

TITLE 68: PROFESSIONS AND OCCUPATIONS  
CHAPTER VII: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
SUBCHAPTER b: PROFESSIONS AND OCCUPATIONS

PART 1452  
APPRAISAL MANAGEMENT COMPANY REGISTRATION ACT

Section

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AUTHORITY: Implementing and authorized by the Appraisal Management Company  
Registration Act [225 ILCS 459].

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effective March 18, 2021; amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

**Section 1452.10 Definitions**

Unless otherwise clarified by this Part, definitions set forth in the Act also apply for the purposes  
of this Part.

"AMC National Registry" means the national registry of appraisal management companies that are either registered with and subject to supervision of a State appraiser certifying and licensing agency or are operating subsidiaries of a federally regulated financial institution~~State-registered AMCs and federally-regulated AMCs~~ maintained by the Appraisal Subcommittee.

"Act" means the Appraisal Management Company Registration Act [225 ILCS 459].

"Applicant" means a person applying for registration under the Act and this Part as an appraisal management company. Any applicant or any person who holds themselves~~himself or herself~~ out as an applicant is considered a registrant for purposes of enforcement, investigation, hearings and the Illinois Administrative Procedure Act [5 ILCS 100].

"Appraisal management company" or "AMC" means any corporation, limited liability company, partnership, sole proprietorship, subsidiary, unit, or other business entity that directly or indirectly:

*provides appraisal management services to creditors or secondary mortgage market participants, including affiliates;*

*provides appraisal management services in connection with valuing the consumer's principal dwelling as security for a consumer credit transaction (including consumer credit transactions incorporated into securitizations); and*

~~*within a given year, oversees an appraiser panel of any size of State-certified appraisers in Illinois; and*~~

*any appraisal management company that, within a given 12-month period~~year~~, oversees an appraiser panel of 16 or more State-certified appraisers in Illinois or 25 or more State-certified or State-licensed appraisers in 2 or more jurisdictions.*

"Appraisal management company" includes a hybrid entity. [225 ILCS 459/10]

~~*An "AMC" shall be subject to the appraisal management company national registry fee in addition to the appraiser panel fee.*~~

"Appraisal management company national registry fee" means the fee, implemented pursuant to Title XI of the federal Financial Institutions Reform,

87 *Recovery and Enforcement Act of 1989; for an appraiser management company's*  
88 *national registry. [225 ILCS 459/10]*  
89

90 *"Appraisal practice service" means valuation services performed by an individual*  
91 *acting as an appraiser, including, but not limited to, appraisal or appraisal*  
92 *review, ~~or appraisal consulting~~. [225 ILCS 459/10]*  
93

94 *"Appraisal Subcommittee" or "ASC" means the Appraisal Subcommittee of the*  
95 *Federal Financial Institutions Examination Council.*  
96

97 *"Appraiser panel" means a network, list, or roster of licensed or certified*  
98 *appraisers approved by the appraisal management company or by the end-user*  
99 *client to perform appraisals as independent contractors for the appraisal*  
100 *management company. "Appraiser panel" includes both appraisers accepted by*  
101 *an appraisal management company for consideration for future appraisal*  
102 *assignments and appraisers engaged by an appraisal management company to*  
103 *perform one or more appraisals. For the purposes of determining the size of an*  
104 *appraiser panel, only independent contractors of hybrid entities shall be counted*  
105 *towards the appraiser panel. [225 ILCS 459/10]*  
106

107 *"Appraiser panel fee" means the amount collected from a registrant that, where*  
108 *applicable, includes an appraisal management company's national registry fee.*  
109 *[225 ILCS 459/10]*  
110

111 *"Business entity" means any entity doing business whether organized as a*  
112 *corporation, partnership, sole proprietorship, limited liability company or*  
113 *partnership, or otherwise.*  
114

115 *"Client" means the party or parties who engage an appraiser, by employment or*  
116 *contract; in a specific appraisal assignment, whether directly or through an agent.*  
117 *[225 ILCS 459/10] ~~If an appraisal management company is the party engaging~~*  
118 *~~the appraiser, the appraisal management company is considered the client.~~*  
119

120 *~~"Comparable property" means any property that has physical, functional and~~*  
121 *~~locational similarity to the property under appraisement.~~*  
122

123 *"Controlling person" means:*  
124

125 *an owner, officer, or director of an entity seeking to offer appraisal*  
126 *management services;*  
127

128 *an individual employed, appointed, or authorized by an appraisal*  
129 *management company who has the authority to:*

enter into a contractual relationship with a client for the performance of an appraisal management service or appraisal practice service; and

enter into an agreement with an appraiser for the performance of a real estate appraisal activity;

an individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company; or

an individual who will act as the sole compliance officer with regard to this Act and any rules adopted under this Act. [225 ILCS 459/10]

"Covered transaction" means ~~a~~any consumer credit transaction secured by ~~at~~the consumer's principal dwelling. [225 ILCS 459/10]

"Department" means the Department of Financial and Professional Regulation.

