



IOWA COUNTY VETERANS NEWSLETTER

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MEMORIAL DAY FLAG ORDER

Posts and Cemetery Officials please contact the Veterans Service Office with your Memorial Day flag order by March 15th.

TOP 3 VA LOAN MYTHS THAT KEEP SERVICE MEMBERS FROM USING THEIR BENEFIT

Department of Veterans Affairs loans are designed to make the dream of home ownership possible for veterans and current service members. Since the program began with the GI Bill in 1944, the government has backed more than 25 million home loans for those who have served their country.

Despite the fact that nearly half of the mortgages Navy Federal Credit Union originates are VA loans, there are a significant number of veterans and service members who are eligible for this product and its many benefits, yet don't take advantage of it.

To address this issue, Navy Federal recently surveyed a thousand service members and veterans about their thoughts and feelings on home ownership and VA mortgages. The report, which reveals some of the common misperceptions keeping service members from using their full VA loan benefits, found that more than a quarter of respondents who have taken out a mortgage haven't used a VA loan.

Myth #1: VA Loans Require a Down Payment

On average, veterans believe a down payment of 12% is needed for a VA loan, while active-duty service members say 28% is needed. In reality, when using a VA loan to purchase a home, there are options available that require no down payment. This fact alone can be a huge boost for most homebuyers' purchasing power, especially in today's competitive market.

Myth #2: VA Loans Have Higher Rates

As inflation and interest rates rise, homebuyers are increasingly concerned about finding an affordable home. Nearly half of active-duty survey respondents thought VA loans have a higher interest rate than conventional loans. But that's usually not the case, as VA loan interest rates tend to average about 0.25% to 0.5% lower than conventional mortgages when comparing apples to apples.

"VA loans can make home buying and homeownership much more cost effective for veterans and service members than traditional loans," said Rashalon Hayes, assistant vice president for field mortgage originations at Navy Federal. "Keep in mind, the "headline rate" - or the interest rate you see listed - isn't the whole story. You should look for lenders with lower fees and no private mortgage insurance requirements, which can add on significant costs."

Myth #3: VA Loans Are Too Much of a Hassle

There's a common belief that these types of loans are just too complicated and cumbersome to get. However, people who secured a VA loan are overwhelmingly happy with the process. Asked how satisfied they were with the process of obtaining a VA loan, with one being very dissatisfied and seven being very

satisfied, 80% of respondents in our research reported a score of six or seven.

“The VA home-buying process can be smooth, especially when you’re using lenders like Navy Federal, who are familiar with the process,” Hayes said. “The reality is that VA-backed mortgages remain one of the best tools available to military-affiliated buyers, even in today’s highly competitive housing market.” So now that you’ve learned the facts about VA loans, what are the qualifications needed to get one?

If you’ve served 90 consecutive days of active service during wartime, 181 days of active service during peacetime or you have six years of service in the Reserves or National Guard, you qualify for a VA loan. Additionally, spouses of service members who have died or been injured in the line of duty are also eligible.

VA loans remain one of the most cost-effective ways for eligible Americans to purchase a home. Homebuyers interested in exploring this benefit should talk with a lender or their real-estate agent to find out whether VA loans are right for them.

The first step in a purchase or refinance with a VA loan is to get rate quotes from multiple lenders. Often, your lender will then guide you through the rest of the process, from COE to closing.

PANDEMIC-RELATED BACKLOG OF 600,000 VETERANS RECORDS REQUESTS FINALLY CLEARED

A backlog of hundreds of thousands of requests for veteran’s records from the National Personnel Records Center in St. Louis that was caused by limiting in-person work during the COVID-19 pandemic has finally been cleared, the National Archives announced this week.

"Clearing the backlog of record requests at the National Personnel Records Center has been my top priority, and I am proud that we've gotten this done," Archivist of the United States Colleen Shogan said in a statement Wednesday. "I want to recognize the hard work and dedication of the National Archives staff. They have worked overtime and across weekends and holidays to achieve this goal and ensure we meet our obligation to those who've served."

While the National Personnel Records Center, or NPRC, never fully closed down during the pandemic so that it could respond to emergency requests such as for records needed for medical care, it significantly curtailed operations because of building occupancy limits.

The staffing reductions led to a backlog that grew to more than 600,000 requests, making life difficult for veterans who needed hard copies of their records for disability claims, proof of veteran status for other benefits, documentation in lawsuits, personal archives and other uses.

Officials were able to eliminate the backlog through a mix of updating technology, adding staff and contractors, and working longer hours, according to a news release.

