



Loan Guaranty

Home Loan Guaranty Program Objectives

The objective of the VA Home Loan Guaranty program is to help eligible Veterans, active-duty personnel, surviving spouses, and members of the Reserves and National Guard purchase, retain, and adapt homes in recognition of their service to the Nation.

Current Benefits

VA home loans may be used to:

- Purchase a home;
- Purchase a residential unit in certain condominium projects;
- Build a home;
- Refinance an existing home loan; or
- Improve a home by installing solar heating or other energy conservation measures.

624,546 Loans Guaranteed
 Average Loan \$281,226
 Total Loan Amount:
 \$175.6 Billion

The Loan Guaranty Program was originally part of a national effort to move from a wartime economy to a peacetime economy and to avoid the economic recession historically associated with postwar periods. The program was one of the innovations advanced by the Servicemen's Readjustment Act of 1944 (PL 78-346), known as the GI Bill of Rights. By providing loan guaranties, the government could aid Veterans in their efforts to readjust to civilian life.



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Release history

Version & changes

Date



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Data as of

09/30/2019



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Program Information

There are two types of guaranteed loans: purchase and refinance. A purchase loan is used to obtain a home. The other loan type is a refinance, and there are two kinds of refinance loans: interest rate reduction and other refinance (i.e., cash-out refinancing). Interest rate reduction is typically the most common reason for refinancing a loan, however in 2019 Cash-Out refinancing was the common reason.

While there is no maximum VA loan amount, secondary market limitations determine how much lenders will loan and therefore create an effective loan limit for VA. These effective loan limits vary by county and are based on the Department of Housing and Urban Development's (HUD) area median prices that are used by Federal Housing Finance Administration (FHFA) to set the Government Sponsored Enterprise (GSE) (Fannie Mae and Freddie Mac) loan limits. The VA county loan limits are adjusted annually each January and are available at http://www.benefits.va.gov/homeloans/purchaseco_loan_limits.asp.

Veterans pay a funding fee ranging from 1.25% to 3.30% of the loan amount (0.5% for interest rate reduction refinancing loans). The funding fee can be included in the loan. Veterans receiving VA disability compensation (or who would be receiving compensation, but for the receipt of retirement pay or active service pay) are exempt from the fee. Also a surviving spouse of a Veteran who died on active service or later from service-connected causes is exempt from paying the fee.

VA will guaranty loans up to 100% of the home value. Additionally, the Honoring Veterans and Caring for Camp Lejeune Families Act of 2012 (Public Law 112-154), further expanded assistance to Veterans and their families. This authority was extended as part of Public Law 113-175, and included the following:

- Established permanent authority to guarantee adjustable-rate and hybrid adjustable-rate mortgages;
- Expanded home loan benefits for certain surviving spouses; and
- Allowed an active-duty Servicemember's dependent child to satisfy the occupancy requirement.

Specially Adapted Housing Program (SAH)

Severely-disabled Veterans and Servicemembers, primarily those who are wheelchair bound or who have lost the use of both arms at or above the elbow, may be entitled to obtain SAH grants.

Special Housing Adaptation (SHA) grants are also available to disabled individuals who have blindness in both eyes, or have anatomical loss or loss of use of both hands.

These distinctive programs help eligible individuals buy, build, or modify homes specifically adapted for their use. In addition to no time limitation or deadline for applying for either grant benefit, multiple grant uses are available as authorized under Title 38, United States Code (U.S.C.) section 2101(a) or section 2101(b). The Honoring Veterans and Caring for Camp Lejeune Families Act of 2012 (Public Law 112-154) further expanded the SAH benefit. Specifically, section 202 authorized SAH assistance for certain Veterans who served in the Armed Forces on or after September 11, 2001 and are entitled service-connected disability due to the loss or loss of use of one lower extremity, severely affecting the functions of balance or propulsion.

The Veterans Housing Opportunity and Benefits Act of 2008 (PL 110-289), enacted on July 30, 2008, included the following changes:

- Increased the maximum grant amounts;
- Authorized cost indexing on an annual basis on October 1 of each year (beginning in calendar year 2009);
- Established eligibility for housing assistance for individuals with severe burn injuries; and
- Authorized assistance for individuals residing outside the United States who may now, at the Secretary's discretion, use adaptive housing benefits.

These benefits can be used for, but are not limited to:

- Wider doorways and hallways to accommodate wheelchairs;
- Ramps or platform lifts instead of steps; and
- Wheelchair accessible bathrooms.

