing written and verbal feedback to increase the effectiveness of Foundation operations and programming. A summary of written comments will be provided to the ASC Board as part of the Executive Director's quarterly report. In addition, ASC staff will provide written public comment on Foundation exposure drafts and other work product.

The below list of ASC activities is not exhaustive and is subject to periodic review and modification at the sole discretion of the ASC.

#### *Foundation Meetings*

- ASC staff will monitor and review activities under Title XI authority through attendance at public meetings of the Appraisal Standards Board (ASB), Appraiser Qualifications Board (AQB) and Board of Trustees (BOT) as observers, with attendance delegated by the ASC Executive Director to ASC staff on a rotating basis.
  - ASC staff will not routinely attend work sessions, conference calls, closed sessions or committee, subcommittee or subject matter expert panel meetings, but will be available for those meetings on an as needed basis.
  - Written memos prepared by ASC staff for Foundation staff regarding Foundation meetings will be provided to the Foundation for review and comment prior to finalization, with a one-week turnaround time.
- ASC staff will request meeting materials and minutes for all meetings (public and private).

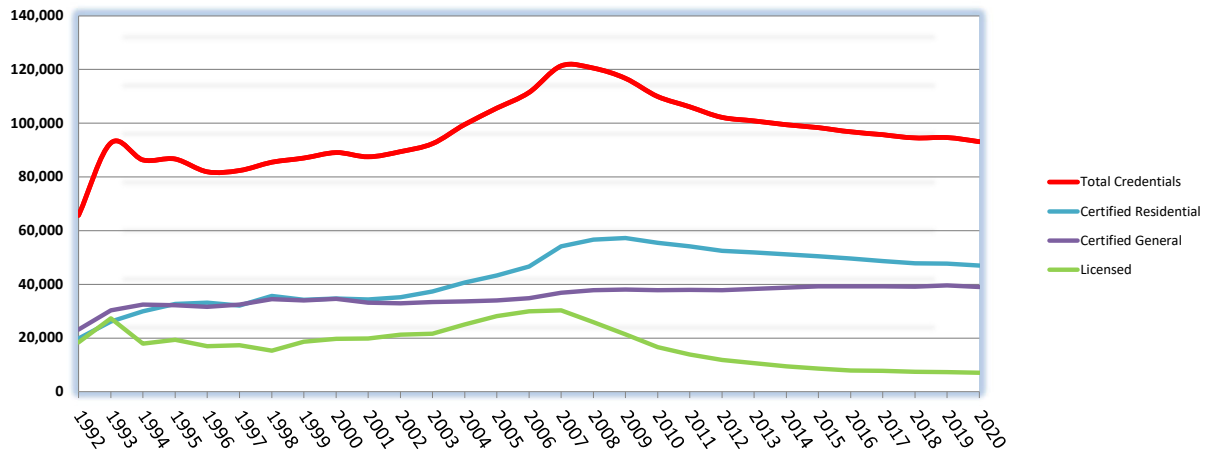
#### *Audits and Investigations*

Formal reviews of the Foundation may be periodically commissioned by the ASC through engagement of a professional audit firm. Audits will be to generally accepted government auditing standards (GAGAS) and may include agreed-upon-procedures audits, inspections, or examinations of the Foundation's practices, procedures, activities, and organizational structure.

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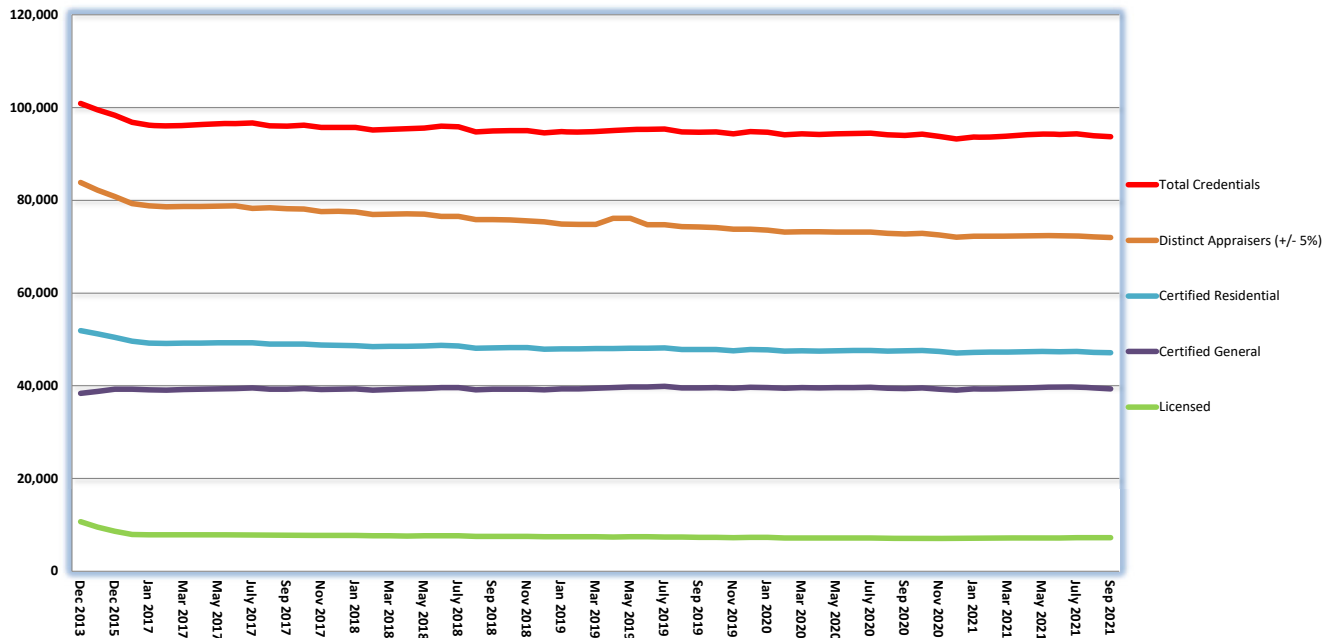
<sup>1</sup> Title XI § 1103 (b), 12 U.S.C. 3332 (b).

