

F. Compliance and Enforcement

The appraisal industry's byzantine regulation structure has created gaps, resulting in the appraisal industry being far behind other areas of the mortgage market in understanding fair housing risk, developing robust compliance programs, and creating useful accountability and enforcement systems. Below is a discussion of the following areas that could be improved to ensure that the appraisal industry is part of a fair and equitable housing market:

- Need for data
- Development of robust compliance programs
- Duty of care: appraiser accountability
- Reconsideration of value process

Need for Data

We received almost universal feedback from industry organizations, researchers, and fair housing advocates calling on FHFA and the GSEs to dedicate the necessary resources for the development of a strategy and process for public release of appropriate elements of the extensive property valuation dataset that is now maintained by the GSEs. Since the 2010 launch of the Uniform Mortgage Data Program, which included the Uniform Collateral Data Portal, industry stakeholders have served as critical business partners supporting the success of this work. This dataset could be further enhanced by coordinating with the Federal Housing Administration and the Veterans Administration to include the information on appraisals for properties financed by these agencies.

The accumulation of such a vast amount of data on properties across the United States— data that is verified by repeat sales and that provides insight on changes in the characteristics or condition of properties over time— is extremely valuable for a variety of stakeholders, including appraisers and appraisal management companies, lenders and servicers, mortgage and title insurance companies, investors and rating agencies, civil rights and advocacy groups, data analytics providers, and academics and researchers.

Providing access to this dataset could revolutionize the appraisal industry and the housing market. In particular, such information could shed light on whether any aspect of the appraisal process or other factors may produce valuation disparities and/or contribute to discrimination against borrowers of color. Moreover, the data has the potential to enhance transparency and risk management practices, and also to allow industry partners to more effectively evaluate whether their appraisals include identifiable sources of bias. Currently, the analytic capabilities of various types of industry stakeholders are considerable but limited by the quantity and scope of the data available to them. Releasing this data would create the opportunity to contribute to a housing finance ecosystem that has collateral models that are more reliable, predictable, and equitable. It may also lead to improvements in the data reported and utilized by appraisers themselves, making appraisals more accurate and thereby reducing fair housing risk and credit risk.

We also received feedback from several sources that it is currently impossible to track complaint trends and to identify appraisers (or appraisal management companies) who are

consistently providing deficient or potentially discriminatory appraisals. There is currently no universal or national public database that provides access to such complaint information.¹⁴⁰ Therefore, lenders, appraisal management companies, and consumers cannot determine if complaints have been lodged against a particular appraiser. For example, a lender may have had one problem valuation from a particular appraiser but may not realize that the appraiser has had complaints in connection with appraisals for other lenders. This makes it difficult for lenders or appraisal management companies to identify potential problem appraisers and take appropriate compliance management measures.

Recommendation

Government, the GSEs, lenders, appraisers, researchers, and civil rights/consumer advocates should strategize and work together for the release of appropriate elements of the appraisal data sets to reduce bias and develop more robust compliance and monitoring systems. In addition, after public input and collaboration, a public repository and accessible database of complaints involving appraisals for mortgage lending should be developed to identify trends in the filing of complaints, including instances of alleged discrimination, and to identify appraisers and appraisal management companies that may be engaging in repeatedly deficient or discriminatory appraisal activity.

Development of Robust Compliance Management Systems

Those we interviewed that worked outside of the appraisal industry expressed surprise and concern to learn that there are virtually no fair housing compliance management systems for appraisals. Fair housing and fair lending reviews are routine features of the compliance management system for most entities that operate in the mortgage market, and are key components of the federal financial regulators' risk assessments.¹⁴¹ Moreover, we learned that lenders that have to compensate the GSEs for repurchases based on faulty appraisals, rarely hold the appraisers accountable. Thus, some appraisers may be under the misimpression that their appraisals are without error or bias when in fact their appraisals have had serious consequences for the GSEs, lenders, or borrowers. Given the broad discretion that an appraiser has to determine the value of an individual homeowner's largest financial asset and the importance of protecting the lender's collateral, it was surprising to learn that fair housing compliance management systems are not routine for appraisers, appraisal management companies, lenders, or the GSEs.

