

## VA Temporary Updated Appraisal Options Due to COVID-19

Appraisal Eligibility		
Transaction Type	LTV	Acceptable Appraisal Type
Purchase and Cash-out Refinance	All LTVs	<ul style="list-style-type: none"> <li>Traditional appraisal (interior/exterior), or</li> <li>Exterior-only appraisal subject to:                             <ul style="list-style-type: none"> <li>- Exterior-only appraisal is <b>only</b> eligible when the financed loan amount (i.e. unpaid principal loan amount) for the transaction is not greater than one and a half (1.5) times the 1-unit 2020 Freddie Mac conforming loan limit for the county where the property is located (i.e. loan amount is <math>\leq 1.5</math> times the 1-unit FHLMC conforming loan limit for applicable county) <b>OR</b></li> </ul> </li> <li>Desktop appraisal subject to:                             <ul style="list-style-type: none"> <li>- Desktop appraisal <b>only</b> eligible when the <b>financed</b> loan amount for the transaction is <b>less than or equal to</b> the 1-unit 2020 Freddie Mac conforming loan limit for the county where the property is located</li> <li>- View 2020 Freddie Mac limits by county at <a href="#">FHFA 2020 Limits</a></li> </ul> </li> </ul>
Vacant Property		Traditional appraisal (interior/exterior) <b>required unless</b> property is located in an area under a mandatory quarantine or “shelter in place” order; in those cases, an exterior-only or desktop appraisal is eligible
Renovation Loans		VA has temporarily suspended renovation loans
Appraisal Requirements		
Appraisal Type	Requirements	
Desktop Appraisal	<ul style="list-style-type: none"> <li>Forms 1004, 1073, 1025, 1004C as applicable</li> <li>Inspection of subject/comparables and photos <b>not required</b></li> </ul>	
Exterior-Only Appraisal	<ul style="list-style-type: none"> <li>Forms 2055, 1075, 1025, 1004C as applicable</li> <li>Exterior photos of all sides of the property required if accessible (if obstructed/restricted, MLS photos of the areas may be utilized), <b>and</b></li> <li>A measurement of the footprint of the home should be provided, if accessible</li> </ul>	
Completion Report 1004D  1004D required for lead-based paint abatement	<p>If unable to obtain a 1004D, the following is eligible to document completion of repairs:</p> <ul style="list-style-type: none"> <li>Receipts from licensed contractors to document repairs in lieu of a 1004D eligible                             <ul style="list-style-type: none"> <li>- Written or verbal confirmation from a licensed contractor that work has been completed should be obtained</li> <li>- If receipts and/or written/verbal confirmation from a licensed contractor is not available, underwriting management can review other documentation for acceptability on a case-by-case basis</li> </ul> </li> <li>Homebridge will <b>not</b> allow holdback/repair escrows</li> </ul> <p>Supporting documentation must be retained in the loan file</p>	
Reconsideration of Value	<p>A reconsideration of value is a process which appeals appraised values on VA transactions. Reconsideration of value subject to:</p> <ul style="list-style-type: none"> <li>Purchase Transactions: <b>Limited to the greater of:</b> <math>\leq 7\%</math> from the appraiser’s opinion of value <b>OR \$10,000</b></li> <li>Cash-out Transactions: <b>Suspended</b> until further notice</li> </ul>	