### Yearly Appraiser Credential Trends



### Monthly Appraisers Credential Trends

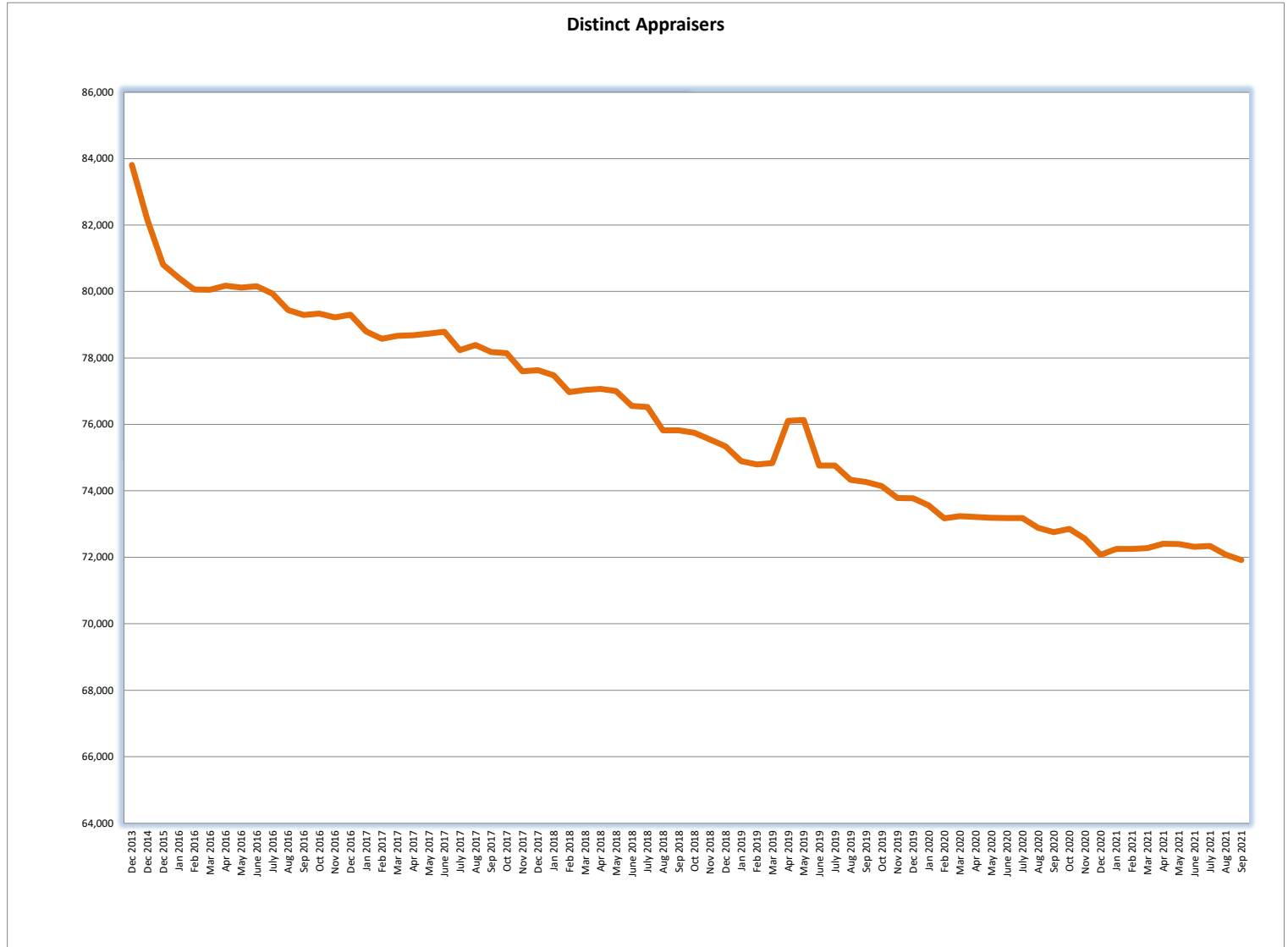
As of Sep 26, 2021



Year-End Appraiser Credentials					
Year-End	Certified General	Certified Residential	Licensed	Transitional	Total Credentials
1992	23,133	19,772	18,406	4,405	65,716
1993	30,348	26,163	27,316	8,882	92,709
1994	32,450	29,949	17,960	6,043	86,402
1995	32,305	32,733	19,375	2,244	86,657
1996	31,628	33,141	16,984	226	81,979
1997	32,519	32,161	17,371	318	82,369
1998	34,485	35,697	15,287	23	85,492
1999	34,082	34,237	18,676	24	87,019
2000	34,609	34,702	19,755	28	89,094
2001	33,246	34,401	19,837	23	87,507
2002	32,959	35,233	21,261	37	89,490
2003	33,394	37,418	21,575	47	92,434
2004	33,725	40,726	25,095	46	99,592
2005	34,074	43,327	28,185	52	105,638
2006	34,812	46,701	29,921	51	111,485
2007	36,881	54,177	30,286	63	121,407
2008	37,851	56,704	25,931	65	120,551
2009	38,061	57,253	21,434	43	116,791
2010	37,807	55,522	16,674	23	110,026
2011	38,016	54,201	13,900	13	106,130
2012	37,834	52,504	11,875	12	102,225
2013	38,332	51,893	10,648	1	100,874
2014	38,777	51,240	9,507	0	99,524
2015	39,257	50,472	8,622	0	98,351
2016	39,246	49,631	7,926	0	96,803
2017	39,262	48,720	7,749	0	95,731
2018	39,135	47,908	7,481	0	94,524
2019	39,606	47,776	7,321	0	94,703
2020	39,070	47,073	7,061	0	93,204

