A GUIDE FOR VETERANS & SERVICE MEMBERS

VA

YOU EARNED THIS BENEFIT. USE IT.

No down payment. No monthly mortgage insurance.

Who's eligible, how entitlement works, what the funding fee costs, who's exempt, and how to make the most of your VA benefit in the Capital Region.



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START HERE

THANK YOU FOR YOUR SERVICE. LET'S PUT YOUR BENEFIT TO WORK.

The VA home loan is one of the **best mortgage benefits in the country**, and too many veterans never use it. Some don't know they qualify. Others think it's complicated, or that they can only use it once.

With a VA loan, eligible buyers can purchase with **no down payment**, pay **no monthly mortgage insurance**, and often get a lower rate than other loans. You can use it more than once, and in some cases, have two VA loans at the same time.

I've been helping families into homes since 1993, first as a Realtor and now as a mortgage lender. Read this, then call me. I can pull your Certificate of Eligibility for you, usually in minutes.

Brian

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WHAT A VA LOAN IS

A mortgage guaranteed by the Department of Veterans Affairs.

VA loans are made by approved lenders and **guaranteed by the U.S. Department of Veterans Affairs**. That guarantee is why lenders can offer terms you won't find on any other loan.

$0 DOWN

No down payment required for eligible buyers with **full entitlement**.

NO MONTHLY MI

No private mortgage insurance and no monthly mortgage insurance premium. Ever.

NO LOAN LIMIT

With full entitlement, VA sets **no maximum** loan amount. You qualify on income and credit.

LIMITED CLOSING COSTS

VA limits what veterans can be charged, and sellers can pay many of your costs.

REUSABLE

It's a lifetime benefit. You can use it again after you sell or pay off a VA loan.

GOOD TO KNOW: VA loans are for homes you'll live in, from single-family homes and condos to 2–4 unit properties where you live in one unit.

WHO'S ELIGIBLE

More people qualify than you might think.

Eligibility is based on your **service history**, and it's confirmed by a **Certificate of Eligibility (COE)**. I can usually request yours online in minutes.

USUALLY ELIGIBLE

- Veterans who meet minimum service requirements
- Active-duty service members
- National Guard and Reserve members who meet service requirements
- Certain surviving spouses of service members or veterans

KNOW GOING IN

- A **funding fee** applies unless you're exempt
- The home must be your **primary residence**
- The VA appraisal checks **condition**
- Condos must be **VA-approved**
- Lenders set their own minimum credit scores
- Discharge type affects eligibility

NOT SURE YOU QUALIFY?

Minimum service time depends on when and how you served. If you're unsure, or were told you don't qualify years ago, let me check. Rules have changed over time.

ENTITLEMENT, EXPLAINED

The part of your benefit the VA guarantees.

Entitlement is the amount the VA will guarantee on your loan. It's what lets lenders offer zero down. Whether you have **full** or **reduced** entitlement shapes how you can use your benefit.

	FULL ENTITLEMENT	REDUCED ENTITLEMENT
WHO HAS IT	Never used it, or used it and fully restored it	Have an active VA loan, or a past VA loan that wasn't fully repaid
DOWN PAYMENT	None required	May be needed on larger loans
LOAN LIMIT	No VA limit	County limits apply to the guarantee

RESTORING ENTITLEMENT

Sell your home and pay off the VA loan, and your full entitlement can usually be restored.

TWO VA LOANS

Relocating? With remaining entitlement, you may be able to buy again while keeping your first VA home.

GOOD TO KNOW: Your COE shows your entitlement. I'll walk you through what yours means for your next purchase.

THE 2026 FUNDING FEE

A one-time fee that keeps the program running.

Instead of monthly mortgage insurance, VA loans have a **one-time funding fee**. It's a percentage of the loan, and it can be **added to the loan** so you don't pay it in cash.