"Designated Controlling Person" means a person who meets the definition of Controlling Person who will be the main contact for all communication between the Department and the appraisal management company and is responsible for ensuring that the AMC operates in compliance with state law.

"Director" means the Director of the Department of Financial and Professional Regulation-Division of Real Estate.

"Dissolution" means the voluntary or involuntary termination of the existence of a business entity consistent with the provisions of Illinois business organizations Acts including, but not limited to, 805 ILCS 5 and 805 ILCS 180.

"Division" means the Department of Financial and Professional Regulation-Division of Real Estate.

"Dodd-Frank Wall Street Reform and Consumer Protection Act" means the federal Act (PL 111-203, HR 4173) signed into law on July 22, 2010.

~~"EDI" is the acronym for Electronic Data Interchange.~~

~~"Factual error" means an omission of a detail or a communication of an erroneous detail that is objective as opposed to subjective in nature.~~

"Federally regulated appraisal management company" means an appraisal management company that is owned and controlled by an insured depository institution, as defined in 12 USC 1813, or an insured credit union, as defined in 12 USC 1752, and regulated by the Office of the Comptroller of the Currency, the Federal Reserve Board, the National Credit Union Association, or the Federal Deposit Insurance Corporation. [225 ILCS 459/10]

"Non-compete clause" or "covenant not to compete" means an agreement between an appraiser engaged by an appraisal management company and ~~the~~<sup>an</sup> appraisal management company that the appraiser will not provide appraisal services on behalf of ~~themselves~~<sup>himself or herself</sup> or for a ~~competing~~<sup>competitor</sup> appraisal management company for a specified period of time or in a specific geographic location.

~~"Original registration" means a first-time application to the Division for a registration.~~

"Portal" means a single point of access for data delivery through the internet.

"Quality control review" means a review of an appraisal report for compliance and completeness, including grammatical, typographical, or other similar errors, unrelated to developing an opinion of value. [225 ILCS 459/10]

~~"Prior written notice" means a period of not less than 30 days in which an appraisal management company must notify an appraiser that he or she has been removed from an appraisal management company's list of approved vendors.~~

"Registrant" means a person who has been issued a registration under the Act and this Part. Anyone who holds ~~themselves~~<sup>himself or herself</sup> out as a registrant or who is accused of unregistered practice is considered a registrant for purposes of enforcement, investigation, hearings, and the Illinois Administrative Procedure Act.

"Secretary" means the Secretary of the Department of Financial and Professional Regulation.

"Service request" means any appraisal practice service.

~~"System in place" means a documented procedure that details how a specific task is carried out.~~

"Turn time" means an established period of time between the appraiser's acceptance of an assignment and ~~their~~ the final delivery of a completed assignment to the appraisal management company.

"USPAP" ~~means is the acronym for~~ the Uniform Standards of Professional Appraisal Practice ~~as adopted~~ promulgated by the Appraisal Standards Board ~~under~~ pursuant to Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 ~~U.S.C.~~ USC 3331 et seq.) ~~and by rule (effective January 1, 2024, no later amendments or editions) [225 ILCS 459/10]~~.

~~"Webform" means a web page that allows a user to enter data that is sent to a server for processing.~~

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## Section 1452.20 Application for ~~Original~~ Registration

- a) An applicant for registration as an appraisal management company shall, in accordance with Sections 35 and 40 of the Act, file an application with the Division, ~~in a manner~~ on forms provided by the Division, on which all questions have been answered, together with the following:
  - 1) Business entity ~~Company~~ name, address, telephone number, e-mail address and other ~~contact~~ information required by the Division for ~~of~~ the principal office in Illinois where services are provided. A post office box by itself is not acceptable;
  - 2) If the business entity ~~company~~ does not maintain a principal office in Illinois, the address, telephone number, e-mail address and other ~~contact~~ information required by the Division for the ~~of its~~ out-of-state office responsible ~~that has responsibility~~ for its Illinois operations (a post office box by itself is not acceptable), and the name of the agent for service of process;
  - 3) A Federal Employer Identification Number (FEIN);
  - 43) The legal form ~~type~~ of the business entity ~~organization~~.
- A) If a sole proprietorship, the name of the sole proprietor ~~owner~~;
- B) If a partnership, a list ~~listing~~ of all partners, and an affidavit stating that the partnership has been legally formed, a letter of authority from the Illinois Secretary of State, or if foreign, a copy of the

application for admission or authority to transact business in Illinois;

C) If a corporation organized~~based~~ in Illinois;