The Honoring American Veterans and Caring for Camp Lejeune Families Act of 2012 (PL 112-154), enacted October 1, 2012, included the following changes:

- Expanded eligibility for SAH assistance for certain Veterans;
- Expanded eligibility for SHA assistance for Veterans with vision impairment;
- Increased and indexed the temporary residence adaptation (TRA) grant and extended this authorization to provide housing assistance to individuals temporarily residing in a home owned by a family member;
- Authorized additional SAH assistance to Veterans whose homes have been destroyed or damaged by natural disaster; and
- Removed the TRA grant from the aggregate amount of assistance available from the SAH/SHA program.

Specially adapted housing data can be found at the bottom of page 16



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Native American Direct Loan (NADL) Program

The Native American Veterans Direct Loan Program helps Native American Veterans or Native American non-Veterans finance the purchase of homes on Federal Trust. VA has entered into memorandums of understanding (MOU) with 105 participating Native American tribes and Pacific Islanders. During FY 2019, VA closed 20 loans under this program. Since its inception, VA has made 1,078 loans to Native American Veterans.

In FY 2019, LGY promoted the NADL program in 47 major regional and national outreach events across the United States. LGY entered into 3 MOUs during FY 2019. The NADL program currently has 527 active loans totaling \$64.3 million, and expended over \$5.5 million in loan funding during FY 2019.

Loan Administration

The Loan Administration Program helps to ensure that Veterans who have VA-guaranteed loans receive assistance during times of financial hardship. VA provides this assistance through oversight of mortgage loan servicers to ensure they offer options for home retention and alternatives to foreclosure. To ensure every Veteran has the option to retain his/her home, VA made approximately 491,798 attempts to contact delinquent borrowers and mortgage servicers. In FY 2019, VA helped 101,980 borrowers retain homeownership and/or avoid foreclosure. These actions resulted in a \$2.63 billion savings in estimated foreclosure costs to the Government.

For a Veteran or Servicemember who may have obtained a conventional loan, VA can offer general guidance and financial counseling through Loan Technicians in VA's 8 Regional Loan Centers. However, unlike a VA-guaranteed home loan, VA has no legal authority or standing to intervene on the borrower's behalf. VA's toll-free number for all Veterans and Servicemembers to call for home loan assistance is (877) 827-3702.

[Loan administration data can be found on page 17](#)



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Quick Reference

This quick reference guide highlights information most requested from the Loan Guaranty Service.

In FY 2019, interest rate reduction refinance loans were 15% of the total loan volume. For the same year, all refinanced loans made up 38% of the total loan volume.

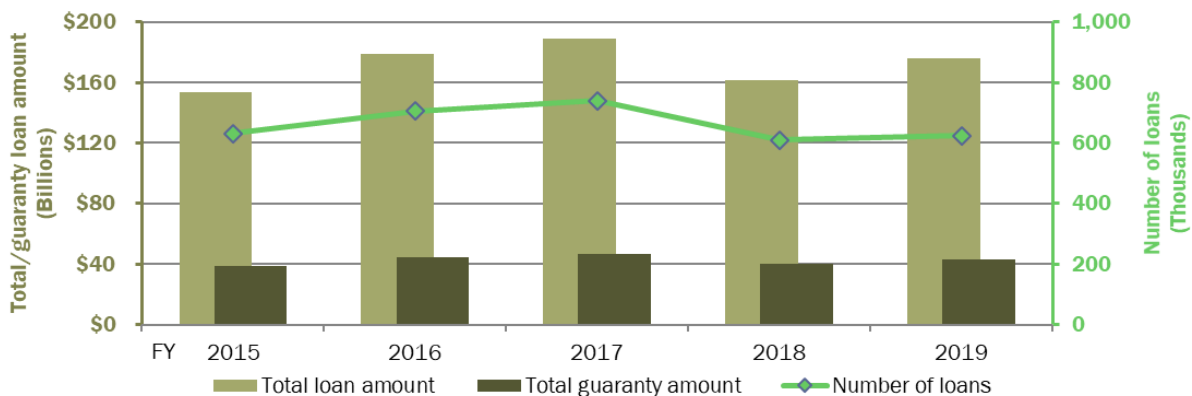
Fiscal year 2019 loan guaranty program highlights

