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Department of  
Veterans Affairs

# Information Bulletin

December 19, 2001

Loan Guaranty Letter 01-25  
262-8

**SUBJ: Repair and Compliance Inspections for Oregon including Washington State Counties of Clark, Klickitat, and Skamania and Timeliness Documentation for Appraisers.**

## Purpose

This bulletin clarifies information concerning the use of the Compliance Inspection Report, VA Form 26-1839, and timeliness documentation for appraisers.

## Reporting Completion of Repairs Instructions for Appraisers

Effective immediately, fee appraisers should use **their letterhead** to report the completion of all repairs that are required on either a Certificate of Reasonable Value (CRV) or on a Lender Appraisal Processing Program (LAPP) Notification of Reasonable Value (NOV). All required repairs must be itemized. The use of the phrase "all required repairs are complete" is not acceptable. These reports go to the lender. Please do not send a copy to the Department of Veterans Affairs (VA). Do not use VA Form 26-1839 to report completion of these types of repairs. There is one exception. VA Fee Appraisers will use VA Form 26-1839 for final compliance inspections of stacked condominium units.

## Timeliness Documentation for Appraisers

The appraisal report must be forwarded to VA or the LAPP participant no later than 8 calendar days from the date the assignment is received. Appraisers are required to show the date they receive the assignment and the date they mail or e-mail the appraisal package. The dates should be indicated on the second page of the Uniform Residential Appraisal Report (URAR) in the upper right hand corner of the form in the area used for the comments on cost approach. It is extremely important that accurate receipt and forwarding dates are shown. This information is used for timeliness reporting purposes and if dates are not provided, appraisers may receive a letter stating they are not in compliance with VA timeliness standards.

### Instructions to Inspectors

Effective immediately, fee compliance inspectors will be authorized to approve and distribute compliance inspection reports. This includes inspections at the final or third stage of construction as well as re-inspections. This **does not** apply to final inspections that have items of non-compliance or substitutions/deviations not previously approved by VA on a Request for Acceptance of Changes in Approved Drawings and Specifications, VA Form 26-1844. Items that may be corrected by a lender's certification or an escrow may be reported on the VA Form 26-1839, but the inspection cannot be marked complete.

Fee compliance inspectors will submit the final inspection report (VA Form 26-1839) with the following attachments and/or annotations:

1. First, second and any re-inspections;
2. Excavation certification/lot soils report;
3. Photograph of completed property; and
4. When applicable, indicate the escrow number assigned by VA when we have approved an offsite escrow for any improvement that is not located on the subject site. Examples include access streets, curbs, gutters, etc. If there is an escrow do not check "All Improvements Acceptably Complete". Another inspection will need to be performed to make sure that escrow items have been completed. The lender will need this information to receive their Loan Guaranty Certificate.

If all improvements are complete the compliance inspector will check the block "All Improvements Acceptably Complete", and sign the final inspection report in Section 6 of VA Form 26-1839.

Distribution of the report is to be made by the compliance inspector as indicated on the bottom right-hand side of VA Form 26-1839. Send inspection packages to:

Department of Veterans Affairs  
Regional Loan Center (339/262)  
Box 25126  
Denver, CO 80226

### **Builder's Responsibility**

It will be the responsibility of the builder to have available at the site the following for compliance inspectors' review and incorporation into the inspection package:

1. Copies of the first, second and third compliance inspection reports.
2. Reinspections indicating any previous noncompliance items have been cleared.
3. A signed copy of the excavation report/soils report for that individual lot. This report must indicate the type of foundation required and must be embossed with the seal of the registered professional engineer.
4. If the property has been enrolled in an approved 10-year warranty program, evidence of enrollment in that program.
5. Copies of all approved VA escrow agreements must be available for any uncompleted work, including landscaping plans.

### **If You Have Questions**

Any questions regarding this bulletin should be directed to the Denver Regional Loan Center. Please call the Construction and Valuation Section at 1-888-349-7541. Selection one (1) on your telephone keypad will connect you to the Construction and Valuation Section.



VLINDA A. CHILDS  
Loan Guaranty Officer

Distribution: Oregon Fee Panel, SAR's and Builders