- i) A~~a~~ copy of the Articles of Incorporation,
- ii) A certificate~~a proof~~ of good standing issued by the Illinois Secretary of State or obtained from the Illinois Secretary of State's website within the previous 60 days, or
- iii) If the corporation is a foreign corporation, a copy of the Articles of Incorporation and proof of good standing issued by the state in which the corporation is domiciled, and a certificate of authority to transact business in Illinois; and
- iv) A list~~and a listing~~ of all persons or business entities and their~~his, her or its~~ contact information and Illinois appraisal license number(s)~~number~~, if applicable, that hold an ownership interest of 10% or more in~~of~~ the company. ~~If using an assumed name (d/b/a), a copy of the assumed name registration issued by the Secretary of State. If the corporation is a foreign corporation, a copy of the Articles of Incorporation and proof of good standing from the state in which the corporation is domiciled;~~

D) If a limited liability company,

- i) A~~a~~ copy of the Articles of Organization,
- ii) A certificate~~proof~~ of good standing issued by the Illinois Secretary of State or obtained from the Illinois Secretary of State's website within the previous 60 days, or
- iii) If the company is foreign, proof of good standing issued by the state in which it is domiciled, and a certificate of authority to transact business in Illinois; and
- iv) A list~~and a listing~~ of the members of the limited liability company and their~~his, her or its~~ contact information and Illinois appraisal license number(s)~~number~~, if applicable, that hold an ownership interest of 10% or more in~~of~~ the company.



- 300
- 301 E) If an assumed name is to be used, a certified copy of the assumed
- 302 name certificate pursuant to the Assumed Business Name Act [805
- 303 ILCS 405] is required;
- 304
- 305 FE) If another type of business entity, the same or similar information,
- 306 as applicable, to that listed in this subsection. ~~(a);~~
- 307
- 308 5) The name, address, and contact information for any business entity
- 309 applicant that owns 10% or more of the appraisal management company
- 310 and answers to questions concerning each such individual's history of
- 311 convictions for criminal offenses, denial or discipline of a professional
- 312 license(s) pursuant to Section 67 of the Act.
- 313
- 314 6) Any business entity that owns 10% or more of the appraisal management
- 315 company shall report to the Division within 30 calendar days after any
- 316 change related to criminal offenses or professional licensure status in any
- 317 jurisdiction pursuant to the Act.
- 318
- 319 74) The name, address, telephone number, and e-mail address ~~and other~~
- 320 ~~contact information~~ of the business entity's designated controlling person
- 321 and answers to questions concerning that person's ~~his or her~~ history of
- 322 convictions for criminal offenses, denial or discipline of a professional
- 323 license(s) ~~license~~, discharge from military or government service, and
- 324 delinquency on any ~~student loan~~, state taxes or child support payments;
- 325
- 326 85) A signed irrevocable Uniform Consent ~~uniform consent~~ to Service ~~service~~
- 327 of Process ~~process~~ form provided by the Division;
- 328
- 329 96) A list ~~listing~~ of any other states where the business entity ~~company~~ is
- 330 registered, along with the registration number(s) ~~number~~. ~~A registrant shall~~
- 331 ~~have no obligation to update this list after issuance of its registration;~~
- 332
- 333 107) The certifications required under Section 40 of the Act;
- 334
- 335 118) The bond required under Section 50 of the Act and this Part; and
- 336
- 337 129) The required fee specified in Section 1452.200.
- 338
- 339 b) The application shall be signed and dated by the designated controlling person.
- 340

341 (Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

342



**Section 1452.30 Registration Title and Display**

- a) Registrants shall include~~affix~~ their Illinois appraisal management registration number and title within the body of every transmitted appraisal service request to an Illinois appraiser.
- b) The registration title is "Illinois AMC Registration No. \_\_\_\_\_".
- c) A registrant is not prohibited from requiring the appraiser to disclose the information required in subsection (a) in the body of the appraisal report.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 1452.40 Renewal of a Registration; Reinstatement; Restoration; Expiration Date**

- a) Registrations set to expire on December 31, 2026, shall be extended and expire on June 30, 2027. Beginning July 1, 2027, all registrations shall expire on June 30 of each calendar year and must be renewed annually.
- ~~ba)~~ ~~All registrations shall expire on December 31 of even-numbered years beginning in the year 2014.~~ A registrant may renew its registration during the month preceding the expiration date by submitting to the Division a renewal application in a manner provided by the Division on which all questions have been answered and by paying the required renewal fee to the Division~~Department~~.
- ~~cb)~~ A registrant who fails to renew its registration by the expiration date may renew the registration for a period of no longer than 5 years following the expiration date by submitting ~~to the Division~~ an application for reinstatement in a manner~~on forms~~ provided by the Division. All questions must be answered, and the required reinstatement fees paid to the Department.
- ~~de)~~ A registrant whose registration has been expired for more than 5 years may apply for restoration of the registration by submitting an application for restoration in a manner provided by the Division, paying the required restoration fees, and, if applicable, submitting proof that they have~~he or she has~~ maintained a registration in good standing in one or more states other than Illinois for the preceding 5 years.
- ~~ed)~~ For the purposes of determining if a registration has expired under this Section, the Division shall consider the registration expired if the ~~postmark on the~~ renewal application and fee are received by the Division on~~is~~ a date later than the expiration date ~~or, if delivered other than by mail, the registration shall be~~

