



MORTGAGE BANKERS ASSOCIATION

July 18, 2024

Mr. John Bell, III
Executive Director
Loan Guaranty Service
U.S. Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

RE: Request for Delay in Implementation of the Loan Review API

Dear Director Bell,

The Mortgage Bankers Association (MBA)¹ appreciates the ongoing efforts of the Department of Veterans Affairs (VA) to adopt new technologies to better serve our nation's Veterans. Our members support the recent initiatives of the VA Loan Guaranty Service to implement systems that streamline and improve the mortgage origination process. However, whenever such changes are made it is essential that the VA allows sufficient time for testing, troubleshooting and system integration.

In June, the VA announced that all loan-level documentation, including anything related to loan origination, must be submitted via the VA Loan Review API beginning on November 4, 2024.² Although the VA had previously launched the Loan Review API in January 2023, its use was described as optional, and understood as such by industry practitioners for approximately eighteen months.³

The sudden shift from an optional feature to a mandatory requirement, coupled with the VA's failure to previously provide the industry with any timeline for implementation has left

¹ The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 275,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,000 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: www.mba.org.

² VA Circular 26-24-13

³ VA Circular 26-22-05

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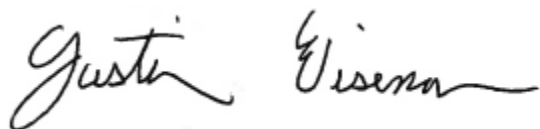
Page 2 of 2

many lenders caught by surprise with vendors scrambling to implement these requirements at the last minute while juggling competing deadlines and operational demands.

A November 4 rollout poses a high risk of incomplete or flawed implementation, threatening to disrupt the loan review process and negatively impact service to Veterans. Accordingly, we request a 12-month delay of implementation. This additional time will allow for a proper rollout, including more rigorous testing, training and troubleshooting, a smoother transition and more favorable operational outcomes.

Once again, we appreciate the VA's efforts to modernize and improve the loan review process and are fully committed to supporting this initiative. We believe that a collaborative approach and extended timeline will ultimately serve the best interests of all stakeholders, particularly our Veterans who rely on this important benefit. Should you have any questions or would like to discuss further, please contact [Darnell Peterson](#) at (202)577-2922.

Best,

A handwritten signature in cursive script that reads "Justin Wiseman". The signature is written in black ink and is positioned above the typed name and title.

Justin Wiseman
Vice President for Residential Policy, Managing Regulatory Counsel
Public Policy and Industry Relations
Mortgage Bankers Association