

New Electronic Upload of Prior Approval Loan Submissions

1. **Purpose.** The purpose of this Circular is to announce that the Department of Veterans Affairs (VA) will require lenders to upload prior approval loan submissions electronically through the WebLGY system.
2. **Background.** Currently, for a prior approval loan the lender mails the loan package to the Regional Loan Center (RLC) of jurisdiction for underwriting. In an effort to improve the prior approval process, VA is transitioning the submission of prior approval packages directly to the VA loan record in WebLGY.
3. **Effective date.** Effective February 13, 2017, prior approval loans must be submitted electronically through the WebLGY system.
4. **Lender Responsibilities.** Lenders must follow the guidelines in Chapter 5 of VA's Lender's Handbook for prior approval procedures including the stacking order in topic 4, section c.
 - a. The lender must furnish a cover letter with the upload, that states the reasons for the prior approval and explains any unique circumstances. In addition, the cover letter must include the submitting underwriter's name, phone number, e-mail address and his or her manager's name, phone number and e-mail address.
 - b. When submitting the prior approval package through WebLGY, please ensure the file is complete and contains the necessary documentation. Lenders should avoid submitting duplicate or extraneous documents. If a package is missing documents or contains incomplete information, RLCs will notify the lender, and underwriting of the loan may be delayed.
5. **Quick Reference Document.** More detailed instructions on the electronic submission of prior approval loans can be found at:
http://www.benefits.va.gov/homeloans/documents/docs/prior_approval_LP_lenders.pdf
6. **Rescission:** This Circular is rescinded January 1, 2020.

By Direction of the Under Secretary for Benefits

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Director, Loan Guaranty Service

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