

# The VA Home Loan: A Stand-Alone Benefit

Treated as a Market Product Without a Veteran Support System



## 2026 Report

Published by the Veterans Association of Real Estate Professionals (VAREP)  
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# COVER & IMPRINT

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# CREDITS & METHODOLOGY

## Authors & Contributors

Prepared under the direction of the Office of the Founder & National President, Veterans Association of Real Estate Professionals (VAREP).

## Data & Research Sources

This report synthesizes publicly available federal oversight, policy, and research, including:

- U.S. Department of Veterans Affairs statutes, regulations, and program guidance governing the VA Home Loan
- Congressional Budget Office (CBO) analyses of VA loan reforms and projected program impact
- Congressional Research Service (CRS) reports on veterans' housing, transition, and benefit delivery systems
- U.S. Government Accountability Office (GAO) findings on federal benefit implementation and execution risk
- HUD Housing Counseling Program statutes, performance frameworks, and congressional reporting standards
- FHA loss-mitigation and counseling models
- Academic and federal research on veteran housing instability, foreclosure pathways, and post-service outcomes
- Legislative history and public materials related to the VA Loan Access and Representation Act (VALAR) and related reforms

## Methodology Note

This report applies a systems lens to evaluate the VA Home Loan as federal reintegration infrastructure. Rather than assessing individual borrower behavior, the analysis examines institutional design—how the benefit is structured, delivered, and supported across the homeownership lifecycle.

### The report evaluates:

- Whether the VA Home Loan is architected to function as a public benefit
- How the absence of embedded readiness, representation, and continuity affects outcomes
- How FHA's counseling framework demonstrates a proven federal model
- Whether existing authority can modernize VA's delivery architecture without new legislation

The objective is to document the gap between benefit intent and operational reality—and to demonstrate why veterans experience preventable harm in a system built for markets, not reintegration.

This report reflects independent analysis by the Veterans Association of Real Estate Professionals (VAREP) and does not represent the official position of any federal agency.

# FOREWORD

## A Benefit Designed to Serve—Left to Stand Alone

The VA Home Loan is one of the most consequential reintegration benefits ever created. Enacted as part of the Servicemen's Readjustment Act of 1944, it embodied a national promise: that military service would be rewarded with security, stability, and a fair path home.<sup>1</sup> Homeownership was not incidental—it was foundational to civilian reintegration.

Yet today, the VA Home Loan operates almost entirely as a market product.

Unlike other federal housing benefits, it is not embedded within a public support system. FHA borrowers are served by HUD-approved housing counselors before purchase and during hardship.<sup>2</sup> Veterans are not. They are expected to self-navigate eligibility, readiness, underwriting complexity, appraisal disputes, and financial distress—often for the first time in their lives.

This is not a failure of veterans.  
It is a failure of design.

A benefit without a support system becomes a risk.

What should function as reintegration infrastructure instead behaves like a private mortgage program with a federal label. The system intervenes late—after delinquency, after credit damage, after families are already in crisis. The VA Home Loan remains powerful, but incomplete.

This report does not question the value of the VA Home Loan.

It completes it.

Veterans deserve a benefit that works the way it was intended: as a bridge from service to stability. That requires readiness, representation, and continuity—embedded, not optional. The VA Home Loan should not be the only federal housing benefit without a safety net.

### Son Nguyen

Founder & National President

Veterans Association of Real Estate Professionals (VAREP)



# EXECUTIVE SUMMARY

## From Promise to Practice

The VA Home Loan was created in 1944 as part of the original GI Bill—a national promise that military service would be met with security, stability, and a fair path home.<sup>3</sup> It was designed not merely as access to credit, but as reintegration infrastructure—a reward for service that anchored veterans in civilian life.

Today, it stands alone.

Unlike other federal housing benefits, the VA Home Loan operates without a veteran-centered support system. FHA borrowers are supported by HUD-approved housing counselors before purchase and during hardship.<sup>2</sup> Veterans are not. They are expected to self-navigate eligibility, readiness, underwriting complexity, and financial distress—often for the first time in their lives. The result is a benefit that functions as a market product rather than a public system.

**There is no standardized readiness pathway.**

**No independent, accredited advocate.**

**No continuity when risk first appears.**

Distress is discovered late. Assistance is reactive. Harm compounds.

