

VA HOME BUYER *guide*



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“YOUR VA LOAN LADY”





welcome

You earned this benefit. Now let's make sure you use every part of it.

A VA loan is one of the strongest tools any buyer can bring to the table. Zero down. No private mortgage insurance. Competitive rates and a benefit you can use again. But most buyers go through the process without anyone fully explaining how it works, and that is where the wrong moves get made.

That is why this guide exists. Everything you need is here, in plain language, in the order you will actually use it. Eligibility, the funding fee, property requirements, the full buying process, and the strategies that save veterans money.

You served. You earned this. Let's go put it to work and get you into the right home.

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hello, nice to meet you

ABOUT US

Keys with Kesh is founded by LaKeshia Armstrong. LaKeshia is a Real Estate Agent and Mortgage Loan Officer. LaKeshia specializes in VA loans. In 2025, LaKeshia was certified by the VA on the Credit Standards and Underwriting guidelines required by VA underwriters and with that certification, offers a unique perspective to VA loans. If you are looking for someone who understands the ins and outs of VA loans and is passionate about Veterans and Military families, Keys with Kesh is who you are looking for!





BEFORE YOU START READING

If you've served in the military, you may be eligible for one of the best deals in all of homebuying. The VA home loan lets most eligible veterans and service members buy a home with no down payment and no monthly mortgage insurance. That's not a typo. Zero down. No PMI. And interest rates that are typically lower than what everyone else gets.

In 2024, the VA guaranteed over 416,000 home loans totaling \$155 billion. Yet millions of eligible veterans never use this benefit, often because they don't fully understand it, or because they've heard things about it that simply aren't true.

In this guide, we break down every term. And by the end, you'll know exactly how to use your VA benefit to buy a home.

Do You Qualify?

Who Can Get a VA Loan

The VA loan is available to people who have served in the U.S. military, including those currently serving. You do not have to be in combat, deployed, or retired to qualify. Here are the main groups:

ACTIVE-DUTY SERVICE MEMBERS

If you are currently serving on active duty, you qualify after just 90 continuous days of service. That's it. You can use this benefit even before you leave the military.

VETERANS

If you served during wartime (such as the Gulf War, Vietnam, Korea, or World War II), you need at least 90 days of active duty. If you served during peacetime (times between wars), you need at least 181 continuous days. For those who served from September 1980 through August 1990, the requirement is 24 months of service. If you were discharged early because of a service-connected disability, you may still qualify with less time.

NATIONAL GUARD AND RESERVE MEMBERS

You qualify if you were activated (called to active duty) for at least 90 days under federal orders. OR if you have completed at least 6 years of service and were honorably discharged (or are still serving).

SURVIVING SPOUSES

If your spouse died while serving or because of a condition related to their service, you may qualify for a VA loan. You must not have remarried (with some exceptions for those who remarried after age 57). Surviving spouses who receive a benefit called DIC also get to skip the VA funding fee entirely.

About Discharge Status

DISCHARGE TYPE	CAN YOU USE THE VA LOAN?
Honorable	Yes, immediately
General (Under Honorable Conditions)	Yes, immediately
Other Than Honorable (OTH)	Maybe - reviewed case by case
Dishonorable	No



TIP: If you received an OTH discharge, you can apply to have it upgraded through your service branch's Discharge Review Board. A 2024 VA rule also created a 'compelling circumstances' exception that may help some veterans qualify.

Your Certificate of Eligibility (COE): The Key That Unlocks Everything

A COE is a document from the VA that proves to a lender that you are eligible for a VA loan. Think of it like a permission slip. You need it before you can close on a home, but you don't need it before you start shopping.

There are three ways to get your COE:

METHOD	HOW IT WORKS	HOW LONG IT TAKES
Through Your Lender (Best Option)	Your lender pulls it electronically in seconds using your Social Security number and date of birth	Seconds to minutes
Online at VA.gov	Log in to your VA.gov account and request it	Often instant
By Mail (Form 26-1880)	Mail a form to the VA Regional Loan Center	4 to 6 weeks

Documents You Need to Get Your COE

- **Veterans:** Your DD-214 (your discharge papers)
- **Active duty:** A Statement of Service signed by your commanding officer
- **Guard/Reserve:** NGB Form 22 or NGB Form 23 (your Guard/Reserve discharge records)
- **Surviving spouses:** VA Form 26-1817 plus the veteran's DD-214

