

VA Guidelines

PURCHASE

| Units | Maximum Loan Amount ⁵ | Maximum LTV / CLTV | FICO | Reserves |
|-----------|----------------------------------|--------------------|--------------------|----------|
| 1 Unit | \$766,500 | 100 / 100 | 580 ¹ . | N/A |
| 2-4 Units | | | | 6 months |

CASH OUT REFINANCE

| Units | Maximum Loan Amount | Maximum LTV / CLTV | FICO | Maximum Cash to Veteran |
|-----------|---------------------|----------------------|------|-------------------------|
| 1 Unit | \$766,500 | 90 / 90 ² | 620 | No Maximum |
| 2-4 Units | | | 640 | |

IRRRL³

| Units | Maximum Loan Amount | Maximum LTV / CLTV | FICO | Maximum Cash to Veteran |
|-----------|---------------------|--------------------|------|-------------------------|
| 1-4 Units | \$766,500 | No Maximum | 620 | \$500 |

HIGH BALANCE –PURCHASE

| Units | Loan Amount | Maximum LTV / CLTV | FICO | Reserves |
|-----------|-------------|--------------------|------|----------|
| 1 Unit | >\$766,500 | 100 / 100 | 620 | N/A |
| 2-4 Units | | | | 6 Months |

HIGH BALANCE – CASH OUT

| Units | Maximum Loan Amount | Maximum LTV / CLTV | FICO | Maximum Cash to Veteran |
|-----------|---------------------|--------------------|------|-------------------------|
| 1 Unit | > \$766,500 | 90 / 90 | 620 | \$325,000 |
| 2-4 Units | | | 640 | |

HIGH BALANCE – VA IRRRL³

| Units | Maximum Loan Amount | Maximum LTV / CLTV | FICO | Maximum Cash to Veteran |
|-----------|---------------------|--------------------|------|-------------------------|
| 1 Unit | > \$766,500 | No maximum | 620 | \$500 |
| 2-4 Units | | | 640 | |

VA HYBRID ARM⁴

| ARM Features | Term | Index | Margin | Annual Adjustment Cap | Lifetime Adjustment Cap | Qualifying Rate | Conversion Option |
|--------------|--------------------------|--------------|--------|-----------------------|-------------------------|-----------------|-------------------|
| 5/1 | 30 Year Fully Amortizing | One Year CMT | 2.00% | 2.00% | 6.00% | Note Rate | No |

¹FICO 550-579 – Single loan exception from management may be allowed, subject to investor requirements.

²LTV > 90% - Single loan exception from management may be allowed, subject to investor requirements. Conforming loan amounts only. No high balance.

³VA IRRRL Loans

- No appraisal required. No maximum LTV.

⁵Note: If has full entitlement there is no VA Loan Limit. Remaining entitlement is based on the conforming county loan Limit (Check county loan limit [Here](#)) See [Entitlement](#) below

⁴ARMS

- Rate Adjustments – rate equal to margin + index rounded to the nearest .125%. Subject to annual/life caps.
- 5/1 Initial Rate in effect 61-66 months. After the initial interest rate adjustment, annual adjustments may be up to 2%.

Funding Fee Table*

| Type of Loan | Down Payment | % for First Time Use | % for Subsequent Use |
|---------------------------|-----------------------------|----------------------|----------------------|
| Purchase | Less than 5% | 2.15% | 3.30% |
| | 5% but less than 10% | 1.50% | 1.50% |
| | 10% or more | 1.25% | 1.25% |
| Cash-Out Refinance | n/a | 2.15% | 3.30% |
| IRRRLs | n/a | 0.50% | 0.50% |

Note: *Funding Fee waived for members of the Armed Forces who are serving on active duty and provide, on or before the date of loan closing, evidence of having been awarded the Purple Heart. See Funding Fee Waiver Section below for eligibility requirements.

