
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
National Credit Union Administration
Office of the Comptroller of the Currency**

For immediate release

May 31, 2017

Financial Institution Regulatory Agencies Issue Advisory on Appraiser Availability

WASHINGTON—Responding to concerns over the limited availability of state-certified and -licensed appraisers, particularly in rural areas, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency today issued an advisory that highlights two options to help insured depository institutions and bank holding companies facilitate the timely consideration of loan applications.

Financial industry representatives, during the [Economic Growth and Regulatory Paperwork Reduction Act \(EGRPRA\) review process](#), raised concerns regarding the timeliness of appraisals, which they attributed to shortfalls in the availability of state-certified and -licensed appraisers, particularly in rural areas.

Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) requires appraisals for federally related transactions to be performed by individuals who meet certain state-certification or -licensing requirements. Today's advisory points to alternatives that may help in areas facing a shortage of appraisers:

- The first option highlighted in the advisory, temporary practice permits, allows appraisers credentialed in one state to provide their services on a temporary basis in another state experiencing a shortage of appraisers, subject to state law. The advisory also discusses reciprocity, in which one state allows appraisers that are certified or licensed in another state to obtain certification or licensing without having to meet all of the state's certification or licensing standards.
- The second option, temporary waivers, sets aside requirements relating to the certification or licensing of individuals to perform appraisals under Title XI of FIRREA in states or geographic political subdivisions where certain conditions are met. Temporary waivers may be granted when it is determined that there is a scarcity of state-certified or -licensed appraisers leading to significant delays in obtaining an appraisal.

Attachment: [Advisory on Appraiser Availability](#)

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