Monthly Appraiser Credential Trends						
Date	Certified General	Certified Residential	Licensed	Transitional	Total Credentials	Appraisers (+/- 5%)
Dec 2013	38,332	51,893	10,648	1	100,874	83,809
Dec 2014	38,777	51,240	9,507	0	99,524	82,164
Dec 2015	39,257	50,472	8,622	0	98,351	80,806
Dec 2016	39,246	49,631	7,926	0	96,803	79,302
Jan 2017	39,119	49,210	7,899	0	96,228	78,794
Feb 2017	39,029	49,131	7,842	0	96,002	78,577
Mar 2017	39,196	49,173	7,851	0	96,220	78,663
Apr 2017	39,256	49,214	7,854	0	96,324	78,683
May 2017	39,333	49,265	7,852	0	96,450	78,732
June 2017	39,429	49,259	7,855	0	96,543	78,789
July 2017	39,513	49,309	7,833	0	96,655	78,235
Aug 2017	39,265	48,994	7,793	0	96,052	78,386
Sep 2017	39,241	49,005	7,759	0	96,005	78,174
Oct 2017	39,404	49,022	7,778	0	96,204	78,142
Nov 2017	39,229	48,763	7,757	0	95,749	77,596
Dec 2017	39,262	48,720	7,749	0	95,731	77,629
Jan 2018	39,316	48,689	7,744	0	95,749	77,478
Feb 2018	39,087	48,420	7,635	0	95,142	76,968
Mar 2018	39,190	48,492	7,644	0	95,326	77,034
Apr 2018	39,310	48,530	7,628	0	95,468	77,066
May 2018	39,418	48,556	7,637	0	95,611	77,002
June 2018	39,627	48,700	7,638	0	95,965	76,551
July 2018	39,623	48,603	7,643	0	95,869	76,519
Aug 2018	39,126	48,126	7,529	0	94,781	75,825
Sep 2018	39,246	48,195	7,518	0	94,959	75,822
Oct 2018	39,300	48,219	7,514	0	95,033	75,751
Nov 2018	39,302	48,217	7,503	0	95,022	75,548
Dec 2018	39,135	47,908	7,481	0	94,524	75,339
Jan 2019	39,320	47,990	7,483	0	94,793	74,894
Feb 2019	39,305	47,953	7,449	0	94,707	74,793
Mar 2019	39,468	48,007	7,426	0	94,901	74,839
Apr 2019	39,589	48,039	7,413	0	95,041	76,110
May 2019	39,728	48,085	7,424	0	95,237	76,129
June 2019	39,778	48,130	7,424	0	95,332	74,763
July 2019	39,846	48,146	7,411	0	95,403	74,760
Aug 2019	39,551	47,824	7,377	0	94,752	74,332
Sep 2019	39,573	47,836	7,308	0	94,717	74,262
Oct 2019	39,630	47,822	7,299	0	94,751	74,142
Nov 2019	39,481	47,564	7,282	0	94,327	73,780
Dec 2019	39,679	47,828	7,341	0	94,848	73,774
Jan 2020	39,639	47,732	7,307	0	94,678	73,565
Feb 2020	39,448	47,501	7,185	0	94,134	73,170
Mar 2020	39,613	47,555	7,192	0	94,360	73,235
Apr 2020	39,563	47,508	7,161	0	94,232	73,213
May 2020	39,607	47,553	7,158	0	94,318	73,187
June 2020	39,642	47,594	7,167	0	94,403	73,177
July 2020	39,686	47,626	7,160	0	94,472	73,177
Aug 2020	39,502	47,512	7,105	0	94,119	72,886
Sep 2020	39,418	47,542	7,061	0	94,021	72,756
Oct 2020	39,569	47,623	7,104	0	94,296	72,852
Nov 2020	39,260	47,446	7,071	0	93,777	72,559
Dec 2020	39,070	47,073	7,061	0	93,204	72,069
Jan 2021	39,330	47,210	7,138	0	93,678	72,255
Feb 2021	39,278	47,243	7,151	0	93,672	72,253
Mar 2021	39,382	47,294	7,157	0	93,833	72,278
Apr 2021	39,566	47,365	7,201	0	94,132	72,405
May 2021	39,675	47,409	7,214	0	94,298	72,397
June 2021	39,663	47,358	7,206	0	94,227	72,318
July 2021	39,738	47,401	7,221	0	94,360	72,341
Aug 2021	39,512	47,177	7,251	0	93,940	72,084
Sep 2021	39,367	47,117	7,217	0	93,701	71,921

State or Territory	Number of Distinct Active Appraisers Sep 26, 2021 (+/- 5%)
Alabama	1327
Alaska	206
Arizona	2154
Arkansas	841
California	8752
Colorado	2742
Connecticut	1199
Delaware	549
District Of Columbia	774
Florida	5892
Georgia	3305
Guam	18
Hawaii	502
Idaho	763
Illinois	3457
Indiana	2147
Iowa	1116
Kansas	1005
Kentucky	1354
Louisiana	1309
Maine	575
Maryland	2095
Massachusetts	1905
Michigan	2418
Minnesota	1835
Mississippi	957
Missouri	1935
Montana	452
Nebraska	663
Nevada	968
New Hampshire	688
New Jersey	2608
New Mexico	579
New York	3579
North Carolina	2847
North Dakota	315
Northern Mariana Islands	7
Ohio	2822
Oklahoma	1083
Oregon	1422
Pennsylvania	2924
Puerto Rico	312
Rhode Island	427
South Carolina	2168
South Dakota	404
Tennessee	1995
Texas	5401
Utah	1231
Vermont	267
Virgin Islands	23
Virginia	3191
Washington	2588
West Virginia	596
Wisconsin	1892
Wyoming	322
<b>All States and Territories</b>	<b>71921</b>