DOWN PAYMENT	FIRST USE	AFTER FIRST USE
LESS THAN 5%	2.15%	3.3%
5% TO 9.99%	1.5%	1.5%
10% OR MORE	1.25%	1.25%

VA PURCHASE FUNDING FEES, UNCHANGED SINCE APRIL 2023 AND CURRENT AS OF OCTOBER 2026.

WHO DOESN'T PAY IT

- Veterans receiving VA **compensation for a service-connected disability**
- Veterans rated eligible for compensation after a pre-discharge exam
- Active-duty Purple Heart recipients
- Surviving spouses receiving Dependency and Indemnity Compensation

GOOD TO KNOW: Your COE shows whether you're exempt. If you receive a disability rating after closing, you may be eligible for a refund.

WHAT IT COSTS: AN EXAMPLE

Zero down, step by step.

Here's how a first-time VA purchase might look on a $350,000 home with no down payment. Your price, rate, taxes and insurance will be different.

Purchase price	**$350,000**
Down payment	**$0**
Base loan amount	**$350,000**
Funding fee (2.15%, first use), added to loan	**+$7,525**
Total loan amount	**$357,525**
MONTHLY MORTGAGE INSURANCE	**$0**

EXAMPLE ONLY. NOT A RATE QUOTE OR LOAN ESTIMATE. EXEMPT VETERANS PAY NO FUNDING FEE.

SELLER HELP

Sellers can pay your normal closing costs, plus concessions up to **4%** of the price.

CASH TO CLOSE

Often very little, especially when the seller helps with costs.

THE SAVINGS

No monthly MI can save you hundreds a month compared to other low-down loans.

CREDIT, INCOME & RESIDUAL INCOME

VA looks at what's left over each month, not just ratios.

CREDIT

VA doesn't set a minimum score, but **lenders do**. VA is often more forgiving of past credit problems than other loans.

DEBT-TO-INCOME

VA uses **41%** as a guideline, but higher ratios can be approved with strong residual income.

RESIDUAL INCOME: VA'S EXTRA TEST

VA checks how much money you'll have **left each month** after your mortgage, debts, taxes and estimated living costs. The required amount depends on your family size and region. It's one reason VA loans have such a strong track record.

MILITARY PAY

Base pay plus BAH and BAS can count toward income.

DISABILITY INCOME

VA disability compensation counts, and is often grossed up because it's not taxed.

CREDIT EVENTS

Generally 2 years after Chapter 7 or foreclosure. Chapter 13 can be sooner.

THE PROPERTY & OCCUPANCY

VA protects you with its own appraisal standards.

A VA appraisal confirms the home's value and that it meets VA's **minimum property requirements**: safe, sound and sanitary. Most homes pass without issue.

1 SAFE SYSTEMS
Heat, electrical, plumbing and water that work safely.

2 SOUND STRUCTURE
A roof that keeps water out and a solid foundation.

3 PEELING PAINT
On older homes, chipped paint may need to be fixed.

4 PESTS & ACCESS
No active infestation, and safe access to the home.

OCCUPANCY
You generally need to move in within a reasonable time, usually about 60 days. Deployed? A spouse can satisfy occupancy.

MULTI-FAMILY
Buy a 2–4 unit and live in one. Rent from the other units may help you qualify.

REAL TALK: The VA appraisal isn't a home inspection. Always get your own inspection, too.

COMMON MISTAKES THAT DELAY APPROVAL

Most of these are easy to fix ahead of time.

1 NOT GETTING YOUR COE EARLY
Pull it before you shop so there are no surprises.

2 ASSUMING YOU USED IT UP
Entitlement can be restored. Many veterans can use it again.

3 MISSING EXEMPTION
If you have a disability rating, make sure your COE shows the exemption.

4 AGENTS WHO AVOID VA OFFERS
A strong pre-approval letter helps sellers see your offer is solid.

5 NON-APPROVED CONDO
Check the condo's VA status before you make an offer.

6 NEW CREDIT DURING THE LOAN
No new cards, car loans or financed furniture until after closing.

7 IGNORING REPAIRS
Condition issues flagged by the appraiser must be fixed before closing.

8 MISSING SERVICE DOCUMENTS
Have your DD-214 or statement of service ready.

REAL TALK: VA offers are just as strong as any other. Some sellers don't know that. I'll help your agent make the case.