Note: If your county is not showing on the VA County Limits use \$726,200 as your maximum County Limit

Eligibility

For origination through closing, follow al VA guidelines

Agency Guideline Link

[Lenders Handbook - VA Pamphlet 26-7 - Web Automated Reference Material System](#)

Borrower Eligibility

- Veteran
- Veteran and Spouse
- Veteran and Veteran (see requirements in VA Prior Approval section)
- Un-remarried surviving spouse of Veteran
- Veteran and non-Veteran (see requirements in VA Prior Approval and VA Loan Joint with Non Veteran sections)
- [National Guard Service](#)

NOTE: All veterans must have sufficient entitlement as evidenced by a current Certificate of Eligibility (COE). Once a COE is issued there may be conditions on the COE which must be met in order to receive a guaranty. Refer to VA Handbook for a list of conditions that could appear on the COE.

| VA Entitlement Codes | |
|----------------------|-----------------------------|
| 01 | World War II |
| 02 | Korean War |
| 03 | Post-Korean |
| 04 | Vietnam War |
| 05 | Entitlement Resorted |
| 06 | Un-Married Surviving Spouse |
| 07 | Spouse of POW/MIA |
| 08 | Post-World War II |
| 09 | Post-Vietnam |
| 10 | Persian Gulf War |
| 11 | Selected Service |

Certificate of Eligibility

Lenders are not expected to submit VA Form 26-8937 to VA when the COE already lists the information the lender is seeking to verify.

Lenders should only submit VA Form 26-8937 to VA in cases where the lender needs additional information from VA. For instance,

- An active duty Service member has received a proposed or memorandum rating or a pre-discharge claim for VA disability compensation is pending;
- A COE condition expressly states that VA Form 26-8937 must be submitted to VA; or
- System limitations cause anomalies on the COE and lenders are unable to resolve such anomalies after calling VA at 877-827-3702.

In circumstances where VA Form 26-8937 will still be submitted to VA, upload VA Form 26-8937 to WebLGY (VA is unable to process via fax). Select "New Application" under "Electronic Application" in WebLGY. Upload under correspondence in "E-Docs" as "Form 26-8937" document type.

Note: VA recognizes that there could be cases where a Veteran's compensation award increases after the effective date of the COE. In such cases, lenders should reply on the Veteran's award letter to verify the increase. It is not necessary to submit VA Form 26-8937.

IRRRLs for Surviving Spouse of a Veteran Who is Deceased

If a surviving spouse of a deceased Veteran was a co-borrower of a VA-guaranteed loan, the surviving spouse is eligible for an IRRRL to refinance the VA-guaranteed loan. Lenders should utilize the "New Application" under the surviving spouse's name, not the deceased Veteran's name. Note: Information about the loan being refinanced will not appear on the COE.

Entitlement

Maximum Entitlement Amounts (Refer to [example](#) in Matrix above)

The maximum amount of guaranty entitlement available to Veterans for loans above \$144,000 for purchase and cash-out refinance are as follows:

- **Full Entitlement:** For Veterans with full entitlement, the maximum amount of guaranty entitlement available to the Veteran is 25% of the loan amount.
- **Partial Entitlement:** For Veterans who have previously used entitlement and such entitlement has not been restored, the maximum amount of guaranty entitlement available to the Veteran is 25% of the [Freddie Mac conforming loan limit \(CLL\)](#), reduced by the amount of entitlement previously used (not restored) by the Veteran.

Note: Entitlement for a cash-out refinance of active VA-guaranteed loans may be restored when ordering or correcting the Certificate of Eligibility (COE). Step-by-step instructions on how to obtain a cash-out refinance conditional COE and/or correct a COE are located at:

https://www.benefits.va.gov/HOMELOANS/documents/docs/LGY_COE_Quick_Reference_Document.pdf

The cash-out refinance restoration condition must be shown on the COE for the entitlement to be restored.

Example A

Loan amount is \$765,000; Entitlement used (not restored) is \$70,000; Freddie Mac conforming loan limit is \$724,000.