Recent reforms modernize individual tools, but tools without navigation fail at scale. Without readiness, representation, and continuity, even the best statutory authority reaches veterans too late.<sup>4</sup>

**This is not a failure of veterans.**

**It is a failure of design.**

The solution does not require new bureaucracy or new legislation.

The Department of Veterans Affairs already has authority to contract with appropriate entities.<sup>5</sup> FHA demonstrates the federal model: HUD-approved housing counselors provide case-based readiness, early intervention, and foreclosure prevention.<sup>2</sup> That same framework can be applied to VA—through a HUD-approved Veteran Service Organization intermediary dedicated to veteran housing and VA loan navigation.

This is not a new program.

It is the completion of a promise.

The VA Home Loan should function as reintegration infrastructure. Veterans do not need another brochure. They need a bridge.

A broken promise can be made whole.

## How to Use This Report

This report is designed for policymakers, federal agencies, congressional staff, housing and financial institutions, and national partners engaged in veteran housing and reintegration policy. It supports both full reading and targeted reference. Each section may be read independently, while the full report presents a unified framework for understanding the VA Home Loan as federal reintegration infrastructure.

The analysis is population-level and systems-focused. Its purpose is to inform durable policy design—not to evaluate individual veterans, lenders, or servicers. The report examines institutional architecture: how a benefit is structured, delivered, and supported, and what is required to complete it.

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# KEY FINDINGS

## 1- The benefit exists; the system does not.

The VA Home Loan is one of the nation's most powerful reintegration benefits, yet it is the only major federal housing benefit without an embedded public support or representation framework. FHA borrowers receive HUD-authorized counseling before purchase and during hardship; veterans do not.<sup>2</sup>

## 2- The VA Home Loan is a claims-based benefit without claims-based rights.

Under Title 38, a request for a Certificate of Eligibility constitutes a formal claim for a VA benefit.<sup>6</sup> Yet the VA Home Loan remains the only core VA benefit for which veterans lack accredited third-party representation, casework, and due-process support routinely provided for disability, education, and healthcare benefits.<sup>7</sup>

## 3- The system assumes civilian norms in a military lifecycle.

Military life is defined by PCS cycles, deployments, variable income, and spouse employment disruption. These are structural conditions of service.<sup>8</sup> The VA Home Loan is not architected to account for them.

## 4- Readiness is presumed; navigation is optional.

Veterans are expected to self-navigate eligibility, underwriting complexity, market bias, appraisals, and closing disputes—often for the first time in their lives. No standardized readiness pathway exists.<sup>2</sup>

## 5- Distress is discovered late.

System activation typically occurs only after delinquency, credit damage, or servicer transfer—when options are narrower and harm is already compounded.<sup>9</sup>

## 6- The scale of harm is national.

More than 150,000 VA loans are delinquent, with over 68,000 seriously past due.<sup>10</sup> The discontinuation of VA's VASP program left no replacement pathway for systemic early intervention.<sup>11</sup>

## 7- Crisis-based models are structurally insufficient.

For a population defined by transition, a system that waits for failure does not prevent it. Instability accumulates across moves and becomes visible only after damage is embedded.<sup>12</sup>

## 8- Utilization remains artificially suppressed.

Only an estimated 10–15 percent of eligible veterans use the VA Home Loan, largely due to misinformation, market bias, and lack of guidance.<sup>13</sup> Recent buyer-representation rule changes increase the risk of unrepresented transactions.<sup>14</sup>

## 9- Transition is a point of predictable injury.

Within one year of separation, the average veteran's credit score declines, and a majority report inadequate financial preparation.<sup>15</sup> Housing distress during this period is strongly correlated with homelessness and elevated suicide risk.<sup>16</sup>

## 10- These are system failures.

Outcomes diverge based on exposure to navigation, timing, and representation—not merit. The VA Home Loan was designed as reintegration infrastructure. It remains structurally unfinished.

# VAREP'S POLICY FRAMEWORK

The Veterans Association of Real Estate Professionals (VAREP) is a national Veteran Service Organization and the only HUD-approved housing counseling organization founded specifically to serve military-connected households.

VAREP operates at the intersection of housing, finance, and civilian reintegration, including:

- HUD-certified housing counseling
- VA home loan navigation and readiness
- Financial, credit, and debt stabilization
- Foreclosure prevention and post-default recovery
- Transition and reintegration support
- Professional training for military-competent practitioners
- National policy development and advocacy

This dual role—direct service delivery and systems design—positions VAREP uniquely within the federal and civilian housing ecosystem.