## **2021 Annual Employee Survey Results For Appraisal Subcommittee**

1. **Interpretation of Results:** (to be written by agency)
2. **How the survey was conducted:** The survey was conducted online from August 23, 2021, to September 10, 2021.
3. **Description of sample:** All 13 full-time permanent employees of the agency were surveyed.
4. **Survey items and response choices:** See the tables on the following pages.
5. **Number of employees surveyed, number who responded, and representativeness of respondents:** Of the 13 employees surveyed, 10 responded, for a 77% response rate. These respondents are representative of the population.

**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**

Surveys Sent: 13

Surveys Returned: 10

Response Rate: 77%

<b>Prescribed Questions: Personal Work Experiences</b>								
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>		<b>Total</b>
1. The people I work with cooperate to get the job done.	Frequencies	7	2	1	0	0		10
	Percentages	70.0%	20.0%	10.0%	0.0%	0.0%		100.0%
2. I am given a real opportunity to improve my skills in my organization.	Frequencies	6	3	1	0	0		10
	Percentages	60.0%	30.0%	10.0%	0.0%	0.0%		100.0%
3. My work gives me a feeling of personal accomplishment.	Frequencies	6	2	2	0	0		10
	Percentages	60.0%	20.0%	20.0%	0.0%	0.0%		100.0%
4. I like the kind of work I do.	Frequencies	7	1	2	0	0		10
	Percentages	70.0%	10.0%	20.0%	0.0%	0.0%		100.0%
5. I have trust and confidence in my supervisor.	Frequencies	8	2	0	0	0		10
	Percentages	80.0%	20.0%	0.0%	0.0%	0.0%		100.0%
<b>Item Text</b>		<b>Very Good</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>	<b>Very Poor</b>		<b>Total</b>
6. Overall, how good a job do you feel is being done by your immediate supervisor?	Frequencies	9	1	0	0	0		10
	Percentages	90.0%	10.0%	0.0%	0.0%	0.0%		100.0%

**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**

Surveys Sent: 13

Surveys Returned: 10

Response Rate: 77%

<b>Prescribed Questions: Recruitment, Development, &amp; Retention</b>								
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Do Not Know</b>	<b>Total</b>
7. The workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals.	Frequencies	8	2	0	0	0	0	10
	Percentages	80.0%	20.0%	0.0%	0.0%	0.0%		100.0%
8. My work unit is able to recruit people with the right skills.	Frequencies	6	2	1	1	0	0	10
	Percentages	60.0%	20.0%	10.0%	10.0%	0.0%		100.0%
9. I know how my work relates to the agency's goals and priorities.	Frequencies	7	2	1	0	0	0	10
	Percentages	70.0%	20.0%	10.0%	0.0%	0.0%		100.0%
10. The work I do is important.	Frequencies	7	1	2	0	0	0	10
	Percentages	70.0%	10.0%	20.0%	0.0%	0.0%		100.0%
11. Physical conditions (for example, noise level, temperature, lighting, cleanliness in the workplace) allow employees to perform their jobs well.	Frequencies	8	1	0	0	0	1	9
	Percentages	88.9%	11.1%	0.0%	0.0%	0.0%		100.0%
12. Supervisors in my work unit support employee development.	Frequencies	7	1	1	1	0	0	10
	Percentages	70.0%	10.0%	10.0%	10.0%	0.0%		100.0%
13. My talents are used well in the workplace.	Frequencies	6	3	1	0	0	0	10
	Percentages	60.0%	30.0%	10.0%	0.0%	0.0%		100.0%
14. My training needs are assessed.	Frequencies	5	1	3	1	0	0	10
	Percentages	50.0%	10.0%	30.0%	10.0%	0.0%		100.0%



**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**

Surveys Sent: 13

Surveys Returned: 10

Response Rate: 77%

<b>Prescribed Questions: Performance Culture</b>								
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Do Not Know</b>	<b>Total</b>
15. Promotions in my work unit are based on merit.	Frequencies	5	1	4	0	0	0	10
	Percentages	50.0%	10.0%	40.0%	0.0%	0.0%		100.0%
16. In my work unit, steps are taken to deal with a poor performer who cannot or will not improve.	Frequencies	5	0	3	1	0	1	9
	Percentages	55.6%	0.0%	33.3%	11.1%	0.0%		100.0%
17. Creativity and innovation are rewarded.	Frequencies	6	1	2	1	0	0	10
	Percentages	60.0%	10.0%	20.0%	10.0%	0.0%		100.0%
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>No Basis to Judge</b>	<b>Total</b>
18. In my most recent performance appraisal, I understood what I had to do to be rated at different performance levels (e.g., Fully Successful, Outstanding).	Frequencies	7	3	0	0	0	0	10
	Percentages	70.0%	30.0%	0.0%	0.0%	0.0%		100.0%
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Do Not Know</b>	<b>Total</b>
19. In my work unit, differences in performance are recognized in a meaningful way.	Frequencies	6	0	3	0	0	1	9
	Percentages	66.7%	0.0%	33.3%	0.0%	0.0%		100.0%
20. Pay raises depend on how well employees perform their jobs.	Frequencies	5	0	4	1	0	0	10
	Percentages	50.0%	0.0%	40.0%	10.0%	0.0%		100.0%
21. My performance appraisal is a fair reflection of my performance.	Frequencies	6	4	0	0	0	0	10
	Percentages	60.0%	40.0%	0.0%	0.0%	0.0%		100.0%
22. Discussions with my supervisor about my performance are worthwhile.	Frequencies	7	3	0	0	0	0	10
	Percentages	70.0%	30.0%	0.0%	0.0%	0.0%		100.0%
23. Supervisors work well with employees of different backgrounds.	Frequencies	6	3	0	0	0	1	9
	Percentages	66.7%	33.3%	0.0%	0.0%	0.0%		100.0%
24. My supervisor supports my need to balance work and family issues.	Frequencies	8	2	0	0	0	0	10
	Percentages	80.0%	20.0%	0.0%	0.0%	0.0%		100.0%

