

VA APPRAISALS

VA appraiser, are normal appraisers, trained and certified, to conduct an appraisal for the VA. There is a smaller pool of VA appraisers.

The key to getting the appraisal report in a timely manner, is too order the appraisal **ASAP**

PELLING & CRACKED PAINT

The VA appraiser is looking for potential lead paint hazards. Before 1978 lead paint was widely used.



BROKEN & MISSING STAIRS

VA appraisers will check to make sure stairs are safe and intact. So-as not to pose a trip hazard



HANDRAILS

Anywhere there are more than three steps, a VA appraiser may require a hand rail



BROKERN & LOOSE FLOOR BOARDS

These can be a trip hazard



DECK, PORCH, WINDOW RAILINGS

If there is a drop of 18+ or more inches, a VA appraiser might require a hand rail.



8 THINGS YOU MUST KNOW ABOUT VA APPRAISALS

1. IT'S MANDATORY. YOU'LL HAVE A LOT OF CHOICES TO MAKE ON YOUR HOMEBUYING QUEST. BUT IF YOU'RE USING A VA LOAN, YOU CAN'T CHOOSE TO OPT OUT OF THE VA APPRAISAL. EVERY HOME PURCHASED WITH A VA LOAN MUST BE EVALUATED BY A VA-CERTIFIED APPRAISER. YOUR VA LENDER REQUESTS AND SCHEDULES THE APPRAISAL, AND INFORMS YOU ONCE THE APPRAISAL REPORT IS COMPLETE.

2. THE VA APPRAISAL HAS 2 PURPOSES. DETERMINE THE HOME'S FAIR MARKET VALUE. YOUR LENDER NEEDS TO KNOW THE MARKET VALUE FOR THE PROPERTY IN QUESTION. THIS VALUE HELPS BUYERS ENSURE THEY'RE NOT OVERPAYING FOR A PROPERTY, AND HELPS LENDERS ENSURE THEY'RE NOT PUTTING BORROWERS IN AN "UPSIDE-DOWN" MORTGAGE FROM THE START. THE APPRAISER USES CURRENT MARKET DATA AND RECENT SALES TO DETERMINE THIS VALUE FOR EACH PROPERTY. ENSURE THE PROPERTY MEETS THE VA'S MINIMUM PROPERTY REQUIREMENTS (MPRS). THE VA HAS A UNIQUE LIST OF MPRS TO WHICH ALL PROPERTIES MUST ADHERE. THOSE BROAD GUIDELINES ENSURE THAT HOMES PURCHASED BY VETERANS ARE SAFE AND MOVE-IN READY.

3. THE VA APPRAISAL FEE EQUALS...BUYERS WILL USUALLY NEED TO PAY FOR THE APPRAISAL UPFRONT. THAT FEE VARIES BY STATE OF PURCHASE AND TYPE OF HOME (SINGLE-FAMILY VS. CONDO VS. MANUFACTURED HOME), BUT PLAN FOR \$500+ OR MORE. YOU CAN TRY AND RECOUP THIS FEE AT CLOSING AS PART OF YOUR NEGOTIATIONS WITH THE SELLER.

4. IT'S TYPICALLY DONE IN 10 DAYS. BUT PLAN FOR MORE. VA APPRAISALS ARE COMPLETED IN UNDER 10 DAYS ON AVERAGE, BUT TURN TIMES VARY FROM ONE AREA TO THE NEXT. THE VA ISSUES APPRAISAL "TIMELINESS REQUIREMENTS" FOR EACH STATE, BUT THEY'RE MORE GUIDELINES THAN ACTUAL REQUIREMENTS. IN ADDITION, IF REPAIRS ARE REQUIRED, THE APPRAISER WILL HAVE TO COME BACK OUT FOR A REINSPECTION, SO PLAN ON ADDITIONAL TIME WHEN CALCULATING YOUR CLOSING DATE.

5. The VA appraisal is not a guarantee that your home is perfect.

The VA appraiser ensures homes are: Safe, Structurally Sound, & Sanitary

Notice the word "perfect" is not on that list. It's never been the VA appraiser's responsibility to promise you're buying a blemish-free property. The home does need to meet basic livability standards, but make no mistake: costly repairs could pop up any time after you sign those closing documents.

And that's why you need to also remember the following point:

6. The VA appraisal is not a home inspection.

The VA appraiser will carefully measure your property against MPR criteria, which you can learn more about here, but a professional home inspector typically performs a much more in-depth, comprehensive investigation.

While the VA appraiser rarely ventures outside the bounds of the MPR checklist, a good home inspector will thoroughly describe each and every deficiency noted on the property.

The inspector documents findings with photos, makes recommendations and sometimes estimates the cost of needed repairs.

The professional home inspection report is an excellent tool for renegotiating a purchase contract, and should never, EVER be skipped. Some buyers prefer to have the home inspection first before deciding whether to move forward with a VA appraisal.

7. The VA appraisal could send your purchase in a different direction.

The property doesn't meet MPR criteria. If the appraiser says that repairs must be made to bring the home up to MPR standards, buyers have a few options to consider. They can negotiate with the sellers to make the repairs; they can look into paying the repairs themselves; or they can walk away from the purchase.

The appraisal value falls short of the loan amount. If the appraisal value is below the target loan amount, buyers again have a choice to make. Buyers can:

**Ask the seller to lower the purchase price, Make up the difference in cash, Walk away from the purchase
Petition the VA for a Reconsideration of Value**

8. The VA appraisal doesn't have to be intimidating.

Even though the VA appraisal can have a drastic impact on a home purchase, there's no need to fear this process, unless you're unprepared.

Poor knowledge sets a potential VA home buyer up for disaster. If you're planning on any of the following:

Purchasing a fixer-upper, Buying farm land, Purchasing a vacation home, Buying an ineligible investment property, & Buying without a real estate agent

Determine the home's fair market value. Your lender needs to know the market value for the property in question. This value helps buyers ensure they're not overpaying for a property, and helps lenders ensure they're not putting borrowers in an "upside-down" mortgage from the start. The appraiser uses current market data and recent sales to determine this value for each property.