

Lender's Certification Requirement for VA-Guaranteed Loans

1. Purpose. The purpose of this Circular is to provide clarification on the regulatory requirement that all Department of Veterans Affairs (VA) guaranteed loans require lender certifications.

2. Background. Recently, VA Regional Loan Centers and Lenders have inquired as to the validity of the Lender Certification in conjunction with Interest Rate Reduction Refinance Loans (IRRRLs). The Lender Certification is required on IRRRLs whether or not underwriting is required. This is supported in [38 CFR 36.4340\(k\)](#). This section states that:

“Lenders originating loans are responsible for determining and certifying to VA on the appropriate application or closing form that the loan meets all statutory and regulatory requirements. Lenders will affirmatively certify that loans were made in full compliance with the law and loan guaranty regulations as prescribed in this section.”

3. Action. Lender's certification applies to all VA-guaranteed loans, and is not contingent upon the type of VA loan.

4. Rescission: This Circular is rescinded July 1, 2020.

By Direction of the Under Secretary for Benefits

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Director
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