Fortunately, the work that began decades ago to control for fair housing and fair lending risk in mortgage underwriting and pricing as well as homeowners' insurance may provide a useful

¹⁴⁰ Pursuant to the requirements of FIRREA (12 U.S.C. § 3332), the Appraisal Subcommittee maintains a national registry of certified and licensed appraisers who are eligible to perform appraisals for federally related transactions, which indicates whether an appraiser's credential is currently suspended, revoked, or surrendered in lieu of a state disciplinary action. The repository described here would be more detailed in content and would include complaints not resulting in such specific actions. It would more likely resemble the database maintained by the Consumer Financial Protection Bureau of complaints about consumer financial products and services.

¹⁴¹ See, e.g., FFIEC, *Interagency Fair Lending Examination Procedures* (2009), <https://www.ffiec.gov/PDF/fairlend.pdf>.

roadmap for the appraisal industry. While these mortgage and insurance compliance management systems are not perfect, they have advanced significantly to provide workable solutions based on data science. At this time, the appraisal process is not standardized and data-driven in a manner that facilitates a review for fair housing compliance. Much like the mortgage and insurance industries of decades ago, it is likely that lenders and the appraisal industry will need to expend significant effort in understanding and isolating the steps in the valuation process as well as determining the risks of discrimination and appropriate controls to mitigate those risks.¹⁴² Following is a list of some of the areas to explore to develop the much-needed robust fair housing compliance management systems for appraisal processes:

- Of the various valuation approaches (e.g., the sales comparison approach and the cost approach), which is the most predictive in terms of accurately valuing the home to protect the lender's collateral and to protect the financial value for the borrower, including borrowers of color?
 - For example, in the lending context, it is routine for lenders to evaluate whether the underwriting model is accurate in predicting default. Responsible lenders will also determine whether there are less discriminatory alternative models that reach more borrowers of color while still achieving similar accuracy.¹⁴³
- For the valuation approach selected, which variables are used to determine value? How can each variable be analyzed for disparate treatment or disparate impact? Are there consistent policies and procedures for determining each variable (such as distance from the subject property, selection of comparables, the determination of square footage, the valuation of improvements)?
 - For example, in the lending context, it is routine for lenders to determine which variables go into the underwriting decision, whether the variable explicitly uses a prohibited basis, whether the variable serves as a proxy for a prohibited basis,

¹⁴² See, e.g., Jonathan Rothwell and Andre M. Perry, *Biased Appraisals and The Devaluation of Housing in Black Neighborhoods*, The Brookings Institution Metropolitan Policy Program (Nov. 17, 2021), https://www.brookings.edu/research/biased-appraisals-and-the-devaluation-of-housing-in-black-neighborhoods/?utm_campaign=Brookings%20Brief&utm_medium=email&utm_content=184613964&utm_source=hs_email (stating that there is “a need for comprehensive reforms to the appraisal industry, which, even setting aside potential racial bias, relies upon ad hoc valuation methods that fail to incorporate advances in data science”); Faith Schwartz, *Three Keys to the Future of Appraisals*, MBA Newslink (Nov. 18, 2021), https://newslink.mba.org/mba-newslinks/2021/november/mba-newslink-thursday-nov-18-2021/faith-schwartz-of-housing-finance-strategies-three-keys-to-the-future-of-appraisal/?utm_campaign=MBA%20NewsLink%20Thursday%20Nov.%2018%202021&utm_medium=email&utm_source=Eloqua (stating that “[i]t goes without saying that many industry stakeholders will resist automation and technology enhancements to the appraisal process. That same reticence existed for underwriters when automated scoring systems were deployed.”); Austin Brown, Isabelle Ord, and Noah Schottenstein, *Interagency Initiative Spotlights Fair Lending Compliance in Home Appraisals*, DLA Piper Financial Services Regulatory Alert (June 28, 2021), <https://www.dlapiper.com/en/us/insights/publications/2021/06/interagency-initiative-fair-lending-compliance-in-home-appraisals/> (advising lenders to assess the adequacy of their fair lending compliance management systems with respect to appraisals).

¹⁴³ See, e.g., Relman Colfax PLLC, *Fair Lending Monitorship of Upstart Network's Lending Model*, Initial Report of the Independent Monitor at 9 (Apr. 14, 2021), https://www.reلمانlaw.com/media/cases/1088_Upstart%20Initial%20Report%20-%20Final.pdf.

