

Your VA home loan game plan

If you're thinking of using a VA loan to buy a house, here are some guidelines to help keep you on track and on schedule.

1 Find out if you are eligible

Eligibility depends on your length of service, duty status, and character of service. In general, if you serve 90 consecutive days of active duty during wartime, 181 days during peacetime, spent more than six years in the National Guard or reserve, or are the spouse of a service member who died in the line of duty, you qualify.

Tip: The VA is available to help you from the start. Check in with your Regional Loan Center for guidance.

2 Form your team



You'll want to find a real estate agent who is familiar with VA home loans, which are offered by private lenders but partially guaranteed by the Department of Veterans Affairs, and a lender that participates in the program. Luckily for you, most lenders do, and many veterans groups provide lists of VA-friendly real estate professionals. In each case, talk to more than one. With lenders, be sure to compare interest rates, discount points, closing costs and credit requirements.

3 Get a certificate of eligibility

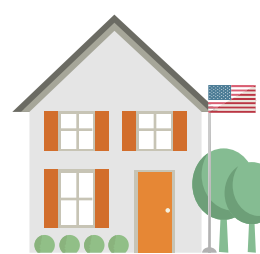
While you're shopping around for a lender with the best terms for you, you'll want to apply for a Certificate of Eligibility (COE). Once you pick a lender, this will verify to them that you are qualified for the VA home loan.

4 Consider pre-qualifying for a mortgage

Unlike an official pre-approval, this is an informal estimate from the bank about how much you can afford to spend on a home, and will generally tell you how much the bank is willing to lend you. Because it's not an official pre-approval, a pre-qualification is usually free and non-binding. Keep in mind that you may pre-qualify for more than you have budgeted. Be sure to know what you can afford and stick to that number.

5 Find a home, sign a purchase agreement and get the mortgage paperwork started

You will likely work with your real estate professional and lender for this part, but you want to make sure that the agreement contains a VA option clause. During this stage, you'll probably want to start gathering your pay stubs and bank statements and other documents for your mortgage. These documents will also come in handy when you are ready to apply for the VA home loan.



6 Apply for the VA loan

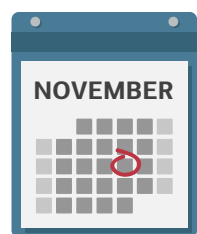
Work with your lender to complete the loan application. You'll need your purchase agreement and a variety of other documentation, such as paystubs, tax forms, and bank statements, plus forms from the VA.

7 Take care of processing and appraisals

Loan processing can take a few weeks or more, and will include a mandatory appraisal for the VA. Usually, your lender will arrange this and the VA will sign off on it. This appraisal, which may be more stringent than a conventional appraisal, looks at the condition of the home and its value and is meant to protect both you and the lender. It generally costs a fee and typically takes at least 10 days.

Tip: Now may be a good time to order an inspection of the home, to make sure there are no hidden problems with the property.

8 Prepare for your closing



The lender will generally choose a title company and attorney to conduct the closing. A representative of your lender will likely coordinate the date and time that the property is transferred to you.

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