

# Notice to Borrowers and Homeowners

**ALTHOUGH YOU MAY HAVE PAID A FEE FOR YOUR APPRAISAL (EVEN IF YOU PAID THE APPRAISER DIRECTLY), THE LAW PROHIBITS THE APPRAISER FROM PROVIDING YOU WITH A COPY OF THE APPRAISAL REPORT WITHOUT THE CONSENT OF THE LENDER.**

**HOWEVER, IF YOU PAID A FEE FOR THE APPRAISAL, YOU ARE ENTITLED TO A COPY OF IT FROM YOUR LENDER.**

**When an appraisal is performed for a lender, the borrower/homeowner is NOT entitled to a copy of the appraisal report from the appraiser.** This is because the appraiser's client is the lender, not the borrower, even though the borrower pays the appraisal fee. A client is defined as the party who directly engages the appraiser to perform the assignment. The client is most commonly a mortgage broker, mortgage banker, or direct lender if the purpose of the appraisal assignment is for a loan transaction secured by 1-4 unit residential real property (for purchase or refinancing purposes).

Appraisers receive and accept many appraisal assignments from clients specifically instructing them to collect the appraisal fee at the door (or "C.O.D.") from the borrower. It is considered a common and generally accepted practice for the appraiser to collect this payment directly from the borrower on behalf of the client to compensate for the appraisal service. However, this does not render the borrower as the client or entitle them to a copy of the appraisal from the appraiser.

The appraiser is required to protect the confidential nature of the appraiser-client relationship, and thus is prohibited by law to provide a copy, or disclose the contents of his or her appraisal report to anyone other than the client. Any licensed appraiser violating this portion of the Uniform Standards of Professional Appraisal Practice may be subject to disciplinary action by the Office of Real Estate Appraisers (OREA).

Although the appraiser cannot provide the borrower with a copy of the appraisal without the client's permission, the borrower has every right to receive a copy of the appraisal from the lender, provided he or she has paid for the appraisal and the loan involves 1-4 unit residential property. According to California Business and Professions Code Section 11423, a borrower has up to 90 days after the lender has provided notice of their lending decision to submit a written request for a copy of the appraisal.