The findings in this report align with six core principles:

- 1- Military-connected households constitute a distinct population requiring population-aware benefit design.
- 2- The VA Home Loan is a reintegration instrument, not merely a mortgage product.
- 3- Access without navigation produces inequity.
- 4- One-on-one, military-competent guidance materially improves outcomes.
- 5- Transition is the highest-risk stage and requires continuity.
- 6- A federal benefit succeeds only when its delivery system matches the realities of military life.

These principles translate to a single premise:

**The VA Home Loan must be designed as a system, not a transaction.**

VAREP refers to this as the **Continuum of Service™**—an integrated model that follows military-connected households across service and civilian life, providing continuity in housing guidance, credit stability, benefit navigation, and recovery.

Applied to the VA Home Loan, this framework requires:

- Converting eligibility, purchase, and hardship touchpoints into intervention points
- Embedding one-on-one, military-competent counseling as the default escalation path
- Treating PCS, deployment, and transition as structural risk events
- Requiring warm handoffs at separation and during hardship
- Extending VA loan support beyond origination
- Aligning VA delivery with HUD's outcomes-driven counseling infrastructure

**This publication does not advocate isolated programs.**

It establishes the structural context in which the VA Home Loan must operate—and demonstrates why implementation, not intent, now determines outcomes.

# PART I — THE BENEFIT

## Section I – The VA Home Loan as Reintegration Infrastructure

The VA Home Loan was created as part of the Servicemen’s Readjustment Act of 1944. It was not designed merely to expand access to credit. It was designed to convert military service into civilian stability.<sup>1</sup>

Homeownership was understood as reintegration infrastructure. It anchored families, restored permanence after years of mobility, and translated service into durable civilian footing.<sup>3</sup>

That intent remains embedded in statute. The program reduces barriers to entry, recognizes service-related income patterns, and substitutes federal guaranty for private risk. It acknowledges that military life does not conform to civilian norms and that reintegration requires accommodation.<sup>17</sup>

**In design, the VA Home Loan is not a mortgage product. It is a public benefit.**

**In delivery, it operates as a market instrument.**

Veterans encounter the benefit through private lenders and agents whose incentives are transactional. They are evaluated within underwriting models built for permanence. They navigate eligibility, appraisal, and closing disputes inside systems that presume fluency and continuity.<sup>18</sup>

The benefit’s public purpose remains in law.  
It is absent in architecture.

This distinction is structural. A market product functions at a moment of transaction. Reintegration infrastructure functions across time. It anticipates transition, provides guidance through complexity, and remains present when conditions change.

The VA Home Loan does none of these by design.

**It is powerful.**  
**It is transformative.**  
**It is incomplete.**

A reintegration benefit without reintegration infrastructure behaves like a private product. Access becomes uneven. Outcomes diverge. Risk shifts from system to individual.

What was created as a bridge now functions as a door—open to those who already know how to walk through it.

The VA Home Loan is not failing.  
It is unfinished.



## Section II – A Benefit Without a System

Every other major federal housing benefit operates within a public support framework.

FHA borrowers are embedded in a system that provides readiness before entry, independent guidance during complexity, and early intervention during hardship. Housing counseling is not ancillary. It is structural.<sup>2</sup>

The VA Home Loan stands alone.

There is no standardized readiness pathway.

There is no independent, accredited advocate.

There is no continuity across the lifecycle of ownership.

### **Veterans are expected to self-navigate:**

Eligibility and entitlement

Market bias and discouragement

Appraisals and minimum property requirements

Underwriting complexity

Closing delays and disputes

Financial distress and hardship

This design assumes civilian norms in a military lifecycle.

It assumes permanence where mobility is structural.

It assumes financial fluency where experience has been institutional.

It assumes market familiarity where exposure has been episodic.<sup>8</sup>

As a result, the VA Home Loan functions transactionally in a population defined by transition.

### **There is no public architecture that follows a veteran from:**

- Eligibility to readiness
- Readiness to purchase
- Purchase to ownership
- Ownership to hardship
- Hardship to recovery

Each stage becomes a new entry point into a new system. Responsibility fragments. Knowledge resets. Risk accumulates.

