



YOUR VA LOAN

Unlock Homeownership Dreams: A Guide to VA Loans for Military Families

The VA home loan program offers an exceptional homeownership opportunity for active duty service members and veterans. Backed by the Department of Veterans Affairs since 1944, a VA loan offers a variety of favorable terms and removes many of the traditional barriers that military homebuyers face.

After you become familiar with VA loan basics, you'll feel more informed and comfortable asking questions about your buying journey. Atlantic Builders has skilled [homebuying experts](#) and [lending partners](#) ready to assist.

Navigating the VA Loan Process

The VA loan process can be intimidating if you're a first-time homebuyer—there's a lot to learn. Even experienced buyers sometimes need a refresher to hear about updates and remember the do's and don'ts. Our experienced sales managers and preferred lending partners are ready to answer your questions and explain the process. Here's a quick overview of what to expect and how to get started.



1. Gather Your Documents.

You'll need financial and personal documents like Leave and Earning statements, DD Form 214 (discharge papers), military service records, W-2s, and bank statements.



2. Talk With Our VA-Approved Lenders.

Many of our lenders have Certified Veterans Loan Specialist (CVLS) credentials and years of experience processing VA loans.



3. Obtain Your Certificate of Eligibility (COE).

You can get your COE from the VA online, by mail, or with the help of your lender.

The VA loan presents a more accessible homeownership path than many conventional loans. It has been thoughtfully designed to provide the military community with well-deserved advantages. VA loans can unlock homeownership doors that may have seemed closed.

Who Qualifies for a VA Loan?

Not every service member is eligible for a VA loan, so check the VA website for [specific details about your qualifications](#). These are some general guidelines:



Minimum Service Time

Applicants need at least 90 days of active duty during wartime, 180 days during peacetime, or 6 years of service in the National Guard or Reserves.



Character of Service

Your discharge must be honorable or under honorable conditions to qualify.



Certificate of Eligibility (COE)

This document verifies your eligibility for a VA loan. You can obtain your COE online, by mail, or through your lender.

VA Loan Benefits

Zero Down Payment

A down payment is traditionally 20% of the home's purchase price. The VA eliminates this requirement - however, you'll still need to budget for closing costs and funding fees.

No Private Mortgage Insurance (PMI)

Unlike conventional loans, VA loans eliminate the need for PMI. This saves you hundreds of dollars per month and thousands over the life of the loan.

Competitive Interest Rates

Lenders view VA loans as lower risk than traditional loans, allowing them to offer competitive interest rates. Lower rates help you save on monthly payments and overall borrowing costs.

Credit Score Flexibility

The VA doesn't require a set minimum credit score. This flexibility makes VA loans available to service members who may not have a perfect credit history.

Reusable

You can use the VA loan benefit multiple times. Each time you pay the previous loan in full, and it is closed, your full entitlement is restored for a new loan amount, up to conforming loan limits in higher-cost areas.

Eligibility Beyond Active Duty

VA loan benefits also extend to honorably discharged veterans, National Guard and Reserve members with qualifying service time, and some surviving spouses of deceased veterans.

Beyond the Basics: More VA Loan Benefits

Reduced Closing Costs

The VA limits the amount lenders can charge for certain closing costs, making home buying more affordable.

VA Construction Loans

Although finding VA-approved lenders and builders is challenging, these types of loans are available.

No Prepayment Penalty

There's no penalty for paying off your loan early.

Refinancing Options

Even if you've already used your VA loan benefit, you may be eligible to refinance your existing mortgage to lower your interest rate and save some money. Our approved lenders can tell you more about a VA Interest Rate Reduction Refinance Loan (IRRRL) or a Cash-Out Refinance.

Additional Considerations for VA Loans

Primary Residence

A house purchased with a VA loan must be your primary residence. You cannot buy a second home or investment property with a VA loan, but you can use the VA loan to purchase a property with up to 4 living units so long as you live there for 12 months before renting to tenants.

Minimum Property Requirements

VA loans have minimum property requirements (MPRs) that must be met for loan approval to ensure the safety and livability of the house. VA appraisers will investigate things like safe water, sewage access, and properly working mechanical systems. Our sales managers can talk you through these requirements.

Funding Fees

Instead of a down payment, VA loans often include funding fees that help sustain the VA loan program. These fees vary based on factors such as down payment amount, service history, and whether the borrower is a first-time user. Budgeting for these costs and exploring options for minimizing them, such as rolling them into the loan amount, is important. You may also be eligible to waive the funding fees if you have a service-connected disability or are a Purple Heart recipient.

Loan Limits

VA loans are subject to loan limits set by the VA, which vary by location. Borrowers purchasing homes above these limits may need to make a down payment to cover the difference. Understanding the loan limits in your area can help you determine your home buying budget and avoid potential financing challenges.

Debt-To-Income Ratio

Lenders evaluate borrowers' debt-to-income (DTI) ratios to assess their ability to repay the loan. While VA loans often have more flexible DTI requirements than conventional mortgages, borrowers should aim to keep their DTI within manageable limits to increase their chances of loan approval.