



DEPARTMENT OF VETERANS AFFAIRS  
Regional Office  
P.O.Box 1437  
St. Petersburg, FL 33731-1437

In Reply Refer To: 317/261

June 29, 2004

## INFORMATION BULLETIN 26-04-10

**TO: ALL FLORIDA, ALABAMA AND MISSISSIPPI  
APPRAISERS AND LENDERS**

**SUBJ: RECONSIDERATIONS OF VALUE ON VA APPRAISALS**

### **1. PURPOSE**

This information bulletin reaffirms VA policy for processing requests for Reconsideration of Value (ROV) and confirms compliance with the Uniform Standards of Professional Appraisal Practice (USPAP). Expedient processing of ROV's is essential to ensure timely closing of VA loans.

### **2. BACKGROUND**

In the past most responses to ROV requests were prepared on fee appraisers' company letterhead. This remains an option illustrated in USPAP Advisory Opinion 3 (AO-3), Update of a Prior Assignment, issued by the Appraisal Standards Board. Proper processing of a ROV requires consideration of all data available to the appraiser, whether submitted with the request or acquired by other means, to affirm an estimate of market value. As a ROV is an "analysis involving the same property" it must comply with USPAP standards as illustrated in AO-3 and is considered an update of a prior assignment. Instructions for requesting and processing a ROV are contained in VA Lender's Handbook, section 13.09.

### **3. FEE APPRAISER REQUIREMENT**

- a. Prepare an updated report incorporating the original case number and using one of the three reporting options in AO-3.
- b. The new report may generally be restricted to analysis of the new data submitted to or obtained by the appraiser. A new Uniform Residential Appraisal Report (URAR) is not necessarily required, as the original URAR may be included by reference as noted in AO-3, under "Reporting Requirements" paragraph 3.
- c. If additional sales data is submitted by a lender directly to the fee appraiser in a format similar to the comparable sales grid on the URAR, the fee appraiser is required to provide a response (report) within 5 working days.
- d. If analysis of additional data does not support an increase in value, an explanation on company letterhead supporting the decision must be included in the report.

#### **4. RELATED POLICY**

- a. It is VA policy that fee appraisers process ROV requests on their prior assignments without additional compensation, unless the accompanying data was not available at the time of the original report.
- b. A reasonable fee may be charged by the fee appraiser when the ROV request contains data to be reviewed that was not available at the time of the fee appraiser's report.
- c. Any party of interest may request a ROV in writing through the lender to the appraiser.

#### **5. QUESTIONS**

If you have any questions on this information bulletin, please call our Construction and Valuation Section at 1-888-611-5916 or e-mail your question to [fl/homeloan@vba.va.gov](mailto:fl/homeloan@vba.va.gov)

WILLIAM A. CIPOLLA  
Loan Guaranty Officer