~~considered expired if the renewal application and fee are received by the Division  
on received by the Division in a date later than the expiration date.~~

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.50 Address Change; Service by Email**

- a) All registrants shall notify the Division in writing of a change of mailing address ~~or~~ e-mail address ~~and/or website address or addresses~~ within 14 calendar days after the change in a manner prescribed by the Division. The mailing address of record shall not be a post office mailbox.
- b) The Department may provide service of documents by email to an applicant's or registrant's email address of record in accordance with the Act, the Department of Professional Regulation Law [20 ILCS 2105], or Section 10-75 of the Illinois Administrative Procedure Act [5 ILCS 100]. Service by email shall be deemed complete on the day of transmission regardless of whether the documents are delivered to the applicant's or licensee's spam or junk email folder.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.60 Designated Controlling Person**

- a) All registrants shall notify the Division in writing of a change of the designated controlling person within 30 calendar days after the change. A registrant shall report this change to the Division by submitting a new designated controlling person application ~~in on~~ a ~~manner form~~ provided by the Division on which all questions have been answered, in which the designated controlling person accepts responsibility for maintaining the registrant's compliance with the Act and this Part, and that is signed by the new designated controlling person.
- b) Failure to notify the Division in writing of a change of the designated controlling person within 30 calendar days after the change may result in the initiation of disciplinary proceedings pursuant to Section 65 of the Act.
- ~~c~~b) No person may be the designated controlling person for more than one appraisal management company.
- ~~d~~e) Upon written request by a representative of an appraisal management company, and within 10 calendar days after the loss of a designated controlling person of an appraisal management company because of the incapacitation, death, or termination of employment of that individual, the Division may grant the

authority to allow~~shall issue a Temporary Certificate of Authority allowing~~ the continuing operation of the appraisal management company.

1) No authority~~Temporary Certificate of Authority~~ shall be valid for more than 90 calendar days except that extensions~~. An extension~~ of an additional 90 calendar days may be granted upon the written request of~~by~~ the representative of the appraisal management company and for just cause.

2) No authority~~Not more than 2 extensions may be granted to any appraisal management company. No Temporary Certificate of Authority~~ shall be issued for a loss of the designated controlling person because of disciplinary action by the Department~~Division~~ related to the designated controlling person's~~his or her~~ conduct on behalf of the appraisal management company.

ed) A designated controlling person shall report to the Department~~Division~~ within 30 calendar days after any change related to their~~his or her~~ criminal history, professional licensure, ~~military or government employment status~~, or delinquency regarding ~~student loans~~, state taxes or child support payments as reported in the registrant's original application, subsequent renewal applications, or a new designated controlling person application.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## Section 1452.70 Change of Business Entity or Ownership

a) No later than 30 calendar days after the effective date of a change in the legal structure of ownership of an appraisal management company registered under the Act, a new application shall be filed with the Division in accordance with Section 1452.20. Pursuant to Section 37 of the Act, a registration is not transferable or assignable.

b) Change of ownership is defined as, but not limited to:

1) When a business~~an unaffiliated person, partnership, corporation, limited liability company or other legal~~ entity acquires more than 50%~~comes to obtain 51%~~ ownership or ownership interest of the appraisal management company ~~after initial registration~~; or

2) The equity purchase of one AMC by another AMC in which the purchasing AMC acquires ownership of the business entity. The purchase

~~can include assets and/or liabilities~~  
~~Change in the legal form under which~~  
~~the controlling entity is organized.~~

- c) Change of legal structure is defined as, but is not limited to:
  - 1) When the business entity changes organization type (e.g., from a sole proprietorship to a corporation); or
  - 2) When a business entity is dissolved or terminated and the owner(s) revert to an individual/sole proprietor or create a different legal business structure.
- d) Failure to file a new application within 30 days of a change in the legal structure or ownership may result in the initiation of disciplinary proceedings pursuant to Section 65 of the Act.
- e) Any entity that is not authorized to conduct business in Illinois shall be prohibited from engaging in any licensed activities until proof of authorization to conduct business in Illinois from the Secretary of State is provided.
- f) An appraisal management company must submit a new application when there is a change in the legal structure or ownership of the business entity that may require a change in the Federal Employer Identification Number (FEIN).
- g) If the appraisal management company changes only its legal name or its assumed name, it need not submit a new application but must notify the Division within 14 calendar days of any such change, and, if applicable, provide their registration under the Assumed Business Name Act [805 ILCS 405].
- h) Upon receipt of the required documents and review of the application, the Department shall issue a license authorizing the entity to practice or shall notify the applicant of the reason for any deficiency.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## **Section 1452.80 Bonding Requirements (Repealed)**

