



TIPS FOR PROFESSIONAL MORTGAGE BROKERS

Building a trusted relationship with a Professional Appraiser to support your client with one of the largest investments they will ever make is a good strategy for success. These “tried and tested” tips can help you navigate the process.



- 1. Find a local appraiser by using the AIC Find an Appraiser service.**
- 2. Share all the relevant details** about the property with the appraiser and keep communication channels open between the borrower, lender, and appraiser.
- 3. Be clear about the use of the report.** Discuss the type of mortgage (conventional, second mortgage, HELOC, private or traditional lender) with the appraiser. Different uses may require different methods.
- 4. Ask for a draft report if you are still looking for a lender.** A draft report can provide you or a potential lender with valuable information to help secure financing more quickly. Once you find the right lender, the report can be quickly finalized and sent directly to the lender to help reduce delays.
- 5. When changing lenders, ask about permission.** If the report identifies an initial lender and that initial lender is replaced by a second lender, the appraiser will need to get the initial lender’s permission before redirecting the report to the second lender. This will require a “reliance letter”. Ask an appraiser about fees for this service and be ready to facilitate acquiring the initial lender’s permission.
- 6. Ask for a new or updated appraisal.** In changing markets, lenders often require a recent appraisal to have the most up-to-date information. This may require you to ask the appraiser to provide a new or updated appraisal.
- 7. Manage expectations.** Brokers, borrowers, lenders, and appraisers are all busy and working hard to help their clients especially during changing times. Caution your client that there could always be delays due to unforeseen circumstances. Be clear about the different participants in a real estate transaction – your “client” is not necessarily the appraiser’s “client”. You and the appraiser will have to maintain client confidentiality and follow provincial and federal privacy laws.