$\$765,000 \times 25\% = \$191,250$ [25% of Loan Amount]

$(\$724,000 \times 25\%) - \$36,000 = \$89,000$ [Guaranty Entitlement Available]

$\$111,000 / \$765,000 = 14.51\%$ [Maximum Guaranty]

Example B

Loan amount is \$200,000; Entitlement used (not restored) is \$36,000; Freddie Mac conforming loan limit is \$500,000.

$\$200,000 \times 25\% = \$50,000$ [25% of Loan Amount]

$(\$500,000 \times 25\%) - \$36,000 = \$89,000$ [Guaranty Entitlement Available]

$\$50,000 / \$200,000 = 25.00\%$ [Maximum Guaranty]

Example C

Loan amount is \$400,000; Entitlement used (not restored) is \$161,000; Freddie Mac conforming loan limit is \$600,000. The Veteran does not have entitlement available for this purchase.

$\$400,000 \times 25\% = \$100,000$ [25% of Loan Amount]

$(\$600,000 \times 25\%) - \$161,000 = (\$11,000)$ [**No** Guaranty Entitlement Available]

| | |
|-----------------------|---|
| Escrow Waivers | Not permitted |
| Fees-allowable | <p>Allowable fees and charges to borrower for ALL Financing Types</p> <ul style="list-style-type: none"> • 1% of the loan amount and the following fees: <ul style="list-style-type: none"> ○ Appraisal fees ○ Recording charges ○ Credit report ○ Taxes and Assessments ○ Hazard Insurance ○ Surveys ○ Title Examination and Insurance ○ Flood zone determination and life of loan service <p>No lump sum credit allowed for the fees that are over the above fees. The Closing Disclosure must have all fees to the borrower broken out showing paid by borrower. Any fees other than the above allowed must be reflected on the CD as paid by lender, seller or other acceptable 3rd party (cannot be paid by rebate) or are not acceptable and considered “over charges”.</p> |
| Financing Type | <p>Purchase</p> <p>Cash-Out Refinance</p> <ul style="list-style-type: none"> • VA considers all non-IRRRL refinances “cash-out” refinances, regardless of whether or not the borrower receives cash at closing. Refer to table below for cash-out refinance definitions. • For Seasoning Requirements - Refer to Seasoning Requirements Section below. • Subject Property MUST have an existing lien. • 1x30 mortgage late in the past 12 months allowed (includes high balance) • Previously listed properties in the last 6 months are eligible provided: <ul style="list-style-type: none"> ○ Property has been taken off the market on or before the application date ○ Borrower provides written documentation of intent to occupy. <p>Interest Rate Reduction Refinance (IRRRL)</p> <ul style="list-style-type: none"> • VA to VA Refinances ONLY • Additional pricing applies • Minimum 620 fico • No appraisal required. No maximum LTV. • No mortgage lates in the past 12 months • Cannot be a HPML • PITI increase of 20% or more will require Credit/Income qualifying • Previously listed properties in the last 6 month are eligible provided: <ul style="list-style-type: none"> ○ The listing must have expired or been withdrawn on or before the application date. <ul style="list-style-type: none"> ▪ Note: If the property was listed in the prior 30 days to the application date, the Early EPO provision will be extended to one year. ○ Borrower provides written documentation of intent to occupy. |

- For Seasoning Requirements – Refer to [Seasoning Requirements Section](#) below.

