

VA Home Loans
Lender Appraisal Processing Program
(LAPP)

Satellite and Streaming Video
Lender Training

June 16, 2004



Student Materials

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Course Outline

- **VA On-line Resources**
- **Notice of Value**
- **MPR Repairs**
- **Repair Waivers**
- **Appealing a Notice of Value**
- **Tidewater Initiative**
- **Quality Control**
- **Appraiser Recruiting**
- **Filing Complaints against Appraisers**
- **E-commerce**

USEFUL WEB SITES

Address (URL)	What's There?
http://vip.vba.va.gov/	Veteran's Information Portal Single sign-in gateway to ACE, TAS and other applications
www.homeloans.va.gov	Lender's Handbook, VA forms, FAQs, e-mail addresses, information pamphlets, links to lists of VA acquired homes, VA Regional Office directory
www.homeloans.va.gov/elig.htm	Eligibility Centers (eligibility information, FAQs, download 26-1880)
www.vba.va.gov/pubs/forms1.htm	VA Forms
www.nara.gov/regional/mpr.html	National Personnel Records Center (Includes information regarding obtaining military personnel records.)
www.homeloans.va.gov/train.htm	Free training on the VA home loan program, including web-based, computer-based, videotapes, and interactive TV courses.
http://homeloans.va.gov/mortlen1.htm	Find a VA approved lender in any location.
predesignteamfee@vba.va.gov	E-mail address to send comments or suggestions to the Loan Production Redesign Team

Regional Loan Centers

Atlanta, GA Georgia, Tennessee, North Carolina, South Carolina	(888) 768-2132
Cleveland, OH Ohio, Michigan, Indiana, Delaware, Pennsylvania, New Jersey	(800) 729-5772
Denver, CO Colorado, Wyoming, Montana, New Mexico, Alaska, Utah, Idaho, Oregon, Washington	(888) 349-7541
Houston, TX Texas, Arkansas, Oklahoma, Louisiana	(888) 232-2571
Manchester, NH Maine, Massachusetts, Connecticut, Vermont, New Hampshire, Rhode Island, New York	(Loan Administration) (800) 827-0336 (Loan Production/Valuation) (800) 827-6311
Phoenix, AZ Arizona, Nevada, California	(888) 869-0194
Roanoke, VA Virginia, West Virginia, Washington DC, Maryland, Kentucky	(800) 933-5499
St. Paul, MN Minnesota, Illinois, Iowa, Nebraska, Kansas, Wisconsin, North Dakota, South Dakota, Missouri	(800) 827-0611
St. Petersburg, FL Florida, Alabama, Mississippi	(888) 611-5916
Note: These Regional Offices also have fully functioning Loan Production offices:	
San Juan, PR Honolulu, HI	(787) 772-7212 (808) 433-0480

VA ELIGIBILITY CENTERS

Los Angeles VA Eligibility Center

Mail Service
Department of Veterans Affairs Eligibility Center PO Box 240097 Los Angeles, CA 90024

Toll Free: 1-888-487-1970 Web site: www.vahomes.org/la/home.htm

The Los Angeles VA Eligibility Center services the following states:

Alaska	Illinois	Nebraska	Texas
Arizona	Iowa	Nevada	Utah
Arkansas	Kansas	New Mexico	Washington
California	Louisiana	North Dakota	Wisconsin
Colorado	Minnesota	Oklahoma	Wyoming
Hawaii	Missouri	Oregon	
Idaho	Montana	South Dakota	

Winston-Salem VA Eligibility Center

Toll Free: 1-888-244-6711

Mail Service	Courier Service
Department of Veterans Affairs Eligibility Center PO Box 20729 Winston-Salem, NC 27120	Department of Veterans Affairs Eligibility Center 251 N. Main St. Winston-Salem, NC 27155

The Winston Salem VA Eligibility Center services the following states:

Alabama	Maine	New York	Virginia
Connecticut	Maryland	North Carolina	Vermont
Delaware	Massachusetts	Ohio	West Virginia
Florida	Michigan	Pennsylvania	
Georgia	Mississippi	Rhode Island	District of Columbia
Indiana	New Hampshire	South Carolina	
Kentucky	New Jersey	Tennessee	

Note: Eligibility Certificates are also available from:

San Juan, PR
Honolulu, HI

(787) 772-7212
(808) 433-0480



Veterans Information Portal



Tuesday June 1, 2004

Sign In

User Name:

Password:

[Lost Password?](#)

[Change Password](#)

Public Access

Public portion of the VIP Portal, which does not require authentication. Veterans should enter here.

