

November 26, 2025

Via Email

Joshua Barnes, Executive Director
Division of Professional Regulation
Council on Real Estate Appraisers
Cannon Building
861 Silver Lake Boulevard, Suite 203
Dover, DE 19904
Joshua.Barnes@delaware.gov

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

Dear Joshua Barnes:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Delaware appraiser regulatory program (Appraiser Program) on September 16-18, 2025, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

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." An area of concern that was identified is being addressed by the Appraiser Program.

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

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,



Frederick Grier
Acting Executive Director

Attachment

cc: Shauna Slaughter, Director, Shauna.Slaughter@delaware.gov
Nicole Williams, Deputy Director, Nicole.M.Williams@delaware.gov
Jamie Johnson, Sr. Administrative Specialist, Jamie.Johnson@delaware.gov

¹ 12 U.S.C. §§ 3331-3356.

ASC Finding	Rating Criteria	Review Cycle*
Excellent	- State meets all Title XI mandates and complies with requirements of ASC Policy Statements - State maintains a strong regulatory Program - Very low risk of Program failure	2-year
Good	- State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements - Deficiencies are minor in nature - State is adequately addressing deficiencies identified and correcting them in the normal course of business - State maintains an effective regulatory Program - Low risk of Program failure	2-year
Needs Improvement	- State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements - Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program - State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies - State regulatory Program needs improvement - Moderate risk of Program failure	2-year with additional monitoring
Not Satisfactory	- State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements - Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program - State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing - State regulatory Program has substantial deficiencies - Substantial risk of Program failure	1-year
Poor**	- State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements - Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program - State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies - High risk of Program failure	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: November 26, 2025

Delaware Appraiser Regulatory Program (State)							
Council on Real Estate Appraisers			PM: T. Lewis		ASC Compliance Review Date: September 16-18, 2025		Review Period: August 2023 to August 2025
Umbrella Agency: Division of Professional Regulation					Number of State Credentialed Appraisers on Appraiser Registry: 574		Review Cycle: Two Year
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X						
				No compliance issues noted.	N/A	None	None
Temporary Practice:	X						
				No compliance issues noted.	N/A	None	None
National Registry:	X						
				No compliance issues noted.	N/A	None	None
Application Process:			X				
States must take remedial action when more than ten percent of audited affidavits for continuing education credit claimed fail to meet minimum AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 C.)				In 2023, the State audited a representative sample of 10% of its credential holders for continuing education (CE) requirements. 14% of the audited affidavits for CE credit claimed failed to meet the minimum AQB Criteria. The State failed to conduct an additional audit using a higher percentage of audited appraisers or publicly post action taken to sanction non-compliant appraisers to increase awareness in the appraiser community of the importance of compliance with CE requirements.	On November 18, 2025, the State reported that licensees with audit failures were disciplined and required to make up CE credit hours. The State confirmed in its response that it publicly posted action to sanction non-compliant appraisers and increase awareness of the importance of compliance with CE requirements. In response to the high failure rate, the State reported that it will change its process to include a more representative audit sample of no less than 10% and no more than 25% to ensure compliance. The State went on to say that failure rates from the previous audit will be used to determine the most appropriate percentage to audit going forward.	The State should continue to implement an effective policy and procedure to ensure that their CE audit is structured to permit acceptable projections of the sample results to the entire population of subject appraisers and that a statistically relevant representation of the appraiser population is being sampled.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Reciprocity:	X						
				No compliance issues noted.	N/A	None	None
Education:	X						
				No compliance issues noted.	N/A	None	None
Enforcement:	X						
				No compliance issues noted.	N/A	None	None