

REAL ESTATE APPRAISER EMERGING INDUSTRY ISSUES COMMITTEE

Thursday, May 28, 2026 – 10:00 a.m.

2nd Floor – Board Room 2

Department of Professional and Occupational Regulation

9960 Mayland Drive

Richmond, Virginia 23233

Mission: Our mission is to protect the health, safety and welfare of the public by licensing qualified individuals and businesses enforcing standards of professional conduct for professions and occupations as designated by statute.

I. CALL TO ORDER

- a. Emergency Egress**
- b. Determination of Quorum**

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

IV. PUBLIC COMMENT PERIOD: *FIVE MINUTE PUBLIC COMMENT, PER PERSON*

V. DISCUSSION ITEMS

- a. Property Data Collectors**
 - i. Regulatory Survey Report: State Approaches to Property Data Collectors**
- b. Appraisal Fees**
 - i. Comparative Review of Appraisal Fee Distribution and Disclosure Practices**

VI. NEW BUSINESS

- a. Future Committee Meeting Dates**

VII. COMPLETE CONFLICT OF INTEREST FORM AND TRAVEL VOUCHER

- a. Travel Voucher**
- b. Conflict of Interest Form**

VIII. ADJOURNMENT

- ❖ Agenda materials made available to the public do not include disciplinary case files or application files pursuant to §54.1-108 of the Code of Virginia.
- ❖ Five-minute public comment, per person, with the exception of any open disciplinary or application file.
- ❖ Persons desiring to participate in the meeting and requiring special accommodations or interpretative services should contact the Department at (804) 367-2785 at least ten days prior to the meeting so that suitable arrangements can be made for an appropriate accommodation. The Department fully complies with the Americans with Disabilities Act.

PERIMETER CENTER CONFERENCE CENTER
EMERGENCY EVACUATION OF BOARD AND TRAINING ROOMS
(Script to be read at the beginning of each meeting.)

PLEASE LISTEN TO THE FOLLOWING INSTRUCTIONS ABOUT EXITING THE PREMISES IN THE EVENT OF AN EMERGENCY.

In the event of a fire or other emergency requiring the evacuation of the building, alarms will sound. When the alarms sound, leave the room immediately. Follow any instructions given by Security staff

Board Room 1

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Room 2

Exit the room using one of the doors at the back of the room. (Point) Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

You may also exit the room using the side door, turn **Right** out the door and make an immediate **Left**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Rooms 3 and 4

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 1

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 2

Exit the room using one of the doors at the back of the room. Upon exiting the doors, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

The Real Estate Appraiser Board consists of ten members pursuant to § 54.1-2012 of the Code of Virginia. In the absence of a board-specific quorum provision, a quorum is defined as a majority of the members; therefore, six (6) members constitute a quorum for the transaction of official business.

For this Committee, a quorum is constituted by three (3) members being in attendance.



Emerging Industry Issues Committees Guidelines

Mission

The Committee is established to support the Board by providing structured guidance on policy-related matters. Its purpose is to define and evaluate relevant discussion topics, interpret statutory and regulatory authority, and promote professional awareness in alignment with the priorities of the Administration, DPOR, and the regulated professions and occupations.

Policy Development and Advisory Responsibilities

The Committee shall review, assess, and provide recommendations to the Board on policy matters, including but not limited to:

- Identification of gaps, ambiguities, or risks that may affect the Board’s authority to promulgate regulations or enforce industry standards at the state and federal levels.
- Development of recommendations for legislative, regulatory, and administrative action, including:
 - Clarification of Board member roles and responsibilities, including adjudication processes, due process considerations, and qualifications of presiding officers and technical reviewers
 - Evaluation of potential oversight expansion to additional professions (e.g., data collectors)
 - Review and enhancement of compliance and enforcement processes
 - Assessment of geographic competency requirements
 - Evaluation of fee structures to ensure sustainability and alignment with statutory authority
- Identification and mitigation of potential conflicts of interest.
- Analysis of emerging legal, ethical, and financial issues impacting regulated industries.

The Committee’s recommendations are advisory in nature and intended to inform Board decision-making and policy direction.