AFTER YOU BUY: REFINANCE & MORE

Your VA benefit keeps working after closing.

VA STREAMLINE (IRRRL)

If rates drop, refinance your VA loan to a lower rate with **less paperwork**, often with no appraisal. Funding fee is **0.5%**.

VA CASH-OUT

Tap your equity for repairs, debt payoff or other goals. You can also refinance a non-VA loan into a VA loan.

ASSUMABLE

VA loans can be **assumed** by a qualified buyer when you sell. A low rate can make your home more attractive.

NY PROPERTY TAX HELP

Many New York towns offer a **veterans property tax exemption**. Ask your town assessor after you buy.

THINKING ABOUT AN ASSUMPTION?

If a buyer assumes your VA loan, your entitlement may stay tied to that loan unless the buyer is also an eligible veteran who substitutes theirs. Talk to me before you agree to one.

DOCUMENT CHECKLIST

Have these ready, and the process moves a lot faster.

- [ ] Certificate of Eligibility (I can request it)
- [ ] VA disability award letter, if applicable
- [ ] W-2s for the last 2 years
- [ ] Government-issued photo ID
- [ ] Bankruptcy or foreclosure papers, if applicable
- [ ] DD-214, or statement of service if active duty
- [ ] Pay stubs or Leave and Earnings Statements, last 30 days
- [ ] Bank statements, last 2 months, all pages
- [ ] Social Security number for each borrower
- [ ] Divorce decree or support order, if applicable

Every buyer is a little different. I'll give you the exact list for your scenario before you gather anything.



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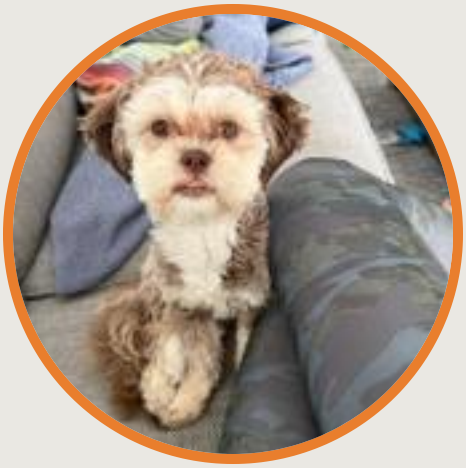
BOOK 15 MINUTES

EQUAL HOUSING OPPORTUNITY

This guide is for educational purposes only and is not a loan commitment or guarantee of approval. All loans are subject to credit, income, asset, property and appraisal approval; not all applicants will qualify. VA loan eligibility requires a valid Certificate of Eligibility. Zero down payment and no loan limit apply to borrowers with full entitlement; borrowers with reduced entitlement may need a down payment. Funding fees shown are VA rates current as of October 2026 and are subject to change. Lender credit score and other requirements may apply. Property tax exemptions are administered by local assessors and vary by municipality. Examples are illustrations only and are not a rate quote or Loan Estimate. Brian Marchand and New American Funding are not affiliated with or acting on behalf of the U.S. Department of Veterans Affairs or any government agency. © 2026 New American Funding, LLC. NMLS #6606 (nmlsconsumeraccess.org). 1 MacArthur Place, Suite 800, Santa Ana, CA 92707 · newamericanfunding.com · (800) 450-2010. Licensed Mortgage Banker, NYS Department of Financial Services. Equal Housing Lender. October 2026.

PENNY'S CORNER

A few words from our Chief Belly-Rub Officer.



PENNY SAYS

CHIEF BELLY-RUB OFFICER

Thank you for your service. Dad takes this benefit very seriously, and he'll make sure you use every part of it.

No down payment, no monthly mortgage insurance, and you can use it again. That's almost as good as two dinners.

CONNECT WITH PENNY ON FACEBOOK

Tips, updates and plenty of Penny.

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