Loans guaranteed	624,546
Interest rate reduction loans	94,861
Total loan amount	\$175,638,600,656
Average amount per loan	\$281,226

VA loans guaranteed by fiscal year

	2015	2016	2017	2018	2019
Number of loans	631,142	705,474	740,389	610,513	624,546
Total loan amount	\$153,477,242,762	\$178,656,669,563	\$188,699,744,440	\$161,295,513,770	\$175,638,600,656
Average loan amount	\$243,174	\$253,243	\$254,866	\$264,197	\$281,226
Total guaranty amount	\$38,606,820,465	\$44,646,704,530	\$46,955,375,319	\$39,939,956,683	\$43,477,935,388
Average guaranty amount	\$61,170	\$63,286	\$63,420	\$65,420	\$69,615

VA loans guaranteed by fiscal year





Summary of Home Loan Guaranty Entitlements and Other Eligibility Criteria

The table below summarizes eligibility criteria for the Loan Guaranty Program. All Veterans must have been discharged or released from active duty under other than dishonorable conditions. If the Veteran served less than the minimum required time period, he or she could be eligible if discharged because of a service-connected disability.

Period of service or entitlement	Service dates	Length of service or other criteria
World War II	9/16/40 - 7/25/47	90 days
Post-World War II	7/26/47 - 6/26/50	181 continuous days
Korean Conflict	6/27/50 - 1/31/55	90 days
Post-Korean Conflict	2/1/55 - 8/4/64	181 continuous days
Vietnam Era	8/5/64 - 5/7/75	90 days (for Veterans who served within Vietnam, the beginning date is 2/28/1961)
Specific entitlement for post-Vietnam Era	5/8/75 - 9/7/80	181 continuous days
Enlisted	9/8/80 - 8/1/90	2 years
Officers	10/17/81 - 8/1/90	2 years
Gulf War Era	8/2/90 - present	2 years or period called to active duty (not less than 90 days)
Active duty personnel	—	On active duty, after having served continuously for at least 181 days (90 days for Gulf War Era duty) unless discharged or separated from a previous qualifying period of active duty service.
Reservists	—	6 years
Unmarried surviving spouse	N/A	Married to an eligible Veteran who died as a result of service or service-connected conditions.
Spouse of MIA/ POW	N/A	Active duty member who is missing in action (MIA) or who is a prisoner of war (POW).
Restored entitlement	—	Veterans who previously used the home loan benefit, but had entitlement restored because the loan was paid in full and property disposed of.



Home Loan Guaranty Data

Types and characteristics of VA loans guaranteed by fiscal year

Characteristic/ type	2015	2016	2017	2018	2019
First time home buyer	134,808	146,634	155,620	159,714	161,171
Previous home buyer	187,307	206,368	224,817	223,401	223,326
Without down payment	264,057	287,884	302,815	303,337	306,879
With down payment	58,058	65,118	77,622	79,778	77,618

Purchase loans only

Characteristic/ type	2015	2016	2017	2018	2019
Purchase loans	322,115	353,002	380,437	383,115	384,497
Interest rate reduction	194,805	215,561	190,914	67,347	94,861
Cash out/ other refinancing	114,222	136,911	169,038	160,051	145,188
Total	631,142	705,474	740,389	610,513	624,546

Types and characteristics of VA loans guaranteed during fiscal year 2019

Characteristic/ type	Number of loans	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
First time home buyer	161,171	\$40,041,963,014	\$248,444	\$10,123,735,134	\$62,814
Previous home buyer	223,326	\$66,785,602,304	\$299,050	\$16,182,628,192	\$72,462
Without down payment	306,879	\$79,857,533,367	\$260,225	\$20,112,568,753	\$65,539
With down payment	77,618	\$26,970,031,951	\$347,471	\$6,193,794,573	\$79,798