Must be QM Safe Harbor

- Loan being refinanced was
 - Originated at least 6 months prior to current loan closing
 - Borrower has made at least 6 payments on loan being paid off
 - Borrower has not been more than 30 days past due during the 6 months preceding the new loans closing date; and
- All fees and charges financed including VAFF (excluding pre paid expenses) as part of the loan or paid at closing are in compliance with 38 C.F.R. 36.4313; and such fees are shown to be recouped within 36 months of the new loan closing. The following 3 types of VA IRRRLs are exempt from this rule:
 - Mortgages that include EEM improvements
 - Loans that are being refinanced from an adjustable rate to a fixed rate and
 - Loans that refinance a fixed rate to a fixed rate loan of a shorter duration.
- Requirements set below related to exemption of income verification are satisfied.
 - The Veteran is not 30 or more days past due on the loan being refinanced
 - The proposed IRRRL does not increase the principal balance outstanding on the prior existing residential mortgage loan (except EEM loans and to the extent of the fees and charges outlined in 38 CRR 36.4313
 - Total points and fees, other than bona fide third party charges not retained by the mortgage originator, creditor, or an affiliate of the creditor or mortgage originator payable in connection with the proposed IRRRL do not exceed 3% of the total proposed principal amount
 - The interest rate on the proposed IRRRL is lower then the interest on the loan being refinanced, unless the borrower is refinancing from an adjustable to a fixed rate.
 - The proposed IRRRL is subject to a payment schedule that will fully amortize the IRRRL in accordance with VA regulations i.e. no balloon payment
- Prior approval by VA on a VAIRRRL is required if the original loan is 30 or more days past due.

36 months recoupment calculation

To calculate the 36 month recoupment period the following is required

- Complete the VA Rate Reduction Certification (the following is required)
 - Copy of current Note which includes the current VA LIN Number, Rate, Term, Date of Note, and Principal and Interest payment of current loan.
 - Closing costs = All closing costs (except prepaids) – lender credit for closing costs divided
 - Current Principal & Interest Payment – New Principal & Interest Payment = savings per month.
 - Closing costs divided by savings per month = recoupment months. (must be 36 or less)
 - Example 1: Current principal & interest \$1408.99 – New Principal & Interest \$1342.14 = \$66.85 savings per month. Closing costs \$3536 divided by \$66.85 = 52 months to recoup = this loan is not QM Safe Harbor and is not eligible.
 - Example 2: Current Principal & Interest \$1408.99 – New Principal & Interest \$1342.14 = \$66.85 savings per month. Closing costs \$2049 divided by \$66.85 = 31 months to recoup = loan is QM Safe Harbor and is eligible.

TYPE I Cash Out Refinance -
A refinance in which the loan amount (including VA Funding Fee) does not exceed the payoff amount of the loan being refinanced.

| VA to VA | Non-VA to VA |
|--|---|
| <ul style="list-style-type: none"> • LTV ≤ 90% (including all financed fees and charges) includes VA Funding Fee • At least 1 of 8 net tangible benefits have been met (see below). • Lender must provide lender comparison disclosure at application and closing. • Loan seasoning requirement is met (see below). • Must meet fee recoupment • Must meet rate requirements (if existing loan is fixed rate) see below. | <ul style="list-style-type: none"> • LTV ≤ 90% (including all financed fees and charges) includes VA Funding Fee • At least 1 of 8 net tangible benefits have been met (see below). • Lender must provide lender comparison disclosure at application and closing. • Loan seasoning requirement is met (see below). |

Note: If the Veteran chooses to close a loan in which the loan amount exceeds 90% of the reasonable value of the property, the Veteran must pay the amount which exceeds 90% of the property value at loan closing.

TYPE II Cash Out –
A refinance in which the loan amount (including VA Funding Fee) exceeds the payoff amount of the loan being refinanced.

| VA to VA | Non-VA to VA |
|---|---|
| <ul style="list-style-type: none"> • LTV \leq 90% (including all financed fees and charges) includes VA Funding Fee • At least 1 of 8 net tangible benefits have been met (see below). • Lender must provide lender comparison disclosure at application and closing. • Loan seasoning requirement is met (see below). | <ul style="list-style-type: none"> • LTV \leq 90% (including all financed fees and charges) includes VA Funding Fee • At least 1 of 8 net tangible benefits have been met (see below). • Lender must provide lender comparison disclosure at application and closing. • Loan seasoning requirement is met (see below). |

Note: If the Veteran chooses to close a loan in which the loan amount exceeds 90% of the reasonable value of the property, the Veteran must pay the amount which exceeds 90% of the property value at loan closing.

