1. **Purpose.** Loan Guaranty Service is committed to providing the highest level of customer service to all Veterans as well as their lenders and servicers. In today’s fast-paced mortgage industry, all of us share the responsibility for delivering expeditious customer service to our Veterans who are purchasing, refinancing, adapting or retaining a home. The purpose of this Circular is to share information, as a reminder to lenders, about resolving any questions that may arise at the earliest possible opportunity.

2. **Background.** Loan Guaranty Service continually promotes accuracy, timeliness and consistency in customer service provided to Veterans and to our industry partners who are working together with us to serve our Veterans. With an experienced team of Loan Specialists and Review Appraisers, together with the use of technology, Loan Guaranty Service promotes the prompt delivery of home loan benefits to Veterans. When non-routine or complex questions arise, Loan Specialists and Review Appraisers are available to assist Veterans and lenders. Ensuring that the Veteran is fully informed and that the transaction proceeds on schedule helps ensure a positive customer service experience for every Veteran.

3. **Discretion.** The Department of Veterans Affairs (VA) Lender’s Handbook intentionally provides lenders with broad authority to consider the specific details of a transaction and approve a loan which they believe should be made. Lenders have the discretion to make decisions when processing VA-guaranteed loans and document VA Form 26-6393 on underwriting decisions or WebLGY notes, as appropriate, and proceed with processing the loan.

4. **Source Material.** Lenders should consult [38CFR §36.4352](#), and VA policies, which include [VA Pamphlet 26-7 (VA Lender’s Handbook)](#) and all [VA Home Loan Circulars](#), for guidance on processing VA-guaranteed loans. Circulars are issued when program changes arise and outstanding circulars are periodically incorporated into the Lender’s Handbook. The [VA’s Lender Resource Page](#) provides volumes of information to promote improved customer service to our Veterans.

5. **Loan and Appraisal Specific Issues.** When a non-routine question arises, please follow this customer service protocol to efficiently resolve questions without duplication of effort.

   a. Follow these steps:

   (1) Please consult the source materials listed above, summarize the issue, and document the reasons for your decision in WebLGY notes. While the situation may not be specifically addressed in the guidance, as noted above, lenders have the discretion to make decisions, document WebLGY, and proceed with processing the loan.

   (2) If after reviewing the source materials listed above, additional assistance is needed with an especially complex or non-routine situation, please call 877-827-3702 to speak with either
a VA Loan Specialist or VA Review Appraiser at the Regional Loan Center (RLC) or you may email the Loan Production or Construction & Valuation Section at the RLC. Email addresses are provided under “Contact Us” on the Lender Resource Page described above.

(3) After speaking with a Loan Specialist or Review Appraiser, if your question remains unresolved, please ask that the issue be escalated to a supervisor. In the unlikely event that the supervisor is unable to assist you, he/she will seek additional assistance. Escalated matters often require further research. Feedback from escalated issues is used to address issues that are important to Veterans and lenders and improve customer service. Unless otherwise specified, the Loan Specialist will remain your sole point of contact through resolution and will provide routine updates, as necessary.

6. Loan Specific Audit Issues. The protocol for resolving questions related to audit findings is similar to the protocol for loan specific issues discussed above. Instead of calling, please email the VA Loan Specialist or Review Appraiser who conducted the audit at the email address provided on the audit finding. If necessary, continue with Step (3), above.

7. Inconsistency Issues Concerning Multiple Loans or Audits. In the event you receive inconsistent responses or audit findings for similar situations, please contact the RLC with jurisdiction based on the state in which your corporate office is located.

8. Addressing Issues Timely. Delivering exceptional customer service to Veterans requires that any questions be addressed promptly using the protocol outlined above to allow as much time as possible to resolve the issue.

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

By Direction of the Under Secretary for Benefits

Jeffrey F. London
Director, Loan Guaranty Service

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