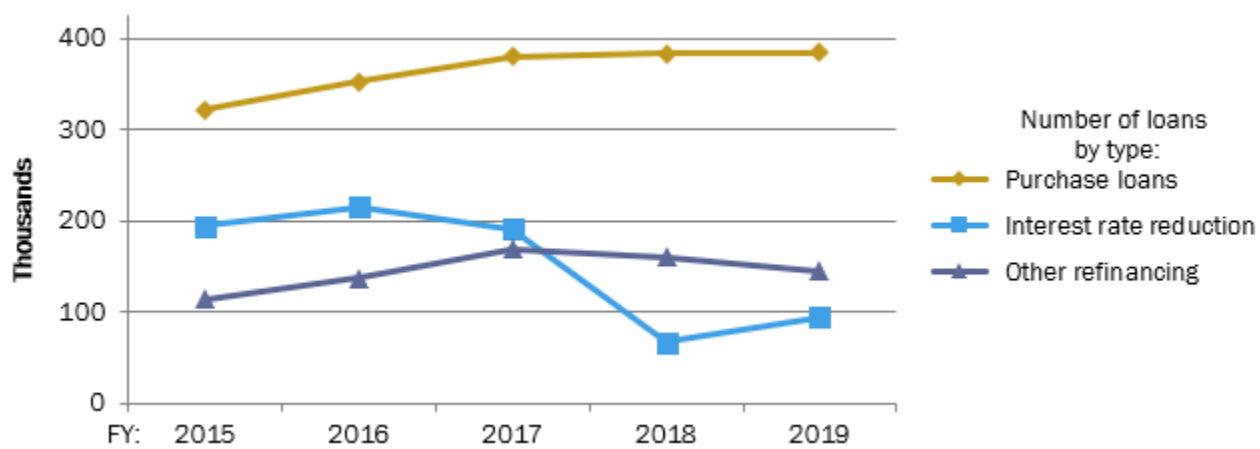
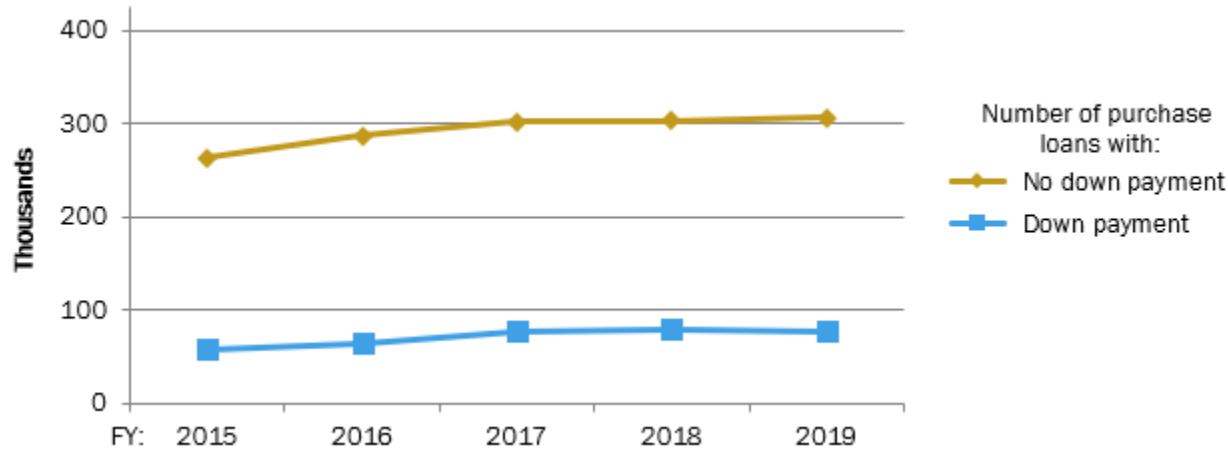
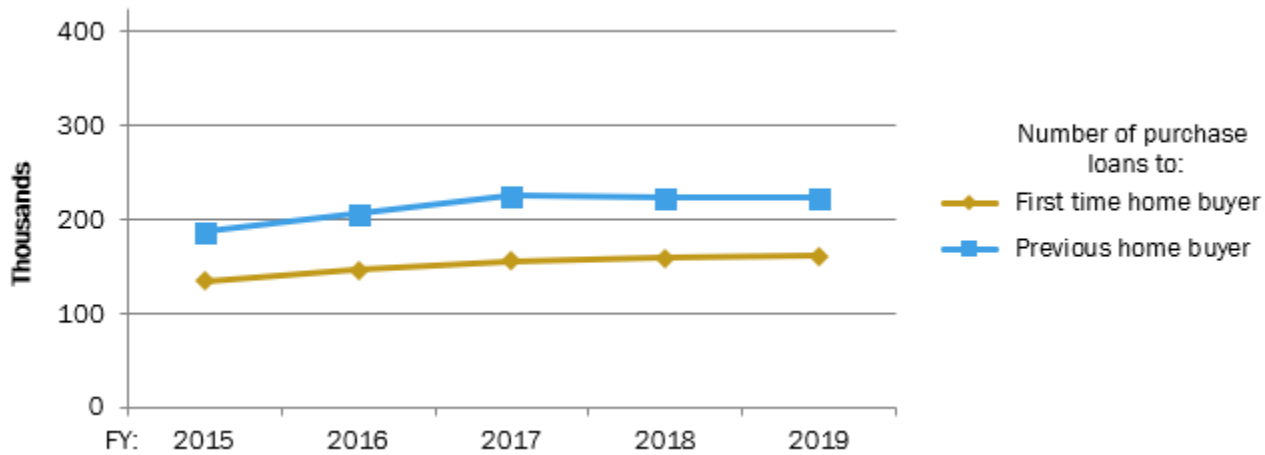
Purchase loans only