**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**

Surveys Sent: 13

Surveys Returned: 10

Response Rate: 77%

<b>Prescribed Questions: Leadership</b>								
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Do Not Know</b>	<b>Total</b>
25. I have a high level of respect for my organization's senior leaders.	Frequencies	7	2	1	0	0	0	10
	Percentages	70.0%	20.0%	10.0%	0.0%	0.0%		100.0%
26. In my organization, leaders generate high levels of motivation and commitment in the workforce.	Frequencies	6	1	2	1	0	0	10
	Percentages	60.0%	10.0%	20.0%	10.0%	0.0%		100.0%
27. Managers review and evaluate the organization's progress toward meeting its goals and objectives.	Frequencies	6	1	2	1	0	0	10
	Percentages	60.0%	10.0%	20.0%	10.0%	0.0%		100.0%
28. Employees are protected from health and safety hazards on the job.	Frequencies	7	1	1	0	0	1	9
	Percentages	77.8%	11.1%	11.1%	0.0%	0.0%		100.0%
29. Employees have a feeling of personal empowerment with respect to work processes.	Frequencies	6	3	1	0	0	0	10
	Percentages	60.0%	30.0%	10.0%	0.0%	0.0%		100.0%
30. My workload is reasonable.	Frequencies	4	3	1	0	1	0	9
	Percentages	44.4%	33.3%	11.1%	0.0%	11.1%		100.0%
31. Managers communicate the goals and priorities of the organization.	Frequencies	6	4	0	0	0	0	10
	Percentages	60.0%	40.0%	0.0%	0.0%	0.0%		100.0%
32. My organization has prepared employees for potential security threats.	Frequencies	6	0	3	1	0	0	10
	Percentages	60.0%	0.0%	30.0%	10.0%	0.0%		100.0%

**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**

Surveys Sent: 13

Surveys Returned: 10

Response Rate: 77%

<b>Prescribed Questions: Job Satisfaction</b>								
<b>Item Text</b>		<b>Very Satisfied</b>	<b>Satisfied</b>	<b>Neither</b>	<b>Dis-satisfied</b>	<b>Very Dis-satisfied</b>		<b>Total</b>
33. How satisfied are you with the information you receive from management on what's going on in your organization?	Frequencies	6	4	0	0	0		10
	Percentages	60.0%	40.0%	0.0%	0.0%	0.0%		100.0%
34. How satisfied are you with your involvement in decisions that affect your work?	Frequencies	7	1	1	1	0		10
	Percentages	70.0%	10.0%	10.0%	10.0%	0.0%		100.0%
35. How satisfied are you with your opportunity to get a better job in your organization?	Frequencies	4	2	3	1	0		10
	Percentages	40.0%	20.0%	30.0%	10.0%	0.0%		100.0%
36. How satisfied are you with the recognition you receive for doing a good job?	Frequencies	7	3	0	0	0		10
	Percentages	70.0%	30.0%	0.0%	0.0%	0.0%		100.0%
37. How satisfied are you with the policies and practices of your senior leaders?	Frequencies	7	2	1	0	0		10
	Percentages	70.0%	20.0%	10.0%	0.0%	0.0%		100.0%
38. How satisfied are you with the training you receive for your present job?	Frequencies	4	3	2	1	0		10
	Percentages	40.0%	30.0%	20.0%	10.0%	0.0%		100.0%
39. Considering everything, how satisfied are you with your job?	Frequencies	6	4	0	0	0		10
	Percentages	60.0%	40.0%	0.0%	0.0%	0.0%		100.0%
40. Considering everything, how satisfied are you with your pay?	Frequencies	4	6	0	0	0		10
	Percentages	40.0%	60.0%	0.0%	0.0%	0.0%		100.0%

