



The VA Home Loan Awareness Act of 2023 (S.XXXX) Introduced by Sen. Braun (R-IN) and Sen. Brown (D-OH)

Background:

The VA Home Loan Program is the primary tool for helping veterans and their spouses achieve the American dream of owning a home. It offers veterans unique perks for financing their home purchases, including no down payment, no private mortgage insurance, and oftentimes lower interest rates than conventional FHA loans. **Despite these benefits, only 13% of veterans ever utilize their VA Home Loan benefit.**¹

Among Veterans who choose not to use the VA loan when purchasing a home, **33% of them say it was because they were not aware of the program.** This rate is even higher **among surviving spouses as 46.3% of them said they did not know they were eligible for a VA Home Loan** at the time of their purchase. Shockingly, studies show that only half of all Veterans say they were informed of the VA Home Loan program by their lender.² By simply informing more veterans of their eligibility for the VA Home Loan Program, we can ensure that those who risk their lives for our freedom are also able to afford a house in the country they've sworn to protect.

This bill would add a disclosure to the standard mortgage prequalification application (Uniform Residential Loan Application) to inform Veterans that they may qualify for a VA Home Loan. Because this form was recently updated in March 2021 to include a section for military service information, this bill would only add an additional line to that section informing veterans of this critical benefit.

Endorsements: IAVA, Veterans Association of Real Estate Professionals (VAREP), Veterans of Foreign Wars (VFW), Vietnam Veterans of America (VVA)

What the bill does:

This bill aims to increase awareness of the VA Home Loan Program by:

- Adding a disclosure informing Veterans they may be eligible for a VA Home Loan the URLA form;
- Directing applicants to consult their lender for more information about the VA Home Loan Program;
- Instructing the GAO to conduct a review and report to Congress regarding lenders adoption of the URLA form updates.

***Contact Ashley Davis or Megan Cheney for more information at
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¹ "Statistics Show Most Veterans Aren't Using VA Loan Benefits." NLC Loans Statistics, nclcloans.com/trd_post/statistics-show-most-veterans-arent-using-va-loan-benefits/#:~:text=This%20means%20that%20more%20veterans,utilized%20their%20VA%20loan%20benefit. Accessed 22 June 2023.

² *National Survey of Veterans, Active Duty Service Members, Demobilized National Guard, and Reserve Members, Family Members, and Surviving Spouses*, Westat, 2010. <https://www.va.gov/SURVIVORS/docs/NVSSurveyFinalWeightedReport.pdf>