



# VAREP

VETERANS ASSOCIATION OF  
REAL ESTATE PROFESSIONALS

**2017 POLICY  
POSITION STATEMENT**

# POLICY POSITION PAPER

The 2017 Veterans Association of Real Estate Professionals (VAREP) policy position statement is an evaluation of key policy issues that have a direct impact on VAREP's ability to accomplish its mission of financial-literacy education, homeownership education, VA loan education, and housing counseling for the active-military and veteran communities.

Veterans are members of a protected class. As such, laws have been enacted to protect veterans on various employment, economic, and judicial issues. In the same spirit, VAREP implores legislators to protect servicemembers and veterans against discrimination insofar as credit, lending and housing opportunities by taking action on the following:

- Establish a program to educate/counsel servicemembers and veterans about financial literacy and the benefits of homeownership;
- Create a "Veterans Informed Consumer Choice Disclosure Notice" mandating that lenders provide veteran consumers who apply for a VA loan with a written comparisons between the VA, FHA, and conventional loan products; and
- Reform federal fair housing, lending and equal credit opportunity acts to include and protect veterans.

## Issues & Supporting Data

**A 2016 VAREP survey of veterans conducted during its outreach events, showed the following:**

- 65% said they did not think they could ever own a home.
- 95% said they did not receive housing counseling and VA Loan education while serving and post separation.
- 95% said they wanted follow-up home buying counseling services and education.

**The 2010 VA National Veterans Survey revealed the following reasons for veteran homeowners' not using the VA home loan benefit:**

- 33.6% indicated they did not know about the program.
- 8.1% said their lender and/or REALTOR® discouraged the use of the VA loan.

**The Blue Star Families Military Family Lifestyle Survey showed that:**

- 63% of military families experience stress related to their family's current financial situation, (2016 survey).
- 84% agreed that greater focus should be placed on preventive financial education as a whole, (2015 survey).

**Lack of veteran inclusion in current federal fair housing, lending and equal credit opportunity laws:**

- The Fair Housing, Equal Credit Opportunity and Community Reinvestment Acts protect low-and-moderate income families and certain socioeconomic groups against discrimination insofar as credit, lending and housing opportunities. Veterans, an established protected class, have been left out of these laws causing confusion, frustration and in some cases, housing discrimination.

# 3 POINT SOLUTION

A Multi-Agency, Administrative & Legislative Approach

1

## AMEND OR INTRODUCE LEGISLATION TO ESTABLISH A PROGRAM TO EDUCATE/COUNSEL SERVICEMEMBERS AND VETERANS ABOUT FINANCIAL LITERACY AND THE BENEFITS OF HOMEOWNERSHIP.

Through legislation, the DOD and VA would be required to establish a financial literacy and housing education program offered to servicemembers and veterans of all eras. Topics should include the importance of budgeting and savings, the benefits of homeownership, different mortgage types, maintaining good credit and avoiding foreclosure. After education, participants would be provided with follow-up housing counseling services to answer any questions, reinforce learning and expose veterans to all available housing options.

**Note:** If legislation does not receive the required support, VAREP suggests the VA create a 5-year pilot program that would accomplish the same goals. Once success has been proven, the program can become permanent.

2

## INTRODUCE LEGISLATION TO CREATE A “VETERANS INFORMED CONSUMER CHOICE DISCLOSURE NOTICE.”

**Option One:** Using HUD’s “Informed Consumer Choice Disclosure Notice” as an example, legislators need to create a veteran version mandating that lenders provide veteran consumers who apply for a VA loan with a written side-by-side comparisons between the VA, FHA, and conventional loan products.

**Option Two:** Amend HUD’s existing “Informed Consumer Choice Disclosure Notice” to include the VA loan. This would mandate that lenders would provide veteran consumers who apply for a VA loan with a written side-by-side comparisons between the VA, FHA, and conventional loan products.

3

## REFORM FEDERAL FAIR HOUSING, LENDING AND EQUAL CREDIT OPPORTUNITY ACTS TO INCLUDE AND PROTECT VETERANS.

**Option One:** Amend the Fair Housing Act, the Equal Credit Opportunity Act (ECOA) and the Community Reinvestment Act (CRA) to include veterans as a protected class.

**Option Two:** Introduce Legislation to provide the same protections and equal credit opportunity for veterans as the Fair Housing, Equal Opportunity and Community Reinvestment Acts have done for Low-and-moderate income families and other protected socioeconomic classes.

**Note:** Either option would allow agencies such as Federal Housing Finance Agency (FHFA), Consumer Financial Protection Bureau (CFPB), Department of Housing and Urban Development (HUD) and Office of the Comptroller of the Currency (OCC) would be directed to work with financial institutions to create programs that positively provide credit, lending and housing opportunities for veterans.

*“As a housing non-profit for vets, by vets, our success is measured not by a balance sheet for shareholders, but by how many lives we can improve through our programs and services. Our proactive stance of providing financial-literacy education and advocating homeownership may not end the epidemic of homelessness among the veteran community, but can prevent it from happening in the future, one veteran at a time.”*

*- Son Nguyen, VAREP National President and Founder*



**[www.VAREP.net](http://www.VAREP.net)**

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