Lawmakers, who previously expressed immense frustration at the backlog, are also crediting a law passed by Congress in 2022 that authorized \$60 million for the National Archives to address the issue and mandated the agency issue a concrete plan to clear the logjam.

"If veterans cannot access their service records, they cannot claim and receive the benefits and care that they've earned through their service," Sen. Jon Ossoff, D-Ga., said in a statement. "That's why I wrote and passed the bipartisan Access for Veterans to Records Act, which required the National Archives to clear out this backlog. This is great progress with more work ahead."

Sen. Mike Rounds, R-S.D., the bill's other lead sponsor, similarly said he was "pleased" the "unacceptable" backlog "has been remediated so veterans can acquire their records in a timely manner."

"I will continue to work with my colleagues on both sides of the aisle to make certain our veterans have access to the services and benefits they have earned," he said in a statement Thursday.

With the backlog eliminated, veterans can expect routine requests for separation documents to take less than a week to process, while more complex applications could take about 20 days, according to the National Archives news release.

The Archives also said it is continuing to work on digitizing records after entering into multiple agreements with the Department of Veterans Affairs to expedite that process.

"I have worked for the National Archives for 35 years and the pandemic and subsequent backlog presented the greatest challenges of my career, but they also led to many fast-paced, transformative changes, particularly with regard to transitioning NPRC's holdings and processes to an electronic environment," Scott Levins, the center's director, said in a statement. "We are routinely doing things today that were seemingly impossible before the pandemic and which position us for success for years to come." *Military.com* | By [Rebecca Kheel](#)

VA PAUSES FORECLOSURES ON VETERANS FACING DIFFICULTIES MAKING MORTGAGE PAYMENTS

The Department of Veterans Affairs announced that it is pausing foreclosures on VA-backed loans and extending pandemic protections for veterans facing difficulties paying their mortgages.

Officials said Friday that the department will contact mortgage services to pause VA foreclosures and extend the COVID-19 Refund Modification program through May 31, 2024, to ensure that veterans are able to stay in their homes.

The move follows a report Nov. 11 by National Public Radio that found veterans who used the mortgage forbearance program authorized by Congress early in the pandemic were at risk of losing their homes after the VA ended a Partial Claim Payment program that would have allowed them to defer their missed payments to the back of their loan period.

Instead, when the program ended, they received bills from their mortgage companies for the total payments missed, meaning they faced paying large sums to keep their existing low-interest mortgages or refinancing under today's rates, which are double what they were in January 2022.

According to the NPR report, roughly 6,000 VA homeowners are in the foreclosure process. Another 34,000 are delinquent. The VA has called for mortgage services to pause foreclosures and will "work

with servicers on workable home retention solutions for veterans," according to a department statement.

The extension of the COVID-19 Refund Modification program will allow veterans to obtain zero-interest, deferred-payment loans from the VA to cover missed payments and modify their existing VA-guaranteed loans to create an affordable monthly payment structure.

VA officials said they are establishing a VA Servicing Purchase program that will allow the department to purchase defaulted VA loans from mortgage companies, modify them, and then put them in the VA's direct loan portfolio.

"This will empower us to work with veterans experiencing severe financial hardship to adjust their loans -- and their monthly payments -- so they can keep their homes," VA officials said in the statement.

Most loans described as "VA home loans" are actually VA-backed loans, in which the department guarantees a portion of the loan, ensuring that if a veteran homeowner goes into foreclosure, the lender will recoup some or all of its losses.

The benefits for veterans include better loan terms, such as a more favorable interest rate or smaller to no down payment. According to the department, nearly 90% of all VA-backed home loans are made without a down payment.

Following the NPR report, Senate Democrats Sherrod Brown of Ohio, Tim Kaine of Virginia, Jack Reed of Rhode Island, and Jon Tester of Montana wrote to VA Secretary Denis McDonough calling for a pause and urging him to extend the COVID-era refund program.

"With each additional day that passes, risks mount for borrowers who are facing foreclosure while they wait for a solution from VA. Without this pause, thousands of veterans and service members could needlessly lose their homes," the senators wrote. "This was never the intent of Congress."

VA officials said any veteran struggling with making their mortgage payments should check out the department's housing assistance website or call 877-827-3702.

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**Veterans
Newsletter**

IMPORTANT DATES

March 10 th	Daylight savings time begins. "Spring Ahead"
March 15 th	Flag Orders for Memorial Day are due from Posts and Cemetery Officials
March 31 st	Easter
May 12 th	Mother's Day
May 18 th	Armed Forces Day
May 27 th	Memorial Day

VETERANS SERVICE OFFICE CLOSINGS

Good Friday
Memorial Day

Friday, March 15th
Monday, May 27th