

TITLE 16 OCCUPATIONAL AND PROFESSIONAL LICENSING
CHAPTER 65 REAL ESTATE APPRAISAL MANAGEMENT COMPANIES
PART 1 GENERAL PROVISIONS

16.65.1.1 ISSUING AGENCY: State of New Mexico Real Estate Appraisers Board.
[16.65.1.1 NMAC - N, 10/16/09]

16.65.1.2 SCOPE: All real estate appraisal management companies registered and applying for registration with the board.
[16.65.1.2 NMAC - N, 10/16/09]

16.65.1.3 STATUTORY AUTHORITY: These rules are promulgated pursuant to the Appraisal Management Company Registration Act (NMSA 1978, Sections 47-14-1 through -23).
[16.65.1.3 NMAC - N, 10/16/09]

16.65.1.4 DURATION: Permanent.
[16.65.1.4 NMAC - N, 10/16/09]

16.65.1.5 EFFECTIVE DATE: October 16, 2009, unless a later date is cited at the end of a section.
[16.65.1.5 NMAC - N, 10/16/09]

16.65.1.6 OBJECTIVE: The objective of Part 1 is to set forth the provisions, which apply to all of Chapter 65, and to all persons affected or regulated by Chapter 65 of Title 16.
[16.65.1.6 NMAC - N, 10/16/09]

16.65.1.7 DEFINITIONS: All words and terms defined in the Appraisal Management Company Registration Act have the same meaning in these rules.

- A.** Terms starting with the letter 'A' are defined as follows:
- (1)** "Act" means the Real Estate Appraisal Management Company Registration Act.
 - (2)** "Applicant" means a company who has submitted an application to the board seeking registration.
 - (3)** "Appraisal" means the act or process of developing an opinion of the value of real property in conformance with the uniform standards for professional appraisal practice published by the appraisal foundation.
 - (4)** "Appraisal foundation" means the appraisal foundation incorporated as an Illinois not-for-profit corporation on November 30, 1987, and which reference is made in the federal Financial Institutions Examination Council Act of 1978, as amended by Title 11, Real Estate Appraisal Reform Amendments."
 - (5)** "Appraisal management company" (AMC) means:
 - (a)** any external third party that oversees a network or panel of more than 15 certified or licensed appraisers in a state or 25 or more nationally within a given year to:
 - (i)** recruit, select and retain appraisers;
 - (ii)** contract with appraisers to perform appraisal assignments;
 - (iii)** manage the process of having an appraisal performed; or
 - (iv)** review and verify the work of appraisers; or
 - (b)** any external third party that contracts with a qualifying licensed real estate broker or associate broker as defined in Chapter 61, Article 29 NMSA 1978 to provide broker price opinions.
 - (6)** "Appraisal management services" means:
 - (a)** to recruit, select, and retain appraisers;
 - (b)** to contract with licensed and certified appraisers to perform appraisal assignments;
 - (c)** to manage the process of having an appraisal performed, including providing administrative duties such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and underwriters, collecting fees from creditors and underwriters for services provided, and reimbursing appraisers for services performed; or
 - (d)** to review and verify the work of appraisers.

(7) “Appraisal review” the act or process of developing and communicating an opinion about the quality of another appraiser’s work that was performed as part of an appraisal, or an appraisal review.

(8) “Appraisal review report” is a report that develops or communicates an opinion about the quality of another appraiser work that was performed as part of an appraisal.

(9) “Appraisers Act” means the New Mexico Real Estate Appraisers Act as defined in Section 61-30-1 NMSA 1978.

(10) “Assignment” means one or more real estate appraisals and written appraisal report(s) covered by a single contractual agreement for a specified number of properties.

B. Terms starting with the letter ‘B’ are defined as follows:

(1) “Board” means the New Mexico real estate appraisers board.

(2) “Board file” means all documents that an AMC is required to create and maintain for the board.

C. Terms starting with the letter ‘C’ are defined as follows:

(1) “Client” means a person or entity that contracts with, or otherwise enters into an agreement with an appraisal management company for the performance of real estate appraisal services.

(2) “Complaint committee” is a board appointed committee that is composed for the purpose of reviewing complaints and making recommendation to the board as to its findings.

