



October 30, 2009

Ms. Kimberly K. Hood, Executive Director
Department of Administrative Services (DAS)
3120 State Office Building
450 N State Street
Salt Lake City, UT 84114

Re: AMC Proposed Rule R162-150, Section 3, Unprofessional Conduct – Broker Price Opinion references.

Dear Ms. Hood:

It has been brought to our attention that a proposed rule in regard to Appraisal Management Companies (AMCs) makes specific reference to Broker Price Opinions (BPOs). The proposal in question was published on October 1, 2009, and assigned DAR File Number 32956 by the Utah Division of Administrative Rules. Drilling down in the Utah State Bulletin, under the "Commerce" heading, within the "Real Estate" section, the four-pronged proposal can be found (Ref. Amendment R162-150-3 Appraisal Management Companies pp. 71-72). In reviewing the content of this proposed rule, it became readily apparent that the choice of terminology left us with concerns regarding the nature and intent of the provision. As written, the ambiguous presentation of the subject is ripe for misunderstanding, over-extension, and misapplication. If uncorrected, the resultant rule would not add clarity to the process, but could do grave damage to consumers and the multifaceted housing market stabilization and recovery effort. Our organization, the National Association of BPO Professionals (NABPOP) promotes the highest standards of professionalism and excellence in the Broker Price Opinion industry. NABPOP also promulgates BPO Standards and Guidelines (BPOSG). Through ongoing education, a rigorous code of ethics, and real-world experience in facilitating the sale or purchase of real property, our people uniquely qualified to render pricing opinions. NABPOP members are experts in real property pricing, being acutely aware of local and regional market changes, oftentimes making the BPO practitioner the most qualified and most up-to-date real estate professional. As such, we implore you and those involved in this rulemaking endeavor to reconsider the language used in reference to BPOs and the proposed AMC Unprofessional Conduct provision. Restructuring the phrasing to introduce greater clarity and precision to the rule's application is truly needed, and would be deeply appreciated.

Our Association has heard of alternative language proposed by REALTORS® and other RE affiliated industry professionals, language that we believe would better address the issue. It is our considered opinion that this alternative language would speak to the matter at-hand with far greater clarity and precision than the current draft wording. Therefore, we ask that you amend the proposed rule to reflect the phrasing as expressed in the following lines:

(1) An appraisal management company commits unprofessional conduct if the appraisal management company:

- (i) requests, only in cases where the evaluation will be used as the sole basis to determine the value of a property for the purpose of a purchase money loan

origination (provided that the transaction has not otherwise been designated by rule as appropriate by the relevant federal regulators),
(ii) a broker price opinion; or
(iii) any other real property price or value estimation that does not qualify as an appraisal.

The aforementioned language amendment, clarification really, would serve to replace the somewhat vague description seen in the present draft. The language in question is referenced/quoted below for the purpose of identifying the extant text we believe should be subject to additional treatment prior to acceptance. It reads, in pertinent part, "...(i) requests, for the purpose of facilitating a mortgage loan transaction,
(i) a broker price opinion; or
(ii) any other real property price or value estimation that does not qualify as an appraisal."

In closing, NABPOP extends its thanks for the opportunity to provide commentary in this pending matter. Please accept this proposed revision in the spirit in which it is offered, not to discount the work done to-date, but to refine it to best reflect the parameters for BPO generation and usage in the State of Utah.

If you have any questions, comments, concerns and/or would like further input, please do not hesitate to contact the undersigned at e-mail Michael.Ramer@NABPOP.org or 800-767-0743 xt. 300.

Thank You for the opportunity to provide comments and input.

Sincerely,



Michael Ramer
President
National Association of
Broker Price Opinion Professionals

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