

VA Minimum Property Requirements

VA Minimum Property Requirements (MPRs) provide general acceptability criteria for properties which will become the security for VA-guaranteed loans. In “proposed” or “under construction” cases, the MPRs help ensure that the property is constructed according to the applicable building codes and Federal requirements.

Basic MPRs

Entity

The property must be a single readily marketable real estate entity.

Non-Residential Use

Any non-residential use of the property must be subordinate to its residential use and character. If any portion of a property is designed or used for non-residential purposes, that property is eligible only if the non-residential use does not:

- Impair the residential character of the property, or
- Exceed 25% of the total floor area

Note: In making this calculation, the total non-residential area must include storage areas or similar spaces that are integral parts of the non-residential portion.

Space Requirements

Each living unit must have the space necessary to assure suitable:

- Living
- Sleeping
- Cooking and dining accommodations; and
- Sanitary facilities

Mechanical Systems

Mechanical systems must:

- Be safe to operate
- Be protected from destructive elements
- Have reasonable future utility, durability and economy; and
- Have adequate capacity and quality

Heating

Heating must be adequate for healthful and comfortable living conditions. Homes with a **wood burning stove** as a primary heating source must also have a permanently installed conventional heating system that maintains a temperature of at least 50 degrees Fahrenheit in areas with plumbing.

Solar systems for domestic water heating and/or space heating must:

- Meet HUD requirements
- Be backed up 100% with a conventional thermal energy subsystem or other backup system which will provide the same degree of reliability and performance as a conventional system

Water Supply and Sanitary Facilities

Each unit must have the following:

- Domestic hot water
- A continuing supply of safe and potable water for drinking and other household uses; and
- Sanitary facilities and a safe method of sewage disposal

Roof Covering

The roof covering must:

- Prevent the entrance of moisture; and
- Provide reasonable future utility, durability, and economy of maintenance

When a defective roof with three or more layers of shingles must be replaced, all old shingles must first be removed.

Crawl Space

The crawl space must:

- Have adequate access
- Be clear of all debris; and
- Be properly vented

The floor joists must be sufficiently above the highest level of the ground to provide access for maintenance and repair of ductwork and plumbing. Any **excessive dampness or ponding of water** in the crawl space must be corrected.

Ventilation

Natural ventilation of structural spaces such as attics and crawl spaces must be provided to reduce the effect of excess heat and moisture which could cause decay and deterioration of the structure.

Electricity

Each unit must have electricity for lighting and for necessary equipment.

Facilities

Facilities such as laundry and storage space or heating may be shared in two-to-four living unit buildings under a single mortgage.

Utilities

Utility services must be independent for each living unit, except:

- Living units under a single mortgage or ownership may share water, sewer, gas, or electricity as long as there are separate service shut-offs for each unit; and
- Living units under separate ownership may share connections from the main to the building line when those connections are protected by
 - Easement or covenant; and
 - A maintenance agreement acceptable to VA

Individual utilities serving one living unit shall not pass over, under, or through another living unit unless there is a legal provision for permanent right of access for maintenance and repair of the utilities without trespass on adjoining properties.

Access to Property

Each property must be provided with a safe and adequate pedestrian or vehicular access from a public or private street.

Private streets must be:

- Protected by a permanent easement; and
- Maintained by a homeowners association or joint maintenance agreement

All streets must have an all-weather surface.

Access to Living Unit

Access to the living area must be provided without passing through any other living unit. Each living unit must be able to be used and maintained individually without trespass upon adjoining properties. Any easements required must run with the land.

Access to Rear Yard

Access to the rear yard must be provided without passing through any other living unit. For a row-type dwelling, the access may be by means of:

- Alley
- Easement
- Passage through the subject dwelling; or
- Other acceptable means

Access for Exterior Wall Maintenance

There must be adequate space between buildings to permit maintenance of the exterior walls.

Hazards

The property must be free of hazards which may:

- Adversely affect the health and safety of the occupants
- Adversely affect the structural soundness of the dwelling and other improvements to the property; or
- Impair the customary use and enjoyment of the property by the occupants

Defective Conditions

Conditions which impair the safety, sanitation, or structural soundness of the dwelling will cause the property to be **unacceptable** until the defects or conditions have been remedied and the probability of further damage eliminated. Such conditions include but are not limited to:

- Defective construction
- Poor workmanship
- Evidence of continuing settlement
- Excessive dampness
- Leakage
- Decay
- Termites

Drainage

The site must be graded so that it:

- Provides positive, rapid drainage away from the perimeter walls of the dwelling, and
- Prevents ponding of water on the site

Wood Destroying Insects/Fungus/Dry Rot

Appraisers must look for and report evidence of wood destroying insect infestation, fungus growth, and dry rot in addition to any VA requirement for an inspection of the property by a wood destroying insect inspector.