- whether the variable has a disparate impact, and, if so, whether there is a less discriminatory alternative.¹⁴⁴
- Similarly, it is routine to determine whether loan underwriters are using variables consistently, and not using different methods for different populations on a prohibited basis.¹⁴⁵
 - For each variable, what data is used and does that data reflect historical discrimination? If so, is there a less discriminatory data set that can be used?
 - For example, in the lending context, the GSEs have recently recognized that allowing rental payment history to be used during the underwriting process may result in less discriminatory results.¹⁴⁶
 - Given FHFA's recent findings of thousands of potential race-related flags in the free-form text sections of appraisal reports,¹⁴⁷ are these sections necessary? If not, should they be eliminated to reduce discretion and fair lending risk? If so, how can lenders and appraisers develop systems to flag and disqualify appraisal reports that include inappropriate references (and possibly valuations) based on prohibited factors?
 - To what extent can technology be used to facilitate a fairer, more objective process, including more reliable inputs for the variables?
 - For example, in the appraisal context, it has been suggested that 3D imaging may lead to more accurate and reliable measurements.¹⁴⁸
 - For the valuation method used, what are the risk factors that increase the risk that there is a discriminatory appraisal?
 - For example, in the mortgage underwriting and pricing context, the presence of discretion plus gross disparities would signal elevated risk requiring additional analysis to determine if there is a legitimate, non-discriminatory reason to explain the disparity.¹⁴⁹
 - As another example, the Freddie Mac Research Note indicates that one indicator of risk may be the extent to which appraisals fall below the contract price in

¹⁴⁴ See *id* at 8-10.

¹⁴⁵ See FFIEC, *Interagency Fair Lending Examination Procedures* at 19 (2009), <https://www.ffiec.gov/PDF/fairlend.pdf>.

¹⁴⁶ See Fannie Mae, *Fannie Mae Introduces New Underwriting Innovation to Help More Renters Become Homeowners* (Aug. 11, 2021), <https://www.fanniemae.com/newsroom/fannie-mae-news/fannie-mae-introduces-new-underwriting-innovation-help-more-renters-become-homeowners>.

¹⁴⁷ FHFA, *Reducing Valuation Bias by Addressing Appraiser and Property Valuation Commentary*, FHFA Insights Blog (Dec. 14, 2021), <https://www.fhfa.gov/Media/Blog/Pages/Reducing-Valuation-Bias-by-Addressing-Appraiser-and-Property-Valuation-Commentary.aspx>.

¹⁴⁸ Faith Schwartz, *Three Keys to the Future of Appraisals*, MBA Newslink (Nov. 18, 2021), https://newslink.mba.org/mba-newslinks/2021/november/mba-newslink-thursday-nov-18-2021/faith-schwartz-of-housing-finance-strategies-three-keys-to-the-future-of-appraisal/?utm_campaign=MBA%20NewsLink%20Thursday%20Nov.%2018%202021&utm_medium=email&utm_source=Eloqua.

¹⁴⁹ See FFIEC, *Interagency Fair Lending Examination Procedures* at 19 (2009), <https://www.ffiec.gov/PDF/fairlend.pdf>.

census tracts of color versus majority White census tracts.¹⁵⁰ This risk factor could be monitored for individual appraisers as well as across appraisers.

- How can the compliance management system be designed to systematically monitor for risk factors and take graduated remediation steps to prevent a violation of federal, state, or local fair housing and fair lending laws?
 - For example, in the lending context, some lenders have developed systems that detect the risk of mortgage brokers engaging in discriminatory pricing. The lenders can use graduated remediation steps to address concerns, such as through additional fair lending training, suspension, and even termination.

Recommendation

Government, the GSEs, lenders, appraisers, researchers, and civil rights/consumer advocates should use knowledge of data science and appropriate examples from the mortgage and homeowners' insurance industries to develop more robust compliance management systems to monitor, remedy, and prevent fair housing risk and/or violations in appraisals.

Duty of Care: Appraiser Accountability

Fair housing organizations providing advocacy assistance to borrowers indicated in interviews that whether valuations are incorrect as the result of discrimination or as the result of professional negligence can be difficult to determine or prove in some cases. For this reason, when legal claims are made by aggrieved borrowers, such borrowers will often assert alternative claims – that the appraiser either engaged in discriminatory conduct in violation of the Fair Housing Act and other protective laws or that the appraiser negligently performed the appraisal and should be liable for professional negligence. Given the evidence of disparate valuations of properties located in neighborhoods with greater concentrations of people of color versus predominantly White neighborhoods, it is also plausible that in addition to issues stemming from racial bias, appraisals in neighborhoods of color also suffer from more frequent instances of professional negligence.