Loan to Value Calculation

- Total loan amount (including VAFF, if applicable) divided by property value = LTV

Net Tangible Benefit (NTB) - At least one of the following must be satisfied:

- Eliminate monthly mortgage insurance
- Decrease the loan term
- Decrease monthly (P&I) payments
- Reduce the interest rate
- Maintain LTV equal to or less than 90%
- Refinance an interim construction loan
- Increase monthly residual income
- Refinance from an adjustable rate loan to a fixed rate loan

For Seasoning Requirements – Refer to [Seasoning Requirements Section](#) below.

TYPE I Interest Rate Requirements

- **Fixed rate to Fixed rate:**
 - The interest rate of the new loan must be a minimum of 0.5% less than the interest rate on the loan being paid off.
- **Fixed rate to Adjustable rate:**
 - The interest rate of the new loan must be a minimum of 2.0% less than the interest rate on the loan being paid off
 - Discount points > 1%: if discount points are included in the refinance loan amount, the maximum LTV is 90% (including VAFF)
 - Discount points \leq 1%: If the discount points are included in the refinance loan amount, the maximum LTV is 100% LTV (including VAFF)

Fee Recoupment – Applies to TYPE I Cash Out Refinance - VA to VA only

- Recoupment of all fees, expenses, and closing costs included in the loan amount and paid outside of closing must be recouped through lower Principal and Interest (P&I) payments within 36 months from the date of closing
- The lender must certify to VA that the fee recoupment requirement is met.
- **Recoupment Calculation**
 - Divide all fees (not including VA funding fee), expenses, and closing costs included in the loan and paid outside of closing by the reduction of monthly principal and interest.
 - Escrow and prepaid expenses, such as, insurance, taxes, special assessments, and homeowner’s association (HOA) fees may be excluded from the 36-month recoupment calculation.
 - Example:
 - PI (VA loan being refinanced): \$654.00
 - PI (new VA refinancing loan): -\$604.00
 - Reduction of monthly PI: = \$ 50.00

If the loan being refinanced has been modified, the reduction of monthly PI should be computed using the modified monthly PI of the loan being refinanced.

- Example:
 - Fees/expenses/closing cost: \$1,436.49

- Reduction of monthly PI: $\div \$ 50.00$
- Fee Recoupment Period: = 29 months (28.72 months rounded)

Comparison Disclosure Requirements

- Must be provided to borrower within 3 days of application and at closing & borrower must sign and/or acknowledge receipt of both disclosures. The following must be included in the comparison:
 - Loan amount vs. payoff amount
 - Loan type
 - Interest rate
 - Loan term
 - Total amount the Veteran will have paid after making all payments as scheduled
 - LTV
 - Home Equity being removed from the property

| Acceptable Vesting | | | |
|----------------------------------|--|---|--------------------|
| Parties Obligated on Old VA Loan | | Parties to be Obligated on new IRRRL | Is IRRRL Possible? |
| 1 | Unmarried veteran | Veteran and new spouse within the last 12 months | Yes |
| 2 | Veteran and spouse | Divorced veteran alone within the last 12 months | Yes |
| 3 | Veteran and spouse | Veteran and different spouse | Yes |
| 4 | Veteran alone | Different veteran who has substituted entitlement | No |
| 5 | Veteran and spouse | Spouse alone (veteran died) | Yes |
| 6 | Veteran and nonveteran joint loan obligors | Veteran alone | No |
| 7 | Veteran and spouse | Divorced spouse alone | No |
| 8 | Unmarried veteran | Spouse alone (veteran died) | No |
| 9 | Veteran and spouse | Different spouse alone (veteran died) | No |
| 10 | Veteran and nonveteran joint loan obligators | Nonveteran alone | No |

Guaranty

Maximum Guaranty Amounts

The maximum amount of guaranty for loans above \$144,000 made to purchases and cash-out refinances are as follows:

