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Appraisal Subcommittee

Federal Financial Institutions Examination Council

January 24, 2006

Richard Koestner, Vice Chair
Iowa Real Estate Appraiser Examining Board
1920 SE Husizer Road
Ankeny, Iowa 50021

Dear Mr. Koestner:

Thank you for your January 19, 2006 letter responding to the Appraisal Subcommittee's ("ASC") November 3, 2005 field review letter.

In your letter, you stated that the Iowa Real Estate Appraiser Examining Board ("Board") staff will retain continuing education course outlines, but will discard all other materials after a "reasonable period of time, corresponding with the anticipated two-year cycles for future Subcommittee reviews." As stated in our November 3rd field review letter, the Board must retain copies of *all* material supporting Board decisions to approve or disapprove qualifying and continuing education courses. In addition, while you may wish to discard that supporting documentation after we perform our routine field reviews, you may wish to consult legal counsel regarding Iowa's document retention requirements and whether it would be more prudent to retain that documentation for a longer period of time.

With respect to the stale certification examination results issue, we understand that four of the six certified appraisers have not yet passed the appropriate certification examination. Those appraisers have until March 31, 2006, to take and pass that examination. If they do not pass the examination, their certified credentials will be over stamped with the phrase, "Not Eligible to Appraise Federally Related Transactions." You also stated that you would inform us about the status of these appraisers no later than April 28, 2006.

Please inform us about the status of these four appraisers by April 7, 2006, rather than April 28th. This will enable us to make appropriate changes in the National Registry to accurately reflect whether one or more of these appraisers cannot legally perform appraisals in connection with federally related transactions.

Again, thank you for your response and your efforts to address our concerns. Our field review letter, your response, and any other correspondence will now become publicly available on our Web site. Please contact us if you have any further questions.

Sincerely,

Ben Henson
Executive Director