**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**

Surveys Sent: 13

Surveys Returned: 10

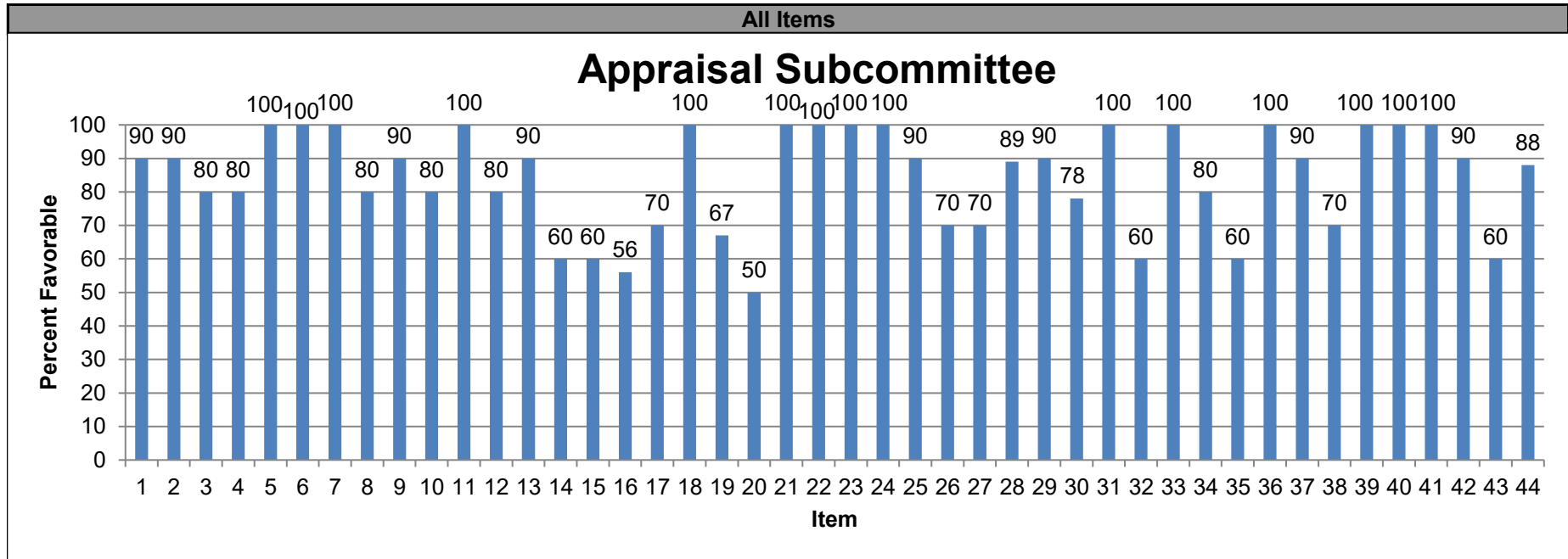
Response Rate: 77%

<b>Additional Questions</b>								
<b>Item Text</b>		<b>Very Satisfied</b>	<b>Satisfied</b>	<b>Neither</b>	<b>Dis-satisfied</b>	<b>Very Dis-satisfied</b>		<b>Total</b>
41. Considering everything, how satisfied are you with your organization?	Frequencies	6	4	0	0	0		10
	Percentages	60.0%	40.0%	0.0%	0.0%	0.0%		100.0%
<b>Item Text</b>		<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Do Not Know</b>	<b>Total</b>
42. I recommend my organization as a good place to work.	Frequencies	6	3	1	0	0	0	10
	Percentages	60.0%	30.0%	10.0%	0.0%	0.0%		100.0%
43. I believe the results of this survey will be used to make my agency a better place to work.	Frequencies	6	0	2	1	1	0	10
	Percentages	60.0%	0.0%	20.0%	10.0%	10.0%		100.0%
44. I can disclose a suspected violation of any law, rule or regulation without fear or reprisal.	Frequencies	5	2	1	0	0	2	8
	Percentages	62.5%	25.0%	12.5%	0.0%	0.0%		100.0%

