

March 25, 2020

Honorable Larry Hogan
Chair
National Governors Association
444 North Capitol Street, Suite 267
Washington, D.C. 20001

Honorable Mary Ann Borgeson
President
National Association of Counties
660 North Capitol Street, N.W., Suite 400
Washington, D.C. 20001

Honorable Brian K. Barnett
President
U.S. Conference of Mayors
1620 I St. NW
Washington, D.C. 20006

Honorable Joe Buscalno
President
National League of Cities
660 North Capitol Street, N.W.
Washington, D.C. 20001

Re: Designation of Real Estate Appraisals as Essential Services

Dear Governor Hogan, Commissioner Borgeson, Mayor Barnett, and Councilmember Buscalno:

The undersigned organizations of professional real property appraisers write today to thank state and local government officials for the rapid response and unwavering attention to the COVID-19 pandemic. Your dedication and commitment to the protection of the public is commendable.

Over the last several days, we have seen a growing number of state and local jurisdictions that have implemented “stay-at-home” or “shelter-in-place” orders. All these orders recognize the importance of maintaining critical infrastructure and the importance of essential services, and some have cited the broad “Financial Services” sector for essential work classifications as established by the Cybersecurity Information Sharing Agency (CISA). The guidance from CISA - which cites support services to the financial services sector - appears to support inclusion of real estate appraisal services under the definition of critical infrastructure. However, the guidance is not explicit. We are concerned about ramifications and unintended consequences if appraisal services are not deemed to be essential services.

Appraisers are performing critical and timely services for real estate-related transactions, many of which will continue to take place during this crisis, and that will help to keep the economy functioning. Consider a small business that would like to establish, or draw upon, a line of credit in order to “keep the lights on” and be able to continue to pay their employees. Or, a newly married couple that would like to take advantage of the record low interest rates to purchase their first home. If a financial institution, or other client, is unable to obtain an appraisal because appraisers are ordered to stay-at-home, and cannot perform the necessary property inspections, these transactions may be halted or delayed.

Recognizing that they too play a part in controlling the spread of COVID-19, appraisers are prepared to minimize physical interactions with clients and property owners when performing property inspections. In fact, major users of appraisal services have temporarily changed their policies in the past week to facilitate and encourage exterior-only or drive-by appraisals that avoid person-to-person contact.

Simply put, we believe that these types of appraisal services, in which the appraiser remains inside their vehicle or performs the inspection with limited human interaction and social distancing, should be deemed to be essential and continue to be performed during the duration of the pandemic.

Everyone's goal is the same – to protect the health and wellbeing of our citizens. But we must also protect and preserve the fabric of our communities and the critical infrastructure that supports and protects us all.

To that end, we respectfully request that state and local governments minimize the potential interruptions to the real estate markets, and more specifically interruptions to the provision of appraisal services, by declaring real estate services as “essential services” under any emergency powers declaration. At least seven states that have already imposed restrictions - Delaware, Hawaii, Illinois, Indiana, Massachusetts, Ohio, and Wisconsin – have recognized the critical role that appraisers play in real estate transactions, and have deemed appraisal services to be one of a number of real estate-related services that must continue. We urge remaining jurisdictions to classify real estate appraisal services as essential like these seven states. Illinois [Executive Order 2020-10](#) best deals with the provision of appraisal services as an essential service for financial institutions and as a regulated professional service.

Thank you in advance for your consideration of this request. We would be happy to meet with you or your staff to discuss.

Please contact John Russell, ASA, 703-733-2103, jrussell@appraisers.org, Stephen Frerichs, AFMRA, 703-212-9416, sfrerichs8@comcast.net, Bill Garber, AI, 202-298-5586, bgarber@appraisalinstitute.org, and Sehar Siddiqi, NAR, 202-383-1176, ssiddiqi@realtors.org to arrange a meeting or for any additional information.

Regards,

American Society of Appraisers
American Society of Farm Managers and Rural Appraisers
Appraisal Institute
Massachusetts Board of Real Estate Appraisers
National Association of Realtors