

Evidence of Guaranty

1. Purpose. This Circular is to notify lenders of an upcoming WebLGY system update to be released tentatively for July 12, 2020, and to provide guidance in the interim.
2. Background. There is a known system issue, which has impacted some lenders ability to obtain a Loan Guaranty Certificate (LGC) in WebLGY. Lenders must request the LGC, in WebLGY, within 60 days of closing per 38 C.F.R. § 36.4303. Due to a recent system release, WebLGY may be incorrectly preventing lenders from obtaining an LGC, if the prior loan first payment due date exceeds 63 days from the date of the prior loan closing. The system issue is tentatively scheduled to be resolved with a system update on July 12, 2020.
3. Timeline to Request Evidence of Guaranty. Lenders are reminded evidence of guaranty will be issuable to a lender if the loan is reported to the Secretary no later than 60 days following full disbursement upon the lender's certification per 38 C.F.R. 36.4303 (f). VA understands the system issue may affect the lender's ability to request the LGC within 60 days of closing. If the lender is unable to request evidence of guaranty due to this issue, they should wait to request the LGC until after July 12, 2020. Lenders should document the comments section on the Guaranty Screen in WebLGY, stating they were unable to submit guaranty within 60 days due to the 63 day WebLGY system issue. As a reminder, per 38 C.F.R. § 36.4313 lenders are required to remit funding fees within 15 days of loan closing.
4. Questions. VA Regional Loan Centers (RLC) can be contacted by calling 1-877-827-3702, with hours of operation between 8am to 6pm EST. Your call will be placed in the national queue, and answered at the earliest convenience.
5. Rescission: This Circular is rescinded October 1, 2020.

By Direction of the Under Secretary for Benefits

Jeffrey F. London
Executive Director
Loan Guaranty Service

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