

To: Lenders and Other Participants in the VA Home Loan Guaranty Program

Subject: Transmittal of VA Lenders Handbook, Chapter 12, Appraisal Process, Revised

Purpose

Attached is a copy of VA Pamphlet 26-7, Lender's Handbook, Chapter 12, Appraisal Process, which has been revised.

Changes

Chapter 12, Topic 1 has been revised to add information about including detached improvements in the appraised value.

Chapter 12, Topic 2 has been revised to specify that if more than one parcel is included in the appraisal, the appraiser must prepare the appraisal subject to the parcels being placed on one deed.

Chapter 12, Topic 7 has been revised to more specify description of hairline cracks.

Chapter 12, Topic 8 has been revised to specify that based on the appraiser's knowledge of the market area, properties that are subject to regular flooding are not eligible, whether or not the area has been designated a Special Flood Hazard Area (SFHA).

Chapter 12, Topic 21 has been revised to specify that the integrity of the envelope of the structure must not be compromised.

Chapter 12, Topic 34 has been revised to specify that radon resistant construction techniques are considered to be applicable for properties located in Radon Zone 1 as designated by the Environmental Protection Agency (EPA).

This change is effective immediately.

**Additional
Copies**

Additional copies may be downloaded at
https://benefits.va.gov/warms/pam26_7.asp.

Rescissions

None

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