

Board of Real Estate Appraisers

Sample receipt format for use when accepting payment directly from borrower.

[retype on letterhead, or some other identifying heading]

Receipt for Appraisal Fee

(Name of firm or appraiser) is accepting direct payment of the fee of \$ _____

for the appraisal and appraisal report of the property known as _____

_____ from _____ as a

courtesy to our client, _____.

Our report of the appraisal will be delivered only to our client. Under the Confidentiality section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice we are under a strong obligation to our client, and may not discuss the results of the appraisal with others, or provide copies of the report to others, without written permission from our client.

Under 12 U.S.C.A. Section 1691(e), part of the federal Equal Credit Opportunity Act, a residential mortgage applicant has the right to receive a copy of the appraisal report from the lender. To receive the copy of the appraisal report, the borrower must request it in writing from the lender within ninety days of submitting the loan application.

_____ Appraiser

_____ Borrower

Date

Residential Borrowers May Receive Copy of Appraisal

December, 1991 amendments to the federal Equal Credit Opportunity Act, known as 12 USCA Section 1691(e), require a lender to provide, on written request, a copy of the appraisal report to any person who applies for a residential mortgage.

The text of the section reads: "(e) Each creditor shall promptly furnish an applicant, upon written request by the applicant made within a reasonable period of time of the application, a copy of the appraisal report used in connection with the applicant's application for a loan that is or would have been secured by a lien on residential property. The creditor may require the applicant to reimburse the creditor for the cost of the appraisal."

Important Notes

- This law applies to nearly all real estate secured residential mortgage lenders, including banks, S&Ls, credit unions, mortgage bankers, mortgage brokers, mortgage originators, etc.
- Rules promulgated by the Federal Financial Institutions Regulatory Agencies allow borrowers a 90 day period during which to file the written request for a copy of the appraisal.
- The lender must supply a copy, not the original appraisal report.
- The residential borrower, or potential borrower, must obtain the appraisal copy from the lender, not the appraiser.
- Only the residential borrower, or potential borrower, has a right to receive a copy of the appraisal from the lender. Sellers, brokers, and other parties who are not the borrower have no right to obtain a copy of the appraisal.
- The lender who ordered, accepted delivery and based a business decision on the appraisal is the appraiser's client, regardless of who paid for the appraisal, or when, or how. The appraiser must comply with the client confidentiality provisions of the Uniform Standards of Professional Appraisal Practice.
- The appraiser has no obligation to discuss the appraisal with the borrower, or proposed borrower. The borrower is not the client. The appraiser must comply with the client confidentiality provisions of the Uniform Standards of Professional Appraisal Practice.

The appraiser may not reissue, retype, re-certify, update, transfer or otherwise pass an appraisal report prepared for one lender/client to another lender/client. The second, third, etc. lender/client needs to order a new appraisal. See AO3, AO25, AO26, and AO27 for additional information.

Updated 02/20/04