WHY THIS LOAN IS SO *powerful*

NO DOWN PAYMENT REQUIRED

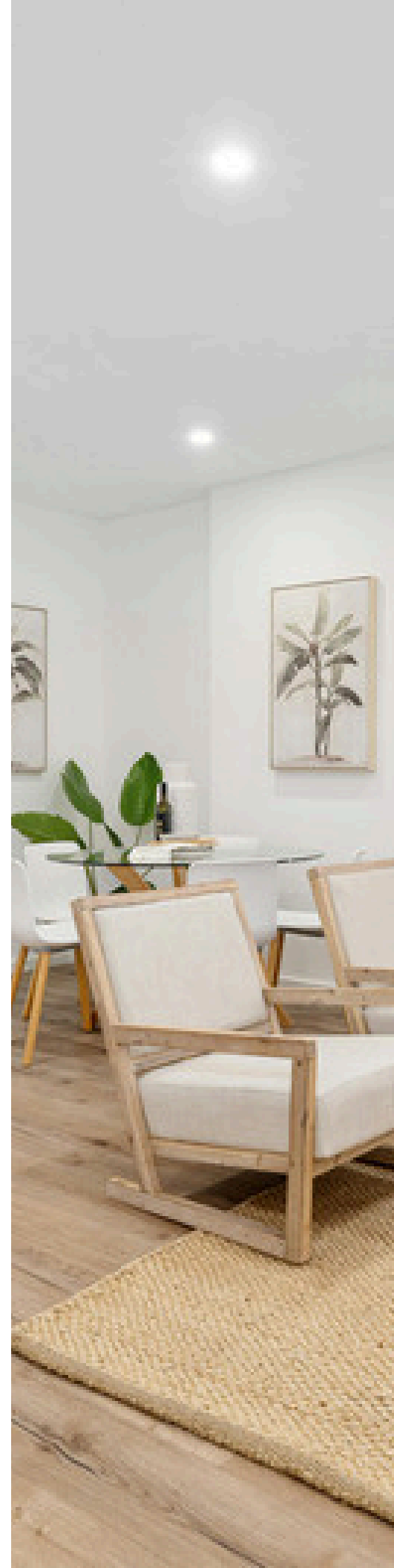
With most mortgages, you need to save up a big chunk of money before you can buy. A conventional loan might require 5 to 20% down. On a \$300,000 home, that is \$15,000 to \$60,000 you need saved before you can even start. With a VA loan, you can buy that same home with zero dollars down. Not a small down payment. Zero.

NO MONTHLY MORTGAGE INSURANCE

When you put less than 20% down on a conventional loan, the lender makes you pay for something called PMI (private mortgage insurance). It is basically a fee you pay to protect the lender in case you stop making payments. It can cost \$125 to \$375 per month on a \$300,000 loan, and it doesn't go toward your home or your balance. VA borrowers never pay PMI. Not when they first buy, not ever. Over 10 years, that saves you \$15,000 to \$45,000.

LOWER INTEREST RATES

VA loans consistently have lower interest rates than conventional loans, typically 0.25 to 0.50 percentage points lower. That might sound small, but on a \$300,000 loan over 30 years, even a 0.5% difference saves you over \$30,000 in total interest.



YOU CAN USE IT MORE THAN ONCE

With most mortgages, you need to save up a big chunk of money before you can buy. A conventional loan might require 5 to 20% down. On a \$300,000 home, that is \$15,000 to \$60,000 you need saved before you can even start. With a VA loan, you can buy that same home with zero dollars down. Not a small down payment. Zero.

NO PENALTY FOR PAYING IT OFF EARLY

Some loans charge you a fee if you pay them off faster than scheduled. VA loans never charge prepayment penalties. Pay extra every month, pay it off in 15 years instead of 30, whatever works for you.

ASSUMABLE BY ANYONE

Here is a rarely talked-about perk. If you locked in a low interest rate and later sell your home, the buyer can 'assume' (take over) your VA loan and keep your rate. Even non-veterans can do this. This made VA loans extremely valuable when rates went up, because buyers could assume rates as low as 2 to 3% instead of getting a new loan at 7%.

LIMITED AND CAPPED CLOSING COSTS

VA loans cap how much a lender can charge you at closing. Lenders can only charge 1% of the loan amount as their origination fee. Many other fees that lenders normally charge are completely off-limits on VA loans.



Bottom line: On a \$300,000 home, a VA buyer pays roughly \$36,000 to \$54,000 LESS over 30 years compared to a conventional buyer with 5% down. That is real money back in your pocket.



The *Different Types* OF VA LOANS

VA PURCHASE LOAN (THE MOST COMMON)

This is what most people mean when they say 'VA loan.' You use it to buy a home you plan to live in. No down payment required. No PMI. Competitive rates. You can buy a single-family home, a condo (if VA-approved), a home with up to 4 units (as long as you live in one), a manufactured home on a permanent foundation, or a newly built home. Most purchases close in about 30 to 45 days.

VA IRRRL - THE STREAMLINE REFINANCE

IRRRL stands for Interest Rate Reduction Refinance Loan. Say that five times fast. The easier name is the 'streamline refinance.' If you already have a VA loan and interest rates have dropped, this lets you refinance into a lower rate without a lot of paperwork. No new appraisal in most cases. No new COE. You just need to have made at least 6 payments on your current VA loan. The funding fee is just 0.5%. Important: The VA never contacts you about refinancing. If you get an unsolicited mailer or phone call saying you should refinance your VA loan right away, be very cautious. It may be a scam.



VA CASH-OUT REFINANCE

If you have built up equity in your home (meaning the home is worth more than you owe), this loan lets you refinance your mortgage AND take some of that equity out as cash. You can use the cash for anything: home improvements, paying off debt, school, or anything else. This also works if you have a conventional or FHA loan and want to convert it to a VA loan. This requires a full appraisal and full underwriting, just like getting a new mortgage.

NATIVE AMERICAN DIRECT LOAN (NADL)

This is a special program where the VA itself acts as your lender (instead of a bank). It is for Native American veterans, or veterans married to a Native American, who want to buy, build, or improve a home on Federal Trust Land. It has a low fixed interest rate and no down payment.

ADAPTED HOUSING GRANTS (SAH AND SHA)

These are not loans at all. They are grants, which means you don't pay them back. They are for veterans with serious service-connected disabilities who need their home modified to meet their needs. The Specially Adapted Housing (SAH) grant provides up to \$121,812 for major adaptations like wheelchair ramps, widened doorways, or roll-in showers. The Special Housing Adaptation (SHA) grant provides up to \$24,405 for smaller adaptations. You can use these grants up to 6 times in your lifetime.

