Mortgage Manfro

Homeownership starts today.



VA HOME LOAN FIELD GUIDE

Unlock the Benefits. Achieve Your Dream.

YOU SERVED. YOU EARNED IT.

Now Let's Make Sure You Know It.

A practical, plain-English guide to the VA home loan benefit – with little-known opportunities, honest qualification rules, document checklists, and a clear path to homeownership.

0% DOWN
For Eligible Buyers

NO MONTHLY MI
A Key VA Advantage

REUSABLE
A Lifetime Benefit

★ 10 LITTLE-KNOWN FACTS ★
+ QUALIFICATION + COSTS + YOUR CHECKLIST



START HERE

THE VA ADVANTAGE

What the benefit can do - and what it does not guarantee

The VA does not normally lend the money itself. A participating lender makes the mortgage, and the VA guarantee helps create powerful homebuying opportunities.

01 POTENTIALLY $0 DOWN

Full entitlement can support no-down-payment purchases, subject to value and qualification.

02 NO MONTHLY MORTGAGE INSURANCE

No recurring PMI or FHA-style mortgage insurance premium.

03 COMPETITIVE INTEREST RATES

VA pricing is often attractive compared with similar conventional offers.

04 REUSE THE BENEFIT

Eligible veterans may restore or use remaining entitlement for another home.

05 MORE THAN ONE PROPERTY TYPE

Homes, approved condos, eligible 2-4 units, and certain manufactured homes.

06 SELLER HELP WITH COSTS

Negotiated seller credits may reduce cash needed to close.

WHO MAY BE ELIGIBLE?

Veterans, eligible active-duty service members, certain National Guard and Reserve members, and some surviving spouses may qualify. Your **Certificate of Eligibility (COE)** confirms the VA benefit; it is **not** a mortgage approval.

THE THREE BIG REQUIREMENTS

ELIGIBILITY
Valid COE / entitlement

FINANCES
Credit, income & assets

OCCUPANCY
Usually your primary home

VA SOURCE: va.gov/housing-assistance/home-loans/

QUALIFICATION

HOW VA APPROVAL REALLY WORKS

VA underwriting looks beyond a single credit score or DTI number

Important: VA does not set a universal minimum credit score. Lenders may set minimums or require stronger credit. There is also no blanket 50% VA DTI limit - but every file still needs a sound approval.

THE USUAL QUALIFYING PIECES

1 VERIFIED INCOME

Employment, retirement, military allowances, VA disability, and other qualifying income are evaluated for stability and continuance.

2 CREDIT HISTORY

Underwriters look at payment patterns, housing history, collections, prior credit events, and the lender's standards.

3 MONTHLY OBLIGATIONS

Housing payment, installment loans, revolving debt, support obligations, and certain expenses all matter.

4 CASH TO CLOSE

Even with no down payment, buyers may need funds for closing costs, escrows, and the appraisal - unless covered in other allowable ways.

THE GAME CHANGER: RESIDUAL INCOME

VA considers what your family has **left over each month** after housing costs, recurring debts, estimated taxes, and certain work expenses. The 41% DTI benchmark is a guide, not an automatic denial. Higher DTIs get additional scrutiny, and strong residual income may help.

TAX-FREE INCOME CAN GET SPECIAL TREATMENT

$4,000 actual → **$5,000 for DTI**

VA permits up to a 125% gross-up for qualifying non-taxable income **for DTI only** - not for actual residual income.

BEYOND THE BASICS

10 LITTLE-KNOWN FACTS

Part 1 of 2 / The opportunities most veterans are never told about

1 Your VA benefit is not one-and-done.

When entitlement is restored, or unused entitlement remains, veterans may use VA financing again. A past VA purchase does not automatically disqualify you.

2 Live in one unit. Own up to four.

Eligible veterans may buy a duplex, triplex, or fourplex with VA financing and potentially 0% down when they live in one unit. Qualifying rent may help.

3 Disability benefits can unlock additional savings.

Qualifying VA disability compensation can waive the VA funding fee. In California, qualifying 100%-rated veterans or veterans paid at 100% for unemployability may also get a property-tax exemption.

4 Your assumable rate may become a selling advantage.

A qualified buyer - even a non-veteran - may assume your current VA mortgage rate. A low rate can strengthen your listing, but a premium is never guaranteed, and entitlement may remain tied up.

5 Full entitlement means no VA county loan ceiling.

The VA does not impose a county loan cap on veterans with full entitlement. The lender still evaluates your ability to repay, collateral value, and its own loan-size limits.

CALIFORNIA DISABLED VETERANS PROPERTY TAX EXEMPTION

Eligible veterans may qualify for a basic or low-income assessed-value exemption on a primary home. Exemption amounts and income thresholds can change annually. Apply through your county assessor; this reduces taxable assessed value rather than automatically eliminating the entire property tax bill.

BEYOND THE BASICS

10 LITTLE-KNOWN FACTS

Part 2 of 2 / Flexibility, rates, building, and smarter underwriting

6 You can sometimes have two VA loans at once.

A move for a legitimate new primary residence may allow another VA loan with sufficient remaining entitlement, qualifying income, and new occupancy.

7 Active-duty occupancy rules have exceptions.

When active-duty service prevents personal occupancy, occupancy by a spouse or dependent child may satisfy VA rules. Special certification and financial review can apply.

