



DEPARTMENT OF VETERANS AFFAIRS
Regional Office
1240 East Ninth Street
Cleveland, OH 44199

October 8, 1998
325/262

In Reply Refer To:

Information Letter 26-98-14
Rescinds Information Letter 26-97-12

TO: All Appraisers and Compliance Inspectors

**SUBJ: Statement of Policy and Standards with Respect to
"Outside"**

Activities of Fee Appraisers and Compliance Inspectors.

1. We would again like to call your attention to our statement of policy and prescription of standards with respect to private interests of VA fee appraisers and compliance inspectors.
2. It is neither the desire nor the intent of VA to interfere in the private lives of fee appraisers and compliance inspectors or to infringe upon their personal liberties. It is appropriate, however, for VA to require that persons serving as fee appraisers and compliance inspectors do not engage in private pursuits that conflict with their duties as fee appraisers and compliance inspectors.
3. It is not intended that: "Appraising or inspecting dwelling units on VA assignment and later accepting exclusive selling rights for the homes" will forever preclude a fee appraiser or compliance inspection from acting as sales agent or broker in connection with a particular property which he or she has appraised or inspected. It means that he or she may not accept exclusive selling rights for the sale of a property to a veteran financed with a GI or direct loan, when in the particular sale the appraisal is or has been used in establishing reasonable value or any compliance inspection made is or has been used in determining that on-site and off-site improvements were completed in accordance with approved plans and specifications and Minimum Property Standards.
4. The rule stated above does not apply when he or she accepts a listing or acts as a broker if the purchaser obtains non-VA financing or if any appraisal or inspection made by him or her pursuant to a VA assignment is not used in transaction involving VA financing. Furthermore, the rule does not apply to the sale of property by a veteran obligor under terms whereby the transferee assumes an outstanding guaranteed, insured or direct loan.
5. **VA FEE ROSTER APPRAISERS WHO ARE DIRECT ENDORSEMENT STAFF APPRAISERS MUST DISCLOSE THAT FACT ON THE ENCLOSED FORM. FAILURE TO PROVIDE THIS INFORMATION CAN BE CAUSE FOR DISCIPLINARY ACTION.**
6. The completed report must be returned to VA no later than **January 1, 1999**.
7. This information letter is automatically rescinded one (1) year from date of this letter.
8. Your continued participation in the VA Home Loan Program is appreciated.

/s/

JAMES L. BRUBAKER, JR.
Loan Guaranty Officer

Enclosure