- **Full Entitlement:** For loans above \$144,000, the maximum amount of guaranty may not exceed 25% of the loan amount.
- **Partial Entitlement:** For loans above \$144,000, the maximum amount of guaranty may not exceed the lesser of 25% of the loan amount OR 25% of the Freddie Mac CLL.
- **Married Veterans:** When a Veteran and the Veteran's spouse, who is also a Veteran, use dual entitlement to guaranty a loan above \$144,000, the maximum amount of guaranty is 25% of the loan amount so long as one of the Veterans has full entitlement. VA will charge entitlement for married Veterans according to their preference. If both Veterans have partial entitlement, the maximum amount of guaranty may not exceed the lesser of 25% of the loan amount OR 25% of the Freddie Mac CLL.
- **Joint Loans:** When more than one Veteran (Vet-Vet) seeks to use their entitlement on a loan above \$144,000, if at least one Veteran has partial entitlement, the maximum amount of guaranty may not exceed the lesser of 25% of the loan amount OR 25% of the Freddie Mac CLL. VA will charge entitlement to each Veteran equally. However, unequal charge of entitlement may be made with a signed written agreement from the Veterans if provided to VA prior to the issuance of the VA guaranty. If all Veterans seeking to use their entitlement on a loan above \$144,000 have full entitlement, then the maximum amount of guaranty is 25% of the loan amount. All other existing VA policies regarding joint loans, such as Veteran/Non-Veteran joint loans, remain the same.

Higher Priced Mortgage Loans (HPML)

High Priced Mortgage Loans

- Not allowed with IRRRLs
- Must follow Rebuttable Presumption Guidelines
- Escrow account must be established and maintained for at least five (5) years.
- Master Insurance Policy Exemption:
 - Insurance premiums are exempt for units in a condominium or PUD when the unit's property is covered by a master insurance policy.
- Income must be likely to continue for a period of 7 years (in lieu of 3 years). This includes income from all sources including but not limited to disability, social security, child support, etc.

