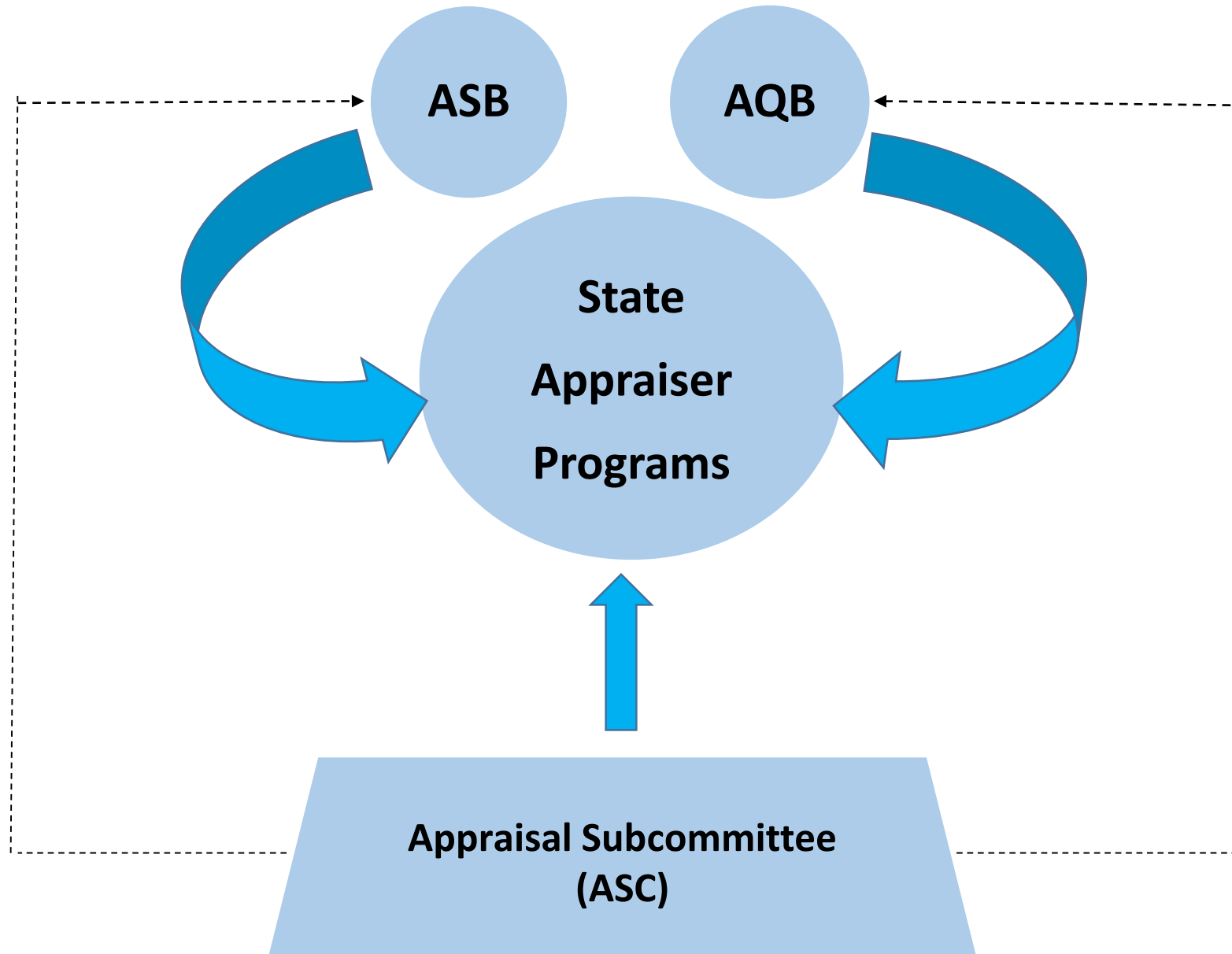


State Appraisal Coalition Webinar on Appraisal Regulation

January 18, 2017

David Bunton, President Appraisal Foundation

Jim Park, Executive Director Appraisal Subcommittee



Appraisals are Important to the U.S. Financial Markets

- Title XI of FIRREA established appraisal regulatory system in 1989 as a result of the 1980's savings and loan crisis
- Congress recognized the importance collateral valuation for a safe and sound banking system
- Congress reiterated the importance of appraisals in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection
- House Financial Services Committee, Subcommittee on Housing and Insurance November 16, 2016 hearing:
 - Chairman Luetkemeyer stated:

“appraisals are one of the cornerstones of the home-buying process. Issues that impact appraisers also impact nearly every American buying or selling a home in rural and urban areas, in high- and low- income neighborhoods”

Appraisal Foundation

- Title XI authorized the Appraisal Foundation's Appraiser Qualifications Board (AQB) and Appraisal Standards Board (ASB) to establish **minimum** qualification criteria to obtain an appraisal license or certification and issue **uniform** appraisal standards (USPAP)
- Located in Washington, DC, the Foundation has 13 staff members and over 100 affiliated organizations
- Primarily funded by publication sales and Federal grants