~~The bond required by Section 50 of the Act shall be for a term concurrent with the term of the registration, commencing with registrations issued by the Division with an expiration date of December 31, 2014 and concurrent with the 2-year term of each renewed registration thereafter. This provision does not prohibit the registrant from maintaining a continuing bond during any registration term. Failure to maintain the bond and to provide the Department with written proof of the bond, upon request, shall result in cancellation of the license without hearing.~~

(Source: Repealed at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## Section 1452.90 Record Retention

- a) Registrants shall maintain a detailed record of each service request that it receives for an appraisal practice service to be performed within Illinois. Detailed records include, but are not limited to, a copy of:
  - 1) The assignment order or service request identifying the end-user client.
  - 2) Each assignment result, including revised reports, addenda, certifications and workfiles, including data, information, and any related written ~~webform~~ communications.
  - 3) Any and all correspondence between the appraisers, the registrant, and any other entity or party related to the assignment.
  - 4) Any copy of any quality control review related to the assignment.
  - 5) Any review not consistent with a quality control review.
  - 6) All fee schedules maintained and used by the registrant for the purpose of compliance with the provisions of the Truth in Lending Act (15 U.S.C. ~~USC~~ 1601) relating to customary and reasonable fees. The fee schedules shall be definitive in nature.
  - 7) Any roster of Illinois active and approved fee panel appraiser vendors, including the name of the appraiser, each appraiser's Illinois credential number, the date the appraiser was placed on the panel, and the date and reason an appraiser was removed from the panel.
- b) Registrants shall maintain the records set forth in subsection (a) for a period of 5 years. This 5 year period shall commence on the date of final action for each individual transaction or, if the registrant is notified that the transaction is involved in litigation or is the subject of administrative action by the Division, on the date of final disposition of that action.
- c) Registrants ~~On receipt of notice, registrants~~ shall produce for the Department, ~~upon its request, Division~~ any record required to be maintained by this Section within ~~30~~ 15 calendar days ~~following the Department's~~ after its request. Any information submitted by the registrant to the Department ~~Division~~ under this Section ~~shall not be disclosed pursuant to a public request~~ and shall be deemed

confidential and shall not be publicly disclosed unless such disclosure is required by State or federal law.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## Section 1452.100 Payment Policies

- a) The registrant shall provide a written, comprehensive and definitive payment policy to each approved appraiser vendor. The payment policy may be part of a vendor agreement, assignment order, or service request, and shall include, but is not limited to, the following:
  - 1) The agreed date or period by which the appraiser should expect to receive compensation at the conclusion of an assignment;
  - 2) Total completed assignment compensation;
  - 3) Any conditions that delay or void payment, including sequential liability;
  - 4) By what method compensation will be received by the appraiser;
  - 5) Registrant's required turn time;
  - 6) Partial compensation, if any, for the following:
    - A) Completed assignment;
    - B) Registrant's or ~~end-user~~ client delays, holds and/or cancellations; or
    - C) Property owner or agent access delays and/or cancellations, including when an individual responsible for providing access to a property fails to appear at the scheduled time;
  - 7) Any and all fees and charges charged to an Illinois appraiser, including but not limited to fees and charges for:
    - A) Portal and/or onboarding ~~EDI access~~ or maintenance;
    - B) Systems access;
    - C) Technology applications and proprietary software or cloud computing ~~usage~~;

- D) Background and/or credit checks;
  - E) Review of assignments or samples; and
  - F) Application for panel approval.
- b) The registrant shall maintain records of all changes to written payment policies. The fee schedules shall be definitive in nature. All fee schedules must be in compliance with the provisions of the Truth in Lending Act (15 U.S.C. 1601) relating to customary and reasonable fees.
- c) A registrant shall not prohibit an appraiser from including within the body of the appraisal report that is submitted as part of an assignment, the following:
- 1) The total fee that is collected by the AMC for the assignment;
  - 2) The amount agreed to between the AMC and the appraiser at the time of the engagement for the performance of the appraisal; or
  - 3) Disclosure of the total compensation paid to the appraiser for the performance of the appraisal assignment and to the AMC for the related appraisal assignment or activity.
- d) If a registrant utilizes a third party service or business to disburse payment to the appraiser, the registrant is still responsible for the requirements as stipulated by the Act and this Part.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.110 Prior Written Notice (Repealed)**

- ~~a) The registrant shall notify the appraiser, in writing, within 30 calendar days, prior to removing the appraiser from the list of approved appraisers. The notice shall include any and all causes leading to the removal.~~
- ~~b) The registrant shall notify the Division within 30 days after appraiser removals based upon a reasonable belief that the appraiser prepared an appraisal report in violation of Illinois law, administrative rules and/or USPAP.~~