8 VA construction loans really exist.

Some lenders offer VA construction-to-permanent financing, sometimes with one closing. Builder approval, appraisal, land structure, and lender overlays matter.

9 VA rates are often among the most competitive.

VA-backed lending frequently offers lower rates than comparable conventional financing. Rates vary by day, borrower, lender, and fees - so always compare total cost.

10 VA qualification can be unusually flexible.

Residual income and overall financial strength matter alongside DTI. Even high DTIs may be approvable in exceptional files, and eligible nontaxable income may be grossed up 125% for DTI only.

THE 70% DTI CONVERSATION

Mortgage Manfro has seen unusual VA approvals above 70% DTI. That is **experience, not a VA promise or standard**; underwriting, residual income, credit, and lender requirements control each result.

MONEY & PROPERTY

WHAT WILL A VA LOAN COST?

Understand the funding fee, seller help, and the homes that qualify

VA FUNDING FEE - PURCHASE / CONSTRUCTION

If not exempt, the one-time funding fee can often be financed. These VA rates apply to qualifying purchase and construction

DOWN PAYMENT	FIRST USE	AFTER FIRST USE
Less than 5%	**2.15%**	**3.30%**
5% to less than 10%	**1.50%**	**1.50%**
10% or more	**1.25%**	**1.25%**

DISABILITY EXEMPTION

Veterans receiving VA compensation for a service-connected disability are generally **exempt from the funding fee** (other qualifying categories apply). A 100% rating is **not** required.

CLOSING COSTS & SELLER CREDITS

A $0 down payment does not always mean $0 cash to close. Ask about appraisal, title, insurance, prepaids, escrows, and closing costs. Sellers/builders may pay eligible closing costs; the VA **4% cap applies to seller concessions**, not every ordinary seller-paid closing cost.

WHAT KINDS OF HOMES CAN WORK?

Single-family & townhomes
Generally owner-occupied

VA-approved condos
Project eligibility matters

2-4-unit properties
Live in one unit

Manufactured homes
Eligible specs & land requirements

Construction / improvement
Specialized lender programs

Existing VA loan assumptions
Credit approval & loan status

Worth remembering: A VA appraisal is not a home inspection. Buyer's inspections and a careful review of property condition are still important.

BE READY

YOUR VA BUYER CHECKLIST

Gather what you have. You do not need every item to make the first call.

01 SERVICE & ELIGIBILITY

- [ ] DD214 (if separated)
  Service history/character of discharge
- [ ] Statement of service (active duty)
  Request from command/personnel
- [ ] Certificate of Eligibility (COE)
  We can often help retrieve it
- [ ] Disability award/benefits letter
  If receiving VA compensation
- [ ] Existing VA mortgage statement
  If you already have a VA loan

02 IDENTITY & CREDIT

- [ ] Government-issued photo ID
  All borrowers
- [ ] Social Security numbers
  Secure application only
- [ ] Current housing payment
  Rent or current mortgage
- [ ] Outstanding debt details
  Student, car, credit cards
- [ ] Addresses for last 2 years
  Current + previous, if needed

03 INCOME DOCUMENTS

- [ ] Recent pay stubs / LES
- [ ] Last 2 years W-2s (if applicable)
- [ ] Retirement / disability benefit letters
- [ ] Tax returns + P&L; if self-employed

04 MONEY & PROPERTY

- [ ] Recent bank/asset statements
- [ ] Gift letter & donor proof (if needed)
- [ ] Purchase contract, once accepted
- [ ] Insurance / HOA details if available

IMPORTANT: Send sensitive documents only through a secure upload link. Do not text or email Social Security numbers, complete bank statements, or other private records without a secure method.

YOUR NEXT MOVE

FROM SERVICE TO HOME

The simplest way to get started - even if you are not ready to buy yet

FIVE STEPS. ONE CLEAR PLAN.

1 START WITH A CONVERSATION

Tell us your goals, desired monthly payment, and timeline. We can begin with a soft credit review.

2 CONFIRM YOUR VA BENEFIT

We help obtain or review your COE and check whether you have full or remaining entitlement.

3 BUILD YOUR PERSONAL LOAN PLAN

Review income, credit, residual income, available assets, property type, and funding-fee status.

4 GET PREAPPROVED & SHOP SMART

Compare realistic payments and cash to close. Work with your Realtor on an offer strategy.

5 APPRAISAL, UNDERWRITING, KEYS

After a contract, complete appraisal, final documents, underwriting, and closing.

LET'S TALK

Your benefits deserve a thoughtful plan - not a one-size-fits-all answer.

SCAN TO SCHEDULE
Your VA home loan conversation
NO-OBLIGATION START

Ask questions, compare options, and map out your next step.

TRUSTED SOURCES & NEXT STEPS

- VA purchase benefits / eligibility
- VA COE and supporting records
- VA funding fees and closing costs
- VA Handbook Ch. 4 and Ch. 5
- California Disabled Veterans Exemption

Educational material, updated November 2026. Loan approval, pricing, costs, occupancy, entitlement, seller credits, and property eligibility depend on the individual loan and current program/lender rules. This is not a commitment to lend or an offer of a specific rate. Confirm current state exemptions with the county assessor.

THANK YOU FOR YOUR SERVICE.