VA FUNDING FEE

The VA funding fee is a one-time charge that helps keep the VA loan program running for future veterans. Here is everything you need to know about it.

Think of the funding fee as a trade-off. Because you are NOT paying monthly mortgage insurance, you pay a one-time fee at closing instead. In most cases, the fee is much smaller than what you would have paid in PMI over the years.

How Much Is the Funding Fee?

The amount depends on three things: what type of loan you are getting, how much (if anything) you are putting down, and whether you have used a VA loan before.

FOR HOME PURCHASE LOANS

DOWN PAYMENT	FIRST TIME USING VA LOAN	USED VA LOAN BEFORE
Less than 5% (or \$0 down)	2.15%	3.30%
5% to 9.99%	1.50%	1.50%
10% or more	1.25%	1.25%

What Does That Actually Cost?

On a \$350,000 home with zero down (first use), the funding fee is **\$7,525**. That sounds like a lot, but remember: you are not paying a down payment, and you are not paying monthly PMI. If you had a conventional loan with PMI at \$200/month, you would spend \$7,525 in PMI in just over 3 years. And unlike PMI, the funding fee is a one-time charge.

FOR OTHER VA LOAN TYPES

LOAN TYPE	FUNDING FEE
IRRRL (Streamline Refinance)	0.5% - regardless of history
Cash-Out Refinance (first use)	2.15%
Cash-Out Refinance (used before)	3.30%
Native American Direct Loan - Purchase	1.25%
Loan Assumption (someone takes over your loan)	0.5%

Who Does NOT Pay the Funding Fee

About 1 in 3 VA borrowers pays zero funding fee. You are exempt if you are:

- A veteran receiving VA disability compensation for a service-connected condition
- A veteran who is eligible for disability pay but is currently receiving military retirement pay instead
- An active-duty service member who has received a Purple Heart
- A surviving spouse receiving Dependency and Indemnity Compensation (DIC)

Can You Roll the Fee Into Your Loan?

Yes. The funding fee is the only closing cost the VA allows you to finance into your loan. So instead of paying \$7,525 at closing, you could add it to your loan balance. This means a slightly larger loan and a few extra dollars in interest each month, but it means less cash out of pocket at closing.

How Much Can You *Borrow*



WHAT IS ENTITLEMENT

Entitlement is the VA's way of saying how much of your loan they will guarantee. Think of it like a cosigner on your loan. The VA is saying, 'If this veteran can't pay, we'll cover 25% of the loan.' That guarantee is what lets lenders offer you such great terms.

FULL ENTITLEMENT: NO LOAN LIMITS

If you have never used a VA loan before, or if you previously used one but sold the home and paid off the loan in full, you have full entitlement. Full entitlement means there is no maximum loan amount. This has been true since January 1, 2020. You could finance a \$800,000 home or a \$1.5 million home with zero down payment, as long as you qualify financially with the lender. The VA will back the loan regardless of the amount.

PARTIAL ENTITLEMENT: WHEN LIMITS APPLY

If you currently have an active VA loan you haven't paid off, you only have partial entitlement remaining. In this case, there are limits on how much you can borrow at zero down. Those limits are tied to your county's conforming loan limit.

\$806,500

2025 standard loan
limit (most counties)

\$1,209,750

2025 limit in high-cost
areas

25%

What VA guarantees
of your loan

Can You Get Your Entitlement Back?

Yes. When you sell your home and pay off the VA loan, your entitlement is fully restored automatically. You can also get a one-time 'restoration' even if you keep the home, pay off the loan, and want to buy a new primary residence with a VA loan. This lets you turn your first home into a rental and buy a second home with a VA loan.



Did you know?

You can have two VA loans at the same time. This is common when military families get PCS orders and need to buy a new home before selling the old one. You just need enough remaining entitlement and to qualify for both payments.

Property Types THAT QUALIFY

The VA has some rules about what types of homes qualify. Most homes pass easily.

PROPERTY TYPE	DOES IT QUALIFY?	WHAT YOU NEED TO KNOW
Single-family home	Yes	Must be your primary residence
Condo	Yes	The condo building must be on the VA-approved list
Townhome	Yes	Standard rules apply
2 to 4-unit building (duplex, triplex, etc.)	Yes	You must live in one of the units
Manufactured home	Yes	Must be on a permanent foundation, built after 1976
New construction	Yes	Builder must be VA-approved
Vacation home or investment property	No	VA loans are for homes you live in
Co-ops	No	Not eligible
Vacant land with no build plan	No	Not eligible on its own

VA Minimum Property Requirements (MPRs)

Every home purchased with a VA loan must meet the VA's Minimum Property Requirements. These are basic safety and livability standards. The VA wants to make sure you're buying a home that is safe to live in, not a money pit that will hurt you financially.

WHAT THE VA CHECKS FOR:

- A foundation that isn't crumbling or severely damaged
- A roof that doesn't leak and has useful life remaining
- Working electrical, plumbing, and heating systems
- Clean drinking water and proper sewage (working toilets, etc.)
- No chipping or peeling paint (especially in homes built before 1978, which may have lead paint)
- No signs of termites or other wood-destroying insects
- Proper drainage so water doesn't pool around the home
- A way to get to the home year-round on an all-weather road

WHAT MPRS ARE NOT ABOUT

The VA is not checking whether your carpets are ugly or whether the kitchen is outdated. They're not grading the paint colors or the landscaping. The standards are about safety and structure, not aesthetics.

The VA Appraisal

Before your loan closes, the VA requires an appraisal. An appraisal is an independent opinion of what the home is worth and a check that it meets the MPRs. Your lender orders the appraisal, but the VA assigns an independent appraiser. The lender has no say in who gets chosen.

