

January 23, 2026

Via Email

Angela Jemmott, Bureau Chief
Bureau of Real Estate Appraisers
Department of Consumer Affairs
3075 Prospect Park Drive, Suite 190
Rancho Cordova, CA 95670
Angela.Jemmott@brea.ca.gov

RE: ASC Compliance Review of California's Appraisal Management Company (AMC) Regulatory Program

Dear Angela Jemmott:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the California AMC regulatory program (AMC Program) on November 3-6, 2025, to determine the AMC 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 AMC Program has been awarded an ASC Finding of "Good."

The ASC identified the following area of non-compliance:

- States are required to ensure that staff authorization information provided to the ASC is updated and accurate.²

An area of concern that was identified is being addressed by the AMC Program. ASC staff will confirm that appropriate corrective actions have been taken during the next Review. California will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the California AMC Program is attached.

¹ 12 U.S.C. §§ 3331-3356

² 12 U.S.C. § 3332(a)(6); 12 U.S.C. § 3347; Policy Statement 9.

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 Griefer
Acting Executive Director

Attachment

cc: Mujiburrahman Khateer, Deputy Bureau Chief-Licensing and Administration Services,

Mujiburrahman.Khateer@brea.ca.gov

Tinna Morlatt, Deputy Bureau Chief-Enforcement, Tinna.Morlatt@brea.ca.gov

ASC Finding Descriptions

| ASC Finding | Rating Criteria | Review Cycle* |
|-------------------|---|-----------------------------------|
| Excellent | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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** | <ul style="list-style-type: none"> • 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 AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: January 23, 2026

California Appraiser Regulatory Program (State)

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|----------------------------------|--------------|--|---|
| Bureau of Real Estate Appraisers | PM: T. Lewis | ASC Compliance Review Date: November 3-6, 2025 | Review Period: October 2023 to October 2025 |
|----------------------------------|--------------|--|---|

| | | |
|---|-------------------------------------|------------------------|
| Umbrella Agency: Department of Consumer Affairs | Number of AMCs on AMC Registry: 181 | 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 | | | | | | |
| National Registry: | | | X | No compliance issues noted. | N/A | None | None |
| States must determine whether State registered AMCs meet the federal definition of an AMC to be eligible to be on the National Registry and if eligible, collect the registry fee. (12 U.S.C. § 3338; 12 U.S.C. § 3350(11); 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; 12 CFR 1102.403; Policy Statements 8 and 9.) | | | | The State did not ensure State registered AMCs met the federal definition of an AMC by failing to collect and determine if State registered AMCs meet the minimum panel size to be eligible to be on the National Registry. | On December 31, 2025, and in subsequent communication on January 14, 2026, the State responded that it fully understands and has consistently implemented the federal eligibility requirements, but notes that a gap exists within its annual communication and that its Federal Registration Fee Form could be clearer in its wording. The State also indicates in its response that its Licensing Desk Manual provides explicit instructions directing licensing analysts to request, review, and verify eligibility information for both licenses and certificates of registration, ensuring consistent application of the federal standard. The State concludes by noting that revising the form will require regulatory action and has scheduled revisions to provide clearer statutory alignment and improve transparency for applicants. | During the Compliance Review's onsite visit, the examination of AMCs conducted did not find any unqualified AMCs listed on the National Registry. However, the State's Federal Registration Fee Form might still permit unqualified AMCs to remain listed because the form does not include questions to verify the size of the AMC's appraiser panel. The State must continue the process of revising its Federal Registration Fee Form to ensure compliance and provide ASC staff with a copy once finalized. | During the next Compliance Review, ASC staff will pay particular attention to this area for compliance. |



ASC State AMC Program Compliance Review Report

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| Applicable Federal Citations | Compliance (YES/NO) Areas of Concern (AC) | | | ASC Staff Observations | State Response | Required/Recommended State Actions | General Comments |
|---|--|----|----|---|---|--|---|
| | YES | NO | AC | | | | |
| National Registry(Continued): States are required to ensure that staff authorization information provided to the ASC is updated and accurate. (12 U.S.C. § 3332(a)(6); 12 U.S.C. § 3347; Policy Statement 9.) | | X | | The State failed to notify the ASC to deactivate 1 individual's National Registry access. | On December 31, 2025, the State responded that it had previously believed its internal offboarding protocols were adequate to prevent continued access to both the State system and the National Registry, and was unaware of a requirement to notify ASC directly of staff separations. The State went on to add that having received clarification on the need for a formal deactivation notice to the ASC, the requirement has now been incorporated within the State's existing offboarding procedures. | The State must monitor its revised processes to ensure that the ASC is provided with notification to deactivate departing staff's access to the National Registry. | During the next Compliance Review, ASC staff will pay particular attention to this area for compliance. |
| Enforcement: | X | | | No compliance issues noted. | N/A | None | None |