

Background: On September 26th the VA released an updated version of Chapter 4 Credit Underwriting. The VA noted that Topic 2 Subsection K “has been updated for clarification changing from “and” to “or” in reference of documentation required” (Change Log 34).

Table of Changes: VA Pamphlet 26-7 Chapter 4 9.26.2019		
	Previous Publication 2.22.2019	New Text
2. Income – Required Documentation and Analysis b. Active Military Borrower’s Income	<ul style="list-style-type: none"> • a statement from the servicemember that he/she intends to re-enlist or extend his/her period of active-duty service to a date beyond the 12-month period, plus (1) a statement from the servicemember’s commanding officer confirming that the servicemember is eligible to re-enlist or extend his/her active-duty service as indicated, and (2) the commanding officer has no reason to believe that such re-enlistment or extension of active-duty service will not be granted, and • documentation of other unusual strong positive underwriting factors, such as a downpayment of at least 10 percent from the borrower’s own assets (not a gift), a minimum of 6 months PITI, in cash, after the downpayment from the borrower’s own assets (not a gift) or clear evidence of strong ties to the community coupled with a non-military spouse’s income so high that only minimal income from the active-duty servicemember is needed to qualify. 	<ul style="list-style-type: none"> • a statement from the servicemember that he/she intends to re-enlist or extend his/her period of active-duty service to a date beyond the 12-month period, plus (1) a statement from the servicemember’s commanding officer confirming that the servicemember is eligible to re-enlist or extend his/her active-duty service as indicated, and (2) the commanding officer has no reason to believe that such re-enlistment or extension of active-duty service will not be granted, or • documentation of other unusual strong positive underwriting factors, such as a downpayment of at least 10 percent from the borrower’s own assets (not a gift), a minimum of 6 months PITI, in cash, after the downpayment from the borrower’s own assets (not a gift) or clear evidence of strong ties to the community coupled with a non-military spouse’s income so high that only minimal income from the active-duty servicemember is needed to qualify.