Appraisers, however, generally have little legal accountability under applicable case law to borrowers for negligence-based claims. It is difficult for a borrower to establish a legal claim for negligence against an appraiser and to recover monetary damages – even when demonstrable errors can be shown in their appraisals. A primary reason for this is that with respect to appraisals performed for mortgage lending purposes, the borrower is not the “client” of the appraiser nor generally identified as an additional “intended user” of the appraisal, as those terms are defined in the USPAP Standards and used by appraisers in their appraisal reports. Within the USPAP Standards, a “client” is the party who engages the appraiser for an assignment – this is the lender in the context of a mortgage lending appraisal. “Intended users” are, in addition to the client, those parties whom the appraiser has identified “by name or type” as users of the appraisal report.

¹⁵⁰ Melissa Narragon, et al., *Racial and Ethnic Valuation Gaps in Home Purchase Appraisals*, Freddie Mac Economic and Housing Research Note (Sept. 2021) (“Freddie Mac Research Note”), <http://www.freddiemac.com/fmac-resources/research/pdf/202109-Note-Appraisal-Gap.pdf>.

These two terms are keys to determining whether an appraiser may have legal responsibility to a borrower for damages resulting from a negligently performed appraisal. Neither the USPAP Standards themselves nor any state or federal statutes (including FIRREA) establish any right of a private party to sue for damages over negligent appraisals or for violations of the USPAP Standards.¹⁵¹ Professional negligence claims against appraisers, as with most other areas of professional negligence, are instead generally a matter of state common law. The elements of a professional negligence under state common laws are similar in most states and typically require that the plaintiff establish three elements:

Legal duty. That the defendant appraiser owed a legal duty of care to the plaintiff.

Breach of duty. That the defendant appraiser breached that duty of care (for a mortgage appraisal, the duty of care – or standard of care – would generally include compliance with the USPAP Standards).

Resulting damage. That the plaintiff suffered damage as a proximate result of the appraiser's breach of the duty of care.

Under common law, as developed in most states, a professional such as an appraiser will only owe a duty to those parties the professional intends or knows will rely on his or her work product. The intended user language in appraisal reports is, thus, often viewed by courts deciding appraiser negligence cases as a prime factor in determining the parties to whom an appraiser owes a duty of care. A recent California appellate case¹⁵² illustrates this point: the residential appraiser engaged by a lender for a borrower's purchase loan made an error in her appraisal by misidentifying the home as one of modular construction, rather than as a manufactured home. This mistake resulted in an inflated appraisal because older manufactured homes had far less value. The borrowers claimed in their lawsuit that they had relied on the appraisal in making their purchase decision and in taking on the mortgage debt, and that they had suffered damages based on the appraiser's mistake. The California appellate court upheld the trial court's dismissal, holding that the appraiser owed no legal duty to the borrowers because they were not intended users of the appraisal.¹⁵³

Within the USPAP Standards, the commentary to Standards Rule 2-2 states that:

A party [such as a borrower] receiving a copy of an Appraisal Report . . . does not become an intended user of the appraisal unless the appraiser identifies such party as an intended user as part of the assignment.

¹⁵¹ See, e.g., *Bolden v. KB Home*, 618 F. Supp. 1196 (C.D. Cal. 2008) (holding that "there is no private right of action under the FIRREA to enforce the USPAP").

¹⁵² *Tindell v. Murphy*, 22 Cal.App.5th 1239 (2018).

¹⁵³ It is relevant to note also that mortgage lenders themselves generally have little legal responsibility to borrowers for negligently performed appraisals. As a California appellate court explained: "a financial institution acting within the scope of its conventional activities as a lender of money owes no duty of care to a borrower in preparing an appraisal of the security for a loan when the purpose of the appraisal simply is to protect the lender by satisfying it that the collateral provides adequate security for the loan." *Nymark v. Heart Fed. Savings & Loan Assn.*, 231 Cal.App.3d 1089, 1092 (1991). See also *Kelly v. Regions Bank*, No. 3:11cv252-MCR/EMT (N.D. Fla. Sep. 27, 2013) ("a lender owes no duty of care to its borrower in appraising the borrower's collateral to determine if it is adequate security for the loan").

