

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

A. Justification.

- 1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.**

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. Revisions to the form include adding text/terms for clarification purposes, legal language for Lender/Mortgagee certifications and borrower/co-borrower certifications, and adding a box for FHA Sponsored Originations.

- 2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.**

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:

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. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

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. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

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. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

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. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently as well as any technical or legal obstacles to reducing burden.**

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

- 7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; retain records, other than**

health, medical, government contract, grant-in-aid, or tax records for more than 3 years; in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study and require the use of statistical data classification that has not been reviewed and approved by OMB.

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. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the sponsor in responses to these comments. Specifically address comments received on cost and hour burden.**

The Department notice was published in the Federal Register on April 4, 2016, Vol. 81, No. 64, pages 19291-19292. No comments were received.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

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

- 10. Describe any assurance of privacy, to the extent permitted by law, provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

"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. Provide additional justification for any questions of a sensitive nature (Information that, with a reasonable degree of medical certainty, is likely to have a serious adverse effect on an individual's mental or physical health if revealed to him or her), such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

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

12. Estimate of the hour burden of the collection of information:

Estimate of Information Collection Burden

- A. Number of respondents is estimated at 350,000 per year.
- B. Frequency of response is generally one time.
- C. Annual burden is 35,000 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 respondent population is composed of veterans, servicemembers, and spouses who are applying for a VA-guaranteed home loan. VBA cannot make further assumptions about the population of respondents because of the variability of factors such as the educational background and wage potential of respondents. Therefore, VBA used general wage data to estimate the respondents' costs associated with completing the information collection.

The Bureau of Labor Statistics gathers information on full-time wage and salary workers. Accordingly, the median weekly earnings of full-time wage and salary workers is \$809.00. Assuming a forty (40) hour work week, the median hourly wage is \$20.63.

Legally, respondents may not pay a person or business for assistance in completing the information collection and a person or business may not accept payment for assisting a respondent in completing the information collection. Therefore, there are no expected overhead costs for completing the information collection. VBA estimates the total cost to all respondents to be \$722,050 (35,000 burden hours x \$20.63 per hour).

- 13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

This submission does not involve any recordkeeping costs.

- 14. Provide estimates of annual cost to the Federal Government. Also, Provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other**

expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

Estimated Cost to the Federal Government

- A.** The estimated annual cost to the Federal Government for administering this collection of information is **\$7,627,200** based on 350,000 responses annually.

Estimated Loan Guaranty processing cost for FY 2016 (350,000 cases x 48 minutes per case x \$27.24 per hour (average Loan Guaranty field salary)

- B.** Forms are available on the VA inter/intranet forms websites.
- C.** Printing and production cost is not applicable since forms are available on web.
- D.** Total cost to government - **\$7,627,200**

15. Explain the reason for any burden hour changes since the last submission.

Increase in burden hours is due to rise in usage of the VA-guaranteed Home Loan program. There has been an increase in the number of veterans applying for VA loans. This form is completed during the application process.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Information collection is not for tabulation or publication use.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We are not seeking approval to omit the expiration date for OMB approval.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB 83-I.

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

B. Collection of Information Employing Statistical Methods.

This collection of information does not employ statistical methods.