



DEPARTMENT OF VETERANS AFFAIRS
Regional Loan Center
3333 North Central Avenue
Phoenix, AZ 85012-2436
Website: <http://www.vba.va.gov/ro/phoenixlgy/index.htm>

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SUBJECT: Use of Assistants

The purpose of this bulletin is to clarify the use of assistants in preparing VA appraisals. While the Uniform Standards of Professional Appraisal Practices (USPAP) allows greater use of assistants, VA fee appraisers must comply with VA's policy, contained in Section 11.03 of the Lender's Handbook, concerning assistants. Under VA's fee appraiser panel system and mandatory rotation of assignment, a greater level of active involvement in the appraisal assignment is required by the assigned VA panel member.

VA vs. URAR on Use of Assistants

The URAR (and the accompanying Freddie Mac 429/Frannie Mae Form 1004B) acknowledges the use of assistants. The URAR further allows that, in some states, compliance with the intent of the Real Estate Appraisal Reform Amendments (Title XI) of FIRREA is assumed to have occurred when an unlicensed or uncertified appraiser working as an employee, or subcontractor, performs a significant portion of the appraisal (or the entire appraisal, if he or she is qualified to do so), as long as the appraisal report is signed by a licensed or certified supervisory appraiser. While the URAR format allows this practice, **this is not acceptable to VA.**

What the VA Fee Appraiser Must Personally Do

The VA fee appraiser must:

- View the interior and exterior of the subject property and the exterior of each comparable
- Select and analyze the comparables
- Make the final value estimate, and
- Sign the appraisal report.

The VA fee appraiser must not delegate any of these four tasks to an assistant, even though that person may be a licensed or certified appraiser.

When Using An Assistant

Essentially, the activities that an assistant can perform alone, without the VA fee appraiser, are extremely limited. If the fee appraiser relied on significant professional assistance in performing the appraisal, or in preparing the appraisal report (except as prohibited above), the name of the individual and the specific tasks he or she performed must be shown in the "Reconciliation" section of the appraisal report. An assistant may sign the report (as an assistant) to document qualifying experience for future licensing/certification purposes. However, even in this situation, the primary signatory on the report must be the authorized/designated VA fee appraiser. Failure to comply with VA's requirements in this area will constitute a basis for removal from the fee panel.

If You Have Questions

If you have any questions concerning this bulletin please contact the Phoenix Regional Loan Center, Construction & Valuation section, at 602 627-3050.

/Signed/

ROBERT JOHNSON
Loan Guaranty Officer

Distribution: Appraisers and Inspectors