



DEPARTMENT OF VETERANS AFFAIRS

Regional Loan Center
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Website: <http://www.vba.va.gov/ro/phoenixlgy/index.htm>

February 20, 2007

Loan Guaranty Information Bulletin No. 26-07-04

SUBJ.: Schedule of Appraisal Fees For Arizona, California, Nevada, and New Mexico

PURPOSE:

Effective **March 1, 2007**, the maximum fees shown in the following paragraphs are authorized for all VA appraisals and compliance inspections performed in Arizona, California, Nevada, and New Mexico. Following the jurisdictional transfer last year of the New Mexico Fee Panel from Denver RLC to Phoenix RLC, we conducted a survey of appraisal fees in New Mexico. This bulletin brings the New Mexico fees in line with the survey findings. Fees previously in effect for Arizona, California, and Nevada are unchanged. Also, Inspection Fees are clarified to conform with Circular 26-06-01, which eliminated all VA inspections except those relating to Specially Adapted Housing (SAH).

1. INDIVIDUAL APPRAISALS (Except Condominiums)

a. Existing Properties:

	<u>AZ, CA, NV</u>	<u>NM</u>
1 family	\$400	\$400
2 family	\$550	\$475
3 family	\$550	\$475
4 family	\$550	\$475

b. Proposed Properties:

	<u>AZ, CA, NV</u>	<u>NM</u>
1 family	\$450	\$400
2 family	\$550	\$475
3 family	\$550	\$475
4 family	\$550	\$475

c. Miscellaneous Appraisals:

	<u>AZ, CA, NV, NM</u>
Liquidation (including condominium liquidations)	\$425
Partial Release	\$400
Manufactured Homes (on permanent foundation)	\$400
Appraisal Update	\$200

2. MASTER APPRAISALS (Except Condominiums)

Fees are computed for each master (MNOV) appraisal on the following basis:

	AZ, CA, NV	NM
1. Each plan type (proposed construction)	\$450	\$400
Each plan type (existing construction)	\$400	\$400
2. Each lot	\$ 10	\$ 10
3. Optional Variations/Upgrades	\$25 per page	\$25 per page
Minimum fee per Appraiser	\$800	\$800

3. EXISTING CONDOMINIUM APPRAISALS

Condominium Unit (Existing individual unit)*	\$425	\$425
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[* must use Individual Condominium Unit Appraisal Report, Fannie Mae Form 1073/Freddie Mac Form 465]

4. MASTER CONDOMINIUM APPRAISALS

A one-time condominium project fee will be assessed the builder/developer on all proposed and existing master appraisal requests. The computation for master appraisal fees will be divided into two steps as shown in items a and b below, the combination of which shall constitute the "total master appraisal fee."

- a. Horizontal, Low Rise, and High Rise Condominiums. The one-time fee for the **first** master assignment in a condominium project will be a flat \$500. (Repeat master appraisals in the same project should **not** be charged an additional project fee).
- b. Additionally, the following will be used for computation of fees based on the number of units and plan types:

	AZ, CA, NV	NM
1. Each plan type (proposed construction)	\$450	\$400
Each plan type (existing construction)	\$400	\$400
2. Each unit	\$ 10	\$ 10
3. Optional Variations/Upgrades	\$25 per page	\$25 per page

- c. Sample Computation: The project contains 100 units and 4 plan types:

	AZ, CA, NV	NM
Project fee (first time only)	\$ 500	\$ 500
4 plan types X \$450 (or \$400)	\$1,800	\$1,600
100 units X \$10 per unit	\$1,000	\$1,000
Total master appraisal fee	\$3,300	\$3,100

5. INSPECTION FEES

In accordance with Circular 26-06-01 dated February 15, 2006, compliance inspections are no longer required for proposed or under construction properties. They are still required for Specially Adapted Housing (SAH) construction or remodeling.

	<u>AZ, CA, NV, NM</u>
a. Each SAH Compliance Inspection	\$100
b. Each Alteration or Repair Inspection	\$100
c. Each Required Re-inspection	\$100

6. TRAVEL FEES

Additional charges for time or mileage are **not** authorized for appraisals or inspections performed within the appraiser/inspector's designated area (which may possibly consist of one or more counties). If an appraiser or inspector is requested/assigned by VA to perform an appraisal or inspection outside of the fee person's normal business area, an additional fee may be charged only for that portion of travel beyond the normal business area at the approved General Service Administration (GSA) mileage rate, (current rate posted on our web-site http://www.vba.va.gov/ro/phoenixlgy/Appraisal_Fees.htm). That travel must be by the most direct route and the billing must include a breakdown of the mileage. When a mileage rate is authorized, the Regional Office will issue written authorization on a case-by-case basis for those appraisers/inspectors entitled to charge travel fees. The authorization will be evidenced by a letter (or e-mail) from VA to the appraiser. [Reference: Lender's Handbook, page 10-30.]

7. LATE CHARGES

Lenders and other appraisal requesters should note: VA Form 26-1805 (Request for the Determination of Reasonable Value) states:

"On receipt of 'Certificate of Reasonable Value' or advice from the Department of Veterans Affairs that a 'Certificate of Reasonable Value' will not be issued, we agree to forward to the appraiser the approved fee which **we are holding** for this purpose."

If a payment has not been made within 30 days of billing, a reasonable late charge is authorized. Reasonable is defined as "no greater than \$10.00 per month after 30 days have elapsed from the date of billing." **Late charges are not to be charged to the veteran. LAPP lenders are responsible for their approved agents.**

Furthermore, in those cases where VA has received documented evidence of non-compliance with our prompt payment policy, appraisers may be given written VA authorization to collect the fee prior to performing the appraisal.

8. CANCELLATIONS

Lenders must notify the fee appraiser **and** VA if a case is to be canceled. A reasonable fee for partial work already performed may be charged at the discretion of the fee appraiser.

9. UNUSUAL OR COMPLEX CASES

In unusual or complex appraisal or compliance inspection situations that are not covered by this bulletin, fees will be set by the Valuation Officer, Phoenix Regional Loan Center. In these cases the fee appraiser must have written authorization from the requester with the fees clearly stated.

FOR ADDITIONAL INFORMATION

Questions concerning this fee schedule may be directed to the Construction and Valuation Section by e-mail at vavbapho/ro/cvqc@vba.va.gov or by telephone at 602-627-3050 (or toll free at 1-888-869-0194 extension 3050).

//Signed//

GRACE COOPER
Loan Guaranty Officer

Distribution: All Loan Guaranty Program Participants

RESCISSION: LGIB 26-05-06, dated 07/05/2005, and any Schedule of Appraisal Fees Loan Guaranty Bulletins previously issued by Denver RLC for the state of New Mexico