



Ohio Administrative Code

Rule 1301:8-7-23 Mortgage broker appraisal misconduct.

Effective: January 4, 2016

(A) A violation of division (G) of section 1322.07 of the Revised Code may include, but is not limited to, the following:

(1) In the case of any refinance of a residential mortgage loan or non-purchase second residential mortgage loan, a person states on the appraisal order form or communicates, directly or indirectly, 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 value;

(2) In the case of any purchase money residential mortgage loan including any second residential mortgage loan connected to a sale transaction, a person states on the appraisal order form or communicates, directly or indirectly, 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 value. The foregoing sentence does not prohibit the sales price of the property from being disclosed or providing a copy of the signed purchase contract to a person licensed or certified under Chapter 4763. of the Revised Code;

(B) If a registrant or licensee becomes aware that a borrower and seller have entered into a previous purchase contract for a property at a lower price within the previous thirty days, the registrant or licensee shall inform the person licensed or certified under Chapter 4763. of the Revised Code of the earlier contract and provide a copy of the contract which shall be appended to any appraisal the registrant or licensee provides to the lender or anticipated purchaser of the note.

(C) Nothing herein shall prevent a registrant, its employees, agents or licensees from:

(1) Requesting in writing or by electronic transmittal that the person licensed or certified under Chapter 4763. of the Revised Code who prepared the appraisal report consider additional appropriate information when acting upon a good faith belief that the appraisal contains an error or is professionally deficient. Any appraisal review or revision request cannot be based on the grounds



that the valuation is not high enough to qualify the borrower for the proposed residential mortgage loan; or

(2) Communicating information to a person licensed or certified under Chapter 4763. of the Revised Code that is required by state or federal law, or by any applicable appraisal standards 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.