



DEPARTMENT OF VETERANS AFFAIRS
Regional Office
1240 East Ninth Street
Cleveland OH 44199

November 1, 2001

In Reply Refer To: 325/263
Information Letter 26-01-23

TO: All VA Loan Servicers Doing Business in Delaware, Indiana, Michigan, New Jersey, Ohio and Pennsylvania

SUBJ: Soldiers' and Sailors' Civil Relief Act of 1940, as Amended

1. **BACKGROUND:** The President has authorized the call to active military duty of as many as 50,000 National Guard and Reservists or more. VA is concerned that some of those called to active duty may encounter financial difficulties, similar to the many other home loan borrowers who have been affected by the tragic events of September 11, 2001. We previously requested your careful consideration of forbearance for those affected by the attacks, and would expect similar consideration for National Guard and Reservists. However, those veterans may also qualify for the special forbearance provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended. VA recently issued a circular providing guidance on that Act, and this letter tells about that circular and how you may obtain the information. It also provides guidance on local concerns about relief for active military members.

2. **VBA Circular 26-01-10:** On September 26, 2001, the Director of VA's Loan Guaranty Service issued a circular providing extensive guidance on the Soldiers and Sailors' Civil Relief Act of 1940, as amended. VA is not given any special authority to enforce the Act, but is very interested in ensuring that loan holders are aware of the Act and the special protections it affords our nation's veterans on active duty.

3. **Loan Guaranty Website:** An extract of the above referenced circular may be found on the VA Loan Guaranty website at www.homeloans.va.gov on the Lenders and Servicers page by clicking on the "What's New" button. Servicers should frequently check this page as we attempt to distribute more information via the internet.

4. **Additional Local Concerns:** While the Soldiers' and Sailors' Civil Relief Act of 1940 may add certain requirements to all foreclosure proceedings, we are also concerned about local requirements in our jurisdiction that may provide similar or more extensive relief. Although we have identified no statutes or provisions in our jurisdiction (Delaware, Indiana, Michigan, Ohio Pennsylvania, or New Jersey) which would appear to conflict with the Soldiers' and Sailors' Civil Relief Act of 1940 as amended, should holders become aware of any differences in interpretation pertaining to individual cases, we request that these differences be brought to our attention so that we may consult our local counsel and attempt to reconcile such differences fairly and without disruption to program operations.

5. Thank you for your continuing participation in our VA Loan Guaranty program.

/s/

JAMES L. BRUBAKER, JR.
Loan Guaranty Officer