Lead-Based Paint

Lead-based paint constitutes an immediate hazard that must be corrected unless testing shows that lead is not present in the paint at a level above that permitted by law. Appraisers must:

- Assume that a defective paint condition (involving cracking, scaling, chipping, peeling, or loose paint) on any interior or exterior surface of properties built prior to 1978 involves lead-based paint
- Clearly identify the location of such conditions; and
- Recommend correction

Any defective paint condition identified must receive adequate treatment to prevent the ingestion of contaminated paint. Either:

- The surface requiring treatment must be thoroughly washed, scraped, wire brushed or otherwise cleaned to remove all cracking, peeling, chipping and loose paint and then repainted with two coats of a suitable non-lead paint; or
- The paint shall be completely removed or the surface covered with a suitable material such as gypsum, wallboard, plywood or plaster before any painting is undertaken

Party Walls

A building constructed to a property line must be separated from the adjoining building by a wall extending the full height of the building from the foundation to the roof ridge. The wall may separate row type townhouses or semi-detached units.

Gas and Petroleum Pipelines

No part of any residential structure may be located within a high pressure gas or liquid petroleum pipeline easement. Any detached improvements even partially in the pipeline easement will not receive value for VA purposes.

If a proposed residential structure will be located outside the pipeline easement, but within an area that extends 220 yards on either side of the centerline of the pipeline itself, the VA Notice of Value will be conditioned for the following, as applicable:

- *High Pressure Gas Pipelines – A statement from an authorized official of the pipeline company certifying compliance with 49 CFR 192.607, 192.609, 192.611 and 192.613*
- *Liquid Petroleum Pipelines – A statement from an authorized official of the pipeline company certifying compliance with 49 CFR 195 and amendments thereto*

High Voltage Electric Transmission Lines

No part of any residential structure may be located within a high voltage electric transmission line easement. Any detached improvements even partially in a transmission line easement will not receive value for VA purposes.

Connection to Public System

Connection to a public or community water/sewage disposal system will only be mandatory when such connection is required by the local building, planning, or health authorities.

For properties on individual water and/or sewer (septic) systems where well water or septic tests or certifications are required, the validity of those tests or certifications is 90 days.

All Notices of Value (NOVs) issued on properties served by individual water and/or sewer systems will require NOV Item #6 to be checked for connection to public water or public sewer only if the local building, planning, or health authority requires such connection.

Water Quality

Water quality for an individual water supply must meet the requirements of the health authority having jurisdiction. If the local authority does not have specific requirements, the maximum contaminant levels established by the Environmental Protection Agency (EPA) will apply.

If the health authority is unable to perform the water quality analysis in a timely manner, a commercial testing laboratory or a licensed sanitary engineer acceptable to the health authority may take and test the water sample.

Water Treatment Systems

Water treatment systems are not acceptable for wells which do not meet VA quality standards due to insufficient depth or a contamination source near the supply. However, if public water is not available and individual water supplies in the area are served by an aquifer confirmed by the health department to be contaminated, the property is eligible for a VA loan if the lender provides:

- *A copy of the health department letter confirming the aquifer contamination*
- *Evidence that all of the requirements in HUD Mortgage Letters 92-18 and 95-34 concerning individual water purification systems have been met for the property; and*
- *The Veteran purchaser's written acknowledgment that he/she understands that the well water serving the property must be continuously treated by the homeowner as required by the local health department to be considered safe for human consumption*

Shared Wells

The following requirements must be met for a shared well:

- The well must be capable of providing a continuing supply of safe and potable water to each property simultaneously so that each dwelling will be assured a sufficient quantity for all domestic purposes
- There must be a permanent easement which allows access for maintenance and repair
- There must be a well-sharing agreement which:
 - Makes reasonable and fair provisions for maintenance and repair of the system and the sharing of those costs
 - Is binding on the signatory parties and their successors in title; and
 - Is recorded in local deed records

Springs or Cisterns

Springs or cisterns are permitted where such facilities are customary and the only feasible means of water supply, provided they are installed in accordance with the recommendations of the local health authority, and the Veteran purchaser acknowledges in writing his/her awareness of the situation

If the local health authority has no requirements, U.S. Public Health Service requirements apply.

Sewage Disposal System

An individual sewage disposal system must adequately dispose of all domestic wastes in a manner which will not create a nuisance or in any way endanger the public health.

Pit Privies

Individual pit privies are permitted where such facilities are customary and are the only feasible means of waste disposal, provided they are installed in accordance with the recommendations of the local health authority.

If the local health authority has no requirements, U.S. Public Health Service requirements apply.

Community Water

If the property will be serviced by a community water and/or sewage disposal system, VA must be satisfied that the type of system and organization will provide adequate, continuous service at reasonable rates.