### **The system does not fail loudly. It fails quietly.**

Veterans who encounter informed professionals succeed.

Veterans who do not encounter them struggle.

Outcomes diverge not by merit, but by exposure.

Distress is discovered late.<sup>9</sup>

Intervention is reactive.

Options narrow.

Harm compounds.

**Often for the first time in their lives.**

### **This is not a deficiency of veterans. It is a deficiency of design.**

A benefit without a system becomes a risk.

The VA Home Loan remains one of the nation's most powerful reintegration tools. But without readiness, representation, and continuity, it behaves like a private product with a federal label.

### **The gap is not intent. The gap is architecture.**

# PART II — THE VETERAN EXPERIENCE

## Section III — Entry Without Readiness

For most veterans, the VA Home Loan is encountered for the first time at the moment of need. There is no universal readiness pathway. No pre-entry preparation. No standardized orientation to what the benefit is, how it functions, or how it differs from civilian credit.

Eligibility is initiated through a Certificate of Eligibility request. Under Title 38, this constitutes a formal claim for a federal benefit.<sup>19</sup> Yet it is presented to veterans as a clerical step rather than an entry into a public system. No readiness assessment accompanies it. No counseling is triggered. No independent guidance is provided.

Veterans therefore enter a complex federal benefit through a private market gateway. Their first point of contact is typically a lender or agent—actors whose role is transactional, not fiduciary.<sup>20</sup>

At this stage, veterans must self-navigate:

- Eligibility rules and entitlement limits
- Credit standards and overlays
- Income calculation under military pay structures
- Property eligibility and minimum property requirements
- Market bias against VA transactions

These are not academic complexities. They shape whether a veteran is prequalified, whether an offer is accepted, and whether a transaction proceeds.

For many veterans, this is their first interaction with civilian credit markets. Military life institutionalizes housing, healthcare, and financial administration. Transition requires an abrupt shift from system-managed living to self-managed navigation.<sup>21</sup>

The VA Home Loan assumes this shift has already occurred.

### **Readiness is presumed. Navigation is optional.**

As a result, entry is uneven. Veterans who encounter informed professionals succeed. Veterans who do not encounter them are delayed, discouraged, or diverted.

Access diverges not by merit, but by exposure.

## Section IV — Purchase Without Representation

Once a veteran enters a transaction, the absence of an independent advocate becomes structural.

The VA Home Loan introduces unique elements:

- Appraisal standards tied to minimum property requirements
- Conditional approvals based on entitlement and residual income
- Additional documentation tied to service status
- Timelines that differ from conventional loans

These features are designed to protect veterans. In practice, they often become points of friction in a competitive market.

Veterans do not have access to an accredited, neutral representative who understands both VA policy and civilian transaction mechanics. They rely on parties whose primary obligations are to close, not to protect.<sup>22</sup>

When an appraisal is delayed, a property is flagged, or underwriting questions service-related income, veterans are left to mediate between systems they do not control and do not fully understand.

In the post-buyer-representation environment, this risk intensifies. Veterans increasingly face transactions without clear fiduciary alignment.<sup>23</sup> The VA Home Loan provides no parallel safeguard.

What other VA benefits provide as a matter of right—representation, casework, and due process—does not exist here.

**The result is not merely confusion.**

**It is structural vulnerability.**

Veterans experience denials they do not understand.  
Delays they cannot resolve.  
Terms they cannot evaluate.

The benefit is present.  
The advocate is not.

## Section V — Distress Without Early Intervention

When conditions change, the absence of continuity becomes most visible.

Military-connected households experience predictable disruption:

- PCS moves that alter housing costs
- Deployments that change income patterns
- Medical events and family transitions
- Separation from service

These are not anomalies. They are structural features of military life.<sup>24</sup>

Yet the VA Home Loan does not maintain a relationship with the borrower beyond origination. There is no embedded mechanism for early outreach, financial recalibration, or proactive support.

Veterans in distress encounter the system only after delinquency. Contact comes from servicers, framed as collection. Many veterans disengage, misinterpreting outreach as punitive rather than protective.<sup>25</sup>

By the time VA programs activate, options are narrower. Credit damage has occurred. Fees have accrued. Stress is embedded.

Intervention is late because architecture is late.

A lifecycle population is served by a crisis-based system.

