

MARKET CONDITIONS ADDENDUM TO VA APPRAISAL - PREPARATION FEE

1. PURPOSE. The purpose of this circular is to announce that, effective with appraisal assignments dated August 1, 2009 or later, VA is increasing the maximum allowable appraisal fees for all property types by \$50.
2. DETAILS. Circular 26-09-4, dated March 27, 2009, required that all VA appraisals include Fannie Mae Market Conditions Addendum, Form 1004MC. Also, VA stated that it would monitor the impact of this new industry requirement on appraisal fees and make adjustments as appropriate. A nationwide survey has indicated that \$50 is the prevailing fee being charged for preparation of the market conditions addendum on conventional appraisals. Therefore, VA is authorizing an increase in fees to match the conventional market.
3. ACTION. VA Regional Loan Centers will revise their appraisal fee schedules, with an effective date of August 1, 2009, to reflect the authorized increase.
4. RESCISSION: This circular is rescinded January 1, 2012.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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