Veterans Benefits Administration   VA Pamphlet 26-7, Revised
Department of Veterans Affairs   Change 41
Washington, D.C. 20420   May 14, 2024

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

Subject: Transmittal of Change 41 to VA Pamphlet 26-7, Revised, VA Lender's Handbook

<u>Purpose</u>

Attached is a revision to Chapter 5, *How to Process VA Loans and Submit Them to VA*, of the VA Lenders Handbook.

<u>Changes</u>

- Topics 1 and 3 have been updated to replace references to the Regional Loan Center (RLC) with VA.

- Minor grammatical changes were also made throughout topics 1-4.

- Topic 1, section a, *Order of Completion*, has been updated to add a step for submission of VA Form 26-8937, *Verification of VA Benefits*, if the Veteran indicates they have a pre-discharge disability claim pending with VA.

- Topic 1 section b, *How to Obtain a Certificate of Eligibility*, has been updated to replace references to e-benefits with va.gov.

- Topic 1 section f, *Requirements for Active-Duty Service members*, has been updated with information on pre-discharge claim information.

- Topic 2 section a has been updated to replace the reference to the Veterans Information Portal and now refers lenders to Appendix B for information on submitting documents to VA.

- Topic 3 has been updated to remove references to processing requirements involving a VA-appointed fiduciary.

- Topic 3 section a, *Loans to be Submitted for Prior Approval*, has been updated to remove the prior approval requirement for loans involving a VA-appointed fiduciary, and to further clarify which types of loans are required to be submitted for prior approval.

- Topic 3 section c, *How to Request Prior Approval*, which previously provided the stacking order for prior approval requests for purchase/cash-out refinance loans, has been renamed and updated to refer lenders to the updated stacking orders provided in Appendix B, Topic 2.

- Topic 3 previous section e, *Documentation Required for an IRRRL Prior Approval*

Package, has been removed from this Topic and moved to Appendix B Topic 2. All subsequent sections were re-lettered.

- Topic 3 previous section h, *Changes Occurring After Issuance of the Certificate of Commitment*, has been updated.
- Topic 3, previous section i, *Conditional Certificates of Commitment*, Table 4, has been updated to remove the conditional commitment condition for loans to be made to a Veteran and fiancé(e) who intend to marry prior to closing and who will hold title as Veteran and spouse.

- Topic 3 previous section k, *How to Report Loan Closing and Request Guaranty*, which previously provided the stacking order for reporting a closed prior approval loan, has been updated to refer lenders to the updated stacking orders provided in Appendix B, Topic 2.
- Previous section k, *How to Report Loan Closing and Request Guaranty*, has been updated with additional information related to the late reporting certification required if the loan is not reported in a timely manner.

- Topic 4 Section a, *How to Request Guaranty*, has been updated with additional information related to the late reporting certification required if the loan is not reported in a timely manner.

- Topic 4 section b, *Documents Required if the Lender is Unable to Obtain an Electronic LGC*, has been updated to remove the stacking order for manual guaranty requests and to direct the lender to the updated stacking order in Appendix B Topic 1.

- Topic 4 section c*, Full File Loan Review (FFLR) Procedures*, has been updated to remove the stacking orders for VA FFLR requests and to direct the lender to the updated stacking orders in Appendix B.

- Previous Topic 5, *Other Necessary Documents to Submit,* has been removed and its contents have been added to Appendix B. The subsequent Topic, *Processing Loan Assumptions by the Current Servicer or Holder of the VA Loan*, has been renumbered, no other changes were made to this topic.

<u>Additional Copies</u>

Additional copies may be downloaded at https://benefits.va.gov/warms/topic-homeloans.asp.

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