Characteristic/ type	Number of loans	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
Purchase loans	384,497	\$106,827,565,318	\$277,837	\$26,306,363,326	\$68,418
Interest rate reduction	94,861	\$29,501,742,230	\$311,000	\$7,419,875,674	\$78,218
Cash out / other refinancing	145,188	\$39,309,293,108	\$270,748	\$9,751,696,388	\$67,166
Total	624,546	\$175,638,600,656	\$281,226	\$43,477,935,388	\$69,615





Types and characteristics of VA loans guaranteed by fiscal year (data on preceding page)





VA loans guaranteed by fiscal year and period of service/ entitlement

Period of service/ entitlement	2015	2016	2017	2018	2019
World War II	562	492	421	253	135
Post-World War II	197	174	148	90	58
Korean Conflict	1,135	1,059	992	647	455
Post-Korean Conflict	7,171	7,318	7,337	5,153	3,606
Vietnam Era	36,327	37,843	38,829	28,749	22,330
Post-Vietnam Era	38,272	41,673	42,461	33,081	28,970
Gulf War Era	185,124	201,523	205,032	172,830	171,383
Restored entitlement	262,569	309,242	335,427	273,700	296,545
Service personnel	84,501	88,295	90,804	80,241	85,813
Reservists	12,168	14,141	14,749	11,703	11,116
Un-remarried survivors	3,116	3,714	4,189	4,066	4,135
Spouses of POWs	N/A	N/A	N/A	N/A	N/A
Total	631,142	705,474	740,389	610,513	624,546



VA loans guaranteed during fiscal year 2019 by period of service/ entitlement

Period of service/ entitlement	Number of loans	Percent ¹ of total	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
World War II	135	<0.1%	\$32,440,431	\$240,299	\$8,279,351	\$61,329
Post-World War II	58	<0.1%	\$13,089,044	\$225,673	\$3,300,662	\$56,908
Korean Conflict	455	0.1%	\$97,087,032	\$213,378	\$24,949,951	\$54,835
Post-Korean Conflict	3,606	0.6%	\$783,972,008	\$217,408	\$200,886,777	\$55,709
Vietnam Era	22,330	3.6%	\$4,940,689,237	\$221,258	\$1,261,268,138	\$56,483
Post-Vietnam Era	28,970	4.6%	\$6,651,198,770	\$229,589	\$1,686,681,017	\$58,222
Gulf War Era	171,383	27.4%	\$45,542,876,403	\$265,737	\$11,325,685,081	\$66,084
Restored entitlement	296,545	47.5%	\$89,388,676,700	\$301,434	\$21,973,570,803	\$74,099
Service personnel	85,813	13.7%	\$24,419,155,609	\$284,562	\$6,047,182,005	\$70,469
Reservists	11,116	1.8%	\$2,878,042,032	\$258,910	\$718,097,543	\$64,600
Un-remarried survivors	4,135	0.7%	\$891,373,390	\$215,568	\$228,034,061	\$55,147
Spouses of POWs	N/A					
Total	624,546	100%	\$175,638,600,656	\$281,226	\$43,477,935,388	\$69,615

¹ Percentages may not sum to Total due to rounding.



