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**Appraisal Subcommittee**  
*Federal Financial Institutions Examination Council*

April 2, 2019

Mr. Jonathan Stewart, Director  
Division of Real Estate  
Real Estate Appraiser Licensing and Certification Board  
P O Box 146711  
Salt Lake City, UT 84114-6711

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

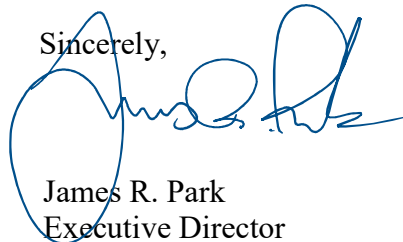
Dear Mr. Stewart:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Utah appraiser regulatory program (Appraiser Program) on February 25-27, 2019, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

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." An area of concern that was identified is being addressed by the Appraiser Program. Utah will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Utah Appraiser Program is attached.

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,



James R. Park  
Executive Director

Attachment

cc: Mr. Mark Fagergren, Director of Licensing and Education  
Ms. Kadee Wright, Chief Investigator  
Mr. Justin Barney, Hearing Officer

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor <sup>1</sup>	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

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<sup>1</sup> An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 8, *Interim Sanctions*.

## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good  
 Final Report Issue Date: April 2, 2019

### Utah Appraiser Regulatory Program (State)

Real Estate Appraiser Licensing and Certification Board (Board)	PM: K. Klamet	ASC Compliance Review Date: February 25-27, 2019	Review Period: July 2017 to February 2019
Umbrella Agency: Department of Commerce, Division of Real Estate		Number of State Credentialed Appraisers on National Registry: 1,224	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				
<b>Statutes, Regulations, Policies and Procedures:</b>	X			No compliance issues noted.	N/A	None	None
<b>Temporary Practice:</b>	X			No compliance issues noted.	N/A	None	None
<b>National Registry:</b>			X				
States must report all disciplinary action taken against an appraiser to the ASC. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 A, D.)				The State did not report all disciplinary actions to the ASC National Registry.	On March 14, 2019, the State reported the discipline was submitted to the Registry on February 26, 2019, the day the oversight was identified by ASC staff.  The State also reported steps have been taken to ensure all disciplinary actions are reported to the Registry in the future.	None	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 3.
<b>Application Process:</b>	X			No compliance issues noted.	N/A	None	None
<b>Reciprocity:</b>	X			No compliance issues noted.	N/A	None	None
<b>Education:</b>	X			No compliance issues noted.	N/A	None	None
<b>Enforcement:</b>	X			No compliance issues noted.	N/A	None	None