\$525-\$1,300

Typical VA appraisal cost

7-21 days

Typical turnaround time

6 months

How long the appraisal is valid

What Happens If the Home Doesn't *Appraise*

If the appraiser thinks the home is worth less than you agreed to pay, that's called an appraisal gap. The VA Escape Clause (more on this in Chapter 9) protects you by letting you walk away and get your earnest money back. You can also try to negotiate the price down, bring extra cash to cover the difference, or challenge the appraisal with new information. Your agent can submit additional comparable sales within 48 hours under something called the Tidewater Initiative, or you can formally request a Reconsideration of Value if you disagree with the result.

CRITICAL:

The VA appraisal is NOT the same as a home inspection. The appraisal checks basic safety and value. A home inspector checks everything, including the HVAC system, plumbing, electrical, roof, and more. ALWAYS hire a separate home inspector, even with a VA loan. It typically costs \$300 to \$600 and is absolutely worth it.



THE BUYING PROCESS

From the day you apply to the day you get your keys typically takes 30 to 60 days. Most experienced VA lenders average about 44 to 50 days.

01

Get Your Certificate of Eligibility (COE)

This is your first move. Your lender can usually pull this in seconds through the VA's online system. It confirms you are eligible and shows whether you are exempt from the funding fee. Do this before anything else.

02

Get Pre-Approved by a VA Lender

Pre-approval means a lender has looked at your credit, income, and finances and confirmed how much you can borrow. Gather these documents first: DD-214 or Statement of Service, last 30 days of pay stubs, last 2 years of W-2s, last 2 to 3 months of bank statements, and any VA disability award letters. Ask for a fully underwritten pre-approval if possible. That means underwriters have actually reviewed your file, not just a computer estimate. It makes your offer much stronger. **KEYS WITH KESH** can assist in any state except NY.

03

Find a Real Estate Agent Experienced

Not all agents understand VA loans. Look for an agent with the Military Relocation Professional (MRP) certification. They know VA property requirements and how to present your offer in the strongest possible way.

04

Shop for a Home

You know your budget from your pre-approval. Now go find your home. Your agent should help you screen out homes that are likely to have VA appraisal issues, like major roof problems or peeling paint in older homes. **KEYS WITH KESH** can refer you to an agent in any state.

05

Make an Offer

Your offer will include something called the VA Escape Clause. This is legally required on all VA purchase offers and it protects your earnest money deposit if the appraisal comes in low. Ask the seller to cover your closing costs. Sellers can pay all standard closing costs plus up to 4% of the home price in extra concessions. This can reduce or eliminate your out-of-pocket costs.

06

Loan Application and Processing

Once your offer is accepted, you formally apply for the loan. Your lender will send you a Loan Estimate within 3 business days showing your expected costs. Your title company will search the property records. You'll need to get homeowners insurance in place before closing.

07

VA Appraisal

Your lender orders the appraisal. The VA assigns an independent appraiser who will visit the property, estimate the value, and check the VA's minimum property requirements. This usually takes 7 to 14 business days. If repairs are needed, the seller handles them, and there may be a re-inspection.

08

Underwriting

The lender's underwriter reviews your full file to make sure everything checks out. This includes your income, your credit, your employment, your assets, the appraisal, the title, and a check against a federal database of people with government debts. You will likely get a conditional approval, meaning you just need to send in a few more documents. Respond quickly to keep things moving.

09

Closing Day

You're done! You'll sign your loan documents at a title company or attorney's office. Bring your photo ID, proof of homeowners insurance, and payment for any cash due at closing (via cashier's check or wire). The funding fee is collected here (or waived if you're exempt). The deed is recorded, and you get your keys.

Credit, Income, and Getting Approved

You do not need perfect credit. The VA loan is designed to be flexible. Here is how qualification actually works.

CREDIT SCORES

The VA itself does not set a minimum credit score. That means the VA program will not automatically disqualify you based on a number. However, the individual banks and lenders who actually make the loans do set minimums. **KEYS WITH KESH** allows down to 500. The median credit score among VA borrowers in 2024 was 711, but plenty of people are approved with lower scores.



DEBT-TO-INCOME RATIO (DTI)

Your DTI is the percentage of your monthly income that goes toward debt payments. If you earn \$5,000 a month and your total monthly debt payments (including the new mortgage) would be \$2,000, your DTI is 40%. The VA guideline is 41% or below, but this is flexible. If you have strong income leftover after all your payments (called residual income, explained below), lenders can approve higher DTIs.

RESIDUAL INCOME: THE VA'S MOST IMPORTANT TOOL

This is what makes VA loans different from every other mortgage. After you make all your monthly debt payments AND pay your estimated utilities, how much money is left over? That leftover amount is your residual income. The VA has set minimum amounts based on where you live and how many people are in your family.

Why does this matter? Because residual income tells the lender whether you can actually afford to live in the home after making your payments. It's a real-world check that a credit score alone can't capture. This is the main reason VA loans have lower default rates than any other loan type, even with zero down payment.

VA Minimum Monthly Residual Income Requirements

FAMILY SIZE	NORTHEAST	MIDWEST	SOUTH	WEST
1 person	\$450	\$441	\$441	\$491
2 people	\$755	\$738	\$738	\$823
3 people	\$909	\$889	\$889	\$990
4 people	\$1,025	\$1,003	\$1,003	\$1,117
5 people	\$1,062	\$1,039	\$1,039	\$1,158

For each additional family member beyond 5, add \$80.