**The VA Home Loan remains powerful.**

**But power without continuity becomes risk.**

Part III examines how this design gap becomes structural harm—how late-stage activation, market mediation, and absence of representation compound into national-scale outcomes.

# PART III — THE SYSTEM GAP

## Section VI — Crisis as the Default Architecture

The VA Home Loan is structured to intervene only after failure becomes visible.

There is no embedded mechanism for early warning. No routine financial check-in. No trigger for outreach when risk first appears. The system activates when a payment is missed, when delinquency is recorded, or when a servicer initiates escalation.<sup>26</sup>

At that point, the borrower is no longer a participant in a reintegration benefit. They are a delinquent account in a servicing workflow.

This architecture is not accidental. It reflects a market model rather than a public-benefit model. Market systems respond to default. Public systems prevent it.

FHA's framework treats housing stability as a lifecycle obligation. Counseling is authorized before purchase and during hardship. Intervention occurs before delinquency becomes structural.<sup>27</sup>

Risk is invisible until it becomes damage.  
Damage is visible only after it becomes costly.  
Cost is borne by the borrower.

**The VA Home Loan does not operate this way.**

The system is therefore reactive by design.

For a population defined by mobility, this is misalignment. Military households experience disruption as a norm. Income shifts. Housing costs change. Family structure evolves. Separation alters every financial variable at once.<sup>28</sup>

A benefit designed for reintegration cannot function as a crisis tool.

Yet that is what the VA Home Loan has become.

When intervention arrives, it is framed as remediation rather than support. Veterans are asked to respond to notices, submit documents, and negotiate options they do not understand with entities they do not trust.<sup>29</sup>

The architecture assumes that distress is exceptional.  
For military households, it is predictable.

A system that waits for failure will always arrive too late.

## Section VII — Structural Harm

The consequences of this design are measurable.

As of 2025, more than 150,000 VA loans are delinquent, with over 68,000 seriously past due.<sup>30</sup> These figures reflect not only economic cycles, but the absence of early-stage intervention and continuity.

Transition from service compounds this risk. Research shows that within one year of separation, the average veteran's credit score declines.<sup>31</sup> A majority of transitioning servicemembers report inadequate financial preparation for civilian life.<sup>32</sup>

Housing instability during this period is strongly correlated with homelessness and elevated suicide risk.<sup>33</sup> Veterans experiencing financial distress are several times more likely to face housing loss than their civilian peers.<sup>34</sup>

## **These outcomes are not the result of individual failure. They are the product of institutional design.**

Access to informed guidance changes outcomes.

Timing changes outcomes.

Representation changes outcomes.

Yet the VA Home Loan provides none of these as a matter of structure.

Veterans who encounter capable professionals succeed.

Veterans who do not encounter them struggle.

The system produces variance where a public benefit should produce equity.

Utilization remains suppressed. Only a fraction of eligible veterans use the VA Home Loan.<sup>35</sup>

Misinformation, market bias, and absence of navigation deter participation.<sup>36</sup>

Utilization remains suppressed. Only a fraction of eligible veterans use the VA Home Loan.<sup>35</sup>

Misinformation, market bias, and absence of navigation deter participation.<sup>36</sup>

In a benefit designed to reward service, underutilization is itself a failure.

The VA Home Loan was created to stabilize reintegration.

It now reflects reintegration risk.

Part IV examines the federal model that already exists—how FHA embeds readiness, guidance, and early intervention as public infrastructure—and why that model applies directly to the VA Home Loan.

**The gap is not authority.  
The gap is architecture.**

# **PART IV — THE FEDERAL MODEL**

## **Section VIII — What FHA Gets Right**

Federal housing policy already contains a proven model for delivering public benefits to at-risk populations.

The Federal Housing Administration does not treat homeownership as a single transaction. It treats it as a lifecycle commitment. FHA borrowers are embedded in a congressionally authorized housing counseling system that provides:

- Readiness before purchase
- Independent guidance during complexity
- Early intervention during hardship

Counseling is not supplemental. It is structural.<sup>37</sup>

HUD-approved housing counselors are authorized to deliver one-on-one, case-based support. They assess readiness, help households prepare for ownership, intervene when risk appears, and remain engaged when conditions change. Outcomes are tracked. Performance is measured. Continuity is expected.<sup>38</sup>

This architecture recognizes that access alone does not produce stability. It recognizes that populations with structural risk require embedded navigation.