(Source: Repealed at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.120 Assignment Guidelines and Policies; Engagement**



- a) The registrant shall provide written assignment guidelines and conditions for each assignment. Those guidelines and conditions shall not deviate from USPAP and cannot be considered a jurisdictional exception without citation of the specific law or regulation. These guidelines and conditions may be contained within a master agreement.
- b) The registrant shall provide the appraiser with an engagement document that contains, but is not limited to, the following:
  - 1) The registrant's Illinois registration number and expiration date;
  - 2) The location of the property or properties that are the subject of the assignment and if obtainable, a legal description or plat of survey;
  - 3) Property type (e.g., single-family residence, industrial condominium, etc.);
  - 4) The total completed assignment compensation;
  - 5) The ~~registrant's~~ turn time or date on which the completed assignment must be provided to registrant~~requirements~~;
  - 6) The name and contact information for the registrant's representative;
  - 7) The name and contact information for any person whose assistance is required to gain access to the subject property (if applicable);
  - 8) A legible copy of a fully executed and complete sales contract, along with all pertinent addenda (if the transaction involves a sale);
  - 9) Registrant and/or ~~end-user~~ client guidelines or changes in guidelines;
  - 10) Information as to whether the owner of the property under appraisal has been advised that interior images may be required under the assignment criteria;
  - 11) Identification of the ~~end-user~~ client in any assignment or service request.
- c) A registrant that is not owned and controlled by an insured depository institution and not regulated by a federal financial institution's regulatory agency shall establish and comply with processes and controls reasonably designed to ensure that the AMC, in engaging an appraiser, selects an appraiser who is independent of the transaction and who has the requisite education, expertise, and experience

necessary to competently complete the appraisal assignment for the particular market and property type.

- d) Appraisers hired by registrants must hold an appropriate Illinois appraisal license to develop and communicate any review that is not limited to a quality control review.
- e) The registrant shall notify the appraiser, in writing, no later than 30 calendar days prior to removing the appraiser from the list of approved appraisers. The notice shall include any and all causes leading to the removal.
- f) The registrant shall notify the Department within 30 calendar days after appraiser removals based upon a reasonable belief that the appraiser prepared an appraisal report in violation of Illinois law, administrative rules, and/or USPAP.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.130 Appraisal Review; Quality Control Review (Repealed)**

~~Appraisal reviewers must hold an appropriate Illinois appraisal license in order to develop and communicate any review that is not limited to a quality control review.~~

(Source: Repealed at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.140 Uniform Standards of Professional Appraisal Practice (USPAP)**

- a) Pursuant to Section 160 of the Act, the ~~2024~~~~2012~~ USPAP, published by the Appraisal Standards Board of The Appraisal Foundation, 1155 15<sup>th</sup> Street, NW, Suite 1111, Washington DC 20005 (effective January 1, ~~2024~~~~2012~~), are hereby incorporated by reference with no later amendments or editions.
- b) All investigators, coordinators, auditors, and examiners employed or retained by the ~~Department~~~~Division~~ are exempt from the requirements of USPAP Standard 3 and USPAP Standard 4 while performing an investigation, audit, or examination.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.150 Compliance~~Reporting~~ Requirements**

- a) The ~~Department~~~~Division~~ may require a registrant, pursuant to ~~an a-compliance~~ agreement or order, in connection with an investigation, or for the purpose of examination for compliance with state and federal regulations, to provide any reports, records or other documents pertaining to appraisal management activity

that the ~~Department~~Division may deem necessary to maintain standards of professional conduct, the competency of a registrant, and the protection of the public.

- b) Pursuant to an agreement, order, disciplinary or non-disciplinary action, the Department may include requirements or conditions designed to maintain the standards of professional conduct, competency of a registrant, and protection of the public.
- c) The Department may, in its discretion, issue an administrative warning letter. Administrative warning letters are non-disciplinary.
- d) Pursuant to Section 65 of the Act, all registrants are required to fully cooperate with any audit, investigation, interrogatory, examination, or request for information regarding any aspect of the registrant's appraisal management practice or application for registration. Full cooperation includes, but is not necessarily limited to, providing to the Department, within 30 days after its request, a complete answer to any written interrogatory or request for clarification submitted to a registrant or employee of the registrant.
- e) The bond required by Section 50 of the Act shall be maintained by each registrant and for each renewal thereafter. This provision does not prohibit the registrant from maintaining a continuing bond during any registration term. Failure to maintain the bond and to provide the Department with written proof of the bond, upon request, shall result in cancellation of the license without hearing.
- f) All Department administrative hearings pursuant to this Act and Part shall be conducted in accordance with the Rules of Practice in Administrative Hearings as provided for in 68 Illinois Administrative Code 1110.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### **Section 1452.160 Administrative Warning Letter (Repealed)**

