



June 2, 2017

8584 Katy Freeway, Suite 420

Houston, TX 77024

Phone: 713-871-0005

Fax: 713-871-1358

**Partners**

Thomas E. Black, Jr.<sup>1</sup>

Gregory S. Graham<sup>2</sup>

Shawn P. Black<sup>3</sup>

Regina M. Uhl<sup>4</sup> ‡

**Senior Lawyers**

David F. Dulock

Diane M. Gleason

**Associates**

Peter B. Idziak<sup>3</sup>

Daniel S. Engle<sup>3</sup>

Nick Stevens

Sydney Davis

**Of Counsel**

David M. Tritter

Calvin C. Mann, Jr.

**Retired Partner(s)**

Calvin C. Mann, Jr.

<sup>1</sup> Also Licensed in Iowa, New York, Washington and West Virginia

<sup>2</sup> Also Licensed in Georgia

<sup>3</sup> Also Licensed in New York

<sup>4</sup> Also Licensed in Kentucky and Illinois

‡ Board Certified- Residential Real Estate Law- Texas Board of Legal Specialization

**To:** Clients and Friends

**From:** David F. Dulock

**Subject:** Interagency Advisory on the Availability of Appraisers

On May 31, 2017, the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration and Office of the Comptroller of the Currency (collectively herein, the “agencies”), jointly issued an advisory ([click here](#)) to inform insured depository institutions and bank holding companies (collectively herein, the “regulated institutions”) of two existing options that may address appraiser shortages, particularly in rural areas: temporary practice permits and temporary waivers. In summary, the advisory provides as follows:

**Temporary Practice Permits**

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) requires a state appraiser agency that certifies or licenses appraisers to recognize the certification or license of an appraiser issued by another state on a temporary basis for federally related transactions if the appraiser registers with the state agency (12 U.S.C. 3351(a)). FIRREA also prohibits the state agency from imposing excessive fees or burdensome requirements for the temporary practice permitted by FIRREA. This will allow state certified or licensed appraisers to provide temporary appraisal services in states where they are not certified or licensed, including those experiencing a shortage of appraisers.

**Temporary Waivers**

FIRREA authorizes the Appraisal Subcommittee (ASC) of the Federal Financial Institution Examination Council (FFIEC), after making certain findings and with the approval of the FFIEC, to grant temporary waivers of any requirement relating to certification or licensing of individuals to perform appraisals in states or geographic political subdivisions of any states where there is a shortage of appraisers leading to significant delays in obtaining appraisals in connection with federally related transactions (12 U.S.C. 3348(b)). If a temporary waiver is granted, the requirement to use a certified or licensed appraiser on federally related transactions would be waived for all regulated institutions engaging in federally related transactions in the affected geographic area, regardless of who initially requested the waiver.

We advise the regulated institutions interested in the appraisal options summarized above to read the Interagency Advisory hyperlinked to this memorandum.

**This Memorandum is provided as general information in regard to the subject matter covered, but no representations or warranty of the accuracy or reliability of the content of this information are made or implied. Opinions expressed in this memorandum are those of the author alone. In publishing this information, neither the author nor the law firm of Black, Mann & Graham L.L.P. is engaged in rendering legal services. While this information concerns legal and regulatory matters, it is not legal advice and its use creates no attorney-client relationship or any other basis for reliance on the information. Readers should not place reliance on this information alone, but should seek independent legal advice regarding the law applicable to matters of interest or concern to them. The law firm of Black, Mann & Graham L.L.P. expressly disclaims any obligation to keep the content of this information current or free of errors.**