



May 2, 2016

Honorable Richard Shelby
Chairman
Senate Committee on Banking, Housing and Urban Affairs

Honorable Sherrod Brown
Ranking Member
Senate Committee on Banking, Housing and Urban Affairs

Honorable Tim Scott
Chairman
Senate Subcommittee on Housing, Transportation and Community Development

Honorable Robert Menendez
Ranking Member
Senate Subcommittee on Housing, Transportation and Community Development

Dear Chairmen and Ranking Members:

On behalf of our collective membership, which represent key stakeholders involved with the residential real estate market, we respectfully request that the Senate Committee on Banking, Housing and Urban Affairs hold a hearing this year on the future of appraisal regulation.

The Federal regulatory structure for real estate appraisal essentially has been untouched since enactment of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"). The Committee last held a hearing devoted to appraisal oversight in 2004. With the marketplace rapidly changing, we believe that it is appropriate for the Committee to review how well the current relationship of Federal versus State responsibilities is serving consumers and market participants, as well as promoting competition in the marketplace.

During its deliberations, we would like to suggest that the Committee focus on various matters, including the current appraisal regulatory framework, appraisal information systems, the impact of the recent regulatory reforms on the appraisal profession, and the availability of qualified appraisers, particularly in rural areas.

Please know that while each undersigned group holds its own unique views on appraisal regulation and related issues, we believe that it is in the best interests of the profession to publicly share concerns and identify areas of common ground. Therefore, we stand ready to work with the Committee to develop a vision of appraisal regulation that serves consumers by promoting a competitive marketplace for high quality appraisals. We look forward to initiating a dialogue with you and your staffs on an agenda of appraisal regulatory issues deserving of examination and on a structure for an oversight hearing.

For further information, please contact Joseph Pigg, Senior Vice President and Senior Counsel, Housing & Real Estate Policy (ABA), at (202) 663-5480, jpigg@aba.com, Bill Garber, Director of Government and External Relations (AI), at 202-298-5586, bgarber@appraisalinstitute.org, Scott Meyer, Assistant Vice President, Federal Legislative Affairs (NAHB), at (202) 266-8144, smeyer@nahb.org, Sehar Siddiqi, Policy Representative (NAR), at (202) 383-1176, ssiddiqi@realtors.org or David Bunton, President (TAF), at (202) 347-7722, david@appraisalfoundation.org.

Thank you for your consideration of our request.

Sincerely,

American Bankers Association
Appraisal Institute
National Association of Home Builders

National Association of REALTORS®
The Appraisal Foundation