



State of Utah  
Department of Commerce  
Division of Real Estate

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November 14, 2007

VIRGINIA M GIBBS  
CHAIRMAN  
APPRAISAL SUBCOMMITTEE  
FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL  
2000 K STREET NW STE 310

RE: -Requested Progress Report-  
Appraisal Subcommittee Review of Utah's Real Estate Appraisal Regulatory Program  
February 27-28, 2007.

Dear Chairman Gibbs:

As you requested, we are providing a progress report regarding your letter dated July 23, 2007. In your letter you requested that certain specific actions be taken on our part as well as a request to provide a written explanation of the results of our efforts. Without belaboring the point, this work has been vigorously conducted while simultaneously preparing for the January 1, 2008 changes in educational requirements. Having to deal with both matters at the same time has been a tremendous challenge for our small staff on one.

I have responded below to each of the three concerns expressed in you letter:

- **The State did not investigate and resolve complaints in a timely manner as required by ASC Policy Statement 10E.**

The division is complying with your request to provide quarterly complaint logs and reports describing the status of our efforts to reduce the complaint backlog and to process newly received complaints on a timely basis. Please see the enclosed report with information regarding our efforts.

- **Utah issued certified credentials to ad valorem tax assessors on the basis of experience affidavits in violation of ASC Policy Statement 10F.**

We are providing the information you requested.

1. We have identified all appraisers who were issued appraiser credentials supported by ad valorem/mass appraisal experience between January 1, 2005, and November 1, 2006. In addition we have identified all appraiser candidates who were issued exam authorization supported by ad valorem/mass appraisal experience between January 1, 2005, and November 1, 2006 who were authorized to sit for an appraisal exam but were not

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credentialed prior to November 1, 2006. The names of each of these individuals are included on an enclosed report.

2. We have determined that none of the appraisers (or appraiser candidates) identified in step one had documentation on file with the Division to support conformance with AQB criteria and ASC Policy Statement 10 F. A list of each of the individual appraisers identified in step one are contained on the enclosed report.
3. We have sent a letter to all appraisers (and appraiser candidates) determined to be deficient in step two, requesting documentation of the experience obtained either before or since being issued an appraiser credential (or examination authorization) with justification on the number of hours and points claimed.
4. We have determined that two appraisers identified in step two failed to document AQB-qualifying experience for the credential held. We have also determined that three appraiser candidates failed to document AQB-qualifying experience for the credential sought.
  - a. For each certified appraiser who failed to document the needed experience, we have recalled the existing certification and conspicuously over stamped it with the following wording: "Not eligible to appraiser federally related transactions." We are also instructing the ASC to change the appraiser's record on the National Registry from "Active" to "Inactive".
  - b. For each licensed appraiser who failed to document the needed experience, provide a listing to ASC staff identifying the appraiser by name and credential number and we are also instructing the ASC to change the appraiser's record on the National Registry to "non-AQB compliant".
5. We are including a spreadsheet report of each appraiser identified in step one, including each appraiser's status relative to this action plan.

**\*Utah allowed fulltime investigators with the Division to be granted certifications without documented conformance to AQB experience criteria**

We are in the final stage of compliance with each of the requirements identified in your letter dated July 23, 2007.

1. We have identified all appraisers who were issued appraiser credentials based on credit for service as a fulltime investigator (their three names included on the enclosed report).

2. We have determined that the appraisers identified in step one do not have documentation on file with the Division to support conformance to AQB criteria and ASC Policy Statement 10F.
3. We have sent a letter to all appraisers determined to be deficient in step two requesting documentation of the appraiser's experience before or since being issued an appraiser credential.
4. We have received experience from the three appraisers identified in step one. This experience is currently being evaluated for compliance with AQB criteria.
5. We anticipate that within the next month the evaluations of work experience for the three fulltime appraiser investigators will be completed and we will then be able to comply with all remaining action items you have requested by years end.

Please contact me should you have any questions

Sincerely,



Derek Miller  
Division Director