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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

May 21, 2003

John Heyn, Chairperson  
Maryland Commission of Real Estate  
Appraisers and Home Inspectors  
500 N. Calvert Street, Room 302  
Baltimore, MD 21202

Dear Mr. Heyn:

Thank you for your cooperation and your staff's assistance in the April 7-8, 2003 Appraisal Subcommittee ("ASC") review of Maryland's real estate appraiser regulatory program ("Program"). In most respects, the Program functions in a manner consistent with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI"). The following areas need your attention.

- **Temporary Practice Restrictions**

The Commission's regulations permit issuing temporary practice permits not to exceed six months. However, the Commission typically issues temporary practice permits for 30-days. Additionally, no statute, regulation, or policy allows an extension of a permit. As defined in ASC Policy Statement 5, restricting temporary practice permits to less than six months and failing to offer at least one easy extension are burdensome practices and not permitted by Title XI.

The Commission needs to amend its regulations and practices to conform to Title XI and ASC Policy Statement 5.

- **Appraiser Qualifications Board ("AQB") Criteria**

The Commission's regulations allow appraiser applicants to obtain work experience credit by teaching appraisal courses. This is inconsistent with AQB Criteria. Title XI requires certified appraisers to conform to AQB Criteria. While the Commission has not awarded such credit to an applicant, the Commission needs to remove this provision from its regulations.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that time 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.

If you have any questions, please contact us.

Sincerely,

Steven D. Fritts  
Chairman