REAL ESTATE APPRAISER BOARD

MINUTES OF MEETING

April 22, 2026

The Real Estate Appraiser Board Emerging Industry Issues Committee meeting met on April, 22 2026, at the Department of Professional and Occupational Regulation, 9960 Mayland Drive, Richmond, Virginia and through electronic access. The following Board members were present:

Mark Chapin (Chair)
Pat Turner (Vice Chair)
Heather Fox
Michael Small

Committee members not in attendance for the meeting:

Joe Dunn

DPOR Staff present for all or part of the meeting included:

Laura McClintock, Director
Anika Coleman, Executive Director
Stephen Kirschner, Director LRPD
Joseph Haughwout, Regulatory Affairs Manager
Tom Payne, CID Director
Jennifer Plummer, Regulatory Operations Administrator
Vanessa DeGraw, Programs Operations Administrator
Shaifali Prajapati, Administrative Coordinator
Free Williams, Director of Adjudication
John Grieser, Co-Director of Investigations
Johnathan Darden, Co-Director of Investigations
Eric Beidel, Communications & Digital Media Manager

Coleman called the meeting to order at 10:05 A.M.

CALL TO ORDER

The emergency egress procedure was included in the agenda packet.

EMERGENCY EGRESS

Turner determined that a quorum was present.

DETERMINATION OF QUORUM

Chapin moved to approve the agenda without amendments. **Small seconded** the motion, which was unanimously approved by members: Chapin, Fox, Small, Turner.

**APPROVAL OF DRAFT
AGENDA**

Introductions were made by Committee and DPOR Staff. No resolutions were discussed.

**WELCOME,
INTRODUCTIONS, AND
RESOLUTIONS**

Turner nominated Small for Chair, which was unanimously approved by members: Chapin, Fox, Small, Turner.

CHAIR ELECTION

Turner nominated Fox for Vice-Chair, which was unanimously approved by members: Chapin, Fox, Small, Turner.

IFF OVERVIEW

Williams provided the Committee with an overview of the IFF process via PowerPoint presentation and answered questions. Darden answered questions from the Committee members as well.

There were no public comments.

PUBLIC COMMENT

Small called for a recess for lunch at 11:30 AM. The meeting resumed at 11:45 AM.

Recess

NEW BUSINESS

The emerging industry issues discussed centered on the presence of data collectors and the role of Appraisal Management Companies (AMCs) and lenders. In particular, Committee members raised safety and professional integrity concerns of data collectors not being a regulated profession, as well as no set parameters on their activity while on properties. Committee members will revisit this issue in the next meeting after staff and Committee members research outcomes and effects on the public. Appraisal fees will also be addressed in the next meeting.

AMC Overview

Small reminded the Committee to complete the Conflict-of-Interest Statements and Travel Reimbursement Forms.

**COMPLETION OF
PAPERWORK**

The meeting was adjourned at 12:48 PM.

ADJOURN

Michael Small, Chair

Laura McClintock, Secretary

DRAFT

Regulatory Survey Report: State Approaches to Property Data Collectors

Purpose

This report reviews how five surrounding states regulate property data collectors involved in real estate valuation and appraisal activities, including oversight, licensing requirements, and related enforcement or consumer concerns.

States reviewed:

1. Maryland
2. Tennessee
3. West Virginia
4. North Carolina
5. Kentucky

Summary of Findings

Most states regulate licensed appraisers directly but do not maintain separate licensing programs for third-party property data collectors. Oversight responsibility generally remains with the licensed appraiser signing the appraisal report.

Common concerns identified across states include:

- Increased use of hybrid and desktop appraisals relying on third-party data collectors
- Inconsistent training and qualifications for data collectors
- Questions regarding whether some activities constitute appraisal practice
- Consumer confusion regarding who inspected the property
- Data accuracy and reliability concerns, including measurements, photographs, and inspection quality

Key Trends

1. Expansion of Hybrid Appraisals

Hybrid appraisal products increasingly rely on third-party property data collectors instead of licensed appraisers conducting full inspections.

2. Scope of Practice Concerns

States continue to evaluate whether certain data collection activities performed by unlicensed individuals may constitute appraisal practice.

3. Consumer Transparency Issues

REA Board 5/28/2026

Consumers frequently report confusion regarding:

- Who inspected the property
- Whether the inspector was licensed
- How collected data was used in valuation decisions

4. Data Reliability Concerns

Recurring concerns include:

- Inaccurate measurements
- Incomplete inspections
- Outdated photographs
- Insufficient documentation

5. Regulatory Inconsistency

States vary significantly regarding:

- Hybrid appraisal acceptance
- AMC oversight
- Data collector regulation
- Enforcement authority

This creates operational and compliance challenges for companies operating across multiple states.

Key Findings

1. Most surrounding states do not maintain standalone licensing structures for property data collectors.
2. Licensed appraisers generally retain responsibility for appraisal accuracy and credibility.
3. Hybrid appraisal models continue to raise oversight and consumer protection concerns.
4. Common issues involve data accuracy, transparency, training standards, and accountability.
5. Regulatory ambiguity exists when data collection activities cross into appraisal practice.

