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August 28, 2013

Mr. Arthur Lindo
Chairman
Executive Director
Appraisal Subcommittee
1401 H Street, Suite 760
Washington, DC 20005

Dear Chairman Lindo:

The purpose of this letter is to seek an explanation regarding the Appraisal Subcommittee's (ASC) "closed session" policy, as executed at the July 12, 2013, ASC meeting.

A representative from the Appraisal Institute attended the July 12, 2013, meeting of the ASC, along with several representatives from the Appraisal Foundation (TAF), including members of the TAF Board of Trustees, and chairs of the TAF Appraisal Standards Board, Appraiser Qualifications Board, and Appraisal Practices Board. As confirmed in the recently posted minutes of that meeting, at the conclusion of the open session, all observers, with the exception of "Appraisal Foundation attendees," were asked to leave the meeting so that the ASC board could go into closed session. The Appraisal Institute respectfully requests a detailed explanation as to why only "Appraisal Foundation attendees," in this case, all TAF attendees, were allowed to remain in the ASC closed session.

The Dodd-Frank Act amended Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 to require the Appraisal Subcommittee to hold open meetings. Exceptions to the law were provided for personnel matters or review of preliminary state audit reports. Further, the subject matter discussed in any closed or executive session shall be described in the Federal Register notice of the meeting.

We note that on June 27, 2013, the ASC published a notice in the Federal Register that stated the closed session agenda of the July 12 meeting included "preliminary discussion of state compliance reviews."

Please provide us with an explanation as to how TAF's participation in the closed session or "Briefing" related to preliminary discussion of state compliance reviews. We also request that you elaborate on what a "Briefing" entails and why it was necessary to hold in closed session. Further, we would like to know if TAF representatives were asked to participate in

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closed session for other reasons, such as to explain or educate ASC board members about TAF activities. If this was the case, we would like to know why such discussion could not occur in public session.

We look forward to your reply.

Sincerely,

A handwritten signature in black ink that reads "Richard L. Borges II". The signature is written in a cursive style with a large, stylized initial 'R'.

Richard L. Borges II, MAI, SRA
2013 President, Appraisal Institute

Cc: Mr. Jim Park, Executive Director, Appraisal Subcommittee