| Income (Rental) | <p>Prospective rental income may only be included in effective income if both of the following are met:</p> <ul style="list-style-type: none"> Evidence indicates the borrower has a reasonable likelihood of success as a landlord. Documentation to support the borrower's prior experience managing rental units or other background involving both property maintenance and rental must be provided AND Borrower has cash reserves totaling 6 months PITI <p>The amount of rental income to include in effective income must be based on 75% of either:</p> <ul style="list-style-type: none"> Verified prior rent collected on the units of existing properties OR The appraiser's opinion of the subject property's fair monthly rental for new construction. | | | | | | | | | | |
|---|--|------------------------------------|----------------------------------|----------------------------|----------------------------------|--------------------|-----------|----------|----------|--------------------|----------|
| Occupancy | <p>All loans (except IRRRLs) MUST be Owner Occupied</p> <ul style="list-style-type: none"> Veteran is expected to occupy within 60 days Spouse of Veteran can satisfy occupancy Dependent child currently occupying the subject property or will occupy the subject property can satisfy occupancy. <ul style="list-style-type: none"> The Veteran's attorney-in-fact or the dependent child's guardian must certify occupancy. Veteran on active duty must occupy within 12 months <p>IRRRLs The veteran or the spouse of an active servicemember must certify that he or she previously occupied the property as his or her home. This is different than the requirement for non-IRRRL VA loans where the veteran must intend to personally occupy the property as his or her home.</p> | | | | | | | | | | |
| Prepayment Penalty | Not permitted | | | | | | | | | | |
| Secondary Financing | <ul style="list-style-type: none"> Cannot be used to offset required down payment, pay closing costs, or cover any portion of the purchase price that exceeds the reasonable value. Interest rate of the second mortgage cannot exceed the rate of the VA loan. The second lien should not restrict the veteran's ability to sell the property. The total CLTV should never exceed 100% of the lesser of the sales price or appraised value. Loan must be assumable <p><u>Down Payment Assistance Programs (DPAs)</u></p> <ul style="list-style-type: none"> Must be VA and CW Lend Approved Must be a federal, state or local government agency or VA approved non-profit agency considered by VA to be an instrumentality of government. Non-profit agencies not considered by VA to be instrumentalities of government require prior approval from VA. | | | | | | | | | | |
| Seller Contributions | <ul style="list-style-type: none"> Seller can pay 100% discount points and borrowers non allowable closing costs Seller can provide an additional amount not to exceed 4% of the allowable closing costs and prepaids. | | | | | | | | | | |
| Temporary Buydowns | Not permitted | | | | | | | | | | |
| VA Loans using Joint Entitlement | <p>Guaranty Guidelines:</p> <ul style="list-style-type: none"> The maximum guaranty amount for loans up to and including \$144,000 is \$36,000 The maximum guaranty amount for loans above \$144,000 is calculated as Sales Price/Appraised Value (whichever is less) X 25% The minimum guaranty of 25% must be based on the lesser of the purchase price or appraised value VA's guaranty will be limited to that portion of the loan allocable to the veteran's interest in the property. see chart below <ul style="list-style-type: none"> The Veteran must qualify for his or her percentage of ownership interest in the property; i.e., if ownership is 50/50, the veteran must qualify for half (50%) of the PITI plus his or her portion of other personal debts. <table border="1" data-bbox="431 1688 1479 1808"> <thead> <tr> <th>Veterans and Available Entitlement</th> <th>Total Loan Amount</th> <th>Maximum Potential Guaranty</th> <th>Total Entitlement Charge Per Vet</th> </tr> </thead> <tbody> <tr> <td>Veteran 1 \$36,000</td> <td rowspan="2">\$100,000</td> <td rowspan="2">\$36,000</td> <td>\$18,000</td> </tr> <tr> <td>Veteran 2 \$36,000</td> <td>\$18,000</td> </tr> </tbody> </table> <p>Note: See VA Prior Approval section for additional guidance</p> | Veterans and Available Entitlement | Total Loan Amount | Maximum Potential Guaranty | Total Entitlement Charge Per Vet | Veteran 1 \$36,000 | \$100,000 | \$36,000 | \$18,000 | Veteran 2 \$36,000 | \$18,000 |
| Veterans and Available Entitlement | Total Loan Amount | Maximum Potential Guaranty | Total Entitlement Charge Per Vet | | | | | | | | |
| Veteran 1 \$36,000 | \$100,000 | \$36,000 | \$18,000 | | | | | | | | |
| Veteran 2 \$36,000 | | | \$18,000 | | | | | | | | |
| VA Prior Approval Required (does not apply to IRRRL loans) | <ul style="list-style-type: none"> Joint loans involving a Veteran and one or more non-Veterans (not spouse) Joint loans involving a Veteran and one or more Veterans (not spouse) who will not be using their entitlement | | | | | | | | | | |

| | |
|--|--|
| | <ul style="list-style-type: none"> Joint loans involving a Veteran and the Veteran's spouse who is also a Veteran, and both entitlements will be used Veteran and one or more other Veterans (not spouse), all of who will use their entitlement. Joint loans in which the Veteran will hold title to the property and any person other than the Veteran's spouse Loans to veterans in receipt of VA non-service related pension Loans to veterans rated incompetent by VA <p>Note: Extended turn times will apply</p> |
| Water / Sewer Connection Requirements | <ul style="list-style-type: none"> For properties served by individual water and/or sewer systems, connection to public water and/or public sewer will only be mandatory when such connection is required by local building, planning or health authorities. For properties on individual water and/or sewer (septic) systems where well water or septic tests or certifications were required, the validity of those tests or certifications is 90 days unless the local health authority indicates otherwise. (See also Individual Water Supply System Testing below) All Notices of Value (NOVs) issued on properties served by individual water and/or sewer systems will require NOV Item #6 to be checked for connection to public water or public sewer only if the local building, planning or health authority requires such connection. <p>Individual Water Supply System Testing</p> <ul style="list-style-type: none"> All testing must be performed by a disinterested third party. This includes the collection and transport of the water sample collected at the water supply source. The sample may be collected and tested by the local health authority, a commercial testing laboratory, a licensed sanitary engineer, or other party that is acceptable to the local health authority. At no time will the Veteran or other interested party collect and/or transport the sample. For VA purposes, the test is valid for 90 days from the date certified by the local health authority. After 90 days, another sample must be taken, and test completed. The water supply must meet the requirements established by the local health authority. If the local health authority has not established specific requirements, then requirements established by the State health authority will be used. In the case where there are no state requirements, then requirements established by the Environmental Protection Agency (EPA) will be used. |