VA loans guaranteed by fiscal year and age

Age	2015	2016	2017	2018	2019 ¹
18 - 25	21,070	22,103	23,207	24,466	27,822
26 - 35	145,353	157,784	162,979	143,400	150,916
36 - 45	141,871	154,537	155,889	126,452	133,685
46 - 55	127,691	145,191	153,717	120,085	119,394
56 - 65	92,656	101,404	105,900	83,947	84,235
66 - 75	83,477	101,462	112,439	89,741	84,960
76 - 80	11,283	13,914	15,791	13,651	14,968
Over 80	7,741	9,079	10,466	8,771	8,565
Total	631,142	705,474	740,389	610,513	624,546

VA loans guaranteed during fiscal year 2019¹ by age

Age	Number of Loans	Percent of total	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
18 - 25	27,822	4.5%	\$6,069,367,491	\$218,150	\$1,547,223,259	\$55,612
26 - 35	150,916	24.2%	\$41,467,925,576	\$274,775	\$10,327,321,529	\$68,431
36 - 45	133,685	21.4%	\$42,584,147,258	\$318,541	\$10,387,306,779	\$77,700
46 - 55	119,394	19.1%	\$36,661,860,993	\$307,066	\$8,973,721,633	\$75,161
56 - 65	84,235	13.5%	\$22,316,152,674	\$264,927	\$5,558,281,583	\$65,985
66 - 75	84,960	13.6%	\$20,801,125,502	\$244,834	\$5,238,044,143	\$61,653
76 - 80	14,968	2.4%	\$3,639,577,159	\$243,157	\$918,314,626	\$61,352
Over 80	8,565	1.4%	\$2,097,945,026	\$244,944	\$527,597,092	\$61,599
Total	624,546	100.0%	\$175,638,600,656	\$281,226	\$43,477,935,388	\$69,615

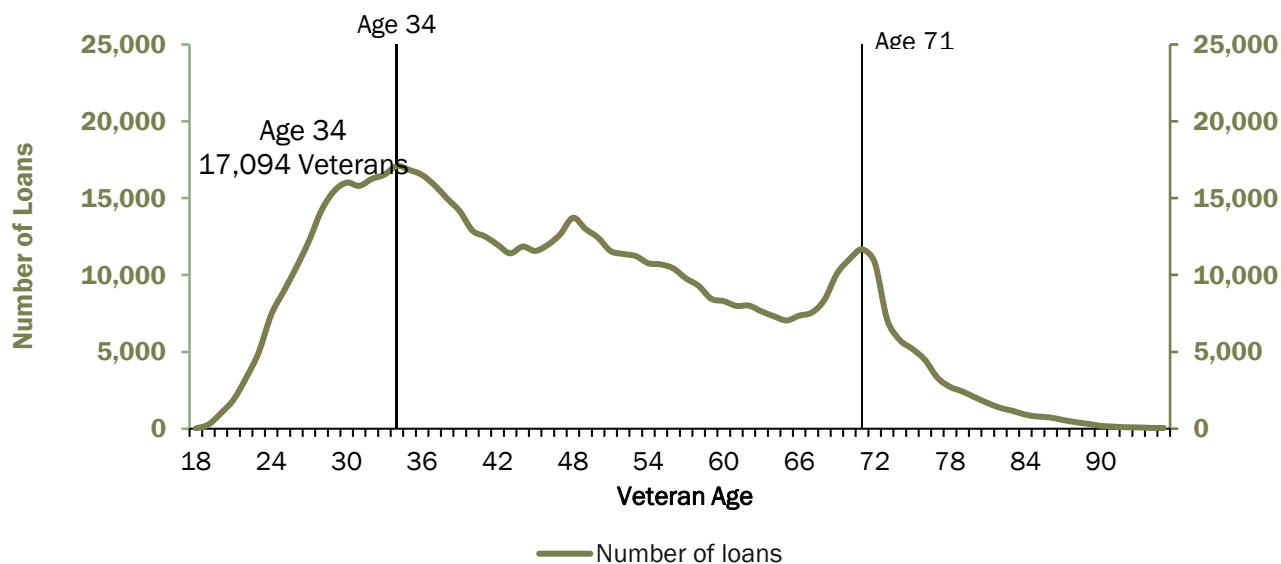
¹ Total includes 1 Veteran and \$ 498,977 in loan with no age indicated in the record.