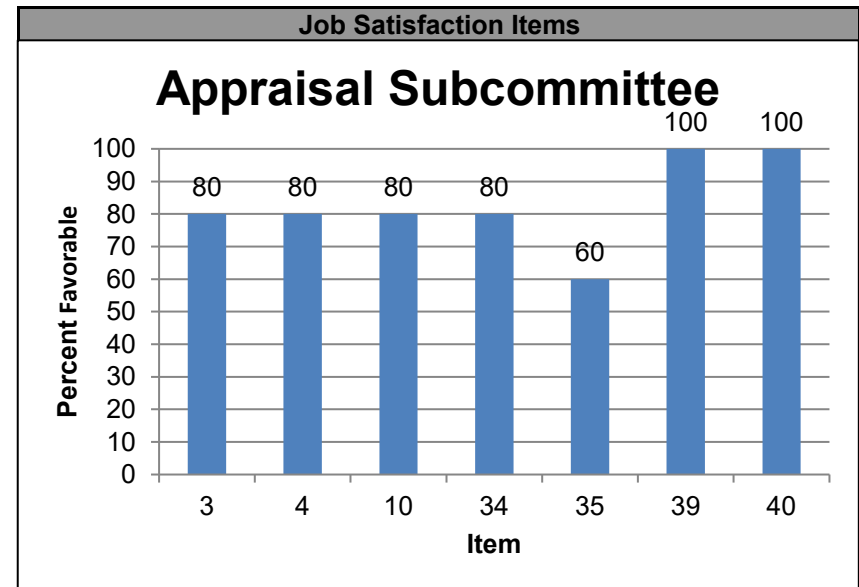
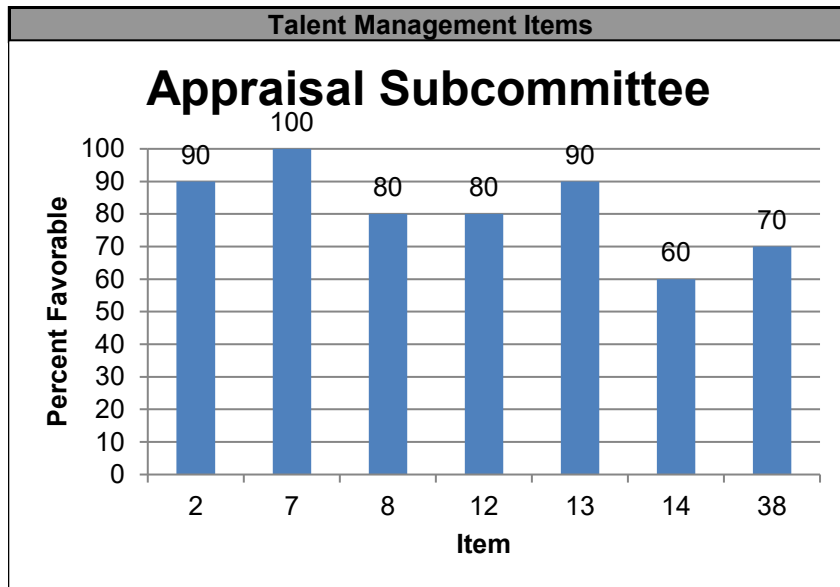
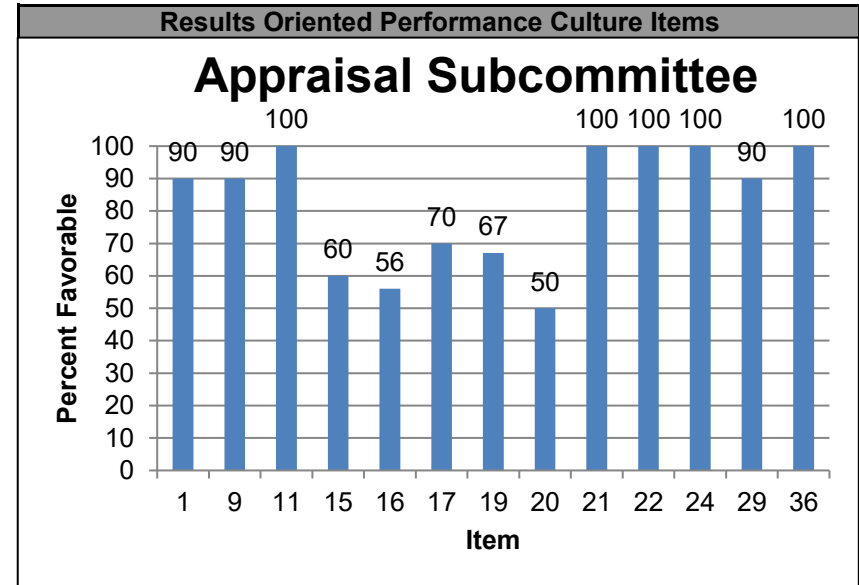
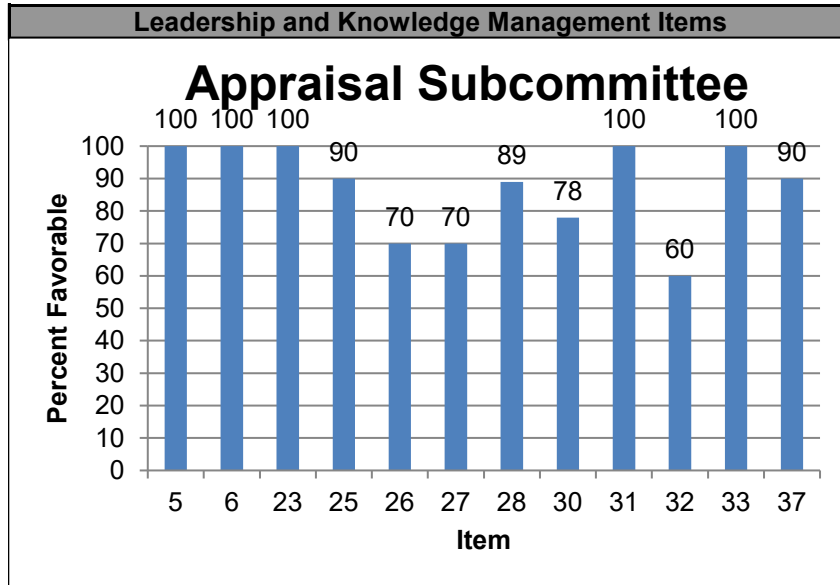
**HCAAF Indices**

<b>Index</b>	<b>% Favorable</b>
Leadership and Knowledge Management	87%
Results Oriented Performance Culture	82%
Talent Management	81%
Job Satisfaction	83%

**2021 Annual Employee Survey Results For  
Appraisal Subcommittee**



**2021 Annual Employee Survey Results For  
Appraisal Subcommittee  
Results by HCAAF Index**



**APPRAISAL SUBCOMMITTEE  
OPEN SESSION MEETING MINUTES  
JUNE 2, 2021**

LOCATION: Zoom Meeting

**ATTENDEES**

**ASC MEMBERS:** CFPB – John Schroeder  
FDIC – John Jilovec  
FHFA – Robert Witt  
FRB – Keith Coughlin  
HUD – Bobbi Borland  
NCUA – Tim Segerson  
OCC – James Rives

**ASC STAFF:** Executive Director – Jim Park  
Deputy Executive Director – Denise Graves  
General Counsel – Alice Ritter  
Financial Manager – Girard Hull  
Attorney-Advisor – Ada Bohorfoush  
Management and Program Analyst – Lori Schuster  
Administrative Officer – Brian Kelly  
Regulatory Affairs Specialist – Maria Brown  
Policy Manager – Neal Fenochietti  
Policy Manager – Kristi Klamet  
Policy Manager – Jenny Tidwell

**OBSERVERS:** See attached list

The Meeting was called to order at 10:00 a.m. by Chair T. Segerson.

**ACTION ITEMS**

- **May 14, 2021 Open Session Special Meeting Minutes**

J. Schroeder made a motion to approve the May 14<sup>th</sup> open session special meeting minutes as presented. K. Coughlin seconded and all members present voted to approve.

