

VA Loan Full File Loan Review - File Upload Stacking Order

1. Purpose. This Circular announces the Department of Veterans Affairs (VA) new mandatory stacking order for files selected for VA full file loan review, effective May 1, 2014.
2. Background. Currently, VA's full file loan review process permits lenders to upload selected loan files to WebLGY for review without regard to document order or document type. Establishing a stacking order, which only permits uploading of VA-required documents, reduces upload time for lenders and audit times for VA. This new stacking order follows the Federal Housing Administration's current stacking order.
3. New VA Loan Review Stacking Order. A new mandatory stacking order has been established for purchases/cash-out refinances and interest rate reduction refinance loans (IRRRLs). The new stacking order for purchase/cash-out refinance loans is attached in Exhibit A, and the new stacking order for IRRRLs is in Exhibit B.
4. Rescission: This Circular is rescinded January 1, 2015.

By Direction of the Under Secretary for Benefits

Michael J. Frueh
Director
Loan Guaranty Service

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Stacking Order for Purchase/Cash-out Refinance Loans

Order	Document
1	Lender's cover or transmittal letter (if used).
2	Evidence of compliance with Notice of Value (NOV) requirements; such as, final compliance inspection, termite certification, and/or warranty.
3	Uniform Residential Loan Application (URLA) with revised VA Form 26-1802a , <i>Department of Housing and Urban Development (HUD)/VA Addendum to URLA</i> . <ul style="list-style-type: none"> • These forms may be signed and dated anytime from the date of initial application to the date of loan closing. These forms must be properly completed and legible, but do not have to be typed.
4	Purchase Agreement including all contract addendums and the signed VA Escape Clause.
5	HUD-1 , <i>Settlement Statement</i>
6	HUD-1 itemization attachments (Breakout of HUD-1 lines 801 and 802, 1100 (title fees), 200 (credits), etc.).
7	VA Form 26-1820 , <i>Report and Certification of Loan Disbursement</i>
8	VA Form 26-8497 , <i>Request for Verification of Employment</i> , and other verifications of income such as pay stubs and tax returns. Reference: VA Pamphlet 26-7, section 2 of chapter 4 .
9	Credit Alert Verification Report System (CAIVRS): borrower/co-borrower
10	All original credit reports obtained in connection with the loan and any related documentation such as explanations for adverse credit if required.
11	VA Form 26-8497a , <i>Request for Verification of Deposit</i> , and other related documents (Alternative documentation: Original or certified true copies of last two bank statements).
12	For Automated Underwriting cases: Feedback Certificate and underwriter's certification (acceptable variations on the documentation required in items 17, 18, and 19 below, and the underwriter's certification, are explained in VA Pamphlet 26-7, section 8 of chapter 4).
13	VA Form 26-6393 , <i>Loan Analysis</i>
14	VA Form 26-0286 , <i>VA Loan Summary Sheet</i>
15	If a loan is submitted more than 60 days after loan closing, a statement signed by a corporate officer of the lender which identifies the loan, provides the specific reasons for late reporting and certifies that the loan is current. This statement must be submitted with any late request for issuance of a Loan Guaranty Certificate (LGC).
16	VA Form 26-0592 , <i>Counseling Checklist for Military Homebuyers</i> , if the applicant is on active duty.
17	TIL – Truth in Lending
18	GFE – Good Faith Estimate
19	Closing Cost Estimate (future Doc)
20	Other necessary documents (for example – but not limited to, Power of Attorney if used, Lenders Loan Quality Certification).

Stacking Order for IRRRLs

Order	Document
1	Lender's cover or transmittal letter (if used).
2	Uniform Residential Loan Application (URLA) with revised VA Form 26-1802a , <i>Department of Housing and Urban Development (HUD)/VA Addendum to URLA</i> . <ul style="list-style-type: none"> • These forms may be signed and dated anytime from the date of initial application to the date of loan closing. These forms must be properly completed and legible, but do not have to be typed.
3	HUD-1 , <i>Settlement Statement</i>
4	HUD-1 itemization attachments (Breakout of HUD-1 lines 801 and 802, 1100 (title fees), 200 (credits), etc.).
5	VA Form 26-1820 , <i>Report and Certification of Loan Disbursement</i>
6	Statement signed by the Veteran acknowledging the effect of the refinancing loan on the Veteran's loan payments and interest rate. <ul style="list-style-type: none"> • The statement must show the interest rate and monthly payments for the new loan versus that for the old loan. • The statement must also indicate how long it will take to recoup ALL closing costs (both those included in the loan and those paid outside of closing). • If applicable, the Veteran's statement may be combined with the lender's certification that the Veteran qualifies for the new monthly payment which exceeds the previous payment by 20% or more.
7	VA Form 26-8923 , <i>Interest Rate Reduction Refinancing Loan Worksheet</i>
8	VA Form 26-8937 , <i>Verification of VA Benefits</i> , (if applicable).
9	Lender's certification that the prior loan was current (not 30 days or more past due) at the time of loan closing.
10	Credit Alert Verification Report System (CAIVRS): borrower/co-borrower
12	VA Form 26-0503 , <i>Federal Collection Policy Notice</i>
13	VA Form 26-0286 , <i>VA Loan Summary Sheet</i>
14	If a loan is submitted more than 60 days after loan closing, a statement signed by a corporate officer of the lender which identifies the loan, provides the specific reasons for late reporting and certifies that the loan is current. This statement must be submitted with any late request for issuance of a Loan Guaranty Certificate (LGC).
15	VA Form 26-0592 , <i>Counseling Checklist for Military Homebuyers</i> , if the applicant is on active duty.
16	TIL – Truth in Lending
17	GFE – Good Faith Estimate
18	Closing Cost Estimate (future Doc)
19	Documentation of the cost of energy efficiency improvements included in the loan. For cash reimbursement of the Veteran, the improvements must have been completed within the 90 days immediately preceding the date of the loan. Reference: VA Pamphlet 26-7, section 3 of chapter 7 .
20	Other necessary documents (for example – but not limited to, Power of Attorney if used, Lenders Loan Quality Certification).