Percentage of VA loans guaranteed by fiscal year and age

Age	2015	2016	2017	2018	2019
18 - 25	3.3%	3.1%	3.1%	4.0%	4.5%
26 - 35	23.0%	22.4%	22.0%	23.5%	24.2%
36 - 45	22.5%	21.9%	21.1%	20.7%	21.4%
46 - 55	20.2%	20.6%	20.8%	19.7%	19.1%
56 - 65	14.7%	14.4%	14.3%	13.8%	13.5%
66 - 75	13.2%	14.4%	15.2%	14.7%	13.6%
76 - 80	1.8%	2.0%	2.1%	2.2%	2.4%
Over 80	1.2%	1.3%	1.4%	1.4%	1.4%
Total	100%	100%	100%	100%	100.0%

VA loans guaranteed during fiscal year 2019 by age





VA loans guaranteed during fiscal year 2019 by Veteran participant annual income

Income	Number of loans	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
Less than \$25,000	2,179	\$212,584,577	\$97,561	\$71,428,257	\$32,780
\$25,000 to \$34,999	9,286	\$1,210,217,581	\$130,327	\$349,992,151	\$37,690
\$35,000 to \$44,999	25,659	\$4,164,742,523	\$162,311	\$1,108,748,583	\$43,211
\$45,000 to \$54,999	43,665	\$8,352,932,042	\$191,296	\$2,143,368,376	\$49,087
\$55,000 to \$64,999	49,423	\$10,808,670,938	\$218,697	\$2,733,401,985	\$55,306
\$65,000 to \$74,999	45,699	\$11,234,436,236	\$245,835	\$2,816,194,231	\$61,625
\$75,000 and over	208,586	\$70,843,981,421	\$339,639	\$17,083,229,743	\$81,900
Total	624,546	\$175,638,600,656	\$281,226	\$43,477,935,388	\$69,615

Purchase loans only

Veteran participant income and asset information

Average income	\$90,156
Median income	\$78,864
Median assets	\$10,373



Number of VA loans guaranteed by fiscal year and race

Race	2015	2016	2017	2018	2019
White	439,680	484,165	504,436	406,379	409,480
Black/ African American	67,939	79,974	86,539	73,369	76,905
Hispanic	50,338	57,223	61,335	50,802	53,043
Asian/ Pacific Islander/ Native Hawaiian	18,740	21,888	23,433	19,435	19,532
American Indian/ Alaskan Native	51,948	60,313	62,957	59,873	64,846

VA loans guaranteed during fiscal year 2019 by race

Race	Number of loans	Percent of total	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
White	409,480	65.6%	\$113,225,494,101	\$276,510	\$28,005,128,727	\$68,392
Black/ African American	76,905	12.3%	\$21,180,495,855	\$275,411	\$5,275,328,017	\$68,595
Hispanic	53,043	8.5%	\$15,614,157,938	\$294,368	\$3,867,480,867	\$72,912
Asian/ Pacific Islander/ Native Hawaiian	19,532	3.1%	\$6,695,449,104	\$342,794	\$1,639,500,824	\$83,939
American Indian/ Alaskan Native	64,846	10.4%	\$18,724,303,566	\$288,750	\$4,641,443,724	\$71,576
Unknown	740	0.1%	\$198,700,092	\$268,514	\$49,053,230	\$66,288



VA loans guaranteed by fiscal year and gender

Gender	2015	2016	2017	2018	2019
Male	N/A	629,954	658,622	539,368	548,851
Female	N/A	75,520	81,767	71,145	75,695
Total	N/A	705,474	740,389	610,513	624,546

VA loans guaranteed during fiscal year 2019 by gender

Gender	Number of Loans	Percent of total	Total loan amount	Average loan amount	Total guaranty amount	Average guaranty amount
Male	548,851	87.9%	\$154,615,255,523	\$281,707	\$38,253,804,066	\$69,698
Female	75,695	12.1%	\$21,023,345,133	\$277,738	\$5,224,131,322	\$69,016
Total	624,546	100.0%	\$175,638,600,656	\$ 281,226	\$43,477,935,388	\$ 69,615

SAH and NADL Program Data

Specially adapted housing grants and direct loans during fiscal year 2019 by program

Number or amount of loan or grant	Specially adapted housing grants ¹	Special housing adaptation grants	Direct loans to Native Americans
Number of grants / loans	2,055	215	20
Amount of grants / loans	\$118,054,393	\$2,814,001	\$5,504,747

¹ Grants, not to exceed the maximum amounts, can be used up to three times.



Loan Administration Data

Loan Administration helps to ensure that Veterans who have VA-guaranteed loans receive assistance during times of financial hardship. VA provides this assistance through oversight of mortgage loan servicers to ensure they offer options for home retention and alternatives to foreclosure.