Fair housing advocates have suggested that guidance be given to appraisers within the USPAP Standards so that mortgage borrowers would be identified as intended users of the appraisal. One of the appraisal organizations interviewed for this study also supported that notion. Instructions within the USPAP Standards with respect to this issue would increase the accountability of appraisers to borrowers who have been injured by undervaluation and other appraisal errors and omissions.

Recommendation

Fair housing advocates working on behalf of borrowers indicate that fair housing legal issues in appraisals often overlap with appraiser professional negligence. Because appraisers' legal accountability for professional negligence under applicable case law typically extends only to those parties whom the appraiser has identified as "intended users" within the meaning of USPAP Standards and because appraisers generally do not identify borrowers as such intended users, appraisers often have no legal accountability to borrowers for instances of negligence. To increase the accountability of appraisers to borrowers who have been injured by appraisal negligence, the Appraisal Standards Board should consider amending the USPAP Standards to require appraisers to identify mortgage borrowers as "intended users" of appraisals prepared in relation to residential mortgage transactions.

Reconsideration of Value Process

With near uniformity, interviews conducted for this report with fair housing organizations and appraisal organizations pointed to what is termed the Reconsideration of Value (or "ROV") process as a point of frequent breakdown in the ability of borrowers – whether persons of color or otherwise – to obtain appraisals that they believe are accurate. Reconsideration of Value is the term used by the residential appraisal industry for the process by which a party involved in a lending transaction – most often a prospective borrower – who disagrees with an appraiser's opinion of value may submit information for the appraiser to consider. The information is generally given to the lender or appraisal management company and then provided by those entities to the appraiser. The information submitted often includes other property sales that may be comparable or specific information about the characteristics of the subject property such as square footage or improvements that are different than stated in the appraiser's original report. The appraiser then determines if a change to his or her opinion of value is warranted, and the appraiser's position is communicated back to the party who submitted the ROV.

Appraisal organizations reported in interviews that the ROV process varies highly among lenders and appraisal management companies. No current federal laws or regulations prescribe the ROV process. The general subject of communicating with appraisers performing appraisals for residential lending is touched on in the Appraisal Independence Requirements enacted by the Dodd-Frank Act as changes to the Truth in Lending Act ("TILA"), 15 U.S. Code § 1639e, and in Regulation Z, which implements TILA; however, these requirements as well as similar "Appraiser Independence Requirements" adopted by Fannie Mae and Freddie Mac are limited to prohibitions against coercion and intimidation of appraisers, rather than establishing a uniform process for borrowers or other parties to seek correction of inaccurate valuations. As such, no

enforceable requirements or standards exist for how appraisers are to consider ROVs or what information appraisers, lenders, or appraisal management companies) should provide to borrowers in response to an ROV (outside of the Veterans Administration's process utilized for the veterans' loan program discussed below).

Fair housing advocates have reported that borrowers raising concerns with respect to discrimination often felt that borrowers' efforts to seek correction – or even simply to receive explanations supporting valuations – were not fairly considered and that the results seemed arbitrary and opaque, without transparency into the decision-making process. The ultimate reconsideration and the detail of any response are left to the individual discretion of the appraiser, with reported responses often being as uninformative as “the appraiser's opinion of value stands.” The recent HUD Conciliation Agreement discussed earlier in this report in which the bank agreed to revise its ROV process and to educate its representatives¹⁵⁴ as well as other publicized instances of alleged discrimination confirm that problems with the ROV process arise frequently when borrowers perceive that racial bias is at issue in a valuation.

Several interviewees pointed to the process referred to as the “Tidewater Procedure” that has been adopted by the Veterans Administration (“VA”) in connection with its loan guaranty program as providing an effective process for handling appraisals that are expected by the appraiser, upon initial development, to result in a valuation under the sales price of a home being purchased by a veteran borrower.¹⁵⁵ Under the VA's process, when an appraiser expects that a valuation will be below the sales price and thus may imperil the veteran borrower's ability to obtain a VA-guaranteed loan, the appraiser is required to inform the borrower's designated point of contact to request additional information that may support the sales price. The appraiser is then required to consider that information and, if it does not change the appraiser's valuation, the appraiser is required to include an addendum to the appraisal report describing the information that was collected and explaining why it did not change the opinion of value.¹⁵⁶ If the veteran still believes the valuation to be incorrect, the veteran may then submit a reconsideration request that VA staff, rather than the appraiser, will review within five business days. Appraisal organizations pointed to the VA process as creating a better formalized method for receiving input from borrowers (and their points of contact, such as real estate agents and loan officers) and also increasing the reliability of appraised values.

