

To: Regional Loan Center Personnel and Other Participants in the VA Specially Adapted Housing Program

Subject: Transmittal of Change 4 to VA Manual 26-12, Revised, Specially Adapted Housing Grant Processing Procedures, Loan Guaranty Operations for Regional Offices

Purpose Attached are revisions to Chapter 3, *Pre-Grant Approval: Feasibility and Suitability*, and Chapter 4, *Getting to Conditional Approval* of VA Manual 26-12.

- Changes**
- **Chapter 3, Topic 1** - This entire section was updated to provide clarification on feasibility and suitability for Specially Adapted Housing (SAH), Special Housing Adaptation (SHA), and Temporary Residence Adaptation (TRA) grants and to incorporate the timeliness requirements for uploading the feasibility study as previously established in Circular 26-14-35.
 - **Chapter 3, Topic 2, Subtopic d** was added to provide guidance on documenting medical feasibility.
 - **Chapter 3, Topic 3** - This entire section has been updated to remove references to credit reports as previously established in Circular 26-14-18, change the list of documents required to determine financial feasibility, and to provide guidance on completing these forms.
 - **Chapter 3, Topic 4, Subtopic d** was updated to give SAH Agents the option of providing interior and/or or exterior dimensions when completing the suitability sketch.
 - **Chapter 3, Topic 5** - This entire section has been updated.
 - **Chapter 3, Topic 6** - This entire section has been updated.
 - **Chapter 3, Topic 7, Subtopics a and b** were updated to include references to SHA grants.
 - **Chapter 4, Topic 1, Subtopic a** - An important note was added regarding conditional approval being property specific.

- **Chapter 4, Topic 2, Subtopic a** - Statutory Reference was updated.
- **Chapter 4, Topic 3, Subtopic b and c** were updated to clarify feasibility and suitability for conditional approval when using the TRA grant.
- **Chapter 4, Topic 5, Subtopic a** was updated to include an important note about conditional approval for Veterans entitled under Public Law 112-154.
- **Chapter 4, Topic 5, Subtopic b, c, and d** were added to incorporate Circular 26-16-19.
- **Chapter 4, Topic 5, Subtopic h** was updated to include guidance regarding the conditional approval notification letter.

**Additional
Copies**

Additional copies may be downloaded at
http://www.benefits.va.gov/WARMS/M26_12.asp

Rescissions

The following Circular and all subsequent changes have been incorporated into this revision, and therefore, is rescinded: *26-14-18, New Instructions Regarding Credit Reports for Specially Adapted Housing (SAH) Financial Feasibility Determinations.*



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