



HOME LOAN GUARANTY

ASSISTANCE WITH DELINQUENT HOME LOANS

OVERVIEW

The Department of Veterans Affairs' (VA) goal is to ensure each Veteran receives every possible opportunity to retain their home or avoid foreclosure. VA urges all Veterans who are encountering problems making their mortgage payments to speak with their loan servicer as soon as possible to explore options to avoid foreclosure.

OPTIONS TO AVOID FORECLOSURE

The following options are generally available to all borrowers to avoid foreclosure:

- Repayment Plan – The borrower makes their regular installment each month plus part of the missed installments.
- Special Forbearance – The servicer agrees not to initiate foreclosure to allow time for borrowers to repay the missed installments.
- Loan Modification – Provides the borrower a fresh start by adding the delinquency to the loan balance and establishing a new payment schedule.
- Additional time to arrange a private sale – The servicer agrees to delay foreclosure to allow a sale to close if the loan will be paid off.
- Short Sale – When the servicer agrees to allow a borrower to sell his/her home for a lesser amount than what is currently required to payoff the loan.
- Deed-in-Lieu of Foreclosure - The borrower voluntarily agrees to deed the property to the servicer instead of going through the foreclosure process.

Access our [home loans website](#) for additional information on VA loans, and to watch videos of Veterans who have completed some of the workout options listed above.

Disabilities determined by VA to be related to your military service can lead to monthly non-taxable compensation, enrollment in the VA health care system, a 10-point hiring preference for federal employment and other important benefits. Ask your VA representative or Veterans Service Organization representative about Disability Compensation, Pension, Health Care, Caregiver Program, Career Services, Educational Assistance, Home Loan Guaranty, Insurance and/or Dependents and Survivors' Benefits.



U.S. Department
of Veterans Affairs



SERVICEMEMBERS CIVIL RELIEF ACT

Veteran borrowers may be able to request relief pursuant to the Servicemembers Civil Relief Act (SCRA). SCRA is intended to ease the economic and legal burdens on military personnel during their active service. In order to qualify for certain protections available under the Act, the borrower must request protection under the Act, and the loan must have originated prior to the current period of active military service. SCRA may provide for a lower interest rate, or prevent foreclosure or eviction. Please contact your nearest VA Loan Technician at (877) 827-3702 if you have any questions.

VETERANS WITH VA GUARANTEED HOME LOANS

Loan servicers have the primary responsibility of resolving loan defaults, so it is imperative borrowers contact their loan servicer as quickly as possible. However, in cases where the servicer is unable to help the Veteran borrower, Loan Guaranty has Loan Technicians in nine Regional Loan Centers who take an active role in interceding with the servicer to explore all options to avoid foreclosure. Servicemembers or Veterans with VA-guaranteed home loans can call (877) 827-3702 to reach the nearest Loan Guaranty office where Loan Technicians are prepared to discuss potential ways to help save the home.

VETERANS WITH NON-VA GUARANTEED HOME LOANS

For a Veteran or Servicemember with a conventional or sub-prime loan, VA does not have the legal authority to intervene on the borrower's behalf. It is imperative that the borrower contacts his/her servicer as quickly as possible. Visit VA's [home loans website](#) or call toll-free (877) 827-3702 to speak with a VA Loan Technician for advice on approaches to take with your servicer.

NATIONAL CALL CENTER FOR HOMELESS VETERANS

Veterans who believe they may be facing homelessness can call (877) 4AID VET (877-424-3838) or go to our [homeless Veterans website](#) to receive immediate assistance from VA.

OTHER ASSISTANCE

In addition to the resources offered by VA, the Department of Housing and Urban Development (HUD) offers assistance to homeowners by sponsoring local housing counseling agencies. To find an



approved agency in your area, please search online at www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm, or call HUD's interactive voice system at (800) 569-4287.

