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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

**November 5, 2018**

**9:00 AM – 4:30 PM**

At the Office of the Comptroller of the Currency  
400 7th Street, SW Washington, D.C. 20219  
Room 1W-410/420

## AGENDA

Time	Topic	Description
<b>8:00 am</b> <i>60 min.</i>	<b>Registration and Networking Breakfast</b>	A light continental breakfast will be available in the pre-function area.  Participants are encouraged to arrive by 8:00 and no later than 8:30am to process through security, check-in, and get settled.
<b>9:00 am</b> <i>15 min.</i>	<b>Welcome and Introduction</b>	Remarks from Richard Taft, OCC and Vice-Chair, Appraisal Subcommittee
<b>9:15 am</b> <i>80 min.</i>	<b>Panelist Presentations and Q&amp;A</b>	A variety of perspectives on trends and issues in the appraisal industry <ul style="list-style-type: none"><li>• <b>Peter Phelan, U.S. Treasury</b></li><li>• <b>Sharon Whitaker, American Bankers Association</b></li><li>• <b>Meg Burns, Housing Policy Council</b></li><li>• <b>Pete Fontana, Montana Board of Real Estate Appraisers</b></li><li>• <b>Q&amp;A with Panelists</b></li></ul>
<b>Break</b> <i>15 min.</i>		
<b>11:15 am</b> <i>90 min.</i>	<b>Roundtable Discussion</b>	Small group discussion of panel presentations and table questions.
<b>Lunch</b> <i>60 minutes</i>  Cafeteria is available on site. Attendees are encouraged to take advantage of the cafeteria. If you leave the building, please be prepared to go back through security to return.		

<b>2:00 pm</b> <i>15 min.</i>	<b>Overview of Afternoon Session</b>	Opening remarks from Art Lindo, FRB and ASC Chairman
<b>2:15 pm</b> <i>105 min.</i>	<b>Broad Group Discussion</b>	Reports from each small group and related discussion.
<b>4:00 pm</b> <i>30 min.</i>	<b>Wrap-Up and Next Steps</b>	Closing remarks from Art Lindo, FRB and ASC Chairman
<b>Event Ends</b> <i>4:30 pm</i>		

## ROUNDTABLE DISCUSSION ITEMS

### Discussion Item #1:

Consider the following quote:

*While Treasury acknowledges that automated valuation engines and appraisal waivers should apply to a defined and limited subset of loans, and that they may compete with traditional appraisers, these innovations offer borrowers upside through lower cost of originations and faster closings, without sacrificing accuracy. However, further application of digital automated property valuations must be carefully monitored and integrated with rigorous market standards where they are used in lieu of traditional appraisals.*

- A FINANCIAL SYSTEM THAT CREATES ECONOMIC OPPORTUNITIES, PAGE 106

Then, answer the following questions in your group:

- What do you think is meant by market standards and who should establish them?
- What would you include in – or omit from – such standards?

### Discussion Item #2:

Consider the following quote:

*Treasury recommends...develop(ing) enhanced automated appraisal capabilities to improve origination quality and mitigate the credit risk of overvaluation.*

- A FINANCIAL SYSTEM THAT CREATES ECONOMIC OPPORTUNITIES, PAGE 106

Then, answer the following questions in your group:

- How could automated appraisal capabilities impact (residential and commercial mortgage) origination quality?
- How can the risk of inaccurate collateral assessment be mitigated?

### Discussion Item #3:

Consider the following quote:

*Treasury recommends...leverag(ing) industry-leading technology capabilities to reduce costs...and accelerate adoption of new technology....*

- A FINANCIAL SYSTEM THAT CREATES ECONOMIC OPPORTUNITIES, PAGE 107

Then, answer the following questions in your group:

- What are the advantages/disadvantages of adopting new technology (e.g. consumer implications)?
- What types of new technology should be adopted or prioritized and how is technology and human in/out balance?