



AMERICAN  
PACIFIC  
MORTGAGE

# VA LOANS

FOR PURCHASE AND REFINANCE



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# THE VA LOAN BENEFIT

## A WAY TO THANK OUR SERVICEMEMBERS



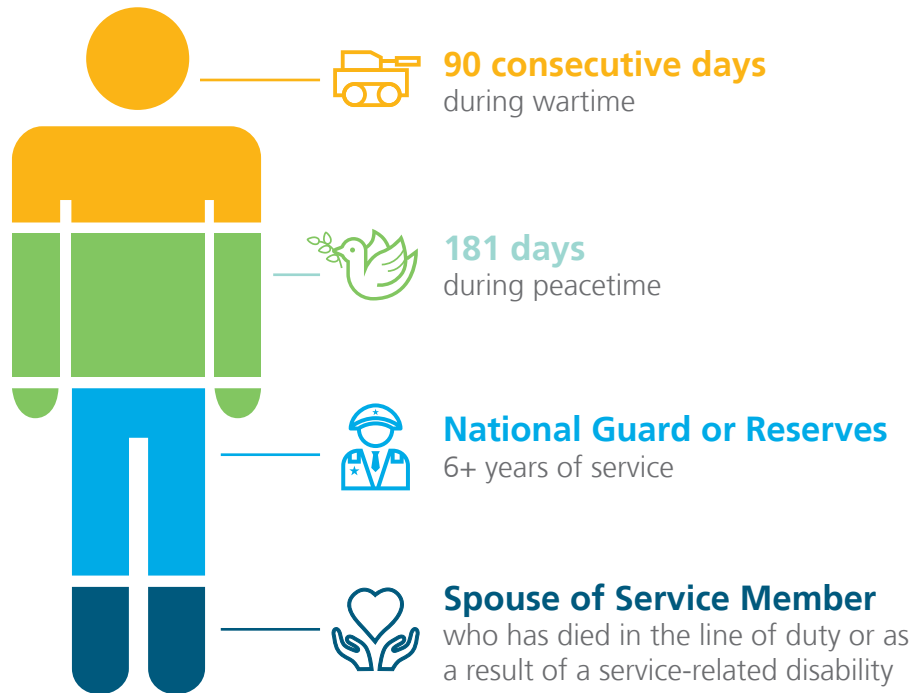
### What is a VA Home Loan?

The VA (Veterans Affairs) program offers veterans, current servicemembers, and surviving spouses the ability to make homeownership easier and more affordable. VA loans are guaranteed by the U.S. Department of Veterans Affairs and can only be secured through VA-approved lenders. This guarantee encourages lenders to lend with more flexible guidelines in terms of down payment, credit, and income.



## WHO QUALIFIES FOR A VA LOAN?

Veterans, active duty servicemembers, and surviving spouses of veterans may qualify for a VA loan if they have satisfactory credit, adequate income to meet their monthly obligations, and a valid Certificate of Eligibility.



### VA Funding Fee

A VA funding fee is required for each VA loan. This fee goes directly to the VA to keep the program running for future military home buyers. Though the fee may vary, it is waived for veterans with service-connected disabilities. VA borrowers also have the opportunity to finance this funding fee.





## 12 THINGS TO KNOW ABOUT VA LOANS

**1**

You can borrow 100% of the home's value or more, with lenient guidelines for 1–4 unit primary residences

**2**

Your VA loan eligibility does NOT expire and can be used more than once—even after a foreclosure

**3**

A VA loan lets you purchase a home with no money down

**4**

VA loans have no set limits on loan amounts; instead, the loan is determined by your entitlement and down payment (if any)

**5**

Closings costs may come from a gift or be paid by the lender or seller

**6**

Veterans can have multiple VA loans at the same time in some situations

**7**

You can rent out your existing home and move into a larger dwelling even if your current home is upside down

**8**

You can purchase a home 2 years after a foreclosure or bankruptcy and in special circumstances, as little as one year

**9**

There are no monthly mortgage insurance premiums with a VA home loan

**10**

The VA funding fee may be financed or possibly waived with veteran with service-connected disability

**11**

There are no prepayment penalties with a VA loan

**12**

Active members who move on base and receive Basic Allowance for Housing (BAH) can apply their full BAH payment to their housing



There are certain types of income like the GI Bill that you can't use for a home loan. American Pacific Mortgage is honored to serve service members, veterans, and surviving spouses like you. Contact a loan advisor today to learn more.



## GET STARTED WITH A VA LOAN

# 1

### Apply for a Certificate of Eligibility

The first step to obtaining a VA loan is applying for a Certificate of Eligibility (CoE). This will confirm your service record meets the VA loan requirements. You can apply online or by mail. Our APM loan advisors can absolutely help you out with this. Reach out today to find out how. This first application guarantees that you qualify for a VA loan, but it doesn't consider your income or credit report. That's the next step!





## 2

**Prep Yourself Financially****CHECK YOUR CREDIT REPORT**

We can help you get your credit report for free from one of the big three credit bureaus (Experian, Equifax, and TransUnion) at [Annual Credit Report](#). Federal law states each person is entitled to one free credit report from each of these bureaus once a year. Though the report is free, you do pay a fee to see your score. APM is more than willing to assist you with this process.