VA Manufactured Homes

| PRIMARY RESIDENCE PURCHASE | | | | |
|----------------------------|------------------|--------------|--------------|-------------|
| Units | Maximum Base LTV | Maximum CLTV | Minimum FICO | Maximum DTI |
| 1 | 100% | N/A | 620 | Per AUS |

| Eligibility | |
|------------------------------|--|
| Agency Guideline Link | Ch12_Minimum_Property_Requirement_NEW.pdf |
| Fees | <ul style="list-style-type: none"> Manufactured Home Structural Engineer Certification: \$445 when required Foundation Certification \$445 when required |
| Foundation Cert | <p>Foundation Inspection</p> <ul style="list-style-type: none"> A foundation certification by a licensed professional engineer is required to validate the foundation meets all FHA/HUD codes when the foundation is new or if the appraiser calls out an issue with the foundation. This inspection report must be in the file at the time of underwrite. <p>Structural Report</p> <ul style="list-style-type: none"> A structural report is only required if there is an addition that is not permitted. |
| Property Requirements | <p>Manufactured Housing Requirements</p> <ul style="list-style-type: none"> Must be a one-unit dwelling comprised of multiple sections (multi-wide Manufactured Home). No single-wide. Minimum 700 square feet. |

- Maximum of 10 acres.
- Property must be attached to a permanent foundation system and permanently connected to the septic or sewage system, in addition to being permanently connected to all necessary utilities (water, electricity, gas, service, etc.).
- Must not have been installed or occupied previously at any other location or site.
- Property must have been existing in place for at least 12 months prior to application.
- The land where the manufactured home rests must be owned by the borrower in fee simple.
- Must be a one-unit dwelling legally classified as real property.
- The towing hitch, wheels, and axles must be removed.
- Manufactured home must assume the same characteristics of site-built housing.
- Must have sufficient square footage / room dimensions to be acceptable to purchasers in the subject market area.
- Must not have any additions or structural modifications to the original structure. This includes additional room count or additional living area square footage which is not allowed.
 - Typical porches and decks installed at time of siting, as well as adjacent carports and garages are allowed with structural engineer cert.
- Must have been built in compliance with Federal Manufactured Home Construction and Safety Standards that were established June 15, 1976 as amended and in force at the time the home is manufactured and additional requirements that appear in HUD regulations at 24 C.F.R. Part 3280 as evidenced by:
 - HUD Data Plate/Compliance Certificate – A paper document located on the interior of the subject property that contains, among other things, the manufacturer’s name and trade/model number. In addition to the data required by HUD, the data plate includes pertinent information about the unit including a list of factory-installed equipment; and
 - HUD Certificate Label (sometimes referred to as a HUD “seal” or “tag”) – A metal plate located on the exterior of each section of the home.
- Property must be located on publicly maintained road
- Property must be hooked up to public water source

Ineligible

- Condo manufactured housing
- Co-op manufactured housing
- HUD Repo’s
- Leasehold Property
- Manufactured Home in parks
- Manufactured Home that has been moved from original installation (re-sitting)
- Properties with wells, cisterns, spring fed water systems, or hauled water, etc.