



U. S. DEPARTMENT OF VETERANS AFFAIRS
Regional Office, Fort Snelling
1 Federal Drive
St. Paul, MN 55111-4050

November 4, 1999

REGIONAL LOAN CENTER MEMORANDUM NO. 99-24

TO: ALL LENDERS

SUBJ: LENDER SUBMISSIONS FOR GUARANTY

Purpose

This memorandum announces that effective January 1, 2000, incomplete lender guaranty submissions will be returned to the lender. Specifically, the package will be returned to the lender if the submission is missing **any** of the following:

- Original COE (Certificate of Eligibility), **or**
- Funding Fee Receipt (or evidence veteran is exempt) **or**
- Certificate of Reasonable Value, Notice of Value, or Master Certificate of Reasonable Value with front page and options pages highlighted to pertain to the specific property (does not apply to IRRRLs (Interest Rate Reduction Refinancing Loans)).

It is no longer acceptable to submit VA Form 26-1880, Request for a Certificate of Eligibility for VA Home Loan Benefits, in lieu of a Certificate of Eligibility.

Background

An increasing number of guaranty submissions lack the items cited in paragraph 1. Without these items, the case cannot be properly entered into VA systems to issue the LGC (Loan Guaranty Certificate). It is VA's desire to efficiently process guaranty submissions to ensure that lenders receive the LGC timely. By providing complete submissions, lenders can help ensure timely receipt of the LGC. The change regarding IRRRLs means lenders must obtain a Certificate of Eligibility before they submit the loan for guaranty. This will also ensure there is a VA guaranteed loan outstanding that can be refinanced under the IRRRL program. Since the Winston-Salem and Los Angeles Eligibility Centers are issuing COEs within 3 to 4 days of receipt of the application, lenders should have no difficulty obtaining a COE before closing and submitting a VA loan for guaranty.

/s/D. F. MUNRO
D. F. MUNRO
Loan Guaranty Officer