(3) “Controlling person” (CP) means:

(a) an owner, officer or director of a corporation, partnership, limited liability company or other business entity seeking to offer appraisal management services in this state;

(b) an individual employed, appointed or authorized by an appraisal management company that has the authority to enter into a contractual relationship with clients for the performance of appraisal management services and that has the authority to enter into agreements with independent for the performance of real estate appraisal services; or

(c) an individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or polices of appraisal management companies.

(4) “Clerical review” is a non-standard three review of the completeness of the appraisal.

D. Terms starting with the letter ‘D’. [Reserved]

E. Term starting with the letter ‘E’ is defined as follows:

(1) “Employee in charge (EIC)” means a designated employee of the appraisal management company, with the responsibilities and obligations to the board set forth with these rules.

(2) “Evaluation” is a valuation permitted by the board’s appraisal regulations for transactions that qualify for the appraisal threshold exception, business loan exception, or subsequent transaction exception.

F. Term starting with the letter ‘F’ is defined as follows: “FIRREA” means the Financial Institutions Reform, Recovery and Enforcement Act of 1989, and its amendments.

G. Terms starting with the letter ‘G’. [Reserved]

H. Terms starting with the letter ‘H’. [Reserved]

I. Terms starting with the letter ‘I’. [Reserved]

J. Terms starting with the letter ‘J’. [Reserved]

K. Terms starting with the letter ‘K’. [Reserved]

L. Terms starting with the letter ‘L’. [Reserved]

M. Terms starting with the letter ‘M’. [Reserved]

N. Term starting with the letter ‘N’ is defined as follows: “Nonresident appraiser” means an individual or entity that holds a current registration or license in another state.

O. Term starting with the letter ‘O’ is defined as follows: “Outsourced appraisal review” is an appraisal review conducted by a licensed appraiser who is not an employee of the AMC.

P. Terms starting with the letter ‘P’ are defined as follows.

(1) “Panel” means a group of independent appraisers that have been selected by an appraisal management company to perform real estate appraisal services for the appraisal management company.

(2) “Peer review” is an opinion as to the completeness of another appraiser’s work; completed by a licensed appraiser of similar experience and qualifications for the purpose of making a recommendation to the board as to its findings.

Q. Terms starting with the letter ‘Q’. [Reserved]

R. Terms starting with the letter ‘R’. [Reserved]

S. Term starting with the letter ‘S’ is defined as follows: “Staff appraiser” is an appraiser hired by an AMC as an employee, who is licensed by the board, to act as an appraiser and is subject to these rules.

T. Terms starting with the letter 'T'. [Reserved]

U. Term starting with the letter 'U' is defined as follows: "Uniform standards of professional appraisal practice (USPAP)" means the uniform standards or professional appraisal practice promulgated by the appraisal foundation and adopted by rules pursuant to the Real Estate Appraiser Act. USPAP deals with the procedures to be followed in which an appraisal, analysis, or opinion is communicated.

V. Terms starting with the letter 'V'. [Reserved]

W. Term starting with the letter 'W' is defined as follows: "Work file" is documentation necessary to support an appraiser's analyses, opinions, and conclusions.

X. Terms starting with the letter 'X'. [Reserved]

Y. Terms starting with the letter 'Y'. [Reserved]

Z. Terms starting with the letter 'Z'. [Reserved]

[16.65.1.7 NMAC - N, 10/16/09; A, 01/01/2015; A, 01/15/2017; A, 02/03/2019]

16.65.1.8 PUBLIC RECORDS: Except as protected by law, public records shall be available for inspection in accordance with the provisions of the Inspection of Public Records Act (IPRA), Sections 14-2-1 through -12, NMSA 1978, (1974, as amended through 2009). Cost will be determined by regulation and licensing department.

[16.65.1.8 NMAC - N, 10/16/09]

16.65.1.9 SEVERABILITY: The provisions of these regulations are severable. If any part of the regulations is held invalid by a court of competent jurisdiction, the remaining provisions shall remain in force and effect, unless otherwise determined by a court of competent jurisdiction.

[16.65.1.9 NMAC - N, 10/16/09]

16.65.1.10 INCORPORATION: The rules and regulations of the New Mexico real estate appraisers board are hereby incorporated by reference and shall govern all appraisals conducted pursuant the Appraisal Management Company Registration Act.

[16.65.1.10 NMAC - N, 10/16/09]

HISTORY OF 16.65.1 NMAC: [Reserved]