VA Lenders Handbook (VA Pamphlet 26-7), Chapter 13, Topic 3 — Appraisal Review Process

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3. Appraisal Review Process Change Date April 12, 2019 • This chapter has been revised in its entirety. a. Appraisal Report and Electronic Scoring After the appraiser uploads the completed appraisal report, the SAR must review the appraisal and the results of the electronic scoring of the appraisal by VA's Appraisal Management System (see Topic 4 of this Chapter). b. Property Eligibility and VA Appraisal Guidelines The SAR must ensure that: • the property is eligible, and • the appraisal report meets VA guidelines as outlined in Chapters 10, 11, and 12 of this Handbook. c. MPR Repairs The SAR must review the appraiser's recommendations for any VA Minimum Property Requirement (MPR) repairs and ensure that the property meets or will meet VA's MPRs. The SAR must limit repairs required on the NOV to only those repairs that are needed for the property to meet MPRs. SARs must place notes in WebLGY justifying any non-MPR repairs or inspections recommended by appraisers that the SAR has determined are not required on the NOV. d. Clarifications on the Appraisal During the review of an appraisal, in most cases, when a question arises, the SAR should first contact the appraiser for any needed clarifications and corrections. The SAR must document any contact with the appraiser and resolution of appraisal-related concerns in WebLGY notes. Customer service expectations are covered in Chapter 10, Topic 6 of this Handbook. e. Appraisal Revisions If the appraiser makes any changes to the appraisal report, the revised appraisal report must be uploaded into WebLGY. Continued on next page VA Pamphlet 26-7, Revised Chapter 13: Notices of Value 13-5 3. Appraisal Review Process, continued f. Questions not Resolved by an Appraiser If the question is not resolved after contacting the appraiser, the SAR should email the RLC for assistance. VA staff will assist the SAR in resolving the question concerning the appraisal. g. Property Not Eligible SARs must not issue an NOV for a property that cannot reasonably be expected to meet eligibility or VA MPRs prior to loan guaranty (see Chapters 10, 11, and 12 of this Handbook). h. NOV to Reflect Appraiser's Estimate of Market Value Once the SAR has determined the appraisal report is acceptable to VA, the SAR must issue the NOV in WebLGY at the appraised value. If contact with the appraiser resulted in the appraiser uploading an amended appraisal report with a changed value, the SAR must issue the NOV at the changed (current) value. i. Electronic Issuance of an NOV The SAR is not required to sign the NOV in ink since the SAR's name and VA-issued ID number are automatically included on the NOV. This constitutes an electronic signature since SARs log into WebLGY with a unique user name and password. j. NOV Provided to the Veteran The same day the NOV is issued, the SAR must send the Veteran a copy of the NOV together with a copy of the appraisal report. k. Actions after the NOV Issued After the NOV has been issued: • employees of lenders associated with the case will be able to view and download copies of the appraisal and NOV from WebLGY, • Veterans may request a waiver of a repair requirement (see Chapter 12, Topic 45 of this Handbook), and • interested parties may request a reconsideration of value (see Chapter 10, Topic 22 of this Handbook). VA Pamphlet 26-7, Revised Chapter 13: Notices of Value 13-6

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