Types of Income You Can Use

VA loans accept many different types of income:

- Base military pay
- BAH and BAS allowances (these are tax-free and can be 'grossed up' to 125% when calculating your income)
- VA disability compensation (also tax-free and can be grossed up)
- Military retirement or pension income
- Social Security income
- Income from a second job or side business (2-year history required)
- Rental income from other properties
- Overtime and bonuses (lender averages the last 2 years)

If You've Had Financial Trouble in the Past

VA loans have the shortest waiting periods of any major loan type for past credit problems:

What Happened	How Long Before You Can Apply (VA Loan)	Conventional Loan Wait
Chapter 7 Bankruptcy	2 years after discharge	4 years
Chapter 13 Bankruptcy	12 months of on-time payments to the court	2 years after discharge
Foreclosure	2 years	7 years

These waiting periods can sometimes be reduced to about 1 year if you have documented extenuating circumstances, such as a medical emergency or financial hardship caused by a deployment.

CLOSING COSTS

What You Pay (and What You Don't)

What Are Closing Costs?

Closing costs are fees and expenses due at the time you finalize your home purchase. On most mortgages, they add up to 2 to 5% of the loan amount. The VA limits some of these costs to protect you.

Costs You Can Be Charged

These fees are allowed under VA guidelines:

- VA appraisal fee (\$525 to \$1,300 depending on where you live)
 - Credit report fee
- Title search and title insurance (protects against ownership disputes)
 - Recording fees (charged by the county to record your deed)
 - Hazard (homeowners) insurance premium
- Prepaid costs: property taxes placed in escrow, insurance in escrow, and interest from your closing date to the end of the month
- Lender origination fee (capped at 1% of the loan - this is the lender's main fee)
- Discount points (optional: you pay extra upfront to lower your interest rate)

Costs You Cannot Be Charged

If your lender charges the 1% origination fee, they cannot also charge you separately for any of these:

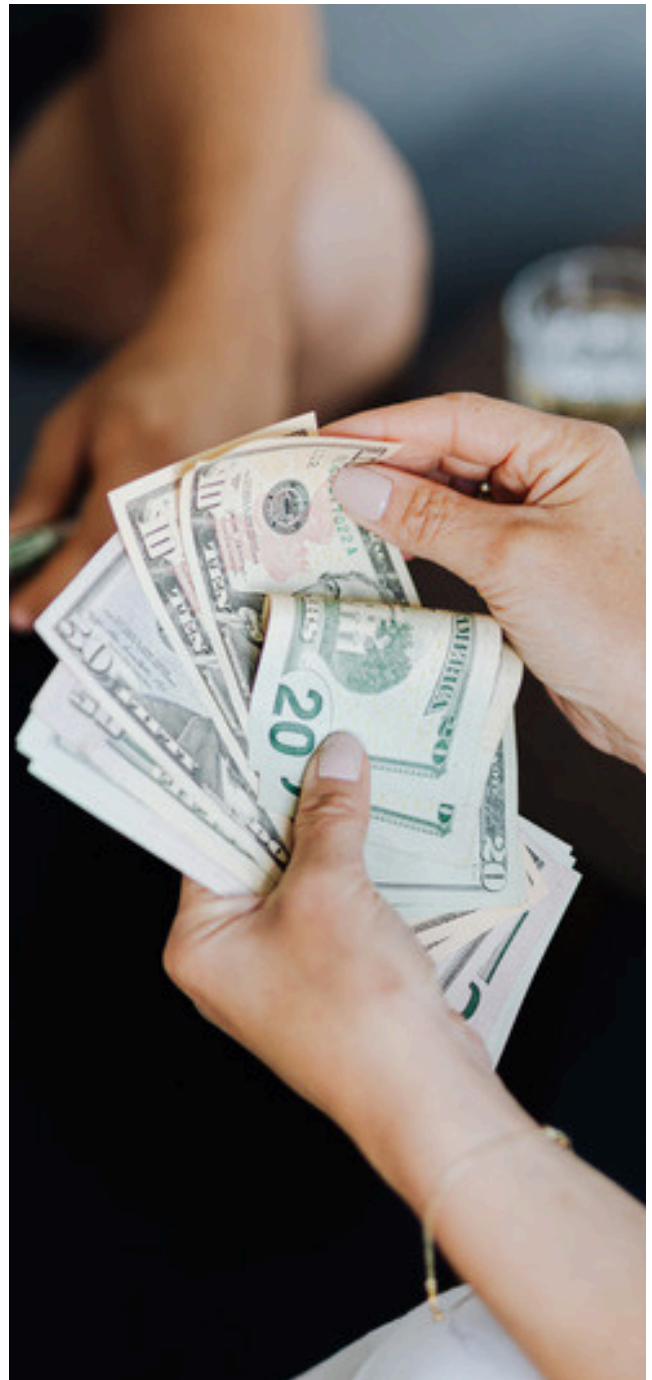
- Loan application fees
- Document preparation fees
 - Underwriting fees
 - Rate lock fees
- Settlement fees
 - Notary fees

How to Pay Little or Nothing at Closing

Here's a strategy many VA buyers use. The seller can pay your standard closing costs with no cap. On top of that, sellers can contribute up to 4% of the home's price in additional 'concessions,' such as paying your funding fee, prepaying your taxes and insurance, or buying down your interest rate. Your lender can also offer you 'lender credits,' where you accept a slightly higher interest rate in exchange for the lender covering your closing costs.

