



Loan Guaranty Conference 2023

Tidewater and Reconsideration of Value

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VA



U.S. Department
of Veterans Affairs

Tidewater Procedure

- ▶ VA Lenders Handbook, Chapter 10, Section 8
- ▶ Appraisers are required to notify the requester when it appears the estimated market value will be below the sale price.
 - On the appraisal order screen in WebLGY, there is a section for the requester to enter contact information for the Tidewater point of contact (POC).
- ▶ Two business days are allowed for submission of additional data.

Tidewater Procedure, Continued

- ▶ For potential comparable sales, the more information provided, the better:
 - Street address
 - Date of sale and sales price
 - Gross living area
 - If property was listed, a copy of the listing details and
 - Any other information to assist the appraiser in determining whether the sale could be used as a comparable property
- ▶ It is the responsibility of the requester to provide sufficient information for the appraiser to analyze.
- ▶ Tidewater is in no way to be considered as instruction to the appraiser to meet any preset value.

Post-Tidewater

- ▶ When Tidewater is invoked, if the data does not result in the value meeting or exceeding the sales price the next step is reconsideration of value (ROV)
- ▶ When the staff appraisal reviewer (SAR) issues the Notice of Value (NOV) they should review and acknowledge any comments in the appraisal report that address Tidewater.
- ▶ On the NOV issuing screen in WebLGY, the SAR will note with the dropdown if Tidewater was invoked.

Common Questions - Tidewater Procedure

- ▶ Question: What if my data is submitted after the two business days?
- ▶ Answer: The data would not be included for Tidewater procedure but can be considered for a ROV request.

- ▶ Question: How long does the appraiser have after we send Tidewater comps to make a determination and upload a report?
- ▶ Answer: This will be based on the posted timeliness requirements for the office of jurisdiction.

ROV

- ▶ VA Lenders Handbook, Chapter 10, Section 22
- ▶ The NOV must be issued to request a ROV.
- ▶ To submit a ROV request:
 - Submit a written request from the Veteran including the requested value
 - Provide relevant market data as available
 - Send ROV requests to VA, not to the appraiser
- ▶ VA staff will review the appraisal report, additional submitted data, as well as the market data available through VA's appraisal management service within five days. Field reviews will be completed in 20 days.
- ▶ If VA determines a change in value is supported, VA will issue an amended Notice of Value. The appraisal report will not change.

Common Questions - ROV

- ▶ Question: Can I submit listings or pending sales for an ROV?
- ▶ Answer: No

- ▶ Question: Can I provide a closed sale for a property that was sold after the effective date of appraisal?
- ▶ Answer: Yes

- ▶ Question: What would be considered a superior comparable sale to submit for an ROV?
- ▶ Answer: The best supporting evidence for your ROV request is sales data for recent sales of nearby and similar properties.

Common Questions – ROV, Continued

- ▶ Question: Does the ROV data need to be provided on a grid?
- ▶ Answer: This is not required, however data should be well presented and organized in a manner that provides the best support for the value request.

- ▶ Question: After an ROV decision has been rendered, can we request an additional review?
- ▶ Answer: Yes, VA staff will review additional submitted data, as well as the market data available through VA's AMS. New and compelling data is preferred.

Common Questions – ROV, Cont.

- ▶ Question: Can we submit an appraisal report as supporting evidence for an ROV request?
- ▶ Answer: Yes, preferably a redacted appraisal report can be considered for the ROV.

- ▶ Question: Can I submit a list of updates as part of an ROV request?
- ▶ Answer: Yes, however, recent sales of nearby and similar properties is the best way to support your request.

- ▶ Question: Can the seller submit an ROV request?
- ▶ Answer: No

Questions ?

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