

## **MARKET CONDITIONS ADDENDUM TO VA APPRAISAL**

1. **PURPOSE.** The purpose of this circular is to announce that, effective no later than April 1, 2009, VA will require appraisers to include Fannie Mae Market Conditions Addendum, Form 1004MC, in all VA appraisal reports.
2. **DETAILS.** Due to current conditions in the real estate market, Fannie Mae recently announced that it is establishing additional appraisal requirements to supplement the minimum standards set forth in the Uniform Standards of Professional Appraisal Practice. Specifically, Fannie Mae is requiring appraisers to document an overview of neighborhood market conditions and trends in using Fannie Mae Market Conditions Addendum, Form 1004MC. Instructions for completing this form may be found in Fannie Mae's Announcement 08-30, dated November 14, 2008, at <https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2008/0830.pdf>. Following suit with the industry, VA will require appraisers to include this form in all VA appraisal reports. VA will monitor the impact of this new industry requirement on appraisal fee and make adjustments as appropriate.
3. **RESCISSION:** This circular is rescinded January 1, 2012.

By Direction of the Under Secretary for Benefits

Mark Bologna, Director  
Loan Guaranty Service

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