Number of borrowers saved from foreclosure

101,980

Loan administration actions by fiscal year

Action	2016	2017	2018	2019
Borrowers saved from foreclosure	97,368	96,139	104,752	101,980
Potential claim savings	\$3,082,674,193	\$2,757,896,777	\$2,661,555,870	\$2,627,518,596.57
Foreclosures completed	18,519	16,626	14,836	14,655
Claim payments	\$742,576,524	\$856,964,525	\$699,755,664.89	\$527,088,338

Loan administration actions in fiscal year 2019

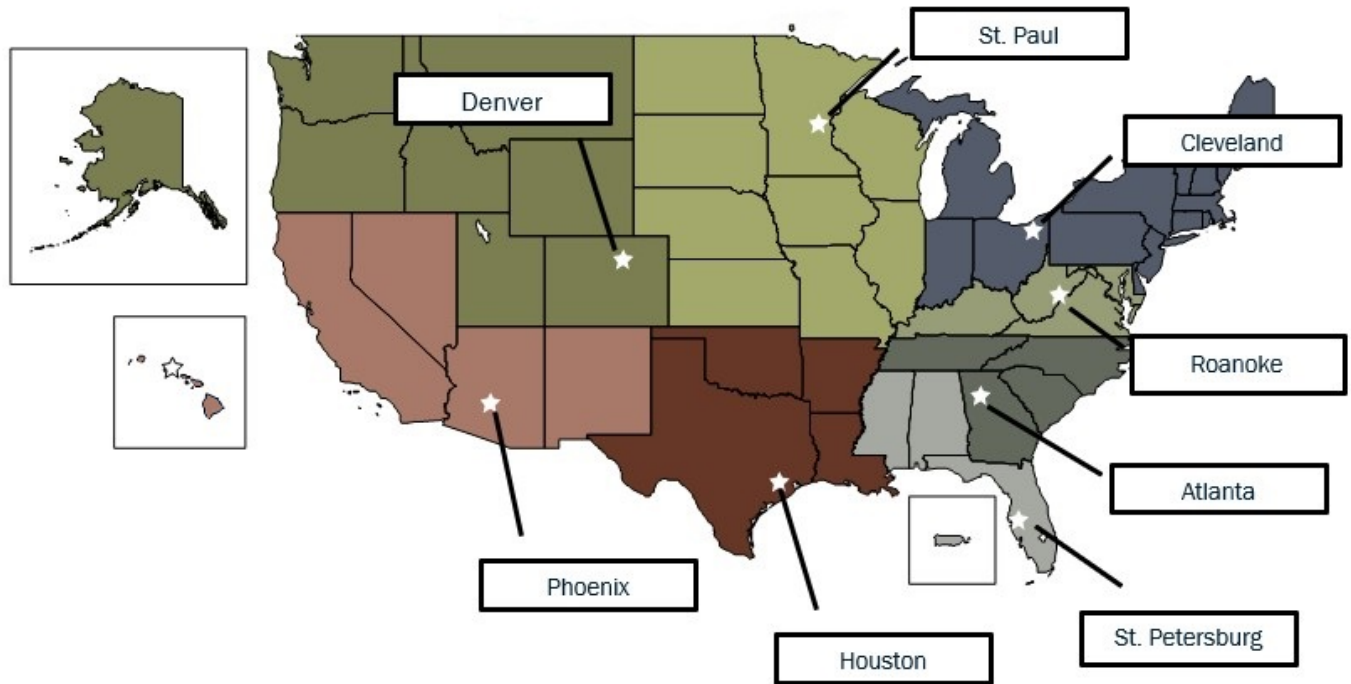
Action	Number/Amount
Borrower contact	276,004
Servicer contact	215,794
Potential claim savings	\$2,627,518,597
Default resolution rate (percent)	87.44%
Defaults reported	108,528
Foreclosures completed ¹	14,655
Borrowers saved from foreclosure	101,980

¹ Foreclosures completed can include prior year defaults as foreclosure processing timeframes vary by states.





Appendix – Map of Regional Loan Centers



Contact Information

Home Loan Guaranty information:
1-877-827-3702

Annual Benefits Report (Office of Performance Analysis & Integrity)
202-461-9040

Department of Veterans Affairs home page
www.va.gov

Veterans Benefits Administration home page
benefits.va.gov

eBenefits (Online forms and applications)
www.ebenefits.va.gov

Home Loan Guaranty home page
www.benefits.va.gov/homeloans



U.S. Department of Veterans Affairs
Veterans Benefits Administration

