



## Ohio Administrative Code

### Rule 109:4-3-24 Improperly influencing appraiser.

Effective: January 7, 2007

---

(A) Division (B)(10) of section 1345.031 of the Revised Code states that in connection with a consumer transaction, a supplier is prohibited from knowingly compensating, instructing, inducing, coercing, or intimidating, or attempting to compensate, instruct, induce, coerce, or intimidate, a person licensed or certified under Chapter 4763. of the Revised Code for the purpose of corrupting or improperly influencing the independent judgment of the person with respect to the value of the dwelling offered as security for repayment of a mortgage loan.

(B) Without limiting the scope or applicability to other acts or practices that may violate division (B)(10) of section 1345.031 of the Revised Code, a supplier is attempting to instruct or induce a person licensed or certified under Chapter 4763. of the Revised Code for the purpose of improperly influencing the independent judgment of that person with respect to the valuation of the dwelling offered as security for repayment of a mortgage loan if:

(1) In the case of any refinance loan or non-purchase second mortgage loan, a supplier, or any person acting at the suppliers direction, identifies on the appraisal order form or communicates by any other means to any person licensed or certified under Chapter 4763. of the Revised Code, either the loan amount or any other express or implied statement of the anticipated or desired appraisal valuation of the dwelling subject to the appraisal; or,

(2) In the case of any purchase money mortgage loan, including any second mortgage loan connected to a sale transaction, a supplier or person acting at the suppliers direction, except as set forth herein, identifies on the appraisal order form or communicates by any other means to any person licensed or certified under Chapter 4763. of the Revised Code, either the loan amount or any other express or implied statement of the anticipated or desired appraisal valuation of the dwelling subject to the appraisal. This prohibition does not preclude the supplier, or a person acting at the direction of the supplier, from disclosing either the sales price of the property or providing a copy of the sales agreement to the person licensed or certified under Chapter 4763. of the Revised Code. However, if the supplier knows that within the preceding thirty days there had been a separate sales agreement



between the buyer and seller containing a lower sales price for the same property, the supplier shall provide a copy of the prior sales agreement to the appraiser and append a copy of the prior sales agreement to any appraisal the supplier provides to the consumer, lender or anticipated purchaser of the note.

(C) It is not a violation of division (B)(10) of section 1345.031 of the Revised Code or this rule for a supplier, based upon a good faith belief that a completed appraisal report prepared by a person licensed or certified under Chapter 4763. of the Revised Code contains an error or is professionally deficient, to request, in writing or by electronic transmittal, that the appraiser who prepared the appraisal report consider additional appropriate information about the dwelling or property; provide further detail, substantiation, or explanation for the appraisers valuation; or correct errors in the appraisal. However, the supplier may not request, orally or in writing, that an appraiser review or revise their appraisal report on the grounds that the valuation is not high enough to qualify the consumer for the proposed loan.

(D) This rule shall not be construed to preclude a supplier from communicating any information to a person licensed or certified under Chapter 4763. of the Revised Code that is required to be communicated to the appraiser by Chapter 1322. of the Revised Code, Chapter 4763. of the Revised Code, or by the Uniform Standards of Professional Appraisal Practice as promulgated by the appraisal standards board of the appraisal foundation, including, without limitation, a copy of a previously completed appraisal report provided to a person licensed or certified under Chapter 4763. of the Revised Code for the purpose of an appraisal review.

(E) For purposes of this rule a refinance loan includes any subsequent first mortgage loan on the borrowers primary residence or other property subject to coverage pursuant to division (A) of section 1322.01 of the Revised Code.

(F) For purposes of this rule the words appraisal, appraisal report, appraisal foundation, and valuation have the same definition as contained in section 4763.01 of the Revised Code.

(G) Each supplier who orders or controls the referral of an appraisal on a residential mortgage lending transaction and each supplier who subsequently comes into possession of appraisal documents shall retain all documents related to the appraisal in the borrowers residential mortgage



AUTHENTICATED,  
OHIO LEGISLATIVE SERVICE  
COMMISSION  
DOCUMENT #258017

loan file for a period of at least two years from the date of closing, or as required by other applicable state or federal law, whichever time period is greater. This document retention requirement applies to any appraisal, whether or not the appraisal is ultimately relied upon to set the market value of the real property underlying the residential mortgage loan. Records required to be maintained by this rule may be retained in an electronic format.