User Registration

VBA employees can login using their existing VBA user ID and password. External users (e.g. lenders, servicers, SARs) should click the 'Registration' button above to register for a portal account.

Help

Frequently asked questions, comments, and suggestions.

Program Information

Executive-level information about the Veterans Information Portal (VIP).



NOTICE: This site uses a cookie to track user sessions. No personal information is stored on the cookie. Users who do not accept cookies may use the site, but some functionality will not be available. [Privacy Act and Consent Notice](#)



Home | » VBA

VBA Links

- Home
- Feedback
- Forms
- Manuals
- Surveys
- Reports
- FAQ's
- Portal Home

My Services

- My Info
- White Pages
- Customize
- Home

Applications

- ACE
- E-Mail: DTRTD1
- TAS
- CPB
- VONAPP

Government Links



FirstGov: Your First Click to the US Government



USA FreedomCorps: The President's Call to Service



The White House



The U.S. Supreme Court



The U.S. Senate



The U.S. House of Representatives

Home Page

Community Announcements

Your Community Announcements	
Date	Description
04/12/2004	Application Session Expiration
01/09/2004	New Kids and Teachers Web Site
01/09/2004	Operation Enduring Freedom and Iraqi Freedom Web Site

National Threat Status

National Threat Condition





Home Loan Guaranty Services

Veterans Benefits & Services

Information on the Home Loan Program

Am I Eligible for a VA Loan?

Property Management

Construction and Valuation

Lenders & Servicers

Contact VA Loan Guaranty Service

Forms

Loan Guaranty HomePage

VBA HomePage

VA Homepage

If You Owe VA

VA Monitoring Unit

Loan Production

Specially Adapted Housing



Construction & Valuation

"LOCAL" REQUIREMENTS FOR VA NOTICES OF VALUE

Alphabetical State Listing

[A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#) [O](#) [P](#) [Q](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [X](#) [Y](#) [Z](#)

IMPORTANT:

- Each State is listed alphabetically, with the VA office of jurisdiction shown in parentheses. Some States have more than one VA office.
- A VA office's "local" requirements pertain only to properties in that office's jurisdiction. The primary source of information about VA requirements is the VA Lender's Handbook. "Local" requirements supplement those in the Handbook.
- Unless otherwise noted, wood-destroying insect information is required per Section 13.06 of the Lender's Handbook. Regardless of the location of the property, an inspection is always required if the appraisal report indicates evidence of wood-destroying insect damage or an active infestation.
- VA offices may instruct fee appraisers to list, when applicable, other "local" requirements as conditions on appraisal reports. Contact the appraiser or VA office if there is a question about an appraisal report condition.

Other Ineligible Properties *Reference:* See Section 10.07.

ISSUING NOTICES OF VALUE ON NEW CONSTRUCTION

New construction is appraised **without plans and specifications**. The fee appraiser must mark the URAR “**as-is**”, or “**subject to repairs**” if some customer preference items need to be completed. New construction includes properties that have been completed less than one year and never owner-occupied.

Before issuing the NOV, the SAR must make sure the **builder has a valid VA builder identification number**. Builder ID numbers may be found online in TAS (The Appraisal System).

The following items are required on the NOV on **all** newly constructed properties:

- Item 12 - “Not Inspected” Acknowledgment (mark 12a for 1 yr warranty, or 12b for 10 yr warranty)
- Item 14 - Energy Efficient Construction
- Item 15 - Lead/Water Distribution System
- Item 16 - Offsite Improvements (unless SAR has evidence that streets, drainage, water and sewer have been completed and accepted for maintenance by local authority – for example, if the lender just closed another case on the same block or the subject is a new home in an older, established neighborhood)

In most areas, Item 2 - Wood Destroying Insect Information is required

The **NOV must include either:**

Item 13 - (Ten-Year Insured Protection Plan)

OR

Item 19 (Construction Warranty) for 1 yr Builder Warranty

The **following items should not be required:**

- Item #1 (Energy Conservation Improvements)
- Item #17 (Proposed Construction)
- Item #18 (Construction Inspections)

ISSUING NOTICES OF VALUE ON PROPOSED CONSTRUCTION

Before issuing the NOV, the SAR must make sure the **builder has a valid VA builder identification number**. Builder ID numbers may be found online in TAS (The Appraisal System).

