VA PURCHASE

A VA loan is a government-backed mortgage product designed to help eligible Veterans, active-duty service members, retired military personnel, and surviving spouses purchase a home with no down payment required. To qualify, applicants must obtain a valid Certificate of Eligibility (COE) from the U.S. Department of Veterans Affairs. Click here for complete VA guidelines.

Product	Occupancy	Property Type	Credit Score	Max LTV/CLTV
FIXED	Primary	1-UNIT	580	100%/100%
	Primary Manufactured	1 UNIT	640	100%/100%
ARM	3/1 and 5/1 1-Year CMT index	1 UNIT	580	100%/100%

Age of Documents	• For new and existing construction, credit documents must be no more than 4 months old on the date the note is signed, including credit reports and employment, income, and asset documents. Employment pay stubs must be dated within 30 days of the initial loan application. • Preliminary Title Policies must be no more than 180 days old on the date the note is signed.
Assets	Funds held in a checking, savings, money market, certificate of deposit, or other depository accounts may be used for the down payment, closing costs, and financial reserves. The funds must be verified directly using a Request for Verification of Deposit (Form 1006) or with bank or investment statements. Follow DU Findings
Automated Underwriting	Desktop Underwriter (DU) Approval required for loan amounts exceeding $1,000,000. Manual underwrites allowed for loans under $1,000,000.
Appraisal Requirements	Full Appraisal by a VA Appraiser required. Notice of Value must be provided to the veteran within 5 business days of receipt.

Credit	Tri-merged required.
Credit History	Delinquent child support paid current or in a payment plan. Previously modified/restructured loan eligible w/ 0x30 in 12 months.
DTI-Maximum	Follow AUS. Manual Underwrites, follow VA guidelines.
Disaster Inspections	Disaster inspections may not be completed by the loan officer or bank employee. Acceptable inspection providers include, but are not limited to, the original appraiser or a post-disaster inspection company.
Eligible Borrowers	Veteran/Veteran Spouse Unmarried Veteran/Unmarried Veteran (joint entitlement)
Eligible States	All states within the United States are eligible except U.S. territories, including Puerto Rico, Guam, the Northern Mariana Islands, and American Samoa. Cema's in NY are not allowed.
Eligible Terms- Fixed & ARM	Fixed – 10, 15, 20, 25, and 30 Year ARM – 3/1 and 5/1 1-Year CMT index | Caps: 1/1/5 | Margin: 2.00%
Employment	2 year employment history required. VVOE required within 10 days of Note date and 30 days for self- employed. LES for active duly military required.
Escrow Waiver	Not allowed
Funding Fee	(see table below)

Funding Fee

Down Payment	First-Time Use	Subsequent Use
None	2.15%	3.30%
5% – 9.99%	1.50%	1.50%
10% or more	1.25%	1.25%

Maximum Loan Amount	Up to $1,500,000, loan must have 25% guaranty
Non Borrower spouse in Community Property State	The following states require the non-borrowing spouse's credit report to be obtained. All debts must be counted in the borrower's qualifying ratios., Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. Must be a tri-merged report.
Property Type	**Eligible**

Property Type Continued	• 1-4 Unit • Single Family • Attached/Detached • VA Approved Condos • PUDs/Townhomes • Leaseholds and Fee Simple are allowed • Multi-wide Manufactured Homes, classified as real estate Modular Homes (on frame and off frame) **Ineligible** • Agricultural-type properties such as farms, orchards, or ranches. • Undeveloped land. • Land development-type properties. • Properties that are **not** suitable for year-round occupancy, regardless of location. **Note:** Certain aspects of the location of a property will require special consideration. For example, properties in resort areas that attract people for seasonal or vacation use are acceptable only if they are suitable for year-round use. • Properties that are **not** readily accessible by roads that meet local standards. • Properties greater than four units. • Condotels. • Co-Ops. • Boarding houses or bed and breakfast properties. • 1 Unit properties with more than one Accessory Unit. • Properties with a Condition rating of C5 or Quality Rating of C5. • Income-producing properties (bed/breakfast, adult care facilities) • Log Homes • Properties located on Tribal Land Properties not suitable for year-round occupancy • Properties located in the Hawaiian Islands in lava zones one or two • Single-wide manufactured homes
Prepayment Penalty	None
Property Flips/Property	Non-arm's-length transactions for properties involving a re-sale within the last 180 days and an increase in value are prohibited. 2-4 unit properties subject to a short sale agreement must have been listed on the MLS for a min of 39 days prior to execution of the contract. Properties listed as an Exclusive Listing are ineligible.
Reserves	2-4 units 6 months PITI, other real estated owned 3 months PITI for each additional property
Seller Concession	There is no limit to seller paid closing costs. Seller concessions are limited to 4%. Examples of seller concessions are payment of the funding fee on behalf of the veteran, payment of borrowers debt, payment of escrows in advance.

Temporary Buydown	2-1 and 1-0 Buydowns are allowed. Fixed only Max loan amount $806,500. AUS approved only no manual underwrites.

MPOWER MORTGAGE a division of Midland Federal Savings and Loan Association is committed to equal credit opportunity and does not discriminate in any credit transaction based on sex, gender identity or expression, sexual orientation, marital or familial status, race, color, ethnicity, religion, national origin, age, disability, source of income (including public assistance), military status, or the good faith exercise of rights under the Consumer Credit Protection Act.