



VA FIXED-RATE AND ADJUSTABLE-RATE MORTGAGE

PRIMARY RESIDENCE PURCHASE					
Property Type	Maximum LTV	Maximum Loan Amount *	Minimum Credit Score	Qualifying Ratios **	Underwriting Required Response
1 Unit PUD Condo	100%	VA county loan limit	620	Total DTI 41%	DU Approve or LP Accept
2 Units	100%	VA county loan limit	620	Total DTI 41%	DU Approve or LP Accept
3 to 4 Units	100%	VA county loan limit	620	Total DTI 41%	DU Approve or LP Accept

PRIMARY RESIDENCE RATE/TERM REFINANCE ***					
Property Type	Maximum LTV	Maximum Loan Amount *	Minimum Credit Score	Qualifying Ratios **	Underwriting Required Response
1 to 2 Units	90.01-100%	VA county loan limits	620	Total DTI 41%	DU Approve or LP Accept
3 to 4 Units	100%	VA county loan limits	620	Total DTI 41%	DU Approve or LP Accept

PRIMARY RESIDENCE CASH-OUT REFINANCE					
Property Type	Maximum LTV	Maximum Loan Amount *	Minimum Credit Score	Qualifying Ratios **	Underwriting Required Response
1 Unit PUD Condo	100%	VA county loan limit	640	Total DTI 41%	DU Approve or LP Accept
2 Unit	90%	VA county loan limit	640	Total DTI 41%	DU Approve or LP Accept
3 to 4 Unit	Not eligible for a cash-out refinance that provides cash back to the borrower and/or that pays off non-mortgage debt.				



* Loan amounts above the applicable VA county loan limit are permissible up to \$1,000,000. However, the LTV will be lower than the Maximum LTV stated above. Ginnie Mae requires that the combination of down-payment/equity and available VA guaranty be at least 25% of the gross loan amount, including the funding fee.

** Refer to the Qualifying Ratios section for additional information.

*** A VA loan meeting the eligibility criteria of the rate/term refinance grid above must be paying off ONLY mortgage debt. VA does not recognize the "Rate-Term" refinance loan purpose. You must select "Cash-Out Refinance" for loan purpose.

PROGRAM SUMMARY

The Veterans Administration loan program enables veterans and active duty personnel to purchase or refinance a home loan with favorable terms. VA offers fixed rate and adjustable-rate mortgages that can accommodate no-down payment on many transactions.

PRODUCT OFFERING

Fixed Rate Mortgage 10, 15, 20, 25 and 30 year term

Adjustable Rate Mortgage 3/1 and 5/1 30 year term

ELIGIBLE BORROWERS

Non-veterans are not eligible borrowers except as the spouse of an eligible veteran.

ELIGIBLE PROPERTY TYPES

- 1 to 4 unit properties
- Condominiums (refer to chapter 16 of VA Pamphlet 26-7)
- PUD's

INELIGIBLE PROPERTY TYPES

- Manufacture homes
- Cooperative
- Working farms, ranches (income producing)



SELLER CONTRIBUTIONS

All closing cost and discount points may be paid by the seller, regardless of the amount. All other seller contributions are limited to 4% of the lesser of the purchase price or appraised value.

POINTS

The veteran can pay points

QUALIFYING RATE

Note rate

QUALIFYING RATIOS

Loans that exceed the maximum allowed ratio may be acceptable, only if significant compensating factors are documented and/or the loan receives either an Accept from LP or Approve from DU.

VA GUARANTY

Maximum Potential Guaranty	
Loan Amount	Criteria
Less than \$45,000	50% of the loan amount
\$45,001 to \$56,250	\$ 22,500
\$56,251 to \$144,000	40% of the loan amount or maximum \$36,000
\$144,001 to \$424,100	25% of the loan amount or maximum \$104,250
Greater than \$424,100	The lesser of 25% of the VA county limit OR 25% of the loan amount

Calculating the Maximum Loan Amount

The VA does not establish a maximum loan amount. The VA guaranty plus borrower's down payment and/or equity must be equal to at least 25% of the lesser of the sales price or subject property's reasonable value as documented in the Notice of Value. The maximum guaranty is lesser of the veteran's available entitlement or the maximum potential guaranty amount indicated above.



VA ALLOWABLE FEES AND CHARGES

Refer to Chapter 8 of VA Pamphlet 26-7 for closing cost that are allowed by VA to be paid by the borrower and those that must be paid by the seller or lender.

VA FUNDING FEE

All VA loans require a VA funding Fee. Most veterans pay a funding fee. It is a percent of the base loan amount and may be financed or paid by the borrower or seller. The funding fee table can be found on the VA website.

ADJUSTABLE RATE DETAILS

Interest Rate Adjustment Cap	3/1 and 5/1 ARM Initial 1% up or down, Annual 1% up or down, Lifetime 5% up
Margin	2.00%
Index	1 year CMT
Interest Rate Floor	2.00%
Change Date	3/1 ARM: initial rate change date will occur within 36 to 42 months, depending on the first payment date.
	5/1 ARM: Initial interest rate change will occur within 60 to 66 months, depending on the first payment date.