

**Announcement # 23-07****Date:** January 25, 2023

## **VA Circulars 26-23-03 & 26-23-04: Updates to VA Forms**

Pennymac is aligning with the updates to the VA forms announced in VA Circulars 26-23-03 and 26-23-04.

The VA issued both circulars on 1/17/2023 **with a mandatory effective date of loan applications on or after 2/1/23**. The MBA has reached out to the VA regarding the implementation timeline on the forms and are waiting for a response. If the VA does extend the effective date, Pennymac will align with those changes.

Pennymac has confirmed that a couple of the major document providers expect to have the required form updates deployed by 2/1/2023. We recommend clients contact their document/form provider to confirm readiness of the required VA form updates within the VA's required timeline.

### **VA Circular 26-23-03**

The VA Form 26-1820, *Report and Certification of Loan Disbursement* must be completed on every VA guaranteed, or insured loan. VA form 26-1820 has been revised as follows:

- VA has consolidated VA Form 26-1802a, *HUD/VA Addendum to the Uniform Residential Loan Application* and VA Form 26-0503, *Federal Collection Policy Notice* into the new VA Form 26-1820.
- Use of VA Form 26-1802a and VA Form 26-0503 is being discontinued and will no longer be required with the use of the updated VA Form 26-1820.
- As a reminder, VA Form 26-1820 should be fully completed and executed by the borrower and co-borrower (if applicable) at the time of closing.

### **VA Circular 26-23-04**

The VA Form 26-6393, *Loan Analysis* is required for all loans subject to the VA underwriting requirements under 38 CFR § 36.4340. VA form 26-6393 has been updated as follows:

- Additional information is now required on lines 45 through 52 and should be completed for all VA loans that require use of the form.
  - Non-Supervised Lenders with Automatic Authority such as Pennymac, are reminded that VA home loans to be closed on the non-supervised automatic basis must be reviewed and decided by a VA-approved underwriter.
  - If an Automated Underwriting System (AUS) is used to assist in the processing of a loan, the underwriter's signature is not required on the VA Form 26-6393, but a VA-approved underwriter must still determine whether or not to approve the loan. For all home loans, the VA underwriter ID number for the approving underwriter should be entered in box 52.

Please contact your Sales Representative with any questions.