

October 22, 2021

Federal Housing Finance Agency  
400 Seventh Street SW  
Washington, DC 20219



**Subject: Minimum Requirements for Appraisal Management Companies, (No. 2021-N- 9)**

Submitted by email to [RegComments@fhfa.gov](mailto:RegComments@fhfa.gov)

Thank you for the opportunity to comment on the renewal of the “Minimum Requirements for Appraisal Management Companies, (No. 2021-N-9).” The following comments are submitted by the Real Estate Valuation Advocacy Association (REVAA) on behalf of its member companies.

REVAA is a trade association whose membership includes appraisal management companies (AMCs) and valuation providers that collectively provide residential real estate appraisals for the nation’s mortgage lenders. In addition, many REVAA members create innovative technologies and provide other important lender valuation services such as Evaluations, Broker Price Opinions (BPO) and Automated Valuation Models (AVM) on behalf of national, state and local lenders.

We strongly support the approval of a three year extension of the Minimum Requirements for Appraisal Management Companies (Office of Management and Budget control number 2590-0013). AMCs and appraisers are critical service providers to support mortgage lending by ensuring that appraisals are completed in compliance with federal and state laws, as well as industry standards (USPAP), and that appraisers form their value opinions independently, without undue influence from interested parties.

Per the 2019 deadline for state enactment of AMC regulatory programs set by the Dodd-Frank Act (36 months from 2015 final adoption of AMC Minimum Rules and a one-year extension provided by the Appraisal Subcommittee), all 50 states and the District of Columbia have enacted federally compliant AMC regulatory programs, which like appraisal regulatory programs is under the administrative oversight of the ASC.

The Dodd-Frank Act also mandated creation of an AMC National Registry. Per the Appraisal Subcommittee, as of September 2021, there are 45 states plus the District of Columbia reporting to the AMC National Registry. The five states that are not yet reporting are expected to begin reporting by 2023.

REVAA does question one part of the FHFA’s August 23, 2021 request for comment in Federal Register (Vol. 86, No. 160). In section “B. Burden Estimate,” FHFA notes the following: The Agencies have estimated that approximately 3,860 entities meet the regulatory definition of an “appraisal management company.”

Based on the federal definition of an AMC and our understanding of the number of state licensed AMCs, this estimate of approximately 3,860 entities meeting the definition of an AMC seems exceedingly high. We believe there are approximately 300 licensed entities doing business as AMCs. REVAA would be interested in learning the methodology used to determine the number of entities meeting the federal definition of AMC.

**Appraisal management company (AMC) means a person that:**

- (i) Provides appraisal management services to creditors or to secondary mortgage market participants, including affiliates;
- (ii) Provides such services in connection with valuing a consumer's principal dwelling as security for a consumer credit transaction or incorporating such transactions into securitizations; and
- (iii) Within a given 12-month period, as defined in § 323.10(d), oversees an appraiser panel of more than 15 State-certified or State-licensed appraisers in a State or 25 or more State-certified or State-licensed appraisers in two or more States, as described in § 323.12;

We appreciate the opportunity to provide the perspective of AMCs. Please, contact me with any questions.

*Mark A. Schiffman*

Mark Schiffman  
Executive Director