

HOUSE BILL 1151

N1

5lr1457

By: **Delegates Taylor, Acevero, Alston, Amprey, Boaf, Conaway, Crutchfield, Fennell, Harris, Holmes, Kaufman, Lehman, Martinez, McCaskill, Pasteur, Pena–Melnyk, Phillips, Roberson, Roberts, Ruff, Simpson, Taveras, Toles, Turner, Valderrama, Wells, White Holland, Wilkins, Wims, ~~and Woods~~ Woods, Allen, Boyce, Healey, R. Lewis, J. Long, and Ruth**

Introduced and read first time: February 6, 2025

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2025

CHAPTER _____

1 AN ACT concerning

2 **Residential Real Property Sales – Appraisals**

3 FOR the purpose of ~~authorizing the seller of residential real property to request that a~~
4 ~~certain lender have an additional appraisal made under certain circumstances~~
5 providing that a seller or the seller’s agent may provide certain information to an
6 appraiser of residential real property at certain times and under certain
7 circumstances; requiring an appraiser to provide a lender with certain information
8 under certain circumstances and for the lender to provide notice of the information
9 to a prospective buyer; requiring a buyer to work with a seller to provide certain
10 information for an appraiser under certain circumstances; requiring the lender to
11 provide to ~~the seller~~ a requesting party a written copy of ~~the additional~~ an appraisal
12 or a reconsideration; establishing that training and continuing education for licensed
13 appraisers shall include information on the requirements of this Act; and generally
14 relating to appraisals for residential real property.

15 BY repealing and reenacting, with amendments,
16 Article – Real Property
17 Section 14–104.1
18 Annotated Code of Maryland
19 (2023 Replacement Volume and 2024 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY adding to
 2 Article – Real Property
 3 Section 14–104.2
 4 Annotated Code of Maryland
 5 (2023 Replacement Volume and 2024 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 7 That the Laws of Maryland read as follows:

8 **Article – Real Property**

9 14–104.1.

10 (A) If a bank, mortgage banker, savings and loan association, or any other lender
 11 has an appraisal made on residential real property to establish a market value for lending
 12 purposes, the lender shall give a copy of any written appraisal to the borrower on [his] **THE**
 13 **BORROWER’S** request if the borrower pays the cost of the appraisal.

14 (B) The appraisal may be submitted to another lender if the original lender has
 15 rejected the borrower’s loan application.

16 14–104.2.

17 ~~(A) IF THE APPRAISAL OF RESIDENTIAL REAL PROPERTY MADE UNDER §~~
 18 ~~14–104.1 OF THIS SUBTITLE IS LOWER THAN THE CURRENT MARKET VALUE OF THE~~
 19 ~~PROPERTY, THE SELLER MAY REQUEST THAT THE LENDER HAVE ONE ADDITIONAL~~
 20 ~~APPRAISAL MADE.~~

21 (A) (1) A SELLER OR THE SELLER’S AGENT MAY, AT ANY TIME DURING
 22 THE SALE PROCESS, PROVIDE TO AN APPRAISER MAKING AN APPRAISAL UNDER §
 23 14–104.1 OF THIS SUBTITLE INFORMATION OBTAINED BY THE SELLER RELATING TO
 24 THE VALUE OF THE SELLER’S RESIDENTIAL REAL PROPERTY, INCLUDING
 25 COMPARABLE SALES AND COST APPROACH INFORMATION.

26 (2) AN APPRAISER SHALL ACCEPT AND CONSIDER ANY INFORMATION
 27 PROVIDED BY A SELLER UNDER PARAGRAPH (1) OF THIS SUBSECTION.

28 (B) (1) IF AN APPRAISER CONCLUDES THE APPRAISAL VALUE OF
 29 RESIDENTIAL REAL PROPERTY IS LOWER THAN THE CONTRACT PRICE FOR THE SALE
 30 OF THE PROPERTY, THE APPRAISER SHALL NOTIFY THE LENDER AND THE LENDER
 31 SHALL PROMPTLY NOTIFY THE PROSPECTIVE BUYER AND THE PROSPECTIVE
 32 BUYER’S AGENT.

33 (2) ON RECEIPT OF NOTICE FROM A LENDER UNDER PARAGRAPH (1)
 34 OF THIS SUBSECTION, A BUYER SHALL PROMPTLY NOTIFY THE SELLER, AND THE

1 BUYER AND THE SELLER SHALL HAVE 2 BUSINESS DAYS TO PROVIDE ADDITIONAL
2 INFORMATION ON THE RESIDENTIAL REAL PROPERTY TO THE LENDER FOR
3 SUBMISSION TO, AND RECONSIDERATION BY THE APPRAISER.

4 (3) AN APPRAISER WHO RECEIVES ADDITIONAL INFORMATION IN
5 ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION SHALL ALSO CONSIDER A
6 COST APPROACH AS PART OF A RECONSIDERATION OF THE APPRAISED VALUE.

7 (C) (1) THIS SUBSECTION APPLIES ONLY TO THE OWNER OF RESIDENTIAL
8 REAL PROPERTY SEEKING TO REFINANCE A MORTGAGE OR ESTABLISH A HOME
9 EQUITY LINE OF CREDIT.

10 (2) IF THE APPRAISED VALUE OF RESIDENTIAL REAL ESTATE IS
11 LOWER THAN AN OWNER’S EXPECTED APPRAISAL VALUE, THE OWNER HAS THE
12 RIGHT TO PROVIDE ADDITIONAL INFORMATION, INCLUDING COMPARABLE SALES
13 INFORMATION, TO A LENDER REGARDING THE RESIDENTIAL REAL PROPERTY.

14 (3) THE LENDER SHALL PROVIDE THE NEW INFORMATION PROVIDED
15 BY THE OWNER TO THE APPRAISER FOR RECONSIDERATION.

16 ~~(B) (D)~~ A WRITTEN COPY OF AN ~~ADDITIONAL~~ APPRAISAL OR A
17 RECONSIDERATION MADE UNDER THIS SECTION SHALL BE PROVIDED BY THE
18 LENDER TO THE ~~SELLER AT NO COST TO THE SELLER~~ REQUESTING PARTY AT NO
19 COST TO THE REQUESTING PARTY.

20 (E) ANY TRAINING OR CONTINUING EDUCATION FOR LICENSED
21 APPRAISERS IN THE STATE SHALL INCLUDE INFORMATION ON THE REQUIREMENTS
22 OF THIS SECTION.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2025.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.