The VA Escape Clause

Every VA purchase offer is required to include the VA Escape Clause. This is a legal protection that says: if the home appraises for less than the purchase price, you can cancel the contract and get your full earnest money deposit back. This is one of the best protections available to any homebuyer and cannot be waived by you or the seller.



VA LOAN VS. OTHER LOANS

How does the VA loan stack up against the other main options? Here's a side-by-side look.

FEATURE	VA LOAN	CONVENTIONAL LOAN	FHA LOAN
Who can use it	Veterans, service members, surviving spouses	Anyone who qualifies	Anyone who qualifies
Down payment	0%	3% to 20%	3.5%
Monthly mortgage insurance	NONE	PMI until 20% equity	MIP for life of loan
Interest rate	Typically lowest (0.25 to 0.50% below conv.)	Baseline	Typically lower than conventional
Minimum credit score	No VA minimum (most lenders: 500)	620+	580 (for 3.5% down) 500 (for 10% down)
Max loan amount (full entitlement)	No limit	\$806,500 in most areas	County-based limits
Closing cost protections	Strong (1% origination cap, no junk fees)	Moderate	Moderate
Can be assumed by buyer	Yes (anyone can assume)	No	Yes
Investment or vacation home	No (primary only)	Yes	No (primary only)

Real Dollar Comparison on a \$300,000 Home

	VA LOAN	CONVENTIONAL LOAN	FHA LOAN
Down payment needed	\$0	\$15,000	\$10,500
Monthly mortgage insurance	\$0	~\$200/month	~\$165/month
Average interest rate	~6.0%	~6.5%	~6.4%
Upfront insurance fee	2.15% funding fee (\$6,450, can be financed)	None	1.75% MIP (\$5,250)
Estimated total cost over 30 years	~\$697,000	~\$742,000	~\$745,000

The VA loan saves you roughly \$36,000 to \$54,000 over 30 years compared to a conventional loan, and even more versus FHA. The biggest reason? No monthly mortgage insurance, ever.

When Another Loan Might Make More Sense

Consider conventional if you can put 20% or more down (eliminating both PMI and the funding fee), or if you want to buy a rental property or vacation home (VA is primary residence only).

Consider FHA if you are not VA-eligible, or if you need an FHA 203(k) renovation loan to finance major home repairs.



12 myths
ABOUT VA
LOANS

Things People Get Wrong About VA Loans

01

MYTH 1: VA loans take forever to close

THE TRUTH: VA and conventional loans both close in about 30 days on average, according to industry data. The difference in speed comes down to your lender's experience with VA loans, not the loan type itself. **KEYS WITH KESH** does VA loans regularly and your timeline will be the same as anyone else's.

02

MYTH 2: Sellers won't accept offers with VA financing

THE TRUTH: This stereotype is outdated. VA buyers have strong pre-approvals, legal buyer protections, and government-backed financing. Since 2024, VA buyers can also pay their real estate agent's commission directly, further removing a common seller objection. A well-prepared VA offer is just as competitive as any other.

