

To: Lenders and Other Participants in the VA Loan Guaranty Program

Subject: Transmittal of Change 13 to VA Pamphlet 26-7, Revised, VA Lender's Handbook

Lender's Handbook

Attached are revisions to Chapter 2 of VA Pamphlet 26-7, Revised, VA Lender's Handbook.

Changes

This chapter has been updated to reflect one Eligibility Center in Winston-Salem, North Carolina. References to the Los Angeles Eligibility Center have been removed. Additional major changes include:

Topic 1, How to Establish the Applicant's Eligibility for a VA Loan, subsection c, Certificate of Eligibility for Interest Rate Reduction Refinancing Loans, has been updated to reflect current procedures.

Topic 2, What the Certificate of Eligibility Tells the Lender, subsection b, Amount of Entitlement, has been updated to reflect the present entitlement structure.

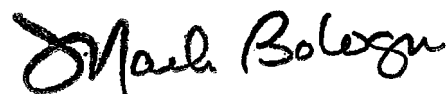
Topic 3, How to Apply for a Certificate of Eligibility, has been updated to reflect current procedures, including how veterans can now apply online.

Topic 5, Basic Eligibility Requirements, has been updated to note that a Reserve/Guard who was discharged before completing 6 years because of a service-connected disability may also be eligible for the home loan benefit, and to include information regarding surviving spouses who remarry on or after age 57.

Topic 6, Restoration of Previously Used Entitlement, has been updated to expand on one-time only restoration of entitlement.

Additional Copies

Additional copies may be downloaded from the VA Home Loans website (<http://www.homeloans.va.gov>).



Mark Bologna
Director, Loan Guaranty Service