

VA PROGRAM

CREDIT REQUIREMENTS	Minimum 640 FICO
PURPOSE	Purchase Cash-Out Refinance
PRODUCTS	Fixed Rate 3/1 ARM 5/1 ARM
LOAN AMOUNT	Minimum loan amount - \$40,000 Maximum mortgage amount of \$417,000 (includes the VA funding fee). The total loan amount, including the funding fee, may never exceed the maximum VA County loan limit.
LOAN TERMS	15yr 20yr 25yr & 30 yr fixed rate terms available.
LTV	Purchase Transactions Maximum 100% LTV / CLTV (calculated on base mortgage amount, exclusive of Funding Fee, subject to Vet's available entitlement). The total loan amount, including the funding fee, may never exceed the maximum VA County loan Limit. Cash-Out Refinance Maximum 90% LTV / CLTV (calculated on base mortgage amount exclusive of Funding Fee, subject to Vet's available entitlement). The total loan amount, including the funding fee, may never exceed the maximum VA County loan Limit.
APPRAISALS	VA appraisals are ordered through VA's web portal The Appraisal System (WebLGY)
PROPERTY TYPES	Eligible: • Single Family Residence. • 2-4 Unit Dwellings (Veteran must occupy one of the units). • Planned Unit Dwellings (PUDs). *Do not require VA approval • Townhome/Rowhome. • Condominiums (Must be approved by VA – no exceptions) • Modular Homes – Must be “off frame” or “off chassis”. • Log; Dome; Berm Homes; Pier Foundations; Auxiliary/Accessory Dwelling Units; Homes with extreme functional obsolescence (i.e. one bedroom) – Must be common and typical for the area and have like comparables. Ineligible: • New Construction located within a Flood Zone • Flood Hazard Area where the community does not participate with FEMA • Mobile/Manufactured Homes • Agricultural; Commercial/Industrial use • Income Producing Properties/Mixed Use Properties • Boarding Houses, Hotel, Motels and Tourist Homes • Fraternity and Sorority Houses • Leasehold Properties (title must be held in Fee Simple interest only) • VA Indian Leasehold Properties • Properties currently listed for sale (refinances) • 2nd Homes • Non-Owner Occupied Properties • Time-Share Units/Cooperatives • Construction Financing. • Properties vested in Life Estates/Trusts • Multiple dwellings on a single parcel of land. • Properties that do not meet VA's Minimum Property Requirements (MPRs) – see below. • Properties rated in “fair” or “poor” condition for any program.
OCCUPANCY	Owner occupied, primary residence only. Acceptable scenarios for meeting owner occupancy status: • The spouse may certify occupancy if the Veteran is on active duty. • Single or married service members deployed from their permanent duty station are considered to be in a temporary duty status and are able to certify intent to occupy.
BORROWERS	Owner-occupied only. Non-occupying co-borrowers not permitted. Eligibility for the VA home loan benefit can only be determined by VA and must be evidenced by a VA Certificate of Eligibility (COE). VA loans are generally made only to a Veteran and their spouse (if married). * see guidelines for more details on borrower combinations
QUALIFYING RATIOS	The VA qualifies the Veteran borrower on a single ratio (no housing ratio), as well as residual income. Loans not approved through DU must have a maximum 41% debt-to-income ratio (DTI), unless significant compensating factors are present.
GIFT FUNDS	An outright gift for the borrower's investment into the transaction is acceptable if the donor is a relative, the borrower's employer, or a close friend with a clearly defined and documented interest in the borrower. Evidence of relationship of donor must be acceptably documented. Cash gifts are not allowed.
FUNDING FEE	See Chart in guidelines
ESCROW WAIVER	NOT permitted - Escrows for taxes and insurance are required on all VA loans.
UNDERWRITING	DO/DU findings reflecting Approve/Eligible and Refer/Eligible (manual underwrites) are acceptable
SELLER CONCESSION	Maximum is 4%

FOR FURTHER DETAILS, PLEASE REFER TO GUIDELINES ON MMI'S WEBSITE