~~The Division may issue an administrative warning letter, as a form of non-disciplinary action authorized by Section 65 of the Act, with or without a compliance agreement that may include a fee allowed by Section 1452.200(e)(8). A compliance agreement may include conditions designed to maintain the standards of professional conduct, competency of a registrant and protection of the public. Administrative warning letters, with or without a compliance agreement, are not discipline and are not subject to the Freedom of Information Act [5 ILCS 140].~~

(Source: Repealed at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 1452.170 Cooperation Required with the Division (Repealed)**

~~Pursuant to Section 65 of the Act, all registrants are required to fully cooperate with any audit, investigation, interrogatory, examination or request for information regarding any aspect of the registrant's appraisal management practice or application for registration. Full cooperation includes, but is not necessarily limited to, providing to the Division, within 30 days after its request, a complete answer to any written interrogatory or request for clarification submitted to a registrant or employee of the registrant.~~

(Source: Repealed at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 1452.180 Felony Convictions; Discipline of Other Professional Registration; Notification (Repealed)**

- ~~a) A registrant shall notify the Division in writing of any violation of Section 65(a)(3) of the Act relating to the registrant or the registrant's designated controlling person. This written notice shall be submitted within 30 days after the violation. In addition to the notice, the registrant shall provide to the Division all court records (including, but not limited to, indictments, information, plea agreements, pre-trial sentencing motions, investigations, judgment and sentencing orders and other orders) and other information required by the Division to determine fitness for registration.~~
- ~~b) A registrant that has a registration issued by another state or jurisdiction disciplined or the registrant's designated controlling person has a professional license disciplined as defined in Section 65(a)(10) of the Act shall notify the Division in writing within 30 days after any adverse temporary or final order. In addition to the notice, the registrant shall provide to the Division all adverse orders, whether by consent or otherwise, plea agreements, motions or pleadings in which a registrant has made a written statement or admission of culpability in the violation of a professional regulation or standard, or other information required by the Division to determine fitness for registration.~~

(Source: Repealed at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 1452.190 Unprofessional Conduct**

~~"Dishonorable, unethical, or unprofessional conduct" as used in Section 65(a)(9) of the Act includes, but is not limited to:~~

- ~~a) Failing to satisfy a material term of an a consent to administrative supervision order issued by the Department or consent order;~~

- b) Altering, modifying or otherwise changing a completed appraisal report submitted by an independent appraiser;
- c) Failure to retain records described in Section 1452.90;
- d) Operating without ~~an approved~~ designated controlling person;
- e) Operating without a current certificate of registration or authority to transact business in Illinois~~an approved Temporary Certificate of Authority, when required;~~
- ~~f) Engaging appraisal practice services from any licensed or certified Illinois appraiser who is not in good standing with the Division without utilizing a process of verifying the status of the appraiser by contacting the Department or utilizing the National Registry of the Appraisal Subcommittee;~~
- ~~f)g)~~ Failing to provide a written, ~~definitive~~ payment policy that complies with~~as outlined in~~ Section 1452.100;
- ~~g)h)~~ Requesting or requiring an appraiser to transmit an unsigned assignment result;
- ~~h)i)~~ Deliberately interfering with a licensed ~~Illinois~~ appraiser's ability to comply with USPAP;
- ~~i)j)~~ Failing to deliver all information that supports a change in property value to a licensed Illinois appraiser without good cause;
- ~~k)~~ ~~Failing to register within 180 calendar days after adoption of this Part and/or continuing to act as an appraisal management company while not lawfully registered;~~
- ~~j)l)~~ Representing that~~Misrepresenting~~ client guidelines or assignment criteria are required by~~as a requirement of~~ federal or state statute without proper citation to the statute or regulation.
- ~~k)m)~~ Restricting the engagement of an Illinois licensed appraiser for an appraisal assignment solely on the licensee's level of licensure except as required or prohibited by the Real Estate Appraiser Licensing Act of 2002 [225 ILCS 458];  
or-
- l) Aiding or assisting in the violation of the Act, this Part, or the Illinois Real Estate Appraiser Licensing Act of 2002.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## Section 1452.200 Fees

a) All fees paid pursuant to the Act and this Part are non-refundable.

ba) The application fee for an initial registration as an appraisal management company shall be \$2,500.

cb) Renewal Application Fee for Appraisal Management Company~~Appraiser~~ Registration

1) The application fee to renew a registration as an appraisal management company for the annual renewal period shall be \$2,000 per year.

2) The fee to reinstate a registration that has expired shall be \$500 plus the sum of all lapsed renewal fees.