The following **construction exhibits** are needed. If any of these items are missing, the SAR must condition the NOV (Item #20) for them:

- VA Form 26-1852**, Description of Materials (or a form which substantially conforms) signed by builder and veteran if there is a veteran under contract

- plot plan** including location of well/septic systems if applicable

- all **exterior building elevations** (front, rear, sides)

- foundation or basement plan**

- plan of all floors**

- wall section**

- certification** signed and dated by a technically qualified and properly identified individual (such as builder, architect, engineer, etc.) which states: "I certify that the construction exhibits for (identify property by house type, lot, block, subdivision name, etc.) meet all local code requirements and are in substantial conformity with VA Minimum Property Requirements including the energy conservation standards of the 1992 Council of American Building Officials' Model Energy Code and the requirement for lead-free water piping." VA will accept HUD form 92541, Builder's Certification of Plans, Specifications and Site, in lieu of this certification.

The following items are required on the NOV on **all** proposed construction cases:

- Item #16 - Offsite Improvements (unless SAR has evidence that streets, drainage, water and sewer have been completed and accepted for maintenance by local authority – for example, if the lender just closed another case on the same block or the subject is a new home in an older, established neighborhood)

- Item #17 - Proposed Construction

- Item #18 - Construction Inspections

- Item #19 - Construction Warranty (One year Builder Warranty)

Any **missing construction exhibits** should be required in Item 20.

In most areas, Item 2 - Wood Destroying Insect Information is required

The **following items should not be required**:

- Item #1 (Energy Conservation Improvements)

- Item #12 ("Not Inspected Acknowledgment")

The **number of VA inspections needed** depends on whether or not the local building authority issues a certificate of occupancy and what type of warranty will be provided to the veteran.

-If the property is located in an area where the local building authority **issues a certificate of occupancy**, only a final VA compliance inspection is required. A copy of the certificate of occupancy or equivalent document must be obtained.

-If the property is **not** in a county where there are local building inspections, the SAR must require either:

3 VA Compliance Inspections

OR

Final VA Compliance Inspection & 10 year warranty

Remember, the builder's 1 year warranty (**Item #19**) is required in all proposed cases.

NOTE: Item #14 (Energy Efficient Construction) and **Item 15** (Lead/Water Distribution System) are **no longer needed** on NOV's for **proposed** construction since the plan certification statement that the builder has placed on the plans covers these items.

THE DEPARTMENT OF VETERANS AFFAIRS AS THE CLIENT ON VA APPRAISALS

1. Purpose. The purpose of this circular is to advise program participants of a new VA policy as a result of a change in the Uniform Standards of Professional Appraisal Practice (USPAP) for 2004.

a. VA will now be named as the client on the Uniform Residential Appraisal Report (URAR).

b. The intended user of the appraisal will be shown by type on the URAR, not by name. This should eliminate most requests for lender/client name changes on the URAR when the case is reassigned between lenders. This will avoid any conflict with the prohibition on using "readdressed appraisals", as stated in USPAP and as communicated by the Appraisal Standards Board (ASB) in Advisory Opinion 26 (AO-26) - Readdressing (Transferring) a Report to Another Party.

2. Background. To sell their loans on the secondary market, lenders have typically required an appraisal report that supported the value and contained the name of their institution as the lender/client.

a. VA has conferred with the major purchasers of VA guaranteed loans on the secondary market and none have a requirement that the lender's name be on the appraisal for a VA guaranteed loan.

b. USPAP Standards Rules 1-2(a) and 1-2(b); 7-2(a) and 7-2(b); and 9-2(a) require an appraiser to identify the client, intended users, and intended use.

c. It has always been the position of VA that the client on VA appraisals is The Department of Veterans Affairs. This is supported by VA requirements that appraisal assignments be made by VA from VA fee appraiser panels and that appraisals must be conditioned with VA minimum property requirements.

d. The intended use for VA appraisals has always been for residential loan purposes and the intended user has always been any approved VA lender. This has not changed.

e. In the past appraisers simply changed the name of the lender on the URAR, however new Advisory Opinions from the ASB clarify that this is not permitted under USPAP.

LOCAL REPRODUCTION AUTHORIZED

Circular 26-04-05

May 7, 2004

3. New Fee Appraiser Requirement

a. Fee appraisers will insert “Department of Veterans Affairs” after lender/client on the URAR on all VA case assignments.

b. Fee appraisers will identify the type of intended user by inserting “Intended User - Any VA approved lender” on the lender/client line following “Address”.