03

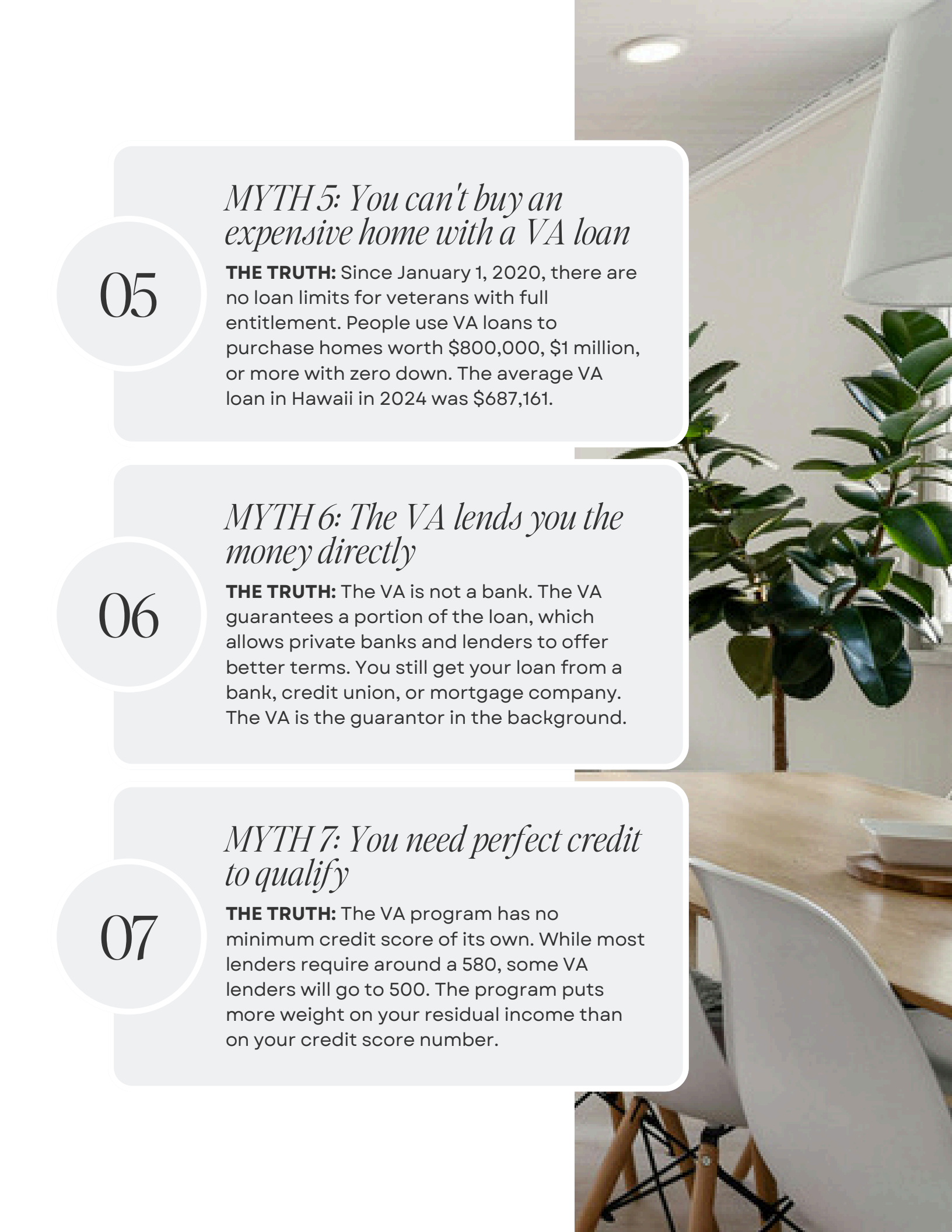
MYTH 3: You can only use a VA loan once

THE TRUTH: False. You can use it over and over again throughout your life. Every time you sell a home and pay off the VA loan, your eligibility is fully restored. You are not using up a one-time pass. A Navy Federal survey found that about 50% of active-duty service members believed this myth.

04

MYTH 4: VA loans are only for first-time buyers

THE TRUTH: Completely false. There is zero language in the VA loan program that limits it to first-time buyers. Veterans who are buying their second, third, or fourth home can still use VA financing.



05

MYTH 5: You can't buy an expensive home with a VA loan

THE TRUTH: Since January 1, 2020, there are no loan limits for veterans with full entitlement. People use VA loans to purchase homes worth \$800,000, \$1 million, or more with zero down. The average VA loan in Hawaii in 2024 was \$687,161.

06

MYTH 6: The VA lends you the money directly

THE TRUTH: The VA is not a bank. The VA guarantees a portion of the loan, which allows private banks and lenders to offer better terms. You still get your loan from a bank, credit union, or mortgage company. The VA is the guarantor in the background.

07

MYTH 7: You need perfect credit to qualify

THE TRUTH: The VA program has no minimum credit score of its own. While most lenders require around a 580, some VA lenders will go to 500. The program puts more weight on your residual income than on your credit score number.

08

MYTH 8: VA appraisals are extremely picky and will kill your deal

THE TRUTH: VA appraisers are checking for genuine safety hazards and structural issues, not aesthetic problems. A home with chipped paint outside, dated appliances, or an ugly yard can still pass a VA appraisal easily. Most homes in reasonable condition pass the first time.

09

MYTH 9: VA loans always require a termite inspection

THE TRUTH: Pest inspections are not automatically required on every VA loan. They're typically only required when the appraiser sees evidence of insects during the appraisal, and the requirement varies by state.

10

MYTH 10: You can't buy a condo with a VA loan

THE TRUTH: You can, as long as the condo complex is on the VA's approved condo list. You can search the list at lgy.va.gov. If the complex isn't on the list, your lender can submit it for VA approval, and it only has to be approved once. VA condo approval never expires.

11

MYTH 11: A VA loan is risky for sellers because the deal might fall through

THE TRUTH: VA loans have one of the highest closing rates of any loan type and the lowest denial rate at just 9.3%. Government-backed loans rarely fall apart at the lender level. Most closings that fail on VA loans do so for the same reasons as any other loan: buyer financing issues or property problems.

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MYTH 12: You need a down payment

THE TRUTH: A Navy Federal survey found 55% of military respondents believed a down payment was required for a VA loan. It is not. Zero down payment is the default. You can put money down if you want to lower your funding fee or reduce your monthly payment, but it is never required.



Smart Strategies TO WIN YOUR HOME

Your agent and lender matter more than most people realize. A VA transaction handled by people who do them regularly goes smoothly. One handled by people who rarely do them can be frustrating for everyone.

FINDING YOUR LENDER:

- Compare at least 3 to 5 VA lenders. Rates and fees vary more than people expect
- Compare the APR (annual percentage rate), not just the interest rate.
- Ask if they offer fully underwritten pre-approvals
- Ask: 'What is your average closing timeline for VA purchases?'
- Ask about your funding fee exemption status before assuming you owe it

KEYS WITH KESH TAKES ALL THE GUESSWORK OUT FOR YOU AND CAN ASSIST IN ANY STATE EXCEPT NY!

How to Make Your Offer Competitive

Having a VA loan doesn't mean you can't win in a competitive market. Here's what works:

- **Get a fully underwritten pre-approval.** This is stronger than a standard pre-qualification letter because an underwriter has already reviewed your full financial picture. Have your loan officer call the listing agent directly to explain how solid your financing is.
- **Offer meaningful earnest money.** Typically 1 to 3% of the purchase price. This shows you are serious and gives the seller confidence.
- **Use an escalation clause.** This automatically increases your offer if someone else bids higher, up to a cap you set. Works perfectly with VA financing.
- **Offer an appraisal gap guarantee.** If you are comfortable, offer to cover a certain dollar amount above the appraised value out of pocket. This signals commitment. You keep your VA Escape Clause protection regardless.
- **Offer flexibility on timing.** If the seller needs a fast close or wants to stay in the home for a few weeks after closing, being flexible often matters more than the price.



