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James R. Park
Executive Director
Appraisal Subcommittee
1401 H Street NW., Suite 760
Washington, DC 20005

RE: [Docket ID AS16-06] Proposed Rule on Collection and Transmission of Annual Appraisal Management Company Registry Fees

Dear Director Park

On behalf of the more than 1.1 million members of the National Association of REALTORS® (NAR), I submit this comment letter on the proposed rule to establish the annual Appraisal Management Companies (AMCs) registry fee. NAR appreciates the Appraisal Subcommittee's (ASC) efforts to develop fair and reasonable standards for appraisers and AMCs.

The National Association of REALTORS® is America's largest trade association, including our eight affiliated Institutes, Societies and Councils. REALTORS® are involved in all aspects of the residential and commercial real estate industries and belong to one or more of some 1,200 local associations or boards, and 54 state and territory associations of REALTORS®. NAR represents a wide variety of housing industry professionals, including approximately 30,000 licensed and certified appraisers, committed to the development and preservation of the nation's housing stock and making it available to the widest range of potential homebuyers.

The ASC has asked for comment on three proposed interpretations of the phrase "working for or contracting with" when calculating the AMC registry fee, in accordance with Dodd-Frank Act. NAR supports the proposed Third Option for calculation of the AMC fee, which would include only appraisers that performed an appraisal for the AMC on a covered transaction during the particular State's reporting period.

AMCs retain specialty appraisers with an expertise in areas such as waterfront, resort, luxury, and green real estate to be able to provide the level of competence dictated under the Truth in Lending Act (TILA); however, an AMC may not always require the services of these specialty appraisers within a given year. Requiring a fee to be paid by the AMC for all members of a panel, as suggested in the First Option, or for appraisers only engaged for future assignments, as suggested in the Second Option, would be a deterrent to this practice. It would be more equitable for the ASC to adopt the Third Option.

Should the First or Second Options be adopted, an AMC may dismiss appraisers to manage the size of their panel and avoid registry fees. Many AMCs, errors omission insurance providers and other clients require appraisers to disclose removal from approved lists or panels. If the AMC dismisses an appraiser, it could result in a severe career impediment to many innocent and qualified appraisers even if the dismissal was not due to substandard or non-compliant work. Whichever Option the ASC implements, no State AMC registration fee costs should fall on AMC panel appraisers. The final rule should specify that an AMC must bear the cost of the registry fee and be prohibited from charging the appraiser for the fee. It should not be a pass-through to the appraiser.

NAR appreciates the opportunity to comment on this proposed rule. If you have any questions regarding this letter, please contact me or NAR's Regulatory Policy Representative, Sehar Siddiqi, at 202-383-1176 or SSiddiqi@REALTORS.org

Sincerely,



Tom Salomone
2016 President, National Association of REALTORS®