Recommendation

A “reconsideration of value” is the term used to describe the *ad hoc* process by which borrowers challenge appraisal values. It is a process that varies highly from lender to lender and that is without any legal structure. Fair housing advocates indicate that lack of fair consideration and clear communication in the process often occurs at the beginning of fair

¹⁵⁴ HUD, *Conciliation Agreement between Complainant and JPMorgan Chase Bank, N.A.*, FHEO No. 05-21-0635-8 (HUD March 8, 2021), https://www.hud.gov/press/press_releases_media_advisories/hud_no_21_037.

¹⁵⁵ The VA refers to the procedure as “Tidewater” because it was first developed and tested in the tidewater region of coastal Virginia.

¹⁵⁶ The Tidewater process is described in VA Circular 26-03-11, https://www.benefits.va.gov/HOMELOANS/documents/circulars/26_03_11.pdf and Ch. 10, Topic 8, of the VA Lenders Handbook, https://benefits.va.gov/warms/pam26_7.asp. See also, *Reconsideration of Value*, Ch. 10, Topic 22, VA Lenders Handbook, https://benefits.va.gov/warms/pam26_7.asp.

housing claim situations. Government, the GSEs, lenders, and The Appraisal Foundation should develop standards and guidance for appraisers regarding the fair handling of and increasing the transparency and accountability in the Reconsideration of Value process.

G. Conclusion

An appraiser has the unique power to determine the value of a home, which for most Americans, is their single most important financial asset and holds the key to wealth, stability, and opportunity for their family and generations to come. In addition, home values affect the tax base, school funding, and community investments. Moreover, time and again, our nation's economy and financial markets have been significantly impacted by home valuations, with communities of color often bearing the brunt of failings in the mortgage market and the home appraisal process. Given the importance of homeownership to American families, particularly families of color, governmental and private organizations have called for reforms and a comprehensive examination of the structure and governance of the appraisal industry.

In response to these calls for reform, we have assembled the research and recommendations in this report. We urge federal and state governmental entities, The Appraisal Foundation, the GSEs, lenders, appraisers, researchers, and civil rights and consumer advocates to work together to address the concerns raised in the report, including:

- **Questions About the Governance of the Appraisal Industry**
- **Gaps in Fair Housing Requirements and Training**
- **Barriers to Entry to the Appraisal Profession**
- **Compliance and Enforcement**

We hope that this report will encourage conversations among key stakeholders in the appraisal and housing industries to seek workable, sustainable solutions that benefit the whole of the housing market, including borrowers of color.

H. Glossary of Acronyms

Appraiser Criteria	Real Property Appraiser Qualification Criteria
Board	Board of Governors of the Federal Reserve
CLEAR	Council on Licensure, Enforcement and Regulation
CFPB	Consumer Financial Protection Bureau
DOJ	U.S. Department of Justice
DPC	White House Domestic Policy Council
ECOA	Equal Credit Opportunity Act
FDIC	Federal Deposit Insurance Corporation
FHFA	Federal Housing Finance Agency
FFIEC	Federal Financial Institutions Examination Council
FIRREA	Financial Institutions Reform, Recovery, and Enforcement Act of 1989
GAO	General Accounting Office
GSEs	Government-Sponsored Enterprises; for purposes of this report, the GSEs refer to Fannie Mae and Freddie Mac
HOLC	Home Owners Loan Corporation
HUD	U.S. Department of Housing and Urban Development
NCUA	National Credit Union Administration
NFHA	National Fair Housing Alliance
OCC	Office of the Comptroller of the Currency
OTS	Office of Thrift Supervision
PAREA	Practical Applications of Real Estate Appraisal
PAVE	Interagency Task Force on Property Appraisal and Valuation Equity
ROV	Reconsideration of Value
TILA	Truth in Lending Act
USPAP Standards	Uniform Standards of Professional Appraisal Practice
VA	Veterans Administration

Appendix I

Authors' Summary Biographies

Maureen Yap -

As Senior Counsel, Maureen Yap helps lead NFHA's Public Policy and Enforcement efforts related to fair lending, financial technology, mortgage policy, and housing finance reform. Ms. Yap, who has been in the fair housing and fair lending field since 1995, previously worked on a range of civil rights and consumer protection issues at the Federal Reserve Board, including leading the Board's Fair Lending Enforcement Section and founding the Unfair and Deceptive Acts or Practices (UDAP) Section. She was also an Associate at the law firms of Relman Colfax PLLC and Buckley LLP.

