

**Procedures for Improving Communication with Fee Appraisers in  
Regards to the Tidewater Process**

1. Purpose. The purpose of this Circular is to enforce and re-affirm VA's Tidewater policy. This Circular encourages VA program participants to provide relevant market data to VA fee and staff appraisers during the appraisal process. These guidelines should help limit the number of cases that reach the reconsideration of value phase and also provide a more timely response to those cases that are submitted for reconsideration.

2. Background. The Tidewater process, which allows appraisers to request additional sale information prior to the appraisal being completed, has been in existence since 2003 (see VA Circular 26-03-11). Through the years, this process has assisted Veterans in attaining the home they desire. While housing data sources have improved, there are still times when relevant sales are not readily available via traditional data sources. Using the Tidewater process gives interested parties the opportunity to provide additional sales data that may support the contract price.

3. Notification of Point of Contact(s).

a. If the requester, on the appraisal request form (VAF 26-1805, Request for Determination of Reasonable Value), has provided specific Point of Contact (POC) information, VA fee appraisers are required to notify the listed POC when it appears that the appraised value will be lower than the sales price of the subject property. The requestor may designate whomever they feel is most appropriate as the POC including the realtor, loan officer/originator, etc. If the POC is not provided, the appraiser will be required to call the appraisal requestor shown on the appraisal request to make such notification. At this time, the appraiser must enter notes in the WebLGY system via VA's Veteran Information Portal (VIP) as documentation that this process has been initiated.

b. As there is no field for POC information in the WebLGY request screen, the lender will enter the specific contact information in field #30, Comments on Special Assessments or Homeowner's Association Charges. The information should read: POC for Appraisal Issues is: (ex. John Doe, (800) 123-4567, JDOE@XYZ.COM). The appraiser is not at liberty to discuss the content of the appraisal with the POC at this point beyond explaining that they are calling for additional information that the POC may be able to provide in support of the transaction. VA expects full cooperation between the fee appraiser and the specified POC or lender.

c. Once the fee appraiser has notified the lender or POC, they will have 2 working days to provide additional information to the fee appraiser, in a format similar to the comparable sales grid on the URAR. Verification that the sale actually closed is also a requirement. If pending sales contracts are submitted to support a time adjustment, they must be completed with all

contract addendums attached. In addition, a brief narrative describing the similarities/differences between the pending sale and the subject property should be included.

d. After receipt of any additional information, the appraiser will complete the appraisal report indicating that this process was utilized in an addendum clearly titled "Tidewater." If the information provided to the appraiser does not result in an increase in value that meets or exceeds the sales price, the appraiser will submit an addendum describing the information that was collected and why it did not change the opinion of value. In either situation, the appraiser will include a comment regarding the amount of time this process added to the overall appraisal delivery. VA and Lender Staff Appraisal Reviewers (SARs) will monitor this factor and determine if reasonable timeliness was adhered.

4. Any further questions may be directed via e-mail to: [colenders@vba.va.gov](mailto:colenders@vba.va.gov).
5. Rescission: This Circular is rescinded July 1, 2020.

By Direction of the Under Secretary for Benefits

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