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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

October 30, 2006

Mary James, Board Administrator  
New Mexico Board of Real Estate Appraisers  
Regulation and Licensing Department  
2550 Cerrillos Road  
Santa Fe, NM 87505

Dear Ms. James:

Thank you for your August 25, 2006, letter, as supplemented by your October 23<sup>rd</sup> email to Policy Manager Vicki Ledbetter, responding to our June 26, 2006 field review letter concerning the New Mexico real estate appraiser regulatory program (“Program”). In that letter, we advised the New Mexico Board of Real Estate Appraisers (“Board”) that it had to address two concerns 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”). As discussed below, the Board has resolved one of these items, and is in the process of resolving the other item.

- **New Mexico credentialed two reciprocal applicants inappropriately.**

During our field review, we found that New Mexico issued certified residential credentials to two licensed level appraisers via reciprocity. We noted that this mistake appeared inadvertent and not part of a pattern or practice. To resolve this concern, we directed the Board to require the mistakenly credentialed appraisers to:

1. Demonstrate that they qualify for the certified residential credential; or
2. Return the certified residential credentials, with the possibility of receiving the appropriate State licensed level credential.

The Board has downgraded these two appraisers’ credentials from certified residential to the licensed level. The National Registry entries for these appraisers correctly reflect their licensed status.

As a result, the Board has resolved our concern regarding these two appraisers.

- **New Mexico’s statute and regulations do not provide for an easy extension to temporary practice permit holders.**

In your August 25<sup>th</sup> letter, you advised us that the Board is revising its regulations to provide an easy temporary practice extension. From a subsequent conversation with our staff, we learned that no one contested adoption of the proposed curative regulation at the September 14<sup>th</sup> hearing, and that the final regulation should become effective on or around November 20, 2006. We appreciate your prompt action to cure this deficiency. Please send us a copy of your final regulation.

Our field review letter, your response, and any other previous correspondence between us regarding the field review now will become publicly available on our Web site.

Please contact us if you have any questions.

Sincerely,

Ben Henson  
Executive Director

cc: John Howden, Chair