**NOTE:**

American Pacific Mortgage Corporation is not a credit repair company; this report is for information purposes only. We are not licensed credit repair specialists or counselors.

**TIPS TO BOOST YOUR CREDIT SCORE****Dispute any credit discrepancies you see.**

Sometimes your credit history may be inaccurate, which can lead to an incorrect score. You can dispute these claims with the major credit bureaus. Be sure to have your bank statements and receipts handy as proof. You can also dispute errors online.

**Pay your bills on time.**

Credit repayments represent 35% of your credit score, so you want to be sure you're paying bills in a timely fashion. Many people find that autopay programs can help establish consistency.

**Confirm your report is accurate.**

Companies can be slow when it comes to updating the amount you have paid off or a recent bump to your credit limit. Both omissions could impact your score in a negative way.

**Talk it out**

You can write a letter of goodwill and ask companies to remove or make adjustments to your credit history. Try to tell a personal story, and take responsibility for the delinquency, explaining the circumstances that led to an inability to pay. You may have lost a job or your family income might have dropped. For those with extra cash, be sure to let the company know that you can pay a large lump sum.

**Do not close out a card.**

A sudden drop to your credit-spending power doesn't look good to bureaus. You can keep cards active by using them to pay, say, a monthly utility bill.



# 3

## Get Pre-Approved

The VA does not limit how much you can borrow to finance your home, but there are guidelines lenders follow when calculating how much you can borrow without making a down payment. These guidelines are based on how much the VA is willing to guarantee. You can look up loan amounts in your area by visiting the VA website, but get in touch with your loan officer today to calculate a maximum entitlement tailored to you.

You also need to take your personal finances into account when calculating how much home you can afford. You should consider your income, assets, liabilities, and obligations. This can include auto loans, credit card debt, child support, your overall credit rating, and potential property taxes and insurance. APM's home calculator can help you determine what size mortgage you may be able to obtain.

# 4

## Find Your Home

We're finally at the most exciting step: it's time to find your dream home! Now's the time to list all the home and neighborhood features that matter most to you. You'll also want to consider things like area amenities, walkability, crime rates, and school districts if you have kids. Once you have your pre-approval, budget, and priority list in place, you're ready to zero in on your new home. Connect with us for a recommendation on a real estate professional.





# 5

## Processing & Underwriting

A loan processor will verify all the information on your application. Appraisal, title search, tax transcripts, and other items are ordered as part of the loan guidelines. Once the file is processed, a VA-certified underwriter will review your documents to make sure they're complete and that all guidelines are met. Once approved, the loan file will move to cleared-to-close.

# 6

## Appraisal

An independent appraisal of the property is ordered before your loan can officially close. This process ensures that the home meets the VA property condition standards (free of termites, water damage, etc.). If problems (leaky roof, pest issues, malfunctioning electricity, etc.) are identified, they may need to be addressed before the loan can close. Every circumstance is different, but APM is here to guide you through this process.



# 7

## Closing

Your loan is approved and you're at the home stretch! The lender will send closing documents to a title company that draws up paperwork and arranges for documents to be signed. Once the documents have been signed and funding conditions have been met, the title is recorded and the process is complete. You are now the proud owner of a new home, and the keys are yours!





## TYPES OF VA LOANS



### VA Home Purchase Loan

One of the many benefits of a VA loan is that VA loans don't require mortgage home insurance. This can make your payments more affordable, or it can help you qualify for a more expensive home! The VA does not require a down payment, and borrowers are free to purchase a home that needs repairs or remodeling. They can even roll the costs of those repairs into the VA loan!



### VAIRRRRL—Refinance Loan

Like any mortgage, an existing VA loan can be refinanced. The VA home loan is eligible for both streamline refinance and cash-out refinance. A VA streamline refinance—sometimes referred to as an Interest Rate Reduction Refinance Loan (IRRRRL)—is a VA program that allows you to qualify without income calculation or bank account verification. It's available to those with less-than-perfect credit. It's one of today's quickest and easiest refinance options. If you want to pull cash out from the refinance, however, then it's considered a cash-out refinance. This means the streamline option goes away and you must re-qualify for the mortgage. The good news is you're still free to do whatever you like with the cash you receive from your equity.

## Find the Right Lender

VA loans are issued by VA-approved mortgage lenders. As you can imagine, not all VA loan lenders are created equal. You want to work with an experienced lender that can offer multiple VA loan options. One that can help you navigate the mortgage process smoothly, avoiding obstacles and speed bumps. Your lender is your guide to a stress-free homebuying journey. APM's loan advisors are backed by program experts who can go over VA guidelines so you can rest easy knowing the VA loan is a superior program established in recognition of you.







## About APM

As a company, we embrace the concept of homeownership with enthusiasm and optimism for housing in America. Every employee at American Pacific Mortgage takes personal ownership in ***Creating Experiences That Matter™*** for our customers and consumers. Every transaction represents a family, a home, and a life decision—we understand and value that our participation is a privilege and that our job is to delight everyone involved in the loan process.



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**Footnote 2:** American Pacific Mortgage Corporation is not a credit repair or financial service company. We are not licensed credit repair specialists or counselors, we are not licensed financial advisors; please contact your financial professional for your personal financial situation. The material provided is for informational and educational purposes only and should not be construed as investment and/or mortgage advice. Although the material is deemed to be accurate and reliable, there is no guarantee it is without errors.

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