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Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 14, 2007

Mr. James Collins, Director
Division of Professional Regulation
Cannon Building, Suite 203
861 Silver Lake Blvd.
Dover, DE 19904

Dear Mr. Collins:

Thank you for the cooperation and assistance of the Division of Professional Regulation (“Division”) and the Delaware Council of Real Estate Appraisers’ (“Council”) in the January 17-23, 2007 Appraisal Subcommittee (“ASC”) review of Delaware’s real estate appraiser regulatory program (“Program”). Based on our review, Delaware needs to address the following concern to bring the Program into substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (“Title XI”).

- **The Division does not process temporary practice applications within five business days of receipt as required in ASC Policy Statement 5.**

ASC Policy Statement 5 requires that completed temporary practice applications be acted on within five business days of receipt. During our 2005 field review, we found that the Division failed to meet this requirement. Although the Division improved its procedures following our 2005 review, we found during our 2007 review that the Division continues to fail to meet this requirement.

In December 2006, Division Director James Collins directed that all temporary practice application processing be moved from the Division’s Operations Support Unit to Administrative Specialist Monique Hampton, or her supervisor, Gayle Melvin. We trust that this change in processing procedures will be adequate to ensure that temporary practice applications are processed in accordance with ASC Policy Statement 5. If this processing change does not achieve the desired results, the Division and Board need to implement other arrangements to ensure compliance with Title XI and ASC Policy Statement 5.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 60-day response period, whichever is earlier, this letter, your response and any other correspondence between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

Please contact us if you have any questions.

Sincerely,

Virginia M. Gibbs
Chairman

cc: Donald West, Chairman