3) The fee to restore a registration that has been expired for more than 5 years shall be \$2,000 plus the sum of all lapsed renewal fees.

de) The fee for issuance of a temporary authority~~Temporary Certificate of Authority~~ due to the loss of the designated controlling person shall be \$100. The fee for a subsequent 90-day extension of the temporary authority~~Temporary Certificate~~ shall be \$50.

ed) General

~~1) All fees paid pursuant to the Act and this Part are non-refundable.~~

~~2) The fee for the issuance of a duplicate registration certificate, for the issuance of a replacement registration certificate that has been lost or destroyed, or for the issuance of a registration certificate with a name or address change, other than during the renewal period, shall be \$25.~~

~~1)3)~~ The fee for a certification of a registrant's record for any purpose shall be \$35~~\$25~~.

~~4) The fee for a decorative wall certificate of registration shall be the cost of producing the certificate.~~

~~5) The fee for a roster of persons registered under the Act shall be the cost of producing the roster.~~

~~2)6)~~ The fee for a copy of the transcript of any proceeding under the Act shall be the cost to produce the copy.

~~3)7)~~ The fee for certifying any record (e.g., a copy of a disciplinary order or application) shall be \$1 per page.

~~8)~~ ~~The Division may charge an administrative fee not to exceed \$5,000, as part of a compliance agreement issued with an administrative warning letter under Section 1452.160.~~

~~f)e)~~ The AMC National Registry fee shall be payable on an annual basis at a time and in an amount set forth in Section 1452.220. The late fee for failure to comply with the requirements of Section 1452.220 shall be \$250.

~~f)~~ ~~The late fee for failure to comply with the requirements of Section 1452.220 shall be \$250.~~

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 1452.210 Granting Variances

The Director may grant variances from this Part in individual cases when ~~the Director finds that:~~

- a) The provision from which the variance is granted is not statutorily mandated;
- b) ~~The No party will be injured by~~ granting of the variance would not be contrary to public welfare; and
- c) The rule from which the variance is granted would, in the particular case, be unreasonable or unnecessarily burdensome.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 1452.220 AMC National Registry Fees

a) The Department will send notice, including a request for information, to each AMC regarding payment of AMC national registry ~~National Registry~~ fees on or before April 1 of each calendar year.

b) The notice described in subsection (a) will outline the reporting period and include instructions for the collection of those fees. The Department may also post the forms necessary to provide the required information on its website.



Failure to receive notice from the Department regarding annual payment of AMC ~~national registry~~~~National Registry~~ fees does not relieve an AMC from submitting the required information and paying the applicable AMC ~~national registry~~~~National Registry~~ fee in a timely manner, as required by ~~this Section~~~~subsection (c)~~.

~~c)~~~~b)~~ Fees shall be calculated based upon each 12-month calendar period beginning May 1 and ending April 30. Fees shall be remitted and received by the Department no later than ~~June 30~~~~July 1~~ to ensure that the Department is able to include the AMC on the national registry submission sent to the Appraisal Subcommittee. Fees shall not be prorated and are nonrefundable.

~~d)~~~~e)~~ Annually, no later than ~~June 30~~~~July 1~~, AMCs operating in Illinois, including registered AMCs and ~~federally regulated~~~~federally-regulated~~ AMCs operating in Illinois, shall:

1) Provide information to the Department necessary to support its calculation of the size of its appraiser panel and the determination of its applicable AMC ~~national registry~~~~National Registry~~ fee.

2) Submit fees in the following amounts to the Department:

A) In the case of an AMC that has been in existence for more than a year, and oversees an appraiser panel of 16 or more State-certified appraisers in Illinois or 25 or more State-certified or State-licensed appraisers in 2 or more jurisdictions, \$25 multiplied by the number of appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Illinois during the previous fee calculation period; or

B) In the case of an AMC that has not been in existence for more than a year, and oversees an appraiser panel of 16 or more State-certified appraisers in Illinois or 25 or more State-certified or State-licensed appraisers in 2 or more jurisdictions, \$25 multiplied by the number of appraisers who have performed an appraisal for the AMC in connection with a covered transaction in Illinois since the AMC commenced doing business.

~~d)~~ ~~Fees shall not be prorated and are nonrefundable. No partial year registrations on the AMC National Registry shall be granted.~~

e) AMCs registered in Illinois with the qualifying panel size will be required to submit the information requested, and if active and in good standing be placed on the AMC national registry regardless of number of covered transactions.

f) Failure to submit the required information and pay the applicable AMC National Registry fee in a timely manner, as required in this Section, is a violation of this Section that may result in:

1) Either:

A) Assessment of a late fee; or

B) Disciplinary action, including revocation or suspension of a registration as provided for at 225 ILCS 459/65; ~~or~~ **and**

~~C)2)~~ Exclusion from the AMC National Registry.

g) ~~f)~~ The Department shall remit to the ASC the annual AMC National Registry fee received from each AMC ~~the AMCs~~ in accordance with this Section.

h) An AMC shall be subject to the national registry fee in addition to the annual fee for renewal of registration in Illinois.

(Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)