

Statement for the Record

Submitted by the Veterans Association of Real Estate Professionals (VAREP)

**To the House Veterans Affairs Committee, Subcommittee
on Economic Opportunity**

Regarding H.R. 1814 – Enhancements to Veteran Foreclosure Prevention

Chairman, Ranking Member, and Members of the Committee:

On behalf of the Veterans Association of Real Estate Professionals (VAREP), we appreciate the opportunity to submit this Statement for the Record on H.R. 1814 and its impact on veteran homeownership and foreclosure prevention. As the only HUD-approved Veteran Service Organization (VSO) dedicated to housing and financial stability, VAREP supports stronger foreclosure prevention measures, including HUD-approved counseling, a Partial Claim Program, and structured borrower engagement—initiatives that align with industry leaders such as the Mortgage Bankers Association and Freedom Mortgage.

Support and Enhancing H.R. 1814 to Better Serve Veterans

While H.R. 1814 is a positive step forward, additional provisions would strengthen its impact and ensure more effective foreclosure prevention:

- Require servicers to refer delinquent VA borrowers to HUD-approved housing counselors by the 31st day of missed payment to prevent further hardship.
- Implement structured action plans that help struggling borrowers actively resolve delinquencies with professional support.
- Enhance coordination between the VA and HUD-approved housing counselors to align foreclosure prevention strategies with veterans' financial realities.
- Establish third-party VSO representation for VA loan default cases to provide case management and borrower advocacy.

The Absence of VSO Advocacy for Veteran Borrowers

At the March 11, 2025, Subcommittee on Economic Opportunity Hearing, no Veteran Service Organizations (VSOs) addressed H.R. 1814, VA loan defaults, or foreclosure prevention. Similarly, at the March 4, 2025, Joint House and Senate VSO Hearing, multiple VSOs testified, yet none focused on veteran financial security, home retention, or loss mitigation.

Unlike VA healthcare and benefits claims, where VSOs play a critical advocacy role, veterans facing foreclosure have no dedicated representation. This gap leaves them vulnerable to financial uncertainty, predatory servicing practices, and unnecessary foreclosures.

Closing the Advocacy Gap: A HUD-Certified VSO for Veteran Borrowers

To address this critical issue, VAREP urges the Committee to establish a federally chartered, HUD-certified VSO dedicated to veteran housing stability, foreclosure prevention, and financial security.

- **Purpose** - Serve as the official advocate and resource for veterans struggling with mortgage challenges.
- **Responsibilities** -
 - Provide direct financial counseling and foreclosure prevention assistance.
 - Act as a liaison between VA, servicers, and veteran borrowers to ensure fair servicing practices.
 - Monitor and report servicer performance to Congress for greater oversight and accountability.
 - Ensure veteran borrowers have a permanent voice in legislative discussions impacting VA housing policies.

By integrating these crucial improvements, H.R. 1814 can deliver real, lasting solutions for veteran homeowners at risk of foreclosure.