



April 8, 2025

The Honorable Douglas A. Collins
Secretary of Veterans Affairs
810 Vermont Avenue NW
Washington, DC 20420

RE: Veterans Affairs Servicing Purchase

Dear Secretary Collins:

In light of your decision to cancel the Veterans Affairs Servicing Purchase (VASP) Program,¹ the Housing Policy Council (HPC)² urges your team to establish a practical wind-down process to protect the tens of thousands of veterans who are already approved or under evaluation for VASP.³

In compliance with VA policy, servicers have already offered modified loans to tens of thousands of borrowers (through written and oral offers) and these veterans are completing the necessary steps to qualify. As HPC and others wrote to the House and Senate VA oversight committees in January, “in the event of an immediate cancellation of the program, servicers would need to be given the opportunity to complete any VASP loan where terms have already been communicated to a customer to avoid an impractical and unfair cancellation of those commitments to Veterans.”⁴

We make this same request to you today. We believe that the cleanest way to execute the cancellation of VASP is for the VA to define a “new enrollee” as a Veteran who contacts their servicer and affirmatively commits to VASP before May 1st.⁵ This approach treats all VA borrowers currently in the VASP process the same, and allows lenders currently discussing

¹ In a [statement](#) to NPR on 4/3/25, the VA said it was ending the VASP program. Specifically, “beginning May 1, 2025, VA’s Veterans Affairs Servicing Purchase Program [VASP]... will stop accepting new enrollees.”

² The Housing Policy Council is a trade association comprised of the leading national mortgage lenders and servicers; mortgage, hazard, and title insurers; and technology and data companies. Our interest is in the safety and soundness of the housing finance system, the equitable and consistent regulatory treatment of all market participants, and the promotion of lending practices that create sustainable homeownership opportunities in support of vibrant communities and long-term wealth-building for families. For more information, visit www.housingpolicycouncil.org.

³ Over 79,000 Veterans were originally identified as possible candidates for VASP assistance, according to March 2025 Recursion data.

⁴ See January 17th [letter](#).


⁵ The VA can track this through the VA Home Loan Reporting System through the reporting event, “VASP no TPP” or VASP TPP.” A borrower who is not in the VALERI system with one of those two codes by May 1st will not be eligible for VASP.

options with delinquent VA borrowers an opportunity to complete a resolution based on the terms currently under discussion.

We also declare our readiness to work closely with the VA work to effect the orderly dissolution of VASP and development of a replacement program. We fully support implementation of a new, cost-effective VA loss mitigation program that reduces losses for the VA and provides Veteran borrowers with an economically viable way to avoid foreclosure.

Thank you for considering these critical issues. We stand ready to work with the VA team to clear the VASP pipeline and move quickly to alternative resolution strategies.

Yours truly,

A handwritten signature in black ink that reads "Edward J. DeMarco". The signature is written in a cursive style with a large initial "E" and "D".

Edward J. DeMarco
President
Housing Policy Council