

**Veterans Benefits Administration
Department of Veterans Affairs
Washington, D.C. 20420**

**VA Pamphlet 26-7, Revised
Change 38
July 27, 2023**

To: Lenders and Other Participants in the VA Loan Guaranty Program

Subject: Transmittal of Change 38 to VA Pamphlet 26-7, Revised, VA Lender's Handbook

Purpose

Attached is a revision to Chapter 7, Loans Requiring Special Underwriting, Guaranty, and Other Considerations, of the VA Lenders Handbook.

Changes

- Topic 7, Subsection b. has been updated to clarify when a temporary buydown may be used in conjunction with a VA-guaranteed loan and how escrowed funds are to be held.
- Topic 7, Subsection c. has been updated to clarify buydown payment schedules.
- Topic 7, Subsection d. has been updated to clarify how to underwrite loans involving a temporary buydown.
- Topic 7, Subsection e. has been added to include information on when a temporary buydown is considered a seller concession.
- All other Topics within this chapter have been updated to a 508 compliant format, no changes to the content were otherwise made.

Additional Copies

Additional copies may be downloaded from the VA Home Loans website (<http://www.benefits.va.gov/homeloans>).

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