

# NEWS FROM SCDCA

South Carolina Department of Consumer Affairs



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## FOR IMMEDIATE RELEASE

### DEPARTMENT OF CONSUMER AFFAIRS CAUTIONS ABOUT GETTING AN HONEST APPRAISAL

**Columbia, SC.....**With the weather warming up and spring season in full gear, many homeowners are looking to spruce things up around the house with a little remodeling before applying through your lender for a home equity loan. Others are looking to cash in on the economic stimulus package by purchasing their very first home. If you plan on making those home improvements this season or realizing the American dream, your lender will need to obtain an appraisal before your loan or home equity loan is approved. Before you talk to an appraiser, though, review the following guidelines to save yourself from potential legal trouble.

According to the South Carolina Professional Appraisers Coalition, individuals seeking the help of an appraiser should be aware of the following guidelines.

What **CAN** an appraiser do for you:

- Accept an appraisal request with an approximate or minimum value that is needed by the client as long as the value is not a condition of the assignment.
- Accept an appraisal request that includes a third party's (including the owner) opinion on the value of the property.
- Receive incentives to complete the appraisal in a timely matter as long as all gifts are properly disclosed in the appraisal report.

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#### About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers.

Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education.

For more information, visit [www.sccoconsumer.gov](http://www.sccoconsumer.gov).

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- Complete an appraisal ‘pro bono’ as long as the appraiser follows Uniform Standards of Professional Appraisal Practice (USPAP) guidelines.

What **CAN’T** an appraiser do for you:

- Guarantee a value.
- Guarantee the same value or loan amount as a nearby property. (Though, he can tell you sales data of property in the vicinity.)
- Stop an appraisal if the value is not going to reach a client’s “target value”
- Guarantee a value at the high or low end of a provided range before an appraisal
- Offer a discount on an appraisal if the appraisal results in a sale or closed loan.
- Misrepresent or omit buildings, structures, or other property in an appraisal

After you’ve heeded these timely guidelines, you’re ready to buy or sell and your lender is ready to apply for a loan on your behalf. You can also visit [www.llr.state.sc.us/pol.asp](http://www.llr.state.sc.us/pol.asp) to make sure you are hiring a qualified appraiser. For more information, contact the Public Information Division at 803.734.4190, toll free in SC at 1.800.922.1594, or online at [www.sconsumer.gov](http://www.sconsumer.gov).

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