FHA borrowers are not expected to self-diagnose distress or interpret market signals. The system anticipates risk and intervenes early.

Readiness is designed.

Guidance is authorized.

Intervention is normalized.

## **The VA Home Loan contains none of these features.**

Yet the populations served by FHA and VA share many of the same characteristics: first-time buyers, limited savings, transitional income, and exposure to market volatility. Military households carry additional risk through mobility, deployment, and service-connected disruption.

FHA's design responds to vulnerability with infrastructure.

VA's design responds to vulnerability with silence.

The difference is not intent.

It is architecture.

FHA demonstrates that federal housing benefits require three embedded functions:

- Readiness before entry
- Independent guidance during complexity
- Early intervention during hardship

**These are not enhancements.  
They are prerequisites for equity.**

## **Section IX — Authority Without Architecture**

The absence of these functions in the VA Home Loan is not the result of statutory limitation.

The Department of Veterans Affairs already possesses authority to contract for services that support benefit utilization.<sup>39</sup> VA routinely partners with nonprofit organizations, academic institutions, and private entities to deliver services across healthcare, education, and transition.

**What is missing is not permission.  
It is design.**

The VA Home Loan has evolved as a guaranty instrument rather than as a reintegration system. Policy reforms have modernized tools—interest rate structures, loss mitigation options, underwriting flexibilities.<sup>40</sup>

But tools without navigation fail at scale.

A benefit can be legally robust and operationally hollow. Authority can exist without infrastructure. Statute can authorize protection that architecture never delivers.

This is the condition of the VA Home Loan.

Without readiness, representation, and continuity, even the best authority reaches veterans only after harm is visible. Intervention becomes remediation. Support becomes exception.

**It is powerful in theory.  
It is isolated in practice.**

FHA's framework demonstrates that federal housing benefits are not self-executing. They require delivery systems aligned to the population they serve.

The VA Home Loan has never been given such a system.

The gap is not congressional will.

The gap is administrative architecture.

Part V examines what it means to complete the benefit—how a custodial, lifecycle model restores the VA Home Loan's original purpose as reintegration infrastructure.

## **PART V — COMPLETING THE BENEFIT**

### **Section X — The Custodial Model**

The VA Home Loan does not fail because it lacks authority.

It fails because it lacks stewardship.

Every other core VA benefit recognizes that complexity requires representation. Disability claims, education benefits, and healthcare access are all navigated with the assistance of accredited third-party advocates. Veterans are not expected to self-represent through regulatory systems that determine eligibility, entitlement, and outcome.

The VA Home Loan is the sole exception.

Under Title 38, a request for a Certificate of Eligibility constitutes a formal claim for a VA benefit.<sup>6</sup> Yet veterans are denied the same right to accredited representation that exists across the rest of the VA benefits ecosystem. The result is a benefit that functions without a guardian.

A custodial model corrects this structural defect.

**A custodian is not a lender.**

**A custodian is not a servicer.**

**A custodian is not a broker.**

A custodian is an independent, veteran-centered steward of the benefit itself.

In a public-benefit system, custodianship establishes:

- Continuity across the lifecycle
- Independent guidance through complexity
- Early intervention before harm becomes embedded
- Accountability for outcomes, not transactions

This model is not theoretical. It mirrors how VA disability claims are supported. It reflects how HUD's counseling framework operates. It recognizes that benefits designed for reintegration require guardianship over time.

Custodianship reframes the VA Home Loan from a product to a system.

It ensures that a veteran is not alone at:

- Entry
- Purchase
- Distress
- Recovery

It restores parity between the VA Home Loan and every other core VA benefit.

Representation becomes a right.

Navigation becomes structural.

## **Continuity becomes expected.**

A reintegration benefit without a steward behaves like a market product.

A reintegration benefit with a custodian becomes infrastructure.

## **Section XI — The Continuum Applied to the VA Loan**

VAREP refers to this architecture as the **Continuum of Service™**—a lifecycle model that follows military-connected households across service and civilian life.

Applied to the VA Home Loan, this model converts episodic touchpoints into structural intervention.

