

VA APPRAISAL AND COLLATERAL ISSUES

VA Home Loans



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What has changed?

1. Circular 26-06-01 – February 15, 2006 Procedures Modification – Proposed Const.
 - Eliminated VA Construction Inspections
 - Accepted Local Authority Construction Inspections (1st, 2nd, Final)
 - Allows Lender to Certify Completion of Buyer Selected and Escrowed Items
2. Circular 26-06-04 - March 1, 2006 Adopted the Mfg. Home Appraisal Report, Fannie Mae 1004C

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1. Appraisers May Prepare and Submit Applications Online
2. No Examination Required
3. Sample Appraisal Report Used to Gauge Quality of Entry Level Performance
4. Credit and References Checked
5. Qualifications/Application Online

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1. VA Has No Age Restriction on Mfg. Homes (**As Real Estate**)
2. VA Foundation Requirements Must Meet:
 - Manufacturers Recommendations, and
 - Local Standards for Supporting & Wind Loads
3. Flood Hazard Requirements the Same as for All Properties in FEMA SFHA's
4. VA **Does** Allow Mfg. Home Condominiums

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1. Appraisal Management Service (AMS)
 - Aid to SARs – Quality & Timeliness
 - Tracking Appraiser Performance
 - Payment of Appraisal Fees(??)
- Lender SAR Training – LAPP = 97 % of Originations
 - VA Centralized Function
 - Both Personal & Distance Learning

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What is Coming?



3. Co-Operatives – New Legislation
4. Condominium – Review of Procedures
5. Lender Handbook Updates
6. Servicer Appraisal Process Program (SAPP)

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Revised C&V Web Page!!!

- Revised FAQs
- Online Appraiser & Builder Forms
- Lists of Approved Condos & Registered Builders
- “Local Requirements” for Issuing NOVs
- Contact Information for Regional Loan Centers (RLCs)

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Current “Hot Buttons”



1. Concessions
2. Declining Market Adjustments
3. Realty Professionals – Steering Loans From VA

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Thank You!



Thank You for your Attention!

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VA Appraisal and Collateral Issues
We really can't do it without you!



Thank you for
helping us make
America's Dream
come true *for*
America's Veterans!



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