

LOAN GUARANTY ACCOMPLISHMENTS

(Last 12 months)

Lender and Veteran Customer Satisfaction Surveys

- o 20% response rate from veterans, 55% response rate from lenders
- o Very positive response: Loan Guaranty personnel are meeting the needs of veterans and program participants in a professional and helpful manner.
- o Need identified for better access by public to RO personnel.

Lender Appraisal Processing Program (LAPP)

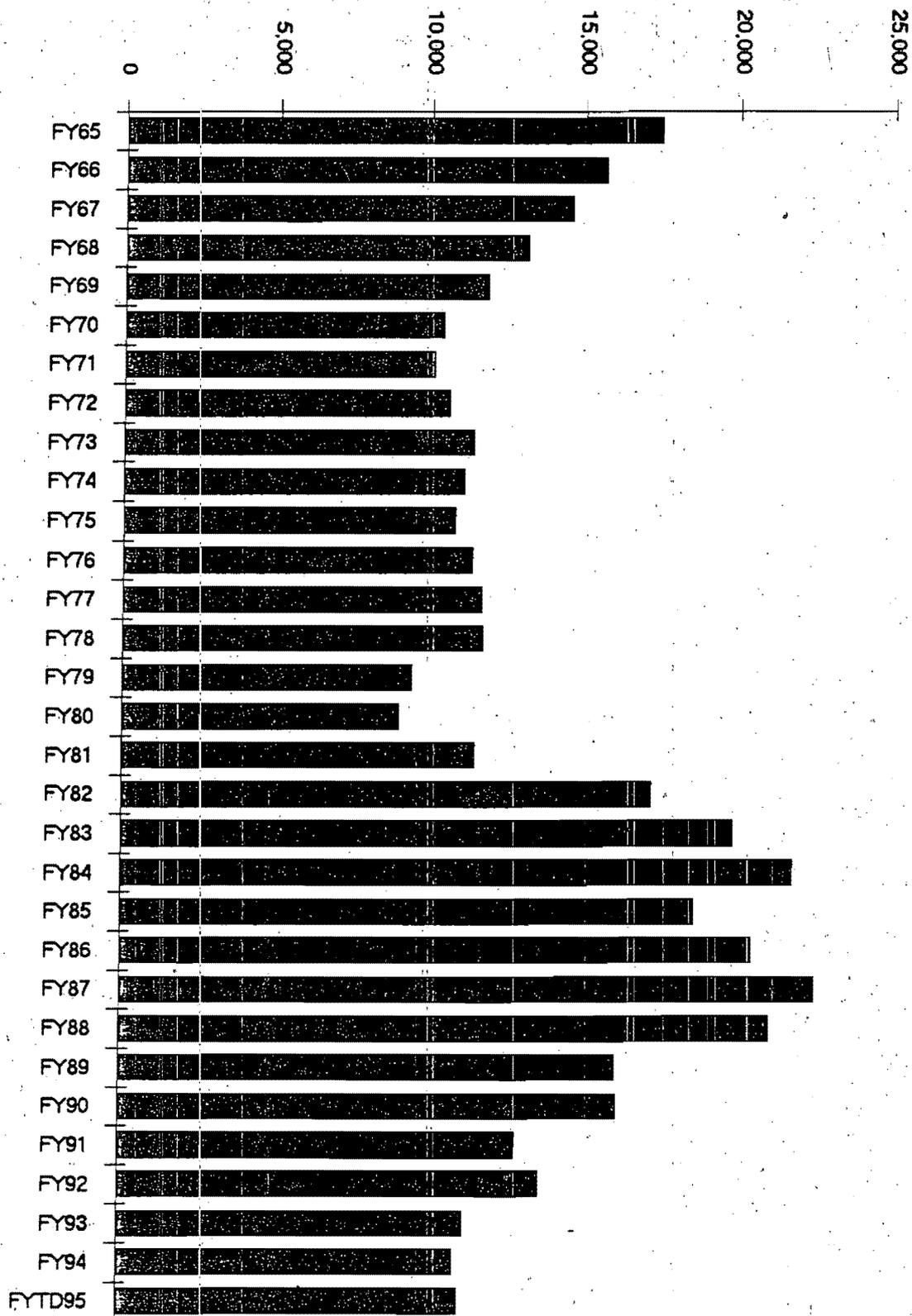
- o Under LAPP, lenders meeting VA eligibility criteria may receive appraisal reports directly from VA assigned appraisers, review these appraisals themselves (vs. VA staff reviewing them), and underwrite and close the loans without VA involvement.
- o Improves service to veterans and lenders by helping them close loans more quickly. Viewed very positively by private sector.
- o Five fold increase in lender participation in this period of all loans now being processed under LAPP.

Native American Direct Loan Program

- o 13 MOUs signed with Tribes (30 overall since inception of program)
- o 30 loans closed (33 since inception of program)
- o More than 150 loans in process.

Streamlined Loan Processing

- o Streamlined procedure for issuing Loan Guaranty Certificates implemented.
- o Lenders now receive guaranty very quickly.



ON HAND LAST 30 YEARS

ON HAND

Loan Management

- o Through the first two quarters of FY 1995, VA Loan Service Representatives made 115,447 personal supplemental servicing contacts with veterans, as compared to only 89,146 for the first two quarters of the prior fiscal year.
- o Defaults reported on GI loans are down through the second quarter of FY 1995 as compared to a year ago, from 66,693 to 62,497. Also, foreclosures are similarly down, from 12,155 to 11,573.
- o VBA distributed a Servicing Guide to provide GI loan holders with instructions on VA policies and procedures to assist delinquent veteran borrowers in either retaining their homes or arranging alternatives to foreclosure which are less costly to the government and less damaging to veterans.
- o We have made substantial progress toward reaching our GPRA Performance Agreement with OMB concerning serious portfolio loan delinquencies, having reduced the number of loans more than 4 months delinquent from 495 as of 9/30/94 to only 15 as of 6/30/95.

Property Inventory

- o Property sales since June 1994 have returned nearly \$1.6 billion to VA.
- o National property inventory close to lowest level in 15 years (11,100 properties - see attached graph), despite rise in interest rates and a recession-driven increase in the California property inventory. (In the last month, even the California offices have begun to achieve some reduction in properties on hand.)