

VA Lenders Handbook M26-7, Chapter 18, Topic 4 — Servicer Responsibilities

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VA Lenders Handbook M26-7 Chapter 18 Topic 4 (Servicer Responsibilities). Gap-fill (verbatim).

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4. Servicer Responsibilities a. SAPP Privilege Servicer Appraisal Processing Program (SAPP) authority is a privilege delegated to servicers at VA's discretion. Servicers maintain this privilege by complying with all applicable SAPP-related requirements, including: • Department of Veterans Affairs (VA) policies and procedures, • VA regulations, and • statutory requirements. Furthermore, servicers are expected to exercise due diligence in processing SAPP cases. VA considers due diligence to be care that is properly expected from, and ordinarily exercised by, a reasonable and prudent servicer that is entirely dependent on the subject property as a security to protect its investment. If VA finds proper cause, the privilege extended to servicers under SAPP may be: • amended, • suspended, or • withdrawn. Reference: For more information, refer to chapter 17. b. Servicer and SAR Changes The servicer must notify VA Central Office if: • there is a change in ownership, merger, or acquisition, or • a SAR is no longer employed or is no longer functioning as a SAR for the servicer. (In such cases, the SAR's SAPP authority automatically ceases and the servicer's eligibility to participate in SAPP is terminated if that individual was the servicer's only SAR on staff.) VA Pamphlet 26-7, Revised

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