

October 18, 2021



Federal Reserve System [Docket No. OP-1752]
Federal Deposit Insurance Corporation (RIN 3064-ZA26)
Department of the Treasury, Office of the Comptroller of the Currency [Docket ID OCC-2021-0011]

Subject: Comments on Proposed Interagency Guidance on Third-Party Relationships: Risk Management

Submitted by email to regs.comments@federalreserve.gov

Dear Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve:

Thank you for inviting comments on third-party risk management guidance to clearly articulate risk-based principles on third-party risk management. The following comments are submitted by the Real Estate Valuation Advocacy Association (REVA) on behalf of its member companies.

REVA is a trade association whose membership includes Appraisal Management Companies (AMCs) and valuation providers that collectively provide residential real estate appraisals for the nation's mortgage lenders. In addition, many REVA members create innovative technologies and provide other important lender valuation services such as Evaluations, Broker Price Opinions (BPO) and Automated Valuation Models (AVM) on behalf of national, state and local lenders.

AMCs and appraisers are critical service providers to support mortgage lending by ensuring that appraisals are completed in compliance with federal and state laws, as well as industry standards (USPAP), and that appraisers form their value opinions independently, without undue influence from interested parties.

Per federal law, AMCs must meet minimum requirements set under the Dodd-Frank Act and, as a result, regulatory guidance (such as provided when the minimum rule deadline went into effect - OCC Bulletin 2019-43). This regulatory guidance around FIRREA and the minimum AMC requirements is paramount to ensuring AMCs can do its part in supporting lender customers and the mortgage industry at large.

Third-party risk management guidance is essential to ensure compliance with the mortgage lending requirements of federal and state regulators. REVA supports flexibility in the guidance to ensure a banking organization can have oversight appropriate to how they use unique service providers, including AMCs.

The real estate valuations industry continues to innovate with new technologies and products that meet the needs of America's consumers and lenders. REVA believes there is a need for new valuation solutions and/or increased use of existing valuation solutions rooted in alternative labor forces and new technologies to help make the collection of property data efficient, credible, and accurate. Therefore, we support banking regulators providing more proactive information around permitted alternatives under the law.

We appreciate the opportunity to provide the perspective of AMCs. Please, do not hesitate to contact me with any questions.

Mark A. Schiffman

Mark Schiffman
Executive Director