

SUPPORTING STATEMENT FOR VA FORM 26-1802A,
HUD/VA ADDENDUM TO UNIFORM RESIDENTIAL LOAN APPLICATION
(2900-0144)

A. JUSTIFICATION

1. VA Form 26-1802a, Department of Housing and Urban Development (HUD)/Department of Veterans Affairs (VA) Addendum to Uniform Residential Loan Application, serve as the lender's and veteran's application for home loans authorized by 38 U.S.C.

2. VA Form 26-1802a is completed by employees of lending institutions based on information supplied by potential veteran-homebuyers. This form is completed in conjunction with the standard Uniform Residential Loan Application (URLA) as it captures information unique to VA-guaranteed home loans. The major categories of information solicited and the related citations are as follows:

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| a. Purpose of Loan | 38 U.S.C. 3710(a)(1) through (10) |
| b. Amount of Loan, Terms, and Veteran's Income and Asset Information | 38 U.S.C. 3703(c) (1) and (3), (d)(1) and (2), and 3710(b)(1) and (2) |
| c. Credit Worthiness of Veteran | 38 U.S.C. 3710(b)(2) and (3) |
| d. Occupancy Certification | 38 U.S.C. 3704(c) |
| e. Lien Information | 38 U.S.C. 3703(d)(3) |

Without the collection of this information, VA would not be able to determine compliance with the eligibility requirements governing the loan purpose and terms, type of lien, and the veteran's credit worthiness, all of which are requirements of law and are imposed to assure protection of the VA's interest as future guarantor of the loan.

3. Use of information technology does not apply because participating lenders use a variety of methods for completion and processing of the form. Lenders processing VA loans have the option of submitting loans electronically for guaranty. In those cases they do not have to send a "hard copy" of VA Form 26-1802a to VA unless the case is identified for audit. The form is located on the VA Forms website in a fillable electronic format.

4. No duplication of information is involved as the application concerns an individual loan and income and credit information which would not be available on a current basis by other means.

5. Participating lending institutions are seldom in the small business category. However, the information collected is typical of mortgage loan applications and should present no unusual burden for any small firms. VA Form 26-1802a is a joint form also used by lenders applying for HUD/FHA insured loans. Firms participating in these

guaranty or insurance programs have the benefit of a common form and, therefore, a lesser burden than would be required were they to use separate Agency forms.

6. This information collection is not a recurring or repetitive report. It is generally used once per home loan application.

7. There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

8. The Department notice was published in the Federal Register on May 20, 2013, pages 29436-29437. No comments were received.

9. No payments or gifts to respondents have been made under this collection of information.

10. "Loan Guaranty Home, Condominium, and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records - VA (55VA26) are contained in the Privacy Act Issuances, 2001 Compilation.

11. While personal information is solicited, it is typical of credit data and is not considered sensitive.

12. Estimate of Information Collection Burden

a. Number of respondents is estimated at 200,000 per year.

b. Frequency of response is generally one time.

c. Annual burden is 20,000 hours.

d. The estimated average completion time of 6 minutes per response was based on informal consultations with various mortgage companies and staff familiar with the form.

e. The total estimated cost to respondents is \$300,000 (20,000 hours x \$15 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Cost to the Federal Government

\$4,358,400 Estimated Loan Guaranty processing cost for FY 2013
(200,000 cases x 48 minutes per case x \$27.24 per hour
(average Loan Guaranty field salary))

\$4,358,400 Total estimated cost to Government

15. No change in burden hours.

16. Information collection is not for tabulation or publication use.

2.

17. The collection instrument, VA Form 26-1802a may be reproduced and/or stocked by respondents and veterans organizations. Requiring VA to display an expiration date on the form would result in unnecessary waste of existing stocks. Inclusion of the expiration date could also result in a delay of the Department's action on the benefit being sought (respondent trying to obtain a newer version, while VA would have accepted the older version). For the reasons stated, VA continues to seek an exemption that waives the displaying of the expiration date.

18. There is no exception to the certification statement identified in item 19, "Certification for Paperwork Reduction Act Submissions" of OMB Form 83-1.

B. STATISTICAL METHODS

1. The Veterans Benefits Administration does not collect information employing statistical methods.