4. Related Policy

a. There is no change in the procedures for ordering an appraisal/case number by requesters in TAS.

b. Lenders that continue to require their name on the URAR must negotiate a new assignment and pay the appraiser directly and may not charge the veteran. VA will not object to the appraiser accepting this new assignment.

5. RESCISSION: This circular is rescinded January 1, 2007.

By Direction of the Under Secretary for Benefits

Keith Pedigo, Director
Loan Guaranty Service

Distribution: CO: RPC 2022
SS (26A1) FLD: VBAFS, 1 each (Reproduce and distribute based on RPC 2022)

VIDEOTAPES, STREAMING VIDEOS and CD's AVAILABLE

As a service to our private-sector partners in the VA home loan program, Loan Guaranty makes available the tapes of our interactive televised training broadcasts. Costs of tapes of this year's broadcasts are \$34.95 per broadcast. Tapes will be available after each broadcast by calling **Multi Video Services at 1-800 800-DUBS (3827)**.

Broadcasts for 2003

1. Refinancing VA Home Loans – February 12, 2003
2. Basic Processing/Originating VA Home Loans – March 12, 2003
3. Post Closing & Quality Review of VA Home Loans – April 23, 2003
4. Credit Underwriting – May 14, 2003
5. Underwriting Appraisals for Staff Appraisal Reviewers – July 16, 2003
6. Introduction to VA Guaranteed Home Loans for Real Estate Professionals – September 17, 2003

Streaming Internet and Videos

Loan Guaranty has produced 9 short videos (10-20 minutes in long) targeted to provide just-in-time training on specific subjects for Lenders about the VA home loan program. They are available via On-Demand streaming video at <http://www.homeloans.va.gov/train.htm> Titles are:

Overview of the VA Home Loan Program
VA Appraisals
VA Minimum Property Requirements
VA Eligibility
Underwriting Self Employed Borrowers
Bankruptcy in Underwriting
VA Home Loans for Newcomers
Automated Certificate of Eligibility (ACE) Update
How to Appeal a Notice of Value (NOV)
Automated Underwriting Systems
Credit Underwriting

These will now also be available for purchase in VHS format. Costs of these tapes are \$19.95 each from **Multi Video Services at 1- 800- 800-DUBS (3827)**.

Information on the VA Home Loan Program for Real Estate Professionals

This award winning (*National Association of Government Communicators, First Prize, 2003 Gold Screen Award*) interactive CD is available at no cost from Regional Loan Centers. It dispels myths about VA Home Loan procedures, and contains basic information and links to our website.

COURSE EVALUATION

Please use your keypad to answer the following questions. The last digit in the number displayed on your keypad corresponds to the questions below. The possible response choices will be displayed on your keypad. After entering your response, press the "NEXT QUEST" key to see the next set of responses. You may change a response to a previously answered question by using the "PREV QUEST" or "NEXT QUEST" keys to scroll to the answer you want to change and enter a new response. When you have answered all the questions, you will be prompted to answer this additional question: "Exam Completed?" If you are finished, please answer "Yes" by pressing the corresponding function key.

For items 1-10 below, please rate the extent to which you agree with each of the statements by selecting:

A - you strongly agree B - you agree C - you disagree
D - you strongly disagree E - item not applicable

1. The broadcast was relevant to my job needs.
2. The broadcast met the stated objectives.
3. The student materials facilitated my understanding of the course.
4. I feel that I can apply what I have learned in this broadcast.
5. The visuals used during the class helped me learn the course content.
6. The instructors demonstrated a firm grasp of the subject matter.
7. The instructors communicated the material effectively.
8. I was able to get my questions answered.
9. Participants at my site were attentive to the broadcast.
10. Interactive distance learning was an effective method for this course.

For 11-14 below, select the appropriate option by entering A, B, or C.

11. Length of broadcast: **A** - too short **B** - about right **C** - too long
12. Amount of information **A** - too much **B** - about right **C** - too little
13. Complexity of course **A** - too basic **B** - about right **C** - too hard
14. Pace of course **A** - too slow **B** - about right **C** - too fast

For questions 15-16, please rate degree to which you were satisfied with the instructors and course by selecting:

A - very satisfied B - satisfied C - neutral
D - dissatisfied E - very dissatisfied

15. How satisfied were you with the instructors? A B C D E
16. How satisfied were you with the course? A B C D E

At this time, "Exam Completed?" should appear on your response keypad. Pressing "N" will allow you to go back and review and/or change any answers. Pressing "Y" indicates that your evaluation form is complete.

Thanks for your help