
Steps in the VA Home Loan Process

Aside from the upfront paperwork to prove eligibility and entitlement and use of a VA appraiser, the application process for a VA financing is not much different from any other type of mortgage loan. The basic steps in the process are:



1
*Determine
eligibility
and
entitlement*

Obtain a Certificate of Eligibility and proof of service.

The home must be a primary residence, single-family, condo, or maximum four-unit multifamily (owner must occupy one unit). Manufactured homes qualify. No vacation homes, businesses, or farms.

2
*Find the right
home, make an
offer, sign a
sales contract*



3
*Arrange
home
inspections*

The property must be safe, structurally sound, and have functioning mechanical systems. The buyer should accompany the inspector. Not required by the VA.

Prequalification can speed up the approval process. See the sample worksheet on page 114. Buyers should look for lenders who welcome military borrowers and know VA financing procedures. It pays to compare loan costs and terms.

4
*Apply for the VA
home loan*



Tammy Murphy, Broker
6814 Loop Road
Centerville OH 45459
(937) 838-0997

5

***Request a
property
appraisal***



The VA Regional Office assigns an appraiser. The appraiser may or may not know the local market. If the appraised value is less than the loan amount, the borrower can make up the difference in cash.

6

***Obtain
homeowner's
insurance***

Like conventional loans, homeowner's insurance is a requirement for closing.



7

***Pay fees and
closing costs***



The seller may provide concessions up to 4 percent of the property's value, including the funding fee, and pay closing costs.

The buyer pays the VA funding fee and lender's origination fee or itemized expenses (see page 97). The real estate professional's commission must be paid **only** by the seller.

8

***Close the
sale***



Tammy Murphy, Broker
6814 Loop Road
Centerville OH 45459
(937) 838-0997