



**THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON**

May 5, 2025

The Honorable Richard Blumenthal  
Ranking Member  
Committee on Veterans' Affairs  
United States Senate  
Washington, DC 20510

Dear Senator Blumenthal:

Thank you for your April 9, 2025, co-signed letter to the Department of Veterans Affairs (VA) concerning the closure of the Veterans Affairs Servicing Purchase (VASP) program. I appreciate the opportunity to respond.

VA's home loan guaranty program is designed to help Veterans obtain and retain their homes by offering a limited guaranty on the loan. However, serving as a mortgage loan restructuring service is not VA's core mission, and VA was not given the authority from Congress to do so. On May 1, 2025, the VASP program stopped accepting new enrollees. Also on May 1, 2025, VA rescinded VA's Home Retention Waterfall, which provides VASP as a loss mitigation option. These changes will not impact VA's [loan guaranty services](https://lgy.va.gov/lgyhub/) (<https://lgy.va.gov/lgyhub/>) for Veterans, affect Veterans who have received a VASP, or impact any qualifying Veterans who completed their VASP enrollment prior to May 1, 2025.

While VA will not accept submissions for new VASPs on or after May 1, 2025, VA continued to review and process servicers' new VASP requests until 11:59 p.m. EDT on April 30, 2025, subject to VA's determination that funds remained available. Also, VA will not rescind active trial payment plans (TPP) that predate May 1, 2025, meaning VA will allow those TPPs to proceed as agreed and will purchase successful loans. Based on the May 1, 2025, VASP rescission, we expect all TPPs to end by August 31, 2025.

Veterans still have other loss mitigation options available for assistance. We are communicating with mortgage servicers to ensure a timely and orderly wind down of VASP and will continue to offer a comprehensive loss mitigation program to help Veterans with VA-guaranteed home loans avoid foreclosure. VA still has a full suite of home retention options, including forbearance, repayment plans, and modifications, and alternatives to foreclosure such as a short sale and deed in lieu of foreclosure. VA will continue to help Veterans retain their homes or avoid foreclosure with the vigor that Veterans deserve.

I remain committed to engaging with Congress and other stakeholders on current and future VA loss mitigation options, including those that may require new statutory authority for VA to implement.

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The Honorable Richard Blumenthal

Thank you for your continued support of our mission. The other signatories have received a courtesy copy of this response.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Collins', with a stylized flourish at the end.

Douglas A. Collins

Cc: The Honorable Mark Takano, Ranking Member, House Committee on  
Veterans' Affairs  
The Honorable Elizabeth Warren  
The Honorable Rosa L. DeLauro, Ranking Member, House Committee on  
Appropriations  
The Honorable Debbie Wasserman Schultz  
The Honorable Morgan McGarvey  
The Honorable Delia C. Ramirez  
The Honorable Sheila Cherfilus-McCormick  
The Honorable Timothy M. Kennedy  
The Honorable Nikki Budzinski  
The Honorable Herbert C. Conaway Jr.  
The Honorable Julia Brownley  
The Honorable Ruben Gallego  
The Honorable Mazie Hirono  
The Honorable Angus S. King Jr.  
The Honorable Jack Reed  
The Honorable Tammy Duckworth  
The Honorable Kelly Morrison  
The Honorable Chris Pappas  
The Honorable Maxine Dexter  
The Honorable Andy Kim  
The Honorable Lisa Blunt Rochester