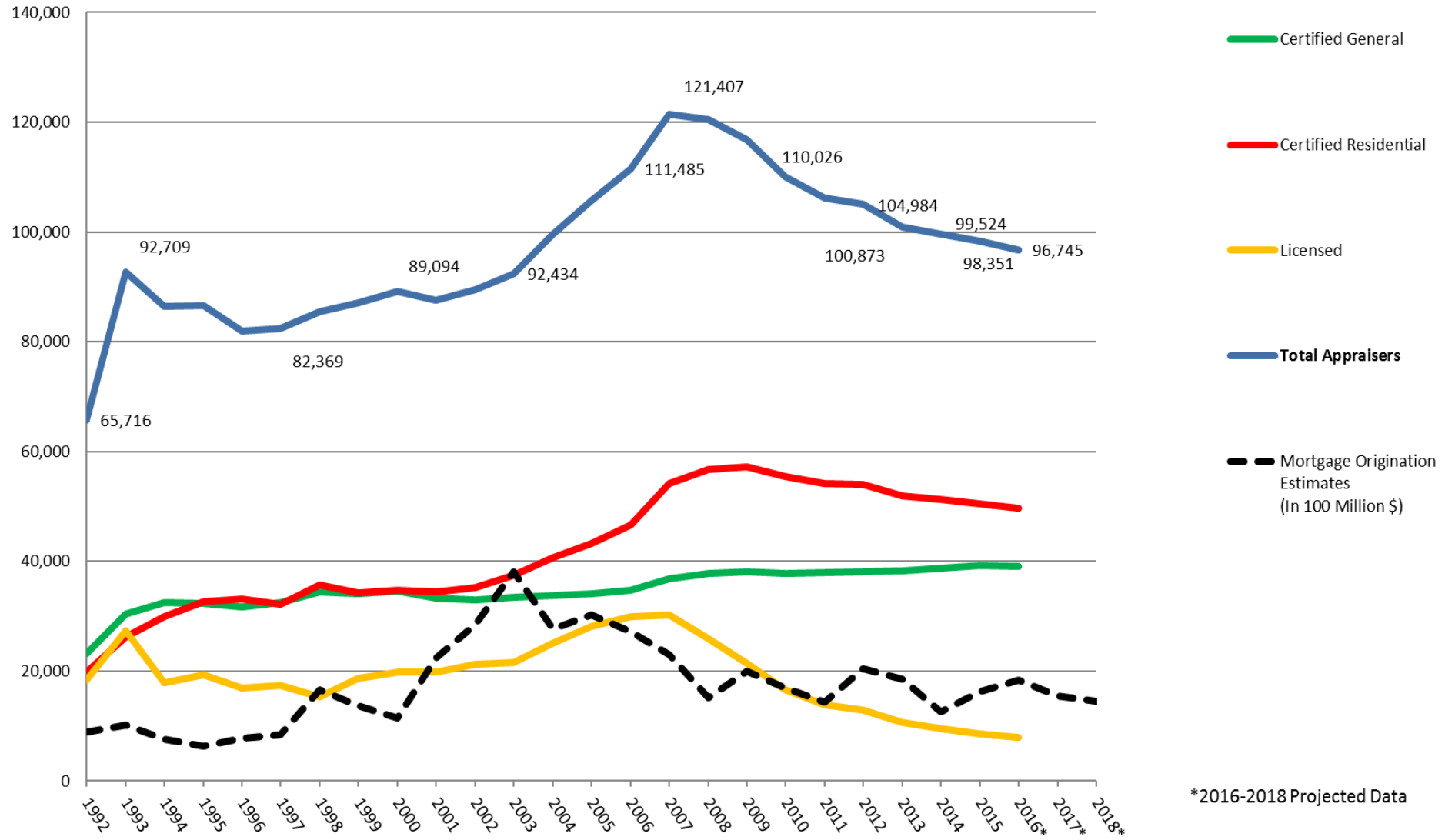
Appraisal Subcommittee

- Required States to establish appraisal regulatory programs to administer the system
- Created the Appraisal Subcommittee to support the system
 - ASC has 13 staff and 7 Board members (Federal Reserve Board, FDIC, OCC, NCUA, HUD, FHFA and CFPB)
- ASC authority and responsibility
 - ensuring the States are meeting the minimum federal requirements
 - monitoring and reviewing the Appraisal Foundation
 - providing grants to the Foundation and States
 - establishing and maintaining a National Registry of appraisers and AMCs eligible to perform appraisals for federally related transactions

State Appraiser Programs

- 55 States (50 States, 4 Territories and the District of Columbia) have established appraisal regulatory programs
- States do the heavy lifting by:
 - Implementing Title XI, including the AQB Criteria and USPAP
 - Investigating and adjudicating complaints against appraisers
- States are required to enforce the minimum Federal requirements, however they largely have control over how they implement those requirements and handle complaints

Mortgage and Appraiser Trends



*2016-2018 Projected Data

Distinct Appraisers

