



2/3/2026

The Honorable Scott Turner
Secretary
U.S. Department of Housing and Urban Development
451 7th Street SW, Room 9262-9280
Washington, DC 20410

Dear Secretary Turner:

On behalf of the more than 16,000 members of the nation's largest organization of professional real estate appraisers, thank you for the opportunity to comment on the Department of Housing and Urban Development's ("HUD") proposal to rescind key elements of the Fair Housing Act "discriminatory effects" framework.

While the Appraisal Institute strongly supports the Fair Housing Act's goals and recognizes legitimate concerns about ensuring equity in valuations, we believe the current framework combines market conditions with discriminatory intent. As HUD recognizes in its proposal, the disparate impact rule formalized legal tests not explicitly grounded in the statute and, in practice, created a presumption of unlawful discrimination based on outcome disparities alone. That approach has had particularly harmful consequences for appraisers who provide independent, standards-based opinions of value.

Appraisals are not policy choices, they are professional judgments based on market data, standardized methodologies, and uniform professional standards. Yet under the current framework, appraisers were increasingly exposed to regulatory and reputational risk simply because valuation outcomes reflected real-world market conditions that differed across communities.

This has created a chilling effect within the profession. Appraisers have been placed in the untenable position of facing potential enforcement action when their fact-based, standards-compliant analyses produce outcomes that vary by location or population, even where no discriminatory intent or departure from professional standards exists. That dynamic undermines both the independence of the appraisal process and the integrity of fair housing enforcement.

HUD's proposal appropriately acknowledges that outcome disparities alone are not proof of unlawful discrimination. By rescinding elements of the rule that presume liability based solely on statistical or outcome-based differences, HUD restores a more balanced and legally grounded framework that aligns enforcement with actual misconduct rather than market realities.

The Appraisal Institute also supports robust enforcement mechanisms that identify intentional discrimination, biased methodologies, or departures from professional standards, but such enforcement should be evidence-based, not presumptive.

For these reasons, the Appraisal Institute endorses HUD's proposed rescission of the prior disparate impact framework and urges the Department to move forward with a standard that preserves strong fair housing protections while ensuring that regulated professionals are evaluated based on conduct, evidence, and adherence to professional standards, not presumed liability arising from outcomes beyond their control.

We appreciate HUD's willingness to re-examine this issue and stand ready to work with the Department to ensure fair housing enforcement is both effective and equitable.

Thank you again for the opportunity to comment. Please contact Scott DiBiasio, Director of Government Relations for the Appraisal Institute, at 202-292-5593 or sdibiasio@appraisalinstitute.org, or Brian Rodgers, Senior Manager of Federal Affairs, at (202) 298-5597 or brodgers@appraisalinstitute.org should you have any questions.

Sincerely,

Appraisal Institute