



## **Veterans Housing Stability Act**

*Senators Blunt Rochester (D-DE) and Rounds (R-SD)*

### **VA Helped Veterans Keep Their Homes Through COVID**

For decades, the VA Home Loan Program helped millions of our nation's Veterans, service members, and surviving spouses achieve the dream of homeownership by providing them federally backed mortgages to honor their service to our country.

During the COVID-19 pandemic, the VA helped many Veterans keep their homes by providing forbearances on most VA mortgages for up to 12 months (and 18 months in more limited circumstances) through the VA's COVID mortgage forbearance program. Veterans who paused their mortgage payments due to COVID forbearance may have been informed that their missed payments could be structured as a partial claim. A partial claim is a separate loan that does not need to be repaid until the end of a loan term. However, the VA ended its COVID partial claim program in October 2022, leaving [thousands of Veterans](#) with no way to address their missed payments.

### **Many Veterans Are Still at Risk of Losing Their Homes**

After this partial claim program expired, many Veterans either had to pay a lump sum immediately or modify their loan terms. By the time Veterans were notified that they would not receive a partial claim, interest rates on VA Home Loans had doubled, forcing those who could not afford a lump sum payment into worse loan terms.

After pressure from Congress, the VA stood up the VA Servicing Purchase (VASP) program months later. However, Veterans who already took a loan modification were not eligible for VASP. As of April 2025, over 80,000 Veterans are seriously delinquent on their mortgages and at risk of losing their home. On April 3, 2025, the Trump administration announced it would end VASP on May 1, 2025. With the cancellation of VASP, Veterans are once again left with significantly fewer options to avoid foreclosure than other individuals with federally backed mortgages.

### **The Veterans Housing Stability Act:**

- Establishes a permanent partial claim program at the Department of Veterans Affairs.
- Allows the VA to assist Veteran borrowers to get current on their loans and keep their homes. Arrearages would be acquired by VA, placed into a separate lien, and paid off when a Veteran sells their home or finishes paying off their first mortgage.
- Provides Veterans with similar loss mitigation options to borrowers with FHA and USDA mortgages.

To cosponsor the **Veterans Housing Stability Act**, please contact Sophie Boumsidia (Sen. Blunt Rochester) at [Sophie\\_Boumsidia@bluntrochester.senate.gov](mailto:Sophie_Boumsidia@bluntrochester.senate.gov).