The Multi-Unit House Hack Strategy

This is one of the most underused VA loan strategies. The VA loan allows you to purchase a home with up to 4 units, as long as you live in one. That means you can buy a duplex, triplex, or fourplex with zero down, live in one unit, and rent out the others. The rental income from the other units can help you qualify for the loan and pay your mortgage. After 12 months, you can even move out, keep all units as rentals, and use a new VA loan (or conventional loan) to buy your next home.

HOW IT WORKS:

Lenders can count 75% of projected rent from the units you won't live in toward your qualifying income. On a fourplex where three units rent for \$1,000 each, that's \$2,250 in rental income helping you qualify. Focus on military towns, college areas, or high-demand neighborhoods for the best rental results.



Watch Out for These

- **Unsolicited refinance offers in the mail or by phone.** The VA never contacts you about refinancing. If you get a letter or call saying you should immediately refinance your VA loan, it may be a scam or a predatory lender.
- **Lenders who want to refinance you again and again.** Each refinance resets your loan and costs you money in fees. VA rules require at least 210 days between refinances and proof that you'll save money within 36 months.
- **Skipping the home inspection.** The VA appraisal is not a home inspection. Always get an independent inspection.
- **Choosing a lender based only on the interest rate.** Fees matter. Always compare the full APR.

You Earned This. Use It.

The VA home loan is one of the most generous financial benefits offered to anyone in the United States. No down payment. No mortgage insurance. The lowest rates available. A government guarantee that protects both you and your lender. And you can use it for the rest of your life.

A recent survey found that 55% of military members thought a down payment was required. Nearly half didn't know VA loans had lower interest rates. On average, eligible veterans held more than two wrong beliefs about their own benefit. And yet 92% of those who actually used a VA loan said they were satisfied with it.

The path forward is simple: Get your COE. Compare at least three VA lenders. Find an agent who knows VA transactions. And move forward with confidence knowing you have one of the best tools in homebuying on your side.



RESOURCES

VA Home Loans Website: va.gov/housing-assistance/home-loans

Get Your COE Online: va.gov or ebenefits.va.gov

Search VA-Approved Condos: lgy.va.gov

VA Benefits Hotline: 1-800-827-1000 (Mon-Fri, 8am to 6pm ET)

Documents to Gather BEFORE YOU APPLY

- ☐ DD-214 (your discharge papers) or NGB Form 22/23 if Guard/Reserve
- ☐ Statement of Service from your commander (if currently on active duty)
- ☐ Government-issued photo ID (driver's license or passport)
- ☐ Social Security number
- ☐ Last 30 days of pay stubs or current month LES
- ☐ Last 2 years of W-2 forms
- ☐ Last 2 years of federal tax returns if self-employed or have complex finances
- ☐ Bank and investment statements for the last 2 to 3 months
- ☐ VA disability award letter (if applicable - this confirms your funding fee exemption)
- ☐ Documentation of any additional income: rental income, pension, social security
- ☐ Information on any other properties you own or mortgages you currently have

Questions to Ask Your VA Lender

- *How many VA loans do you close per year, and what is your average timeline?*
 - *Do you offer fully underwritten pre-approvals?*
- *What is your minimum credit score requirement for VA loans?*
- *Can you pull my COE today and tell me if I am exempt from the funding fee?*
 - *What is the full APR on this loan, including all fees?*
 - *Are there any discount points included in this rate quote?*
- *Do you handle VA loans for multi-unit properties (duplexes, triplexes, etc.)?*
- *How will you communicate with me during underwriting if I need to provide additional documents?*

VA LOAN QUICK REFERENCE CARD

TOPIC	KEY NUMBER OR FACT
Down payment required	None (0%)
Monthly mortgage insurance	None (\$0/month)
Min. credit score (VA)	None (lenders: 500 to 580)
Funding fee (first use, 0% down)	2.15%
Funding fee (exempt groups)	Veterans with disability rating, Purple Heart, DIC survivors
Standard loan limit (most counties)	\$806,500 (2025)
High-cost area loan limit	\$1,209,750 (2025)
VA guarantee amount	25% of the loan
DTI benchmark	41% (flexible with strong residual income)
Chapter 7 bankruptcy wait	2 years
Foreclosure wait	2 years
Max seller concessions	Standard costs: no cap. Other concessions: 4% of home price
Avg. closing timeline	21 to 30 days with experienced VA lender
Can be reused?	Yes, unlimited times throughout your life

client testimony

“Highly recommend!! From start to finish Lakeshia was there every step of the way, it was my first time buying a home and Lakeshia and her team answered every question very knowledgeable and talented professionals. Thank you so much Lakeshia and Legacy Lending Mortgage Group”

SC VETERAN

testimonies

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I could give them 10 stars I would! From Lakeisha to the realtor Kayla Hines and her assistant Karina that they recommended, we couldn't be happier! Communication was amazing from everyone and they explained everything in simple terms so we could understand. Answered questions before we could even answer them! I mean that's how on top they were with everything.

From initial contact to the Clear to Close , it only took about a month!

Went above our expectations!
You will not be disappointed!!

Thank you!!



“

My experience with this company has been awesome. Professionalism was of the most top priority with the people who work for this company. I would recommend Legacy Lending Mortgage Group to all my friends and family. This company truly is in this to help others. She is so awesome and I will send all my friends and family to her for all their Mortgage needs. Without people like her in this business people would never have a chance at the American Dream home ownership.

“

Lakeshia is very responsive and really easy to work with. It was my first time buying a house and she made it feel like a breeze. I would definitely recommend her to everyone in South Carolina.





thank *you*

Thank you for taking the time to go through this guide. If you're thinking about your next move or simply want expert insight, we'd be happy to connect and support you.

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