



Federal Deposit Insurance Corporation  
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter  
FIL-19-2017  
May 31, 2017

## Advisory on the Availability of Appraisers

**Summary:** The FDIC, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the National Credit Union Administration (collectively, the Agencies) are issuing an advisory that discusses two existing methods that may address any appraiser shortages: temporary practice permits and temporary waivers. The advisory addresses concerns raised pursuant to the [Economic Growth and Regulatory Paperwork Reduction Act \(EGRPRA\) review process](#) regarding the timeliness of appraisals, due largely to what financial industry commenters believe to be problems with the availability of certified and licensed appraisers, particularly in rural areas.

**Statement of Applicability to Institutions Under \$1 Billion in Total Assets:** This Financial Institution Letter applies to all FDIC-supervised institutions.

**Distribution:**

FDIC-Supervised Banks (Commercial and Savings)

**Suggested Routing:**

Chief Executive Officer  
Chief Risk Officer

**Related Topics:**

[Title XI of FIRREA](#)

[EGRPRA Report to Congress](#)

**Attachment:**

[Advisory on the Availability of Appraisers](#)

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**Note:**

FDIC Financial Institution Letters (FILs) may be accessed from the FDIC's Web site at [www.fdic.gov/news/news/financial/2017/index.html](http://www.fdic.gov/news/news/financial/2017/index.html).

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Paper copies may be obtained through the FDIC's Public Information Center, 3501 Fairfax Drive, E-1002, Arlington, VA 22226 (877-275-3342 or 703-562-2200).

**Highlights:**

- Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) requires that appraisals for federally related transactions be performed by individuals who meet certain certification or licensing requirements.
- The advisory discusses two existing options that may help insured depository institutions and bank holding companies address any appraiser shortages: temporary practice permits and temporary waivers.
  - Temporary practice permits may be granted by state appraiser regulatory agencies to allow credentialed appraisers to provide their services in states experiencing a shortage of appraisers subject to state law. In addition, reciprocity is a widely used practice in which one state recognizes the appraiser certification and licensing of another state, permitting state certified and licensed appraisers to perform appraisals across state lines.
  - Temporary waivers set aside requirements relating to the certification or licensing of individuals to perform appraisals under Title XI of the FIRREA in states or geographic political subdivisions when certain conditions are met. Authority to grant temporary waiver requests rests with the Appraisal Subcommittee, with the approval of the Federal Financial Institutions Examination Council.