Peter Christensen -

Peter Christensen is an attorney and has been a member of the California bar since 1993. His law practice is focused on real estate valuation matters. His clients are primarily appraisal firms, management companies and valuation technology providers, as well as businesses that use appraisal services such as lenders and institutional investors. Mr. Christensen is the author of *Risk Management for Real Estate Appraisers and Appraisal Firms*, published by the Appraisal Institute.

Prior to his current legal practice, Mr. Christensen was the general counsel of the largest insurance administrator for professional liability insurance to real appraisers and valuation firms in the U.S. He earlier practiced law with the firms Latham & Watkins LLP and Irell & Manella LLP in California. Mr. Christensen earned both his B.S. in business administration and his law degree at the University of California at Berkeley.

Stephen M. Dane -

Stephen M. Dane is a nationally recognized civil rights lawyer, particularly in the areas of fair housing, fair lending, and insurance discrimination. Mr. Dane was lead counsel for the plaintiffs in the class action litigation Toledo Fair Housing Center v. Nationwide Mutual Insurance Co. (\$5.35 million settlement) and was co-counsel for the plaintiffs in HOME of Richmond v. Nationwide Mutual Insurance Co. (\$100.5 million jury verdict). He has been lead counsel in precedent-setting cases involving appraisal bias issues. Mr. Dane is the author of many articles and book chapters in the field of fair housing, most recently Fair Housing Policy Under the Trump Administration, Human Rights Magazine, Vol. 44, No. 3 (Dec. 6, 2019). Mr. Dane is listed in *The Best Lawyers in America* in the field of Civil Rights. He is also the former editor of the Civil Rights Insider, the award-winning quarterly eNewsletter of the Federal Bar Association's Civil Rights Law Section.

Morgan Williams -

Morgan Williams is responsible for leading NFHA's strategic and tactical legal initiatives and affairs. Mr. Williams leads NFHA's efforts to pursue pioneering litigation under the federal Fair Housing Act, often utilizing testing-based evidence and working in partnership with NFHA's network of local fair housing centers. He coordinates NFHA's actions to file amicus briefs to promote sound fair housing jurisprudence. Mr. Williams also provides training and technical

support to local fair housing centers across the country on investigation and enforcement strategies, as well as training to housing providers and servicers on a range of complicated and emerging topics. In addition, he assists with NFHA's federal public policy advocacy, in coordination with legislative offices and federal agencies, and helps local advocates address state and local legislative matters.

Lisa Rice -

Lisa Rice is the President and CEO of the National Fair Housing Alliance (NFHA), the trade association for over 200 member organizations throughout the country and the nation's only national civil rights agency solely dedicated to eliminating all forms of housing discrimination. Ms. Rice has over 35 years of experience in enforcing the nation's fair housing laws and has worked to establish precedents in the areas of appraisal bias, algorithmic fairness, lending and insurance redlining, and real estate issues. Ms. Rice is a published author and serves on the Board of Directors for the Leadership Conference on Civil and Human Rights, Center for Responsible Lending, and FinRegLab's, as well as the JPMorgan Chase Consumer Advisory Council, Mortgage Bankers Association's Consumer Advisory Council, Freddie Mac Affordable Housing Advisory Council, Quicken Loans Advisory Forum, Bipartisan Policy Center's Housing Advisory Council, and The Turner Center Advisory Council at Berkeley University.

Scott Chang -

Scott Chang is Senior Counsel at the National Fair Housing Alliance (NFHA) and helps lead the organization's fair housing and lending compliance, training, enforcement, and policy efforts. Prior to joining NFHA in September, Mr. Chang was Litigation Director at the Housing Rights Center of Los Angeles, California. He also previously served as Counsel at Relman Colfax LLC in Washington, D.C., and as an attorney at Brancart & Brancart, a law firm specializing in fair housing issues. Even before starting his new role at NFHA, Mr. Chang worked for years with the organization on projects and cases involving, among other issues, real estate sales discrimination.