

Closing costs normally associated with a
VA GUARANTEED LOAN

- Origination Fee*
- Discount Points
- Appraisal Fee
- Credit Report Fee
- Prepaid Taxes and Hazard Insurance
- Title Examination Fee
- Title Insurance Fee
- Flood Zone Determination
- Environmental Endorsements
- Compliance Inspections (usually on New Construction Loans)
- Recording Fees
- VA Funding Fee

The loan origination fee is limited to 1% of the loan amount. The lender may charge this flat fee or itemize the following fees not to exceed 1%.

- Application and Processing Fees
- Document Preparation Fee
- Loan Closing or Settlement Fee
- Notary Fees
- Interest Rate Lock-In Fee
- Tax Service Fee
- Delivery/Wire Fees
- Commitment or Marketing Fees
- Trustee's Fees or Charges

This is not an all exclusive list of fees and charges. If you have any questions concerning fees and charges on a VA Loan, contact the Regional Loan Center.

Department of Veterans Affairs
VA Regional Loan Center
3333 North Central Avenue
Phoenix, AZ 85012

Toll-free number:
1-888-869-0194
Monday through Friday
7:30 a.m. to 4:00 p.m. MST

Phoenix RLC Website
www.vba.va.gov/ro/phoenixlgy/index.htm

National VA Loan Guaranty Website:
www.homeloans.va.gov

To contact the
VA Eligibility Center
call 1-888-244-6711
email NCELIGIB@vba.va.gov

or write to:
VA Eligibility Center
P.O. Box 20729
Winston-Salem, NC 27120

To sign up for our new Email Notification
Service, logon to
[http://mailman.listserve.com/
listmanager/listinfo/phoenixrlc](http://mailman.listserve.com/listmanager/listinfo/phoenixrlc)

For more information on other VA benefits call
1-800-827-1000



FREQUENTLY ASKED QUESTIONS ON VA GUARANTEED HOME LOAN PURCHASES



Can I Qualify If?

April 2008

What is the benefit of purchasing a home with the VA Home Loan Program?

VA does not require a down payment, you are not required to have Private Mortgage Insurance (PMI) and the credit and income standards make qualifying easy.

How does a Chapter 7 Bankruptcy affect my credit chances of qualifying for a VA home?

VA looks favorably on your credit if your Chapter 7 Bankruptcy has been discharged at least two years, you have re-established new credit and you have had satisfactory credit from the date of the discharge.

What about a Chapter 13 Bankruptcy?

You must have paid at least 12 months on the Chapter 13, had a satisfactory payment history and get authorization from the Bankruptcy Trustee that the new house payment can be supported by your income(s).

What if I am in Consumer Credit Counseling?

Consumer Credit Counseling has the same requirements as a Chapter 13 Bankruptcy. Your lender can explain in more detail about Consumer Credit Counseling.

Can a VA loan be denied if I have had any type of home foreclosure especially within the past three years?

Foreclosures of any type are treated the same as a Chapter 7 Bankruptcy. Your lender can give you more detailed information concerning foreclosures and explain their policy on foreclosures.

What does VA consider a good credit history?

If the applicant and spouse demonstrate the last 12 months of satisfactory credit, they can be considered to have met the VA credit requirements; however, the debt history prior to that is also considered to be a good indicator of their willingness to repay future obligations.

What about an existing tax lien?

Loans can be approved with tax liens if there is evidence of a satisfactory repayment plan in effect.

Will VA guarantee a loan if I used some of my entitlement before?

As long as you have remaining entitlement available and you qualify on credit and income, VA will guarantee your loan. You may need to discuss with your lender their requirements concerning partial entitlement.

What is the maximum loan amount I can obtain using my VA entitlement?

The mortgage industry needs a 25% guaranty from VA to sell their loans on the secondary market. This usually limits VA loans to \$417,000 or 25% of the current Freddie Mac conforming loan limit. Check with your lender for their requirements on maximum loan amounts.

If I don't use my eligibility does it automatically go to my spouse and children?

No. The eligibility is based on your service to the government.

Can I use my eligibility to purchase a houseboat or RV if I intend to occupy it as my permanent residence?

No. Houseboats and RVs are not considered real estate. Check with your lender to see what types of properties are eligible for VA financing.

Can I use "stated" income to qualify?

No. Only verifiable income may be used to qualify. Your lender must verify a minimum of two years employment history. They must also evaluate whether the income is stable and reliable, anticipated to continue, and sufficient in amount.