

Appraiser Ethics

Appraising is a profession, and appraisers are professionals. In our field as with any profession we are bound by ethical considerations.

An appraiser's primary responsibility is to his or her client. Normally, in residential practice, the appraiser's client is the lender ordering the appraisal to decide whether to make the mortgage loan. Appraisers have certain duties of confidentiality to their clients -- as a homeowner, if you want a copy of an appraisal report, you normally have to request it through your lender -- obligations of numerical accuracy depending on the assignment parameters, an obligation to attain and maintain a certain level of competency and education, and must generally conduct him or herself as a professional. At Green Appraisal Group, we take these ethical responsibilities very seriously.

Appraisers may also have fiduciary obligations to third parties, such as homeowners, both buyers and sellers, or others. Those third parties normally are spelled out in the appraisal assignment itself. An appraiser's fiduciary duty is limited to those third parties who the appraiser knows, based on the scope of work or other written parameters of the assignment.

There are ethical rules that have nothing to do with clients and others. Appraisers must keep their work files for a minimum of five years.

We only perform to the highest ethical standards possible. We don't do assignments on contingency fees. That is, we don't agree to do an appraisal report and get paid only if the loan closes. We don't do assignments on percentage fees. That is probably the appraisal profession's biggest no-no, because it would tend to make appraisers inflate the value of homes or properties to increase their paycheck. We don't do that. Other unethical practices may be defined by state law or professional societies to which an appraiser belongs.

The Uniform Standards of Professional Appraisal Practice (USPAP) also defines as unethical the acceptance of an assignment that is contingent on "the reporting of a pre-determined result (e.g., opinion of value)," "a direction in assignment results that favors the cause of the client," "the amount of a value opinion," and other things. This means you can be assured we are working to objectively determine the home or property value.

You can be assured of 100 percent ethical, professional service.