- **Census/Survey Project**

J. Park outlined the Census/Survey Project (Project). ASC staff is seeking initial budget authority of \$150,000 to initiate a comprehensive census/survey of stakeholders in the real property appraisal profession, including appraisers, appraisal management companies (AMC), lenders, State appraisal and AMC regulators and Fair Housing and Lending authorities to understand demographics and trends in the appraisal industry. He felt this Project is long overdue, noting a request he received recently from a group of chief

appraisers representing some of the largest banks and financial services providers in the U.S. pointing out the need for such a Project. M. Abbott provided additional details. The Project would include, but not be limited to, the following: (1) actual number of appraisers in the industry including the number of unique or individual appraisers and number and type of credentials held by appraisers; (2) demographics of appraisers including age, gender, race and education level; (3) years of appraisal experience; (4) government entity approval (*e.g.*, FHA or VA); (5) full or part-time appraiser; (6) number of appraisers leaving the profession each year due to lapsed credentials or planned retirement; (7) number of registered trainees; (8) primary role of appraisers; and (9) quality and availability of appraisal services. B. Borland asked how this data would be used. M. Abbott responded that the data may be used in different ways by various stakeholders. It may be used for workforce planning by some or to see what backgrounds appraisers have. The data could also help determine how grant funds could be used. D. Byerman added that, based on data from the U.S. Bureau of Labor Statistics, there is a lack of diversity and geographic shortages in the appraisal profession. B. Borland asked how personal information will be used and protected. D. Byerman responded that the Project will attempt to combine datasets from different agencies. Memorandums of Understanding will be prepared to allow confidentiality to be maintained. It is within the realm of possibility to do a field census of the entire real property appraisal profession. The data collected must also be validated. M. Abbott added that data from the Appraiser Registry will include a series of protocols to mask personal information. J. Schroeder said it must be clear to respondents that participation is voluntary. M. Abbott added that since this will be a federal collection, it will need approval from the Office of Management and Budget. He added that the hope is to get a statistically valid sample for extrapolation so participation will be encouraged. M. Abbott noted that depending on the methodology used, the Project should give the ASC a more robust understanding of appraiser demographics. The results could also help to reduce unintended barriers and get a more diverse population of appraisers. D. Byerman added that the first step is to diagnose the problem. There are real challenges in the appraisal profession in terms of succession planning and diversity, but the data is not available to support this. M. Abbott suggested that AMCs and lenders would be able to provide their perspectives. College and university programs could also be part of the Project. J. Park added that the National Association of Realtors did a comprehensive survey of the appraisal industry in 2017. That research showed that, within ten years, there could be numerous appraisers leaving the profession without new entrants into the profession. B. Borland wanted to verify that the ASC would only be gathering data to see the demographics. M. Abbott responded that there is no agenda, just fact finding. T. Segerson commented that there have been times when there is a geographic lack of appraisers available to meet demand as market conditions change. He also questioned how long it takes to complete the education, experience and testing requirements to become an appraiser. M. Abbott responded that part of the Project will include how long it takes to become an appraiser and if those persons felt there were any barriers. D. Byerman added that the geographic breakdown will be a very useful data point that could point to systemic biases or barriers to entry. T. Segerson asked for a motion to approve initial budget authority of \$150,000 to initiate a comprehensive census/survey of stakeholders in the real property appraiser profession. This level of funding will allow the ASC to collect available data sets, analyze the data and design a research methodology to conduct the census/survey. A separate budget request to support



implementation of the survey will be requested once the ASC staff and CLEAR have reviewed bids for the Project. K. Coughlin moved to approve the motion. J. Schroeder seconded and all members present voted to approve.

The Open Session adjourned at 10:33 a.m. The next regularly scheduled ASC Meeting will be held on September 15, 2021.

Attachment: Observer list

<b>Meeting:</b>	<b>Appraisal Subcommittee Meeting</b>	<b>Meeting Date:</b>	June 2, 2021
<b>Time:</b>	10:00 AM ET	<b>Location:</b>	Zoom Meeting

<b>Observers</b>	
<b>Name</b>	<b>Affiliation</b>
Justin Kane	American Society of Appraisers
David Bunton	Appraisal Foundation
Kelly Davids	Appraisal Foundation
Lisa Desmarais	Appraisal Foundation
Edna Nkemngu	Appraisal Foundation
Scott DiBiasio	Appraisal Institute
Brendan Donnelly	Appraisal Institute
Brian Rodgers	Appraisal Institute
David Byerman	CLEAR, Inc.
Jodie Markey	CLEAR, Inc.
John Brenan	Clear Capital
David Cherner	Clear Capital
Daniel Berkland	Conference of State Bank Supervisors
Deana Krumhansl	Consumer Financial Protection Bureau
Orlando Orellano	Consumer Financial Protection Bureau
Brian Barnes	Department of Housing and Urban Development
Susan Cohen	Diversity Marketing and Communications, Inc.
Richard Foley	Federal Deposit Insurance Corporation

Patrick Mancoske	Federal Deposit Insurance Corporation
Trevor Feigleson	Federal Reserve Board
David Imhoff	Federal Reserve Board
Devyn Jeffreis	Federal Reserve Board
Derald Seid	Federal Reserve Board
Matthew Suntag	Federal Reserve Board
Deborah Geiger	Geiger Communications
Peter Gallo	HomeSight Appraisal, LLC
James Rist	Minnesota Department of Commerce
Rachel Ackmann	National Credit Union Administration
Gira Bose	National Credit Union Administration
Will Binkley	Office of the Comptroller of the Currency
Stacey Fluellen	Office of the Comptroller of the Currency
Kevin Lawton	Office of the Comptroller of the Currency
Precious Umunna	Senator Amy Klobuchar's Office
Peter Christensen	Valuation Legal