

April 29, 2002

C&V MEMO 02-04

To: Fee Appraisers

SUBJ: Liquidation Appraisal Procedures

1. VA Central Office has established a **national timeliness standard** for all VA fee appraiser's submission of liquidation appraisals. This standard is **five business days**, and will become effective for all liquidation appraisal assignments received **May 1, 2002 and afterward**. Obviously, we can no longer delay our initial inspection until after the letter announcing your assignment to the owner of record is received.
2. An **exception** to this five business day timeliness requirement will be granted **for vacant and abandoned dwellings**. Once confirmed that a dwelling is vacant and abandoned, you **must immediately contact the requester** and advise that assistance in gaining entry will be necessary. These cases will not be **anceled**. It will be the responsibility of the requester to take appropriate steps to provide entry, and timeliness will be suspended until entry is provided. Under these circumstances, **you must also immediately email (lgyhurar@vba.va.gov) or fax a note to the Houston RLC, at fax no. (713) 794-3813 or (713) 794-3728**, informing us of persons contacted for entry, and advising that the report will be delayed until entry is provided. Otherwise, you will remain responsible for violation of these timeliness requirements.
3. A vacant dwelling listed for sale is not considered abandoned, and you should request entry through the listing agent. A dwelling containing valuable or appreciable personal property (anything more than abandoned junk) is not considered abandoned. It is the right of the owner (or his agent) to permanently deny entry in these situations, and you will complete these appraisal reports as if occupied.
4. A further **exception** will be granted for assignments received from **requesters that are delinquent in paying current invoices** for previous services rendered by the assigned fee appraiser. Delinquent is defined as an outstanding invoice remaining unpaid 60 days or more following your previous payment invoice date. You may inform the requester that the appraisal will be delayed until the delinquent bill is paid. **If so, you must immediately email or fax a notice of this situation to the Houston RLC (as indicated above)**, and have documentation available to support your contention if requested by VA. We are exploring several solutions to these payment problems experienced by the panel, and hope to provide much better payment methods in the reasonably near future.
5. Our best hope of entering occupied properties under this timeliness requirement lies in obtaining a working telephone number for the current owner. If a working number is not provided, contact the requester by phone (which we realize is often a meaningless 800 number), email or fax. Try the phone book, then you may contact our Loan Administration Section at 1-(888)-232-2571, x-5369, informing that you are a VA fee appraiser without a working phone number for the owner of record. You will receive a reply immediately or a return call, hopefully the next day (which we cannot guarantee). Otherwise, once you visit the subject, please leave your business card with a note explaining that you are conducting an appraisal for VA and need to enter the dwelling, but can delay for only one additional day.
6. Please indicate on the second page of your URAR (in the box to the immediate right of the cost approach section) the date your assignment was received, which is often long after the

assignment was communicated by The Appraisal System (TAS). This data may be used to refuse interest payments to servicers, so you must have supporting documentation available if requested by VA.

7. Until further notice, you may discontinue routinely providing listings for liquidation appraisals unless a significant trend in values or market conditions is observed. Fee appraisers were awarded an additional \$50 for this procedure when originated, which will not be withdrawn at this time. However, you must provide listings in support of time adjustments, either positive or negative, and these adjustments must be made when the situation warrants.

8. Ecommerce copies of liquidation appraisals should be provided to the Houston RLC (lgyhurar@vba.va.gov), the local VARO, and the requester (when willing to participate, which you should encourage). If the requester is unwilling to participate in ecommerce, and for fee appraisers not participating in ecommerce, a copy of the two page URAR and portions of the addendum referenced therein must accompany your billing invoice. If a full copy is requested afterward, request their email address.

9. Questions concerning these procedures may be referred to a staff appraiser in the Houston RLC at 1-(888)-232-2571, x-3117. Thanks.

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Valuation Officer