The **water supply** must be sufficient in size for the project. The quality of water must be approved by the local or state health officials.

The **sewage system** must also be adequate in size and properly operated and maintained so as to prevent it from becoming obnoxious or a menace to public health.

For properties appraised as existing or new construction that use a community water supply, the only requirement is evidence of approval of the water company's facilities by the appropriate state or local public utility and health authorities.

For properties appraised as "proposed" or "under construction", the VA field station will review the following documentation:

- Evidence of the financial stability and technical experience of the corporation, firm or organization operating the facilities
- Evidence of approval of the facilities by the appropriate state or local public utility and health authorities; and
- Rates for the water supply and/or sewage disposal systems (to ensure that they are not greater than the charges for like services to properties similarly situated)

Manufactured Homes Classified as Real Estate – Existing Construction

When the foundation for a manufactured home has been fully completed and the manufactured home unit has been installed, the home is considered to be “existing construction”. There are two MPR-related requirements for these existing construction cases:

- The site, manufactured home unit, and other on-site improvements must meet VA MPRs for existing construction
- The manufactured home unit must be properly attached to a permanent foundation system which is constructed to withstand both supporting loads and wind-overturning loads, and is acceptable to the building authority having jurisdiction

Note: If the appraiser has reasonable doubts as to the acceptability of the foundation system where there are no local requirements, a statement from a registered professional engineer is acceptable. Considering their cost, such statements should be required only when necessary and not just as a measure of liability protection for the appraiser.

Manufactured Homes Classified as Real Estate – Proposed or Under Construction

When the foundation for a manufactured home has **not** been fully completed and the unit has not been installed, the home is considered to be “proposed” or “under construction”. There are two MPR-related requirements for these “proposed” or “under construction” cases:

- The site and on-site improvements (but not the manufactured unit itself) must meet the requirements outlined in “Proposed Construction MPRs”
- The manufactured home unit must be properly attached to a permanent foundation system which is constructed to withstand both supporting loads and wind-overturning loads and is acceptable to the building authority having jurisdiction

In addition to “Proposed Construction MPRs”, additional information regarding manufactured home installations can be found in:

- The manufacturer’s installation instructions (used to determine the permissible points of support for vertical loads and points of attachment for the anchorage system used to resist horizontal and uplift forces); and
- The Appendix section of the CABO One and Two Family Dwelling Code

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The following table lists each foundation component and any related requirements for “proposed” or “under construction” cases:

| Foundation Component | Requirement |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Piers and Footings | The load-bearing piers and footings must <ul style="list-style-type: none"> • Be of sufficient size and number to distribute the weight of the manufactured home evenly • Be of materials acceptable to the building authority having jurisdiction; and • (Where applicable) have footings which extend below the frost line |
| Concrete Slabs or Continuous Footings | Concrete slabs or continuous footings are acceptable in areas where their use is permitted by local building authorities. Steel anchorage devices must be cast into the concrete slab or footing to be capable of providing holding strength to resist horizontal and uplift forces. |
| Anchoring Devices | Anchoring devices, adequate to resist all loads, must: <ul style="list-style-type: none"> • Be attached to the main frame of the unit by a bolted, welded, or mechanical connector • Be placed at every supporting pier or as specified by the manufacturer; and • Extend into the pier footing Anchoring straps or cables affixed to ground anchors, other than pier footings, will not meet this requirement unless specifically allowed by the building authority of jurisdiction |
| Hurricane Ties | Properties located in Wind zone II or III (wind speeds in excess of 80 mph) must be provided with diagonal hurricane ties which have been properly engineered for the location and comply with the requirements of the building authority having jurisdiction. |
| Flexible Connections for Seismic Activity | Properties located in areas of high seismic activity require special foundation designs to compensate for the effects of ground movement and to provide flexible connections between the foundation system and the manufactured home and all utility connections. Building authorities in these areas should be consulted for acceptable design features and special code requirements. |
| Permanent Perimeter Enclosure | A permanent perimeter enclosure (not “skirting”) with a continuous foundation-type footing will be required only when specifically required by the local building authority. When required, it must be: <ul style="list-style-type: none"> • Designed to resist all forces which cause frost heave, soil settlement, or the shrinking or swelling of expansive soils without transmitting the movement or effects to the manufactured home unit; and • Properly secured to the perimeter of the manufactured home to exclude entry of vermin and water and provide ventilation and a means of access to the crawl space |
| Moisture and Humidity Reduction | The reduction of moisture and humidity in an enclosed under floor space is required. Except in arid regions with dry soil conditions, a continuous moisture barrier that covers the natural or excavated ground surface within the perimeter enclosure of the home must be installed. Provisions should also be made to prevent water from entering the crawl space and for the control and diversion of surface water away from the manufactured home. |