

**INSTRUCTIONS FOR PURCHASER ASSUMING A GI LOAN
OR
SUBSTITUTING GI LOAN ENTITLEMENT**

You are assuming a mortgage loan which is guaranteed by the Department of Veterans Affairs. The seller of the home you are buying is now liable for repayment of any claim which VA must pay to the loan holder because of a default in the terms of the mortgage. Before we can release the seller from this liability, we must see that you have the ability to make the loan payments. This requires verification of your income and review of your credit history.

Please complete the attached forms and return them to our office at the address given in Section I of VA Form 26-6382, Statement of Purchaser or Owner Assuming Seller's Loan. We will begin our review when they are received. You and the seller will be notified as soon as a decision is made.

INSTRUCTIONS

These instructions also apply if you are assuming a loan made directly by VA.

1. Fill out VA Form 26-6382 and VA Form 26-6807, Financial Statement, as completely as possible.
2. If you are self-employed, submit a current balance sheet showing all assets and liabilities and a profit and loss statement for the year-to-date. In addition, you must submit tax returns, including all applicable schedules, for the previous 2 years.
3. Rental or lease income should be verified by a copy of the rental or lease agreement or a statement from a certified Property Manager or from income tax returns.
4. Income from pension, compensation, public assistance and/or social security must be supported by a recent statement or award letter from the appropriate agency which shows the amount.
5. If you own other real estate, complete Section IV of VA Form 26-6807 and show your plans for its disposition, if any, in Section VI.
6. If you are currently serving on active military duty, you must attach your most recent LES (Leave & Earnings Statement). The LES must be the original or a certified true copy.
7. Complete Items 1, 3, 6, 7, and 8* of VA Form 26-8497, Request for Verification of Employment. Be sure the address includes ZIP Code, identification numbers are shown and the form is signed. (A spouse, if employed, should also complete a Request for Verification of Employment.) If your income appears to be stable and sufficient to repay this loan, we may be able to expedite your application and forego sending the form(s) to your employer(s) if you also provide your employer's telephone number on the form(s) and submit original pay stubs covering at least the most recent 30-day period and clear copies of your W-2, Wage and Tax Statement, for the previous 2 years. You and your spouse must also attach a recent pay stub if provided by your employers. Originals are required.
8. Complete Items 1, 7, 8, and 9* of VA Form 26-8497a, Request for Verification of Deposit. Be sure the address includes ZIP Code, account numbers are shown, and the form is signed. VA will mail the form(s) to your bank, credit union, or other depository. In order to expedite your application, in lieu of this form you (and your spouse) may submit the originals or certified true copies of your last two bank statements verifying your deposits shown on VA Form 26-6807, Financial Statement.

ARE YOU A VETERAN OR CURRENTLY ON ACTIVE DUTY?

9. If you are on active duty, submit a statement from the Base Housing Officer that quarters will not be made available during your tour of duty and that you should make arrangements for off-base housing. The statement may be on DD Form 1747, Status of Housing Availability.
10. If you are applying to substitute your GI loan entitlement for the seller's complete and sign VA Form 26-8106, Statement of Veteran Assuming GI Loan.
11. If you are applying to substitute your GI loan entitlement for the seller's you must submit your Certificate of Eligibility for Loan Guaranty Benefits, VA Form 26-8320. If you do not have a Certificate of Eligibility, fill out the enclosed VA Form 26-1880, Request for Determination of Eligibility and Available Loan Guaranty Entitlement, and attach a copy of your latest DD Form 214 or statement of service from your personnel office.

When you have completed all the forms which apply to you, please send them to us in a single package. This will help us to process the application. Our mailing address is given in Section I of VA Form 26-6382. If you have questions, you can call VA Toll-free using the following telephone numbers: (800) 827-1000 or TDD (800) 829-4833.

***DO NOT ARRANGE TO HAVE ANYTHING OTHER THAN THE REQUIRED ITEMS COMPLETED ON THE VERIFICATIONS OF EMPLOYMENT AND DEPOSIT.** It is very important that you fill out only those items required and return these forms to VA. These forms must be mailed directly by VA to the employer or depository for completion. Any other arrangements made by you will delay processing of the release from liability. Be sure to provide a complete mailing address, including ZIP Code, in Item 1 of these forms.