It establishes a public system that:

- Engages veterans at transition
- Assesses readiness before entry
- Provides case-based guidance during purchase
- Intervenes at the first sign of risk
- Represents borrowers during hardship
- Supports recovery after disruption
- Maintains continuity over time

A custodial continuum ensures that:

- Transition is a handoff, not a cliff
- Purchase is guided, not improvised
- Distress is anticipated, not discovered
- Recovery is supported, not abandoned

It aligns VA delivery with the realities of military life:

- Mobility
- Income disruption
- Institutional dependency
- Abrupt civilian transition

**This is not programmatic expansion.  
It is architectural completion.**

The VA Home Loan was designed to convert service into stability. That conversion requires continuity.

Without it, the benefit becomes episodic. With it, the benefit becomes reintegration infrastructure.

The Continuum does not replace lenders, servicers, or agents. It completes the public system around them.

It ensures that:

- The veteran has an advocate who is not transactional
- The benefit has a steward who is not market-bound
- The system has memory across time

## **A benefit that spans a lifetime cannot operate as a moment.**

Part VI examines what this architecture means for VA, Congress, and the civilian housing system—and why completing the VA Home Loan is not reform, but restoration.



# **PART VI — IMPLICATIONS**

## **Section XII — Implications for the Department of Veterans Affairs**

Completing the VA Home Loan requires a shift in institutional posture.

The Department of Veterans Affairs has historically administered the VA Home Loan as a guaranty program. Its operational focus has been risk management, lender participation, and portfolio performance. These functions are necessary. They are not sufficient.

A reintegration benefit cannot be administered solely as a financial instrument.

Other VA programs recognize this distinction. Disability benefits are not delivered through forms alone. Education benefits are not accessed without counseling. Healthcare is not provided without care coordination. In each case, the Department acknowledges that complexity requires human infrastructure.

The VA Home Loan remains outside this model.

A custodial architecture reframes VA's role from guarantor alone to steward of reintegration outcomes. It does not displace existing functions. It completes them.

For VA, this means:

- Recognizing the VA Home Loan as a lifecycle benefit, not a point-in-time transaction
- Treating entry into the benefit as the beginning of a relationship, not the end of an application
- Authorizing independent, veteran-centered intermediaries to provide continuity and casework
- Measuring success not only by defaults avoided, but by stability sustained

## **This is not mission drift. It is mission alignment.**

The Department's statutory purpose is to care for those who have borne the battle. Housing stability is not ancillary to that mission. It is foundational to it.

Completing the VA Home Loan aligns delivery with purpose.

### **Section XIII — Implications for Congress**

Congress created the VA Home Loan as reintegration infrastructure. The benefit's original design reflected a national understanding that service requires accommodation, and that civilian stability does not arise automatically from access.

Over time, implementation drifted. The benefit remained. The system around it did not.

**The gap that now exists is not one of intent. It is one of architecture.**

For Congress, the implication is structural:

- Benefits do not execute themselves.
- Authority without delivery architecture produces variance.
- Variance in a public benefit produces inequity.

### **Section XIV — Implications for the Civilian Housing System**

The VA Home Loan does not operate in isolation. It intersects with private lenders, real estate professionals, servicers, and housing markets.

In the absence of public infrastructure, these actors become de facto gatekeepers.

**Some perform exceptionally. Others lack training, incentive, or capacity.**

The system produces variability where equity is required. A custodial architecture does not replace the market. It stabilizes it.

It ensures that:

- Veterans enter transactions prepared
- Professionals engage informed clients
- Servicers coordinate with trusted intermediaries
- Distress is addressed before it becomes crisis

## **The VA Home Loan is a case study in this reality.**

Congress need not invent a new program. The federal government already operates a model through HUD and FHA. The question is not whether such a system can exist. It is whether veterans should be excluded from it.

Completing the VA Home Loan restores parity across federal benefits. It affirms that:

- Representation is a right, not a privilege
- Navigation is infrastructure, not charity
- Reintegration is a public obligation, not an individual burden

A benefit created by Congress must be delivered as Congress intended—not merely authorized.

This alignment benefits all participants.

Lenders face fewer late-stage failures.  
Agents encounter fewer stalled transactions.  
Servicers engage borrowers earlier.  
Communities retain stable households.

**Most importantly, veterans are no longer required to self-navigate institutional complexity without support.**

A public benefit embedded in a private market requires public infrastructure.

Without it, the market becomes the system.

# ENDNOTES & SOURCES

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