Comparative Overview

State	Separate Data Collector License	Primary Oversight	Key Observations
Maryland	No	Appraiser Commission	Appraisers remain responsible for assignment credibility; growing concerns regarding hybrid appraisals
Tennessee	No	Real Estate Appraiser Commission	Reliance on appraisers for oversight of third-party inspection data
West Virginia	No	Appraiser Licensing Board	Concerns regarding unlicensed inspection activities approaching appraisal practice
North Carolina	No	Appraisal Board / Consumer Protection	Complaint-based oversight focused on appraisal reliability and consumer transparency
Kentucky	No	Real Estate Appraisers Board	Concerns regarding inaccurate property descriptions and lack of disclosure

Comparative Review of Appraisal Fee Distribution and Disclosure Practices

Purpose

This report summarizes how surrounding states regulate appraisal fee distribution practices, consumer disclosures, and Appraisal Management Company (AMC) oversight related to real estate appraisal services.

The review focuses on:

1. Maryland
2. Tennessee
3. West Virginia
4. North Carolina
5. Kentucky
6. Virginia

The analysis reviewed publicly available statutes, AMC regulatory frameworks, appraisal board materials, federal appraisal standards, and industry commentary concerning appraisal fee collection, allocation, and disclosure practices.

Executive Summary

All reviewed states regulate appraisers and AMCs through licensing and oversight structures. However, few states require detailed disclosures showing how appraisal fees are divided between appraisers and AMCs.

Most regulatory frameworks emphasize:

- Appraiser licensing and professional standards
- AMC registration and oversight
- Appraisal independence requirements
- Compliance with customary and reasonable fee standards

Across all states reviewed, recurring concerns include:

- Limited transparency regarding AMC-retained fees
- Consumer confusion about appraisal-related charges
- Reduced appraiser compensation despite increasing appraisal costs
- Lack of itemized fee disclosures
- Inconsistent disclosure practices among lenders and valuation vendors

Virginia maintains one of the more developed AMC oversight structures among neighboring states, though questions remain regarding whether current disclosure requirements provide sufficient transparency concerning fee allocation practices.

Comparative Overview

State	AMC Oversight	Consumer Fee Disclosure	Key Observations
Maryland	AMC registration required	Limited disclosure requirements identified	Focus on compliance and appraisal independence rather than fee itemization
Tennessee	AMC oversight through appraisal commission	No broad fee allocation disclosure requirement identified	Concerns regarding fee compression and intermediary administrative fees
West Virginia	AMC registration and oversight structure	Limited consumer fee breakdown requirements identified	Traditional licensing-focused oversight with limited transparency provisions
North Carolina	Formal AMC oversight structure	Limited detailed disclosure requirements identified	Ongoing discussions regarding appraisal fee transparency
Kentucky	AMC registration structure maintained	No centralized itemized disclosure framework identified	Concerns regarding consumer understanding of appraisal charges
Virginia	Comprehensive AMC oversight structure	Certain disclosure obligations apply	Increased scrutiny regarding appraisal fee allocation and administrative markups

Key Industry and Regulatory Trends

1. Increased Focus on Fee Transparency

Industry discussions increasingly focus on whether consumers should receive clearer disclosures separating:

- Appraiser compensation
- AMC administrative fees
- Technology and vendor-related charges

2. Pressure on Appraiser Compensation

Industry participants continue to express concern regarding:

- Declining appraiser fee percentages
- Increased intermediary participation
- Potential impacts on appraiser retention and rural market coverage

3. Consumer Disclosure Concerns

Consumers often report confusion regarding:

- Who performed the appraisal
- How appraisal fees are distributed
- Whether AMCs retain significant portions of appraisal charges

4. Regulatory Inconsistency

States vary significantly regarding:

- AMC regulation
- Fee disclosure standards
- Consumer transparency requirements
- Enforcement mechanisms

This inconsistency creates operational and compliance challenges for companies operating across multiple jurisdictions.

Key Findings

1. Most surrounding states regulate appraisers and AMCs but do not require detailed standalone appraisal fee distribution disclosures.
2. AMC registration and oversight structures are common; however, transparency requirements vary significantly.
3. Common concerns include:
 - Fee transparency
 - Appraiser compensation
 - AMC-retained fees
 - Disclosure consistency
4. Questions remain regarding whether consumers should receive clearer itemized disclosures separating appraiser compensation from AMC administrative fees.
5. States with more developed AMC oversight structures may be better positioned to address emerging transparency and fee disclosure concerns.