



DEPARTMENT OF VETERANS AFFAIRS

8320-01

Loan Guaranty: Mandatory Electronic Delivery of Loan Files for Review

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: The Department of Veterans Affairs (VA) Loan Guaranty Service (LGY) announces a new policy with regard to lender submission of VA-guaranteed closed loan files for review. Currently, lenders can submit loan files selected for review by LGY through either electronic upload or in hard copy form. Effective January 1, 2014, LGY will require the electronic uploading of all loan files, pursuant to 38 CFR 36.4333.

DATES: Effective January 1, 2014, VA will require the electronic submission of all loan files.

FOR FURTHER INFORMATION CONTACT: John Bell III, Assistant Director for Loan Policy and Valuation, Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420, (202) 632-8786 (This is not a toll-free number.).

SUPPLEMENTARY INFORMATION: In accordance with 38 CFR 36.4333, VA announces the implementation of a new policy with regard to the submission of VA-guaranteed closed loan files to LGY for review.

LGY on a monthly basis completes a full file review of randomly selected VA-guaranteed loans, and those with certain loan characteristics that closed during the prior month. The purpose of the review is to ensure that lenders participating in the Home Loan Guaranty program are complying with LGY regulations and policies.

In May 2012, LGY began permitting lenders to submit their loan files selected for review either electronically or in hard copy form. Currently, lenders submit over 80 percent of all loan files for review electronically.

To further take advantage of this technology and create a process for targeted reviews that will streamline the loan review process, LGY is implementing a new policy with regard to lender submission of loan files. This document announces that, effective January 1, 2014, LGY will require the electronic submission of all loan files selected for full file review.

#### Signing Authority

The Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Jose D. Riojas, Chief of Staff, Department of Veterans Affairs, approved this document on October 18, 2013, for publication.

Dated: October 22, 2013.

William F. Russo, Deputy Director,  
Regulation Policy and Management,  
Office of the General Counsel,  
Department of Veterans Affairs.

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