

# VA PURCHASE & REFI

**PROGRAMS:** Fixed rate: 15 year, 20 year, 25 year, 30 year. High Balance 15 & 30 year fixed.

**ELIGIBILITY:** Owner occupied only. Eligible borrower are the Veteran, Veteran and spouse, eligible surviving spouse. VA IRRRL may be an investment property (loan no longer occupied by the Veteran)

**MINIMUM CREDIT SCORE:** 580 credit score for all borrowers. > 1M requires 620 score 580 minimum credit score for VA IRRRLs where a score exists, 680 for investment properties  
Non-traditional credit / No FICO option is available for no score borrowers - see program addendum

**DTI Ratios:** DTI > 41% requires additional documentation and justification. Higher credit scores/reserves will allow DTI up to 50% depending on certain underwriting factors.

**MAXIMUM LOAN AMOUNT:** \$2,000,000 but maximum loan amount is determined by the Veteran's available entitlement in cases where there is previously used and not restored entitlement. Loan amounts > \$1,000,000 will require 620+ credit score & AUS approval.

Minimum Loan amount: \$50,000

## LTV LIMITS:

- **Purchase:** 100% LTV/CLTV to county maximum. If the Veteran has full entitlement, county maximums do not apply.
- **Cash Out Refinance:** Maximum 90% LTV including the funding fee.
- **IRRRL:** New loan may include the VAFF and reasonable points, and specific fees only.

## REFINANCE REQUIREMENTS:

- A loan comparison will be provided for ALL refinance requirements
- Net Tangible Benefit applies for ALL Refinances
- **Seasoning for ALL Refinances:** The note date of the refinance loan must be on, or after, the later of:
  - (1) the date on which the borrower has made at least six consecutive monthly payments on the loan being refinanced; and
  - (2) the date that is 210 days after the first payment due date of the loan being refinanced
- Refer to **Kind Lending VA Program Guidelines** and **VA IRRRL Program guidelines** for important information regarding fee recoupment. ALL VA IRRRLS must meet 36-month Recoupment.

## VA FUNDING FEE

Type of Loan	Down Payment	First Time Use	Subsequent Use
Purchase	None	2.15%	3.30%
	5% to < 10%	1.50%	1.50%
	>= 10%	1.25%	1.25%
Cash Out Refi	N/A	2.15%	3.30%
IRRRL	N/A	0.50%	0.50%

Note that some Veterans/active duty servicemembers may be exempt, which will be indicated on the Certificate of Eligibility.

**RESIDUAL INCOME:** Must be calculated on all VA loans, net income remaining after deducting Federal and state taxes, Social Security & Medicare, the proposed PITIA, revolving & installment debt, child support/alimony, childcare/job expenses, and home maintenance.

**VA MAXIMUM ENTITLEMENT:** A minimum 25% guaranty is required on all loans. If the Veteran has full entitlement, or full entitlement is restored, VA will guarantee 25% of the loan amount.

If the Veteran does not have full entitlement, or entitlement cannot be restored, the maximum guaranty is based on the lesser of 25% of the loan amount or 25% of the county limit.

**VA HOME LOANS INFORMATION/HANDBOOK:** [https://benefits.va.gov/warms/pam26\\_7.asp](https://benefits.va.gov/warms/pam26_7.asp)