

August 1, 2024

**Via Email**

Catherine Pendergast, Administrator  
Board of Real Estate Appraisers  
Office of Professional and Occupational Regulation  
Department of Professional and Financial Regulation  
76 Northern Avenue  
Gardiner, ME 04345  
[Catherine.Pendergast@maine.gov](mailto:Catherine.Pendergast@maine.gov)

RE: ASC Compliance Review of Maine's Appraiser Regulatory Program

Dear Catherine Pendergast:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Maine appraiser regulatory program (Appraiser Program) on June 11-13, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) of the Maine Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must issue temporary practice permits within five business days of receipt of a completed application or notify the applicant and document the file as to the circumstances justifying delay or other action;<sup>1</sup>
- States must reconcile and pay registry invoices in a timely manner.<sup>2</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Maine will remain on a two-year Review Cycle.

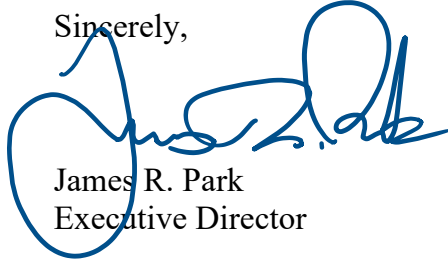
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<sup>1</sup> 12 U.S.C. § 3351; Policy Statement 2 B.

<sup>2</sup> 12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Park". The signature is stylized and written over the printed name and title.

James R. Park  
Executive Director

Attachment

cc: Wendyann Boston, Chair, [WBoston@outlook.com](mailto:WBoston@outlook.com)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: August 1, 2024

<b>Maine Appraiser Regulatory Program (State)</b>			
<b>Maine Board of Real Estate Appraisers (Board)</b>	PM: N. Fenochietti	ASC Compliance Review Date: June 11-13, 2024	Review Period: June 2022 to June 2024
<b>Umbrella Agency: Maine Department of Professional and Financial Regulation</b>		<b>Number of State Credentialed Appraisers on Appraiser Registry: 581</b>	<b>Review Cycle: Two Year</b>

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures:</b>	X			No compliance issues noted.	N/A	None	None
<b>Temporary Practice:</b>		x					
States must issue temporary practice permits within five business days of receipt of a completed application or notify the applicant and document the file as to the circumstances justifying delay or other action. (12 U.S.C. § 3351; Policy Statement 2 B.)				The State failed to process 2 requests for temporary practice permits within 5 business days of receipt of a completed application.	On July 9, 2024, the State reported that in March 2023, both Board clerks assigned to this unit left to take promotions. Two new clerks were hired in May 2023. The new clerk in training for the Board of Real Estate Appraisers was unable to keep up with her tasks. A new clerk was hired on February 20, 2024.	The State must monitor the process to ensure temporary practice permits are issued within 5 business days of receipt of application.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 2.
<b>National Registry:</b>		x					
States must reconcile and pay registry invoices in a timely manner. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.)				The State failed to reconcile and pay 4 registry invoices in a timely manner (45 calendar days after the invoice date).	On July 9, 2024, the State reported that the ASC Financial Manager has confirmed that all outstanding invoices have been paid. To prevent future issues, the State has implemented electronic reminders to confirm that registry invoices have been submitted for payment.	The State must monitor its revised procedures for timely payment of the Appraiser Registry invoices to ensure compliance with Title XI.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 3.
<b>Application Process:</b>	X			No compliance issues noted.	N/A	None	None
<b>Reciprocity:</b>	X			No compliance issues noted.	N/A	None	None
<b>Education:</b>	X			No compliance issues noted.	N/A	None	None
<b>Enforcement:</b>	X			No compliance issues noted.	N/A	None	None