REVISED EDITION

YOUR VA LOAN BLUEPRINT

Dodge Pitfalls
Create Life-changing Wealth

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FOREWORD

YOUR VA LOAN BLUEPRINT:
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First and foremost, thank you for your service to our country! Many folks today don't fully understand the sacrifices that you, your family, and your friends have made, but as fellow veterans, Kyle and I certainly do. I also want to thank Kyle for taking the time to put this great book together to help you better understand the amazing real estate benefits the Department of Veterans Affairs offers you. As the #7 veteran and VA loan originator in the country for the last couple of years, I have repeatedly seen how these benefits have helped veterans buy beautiful homes and build wealth through real estate.

Having deployed in combat with Kyle and worked with him over many years, I've seen firsthand his passion for helping veterans and his love for real estate! You are in great hands and the information in this book is invaluable. I wish I had this book when I bought my first home! Absorb as much as you can from Kyle and never hesitate to ask questions. Real estate and lending can be complex, but after reading this book, you'll certainly be one step ahead of your peers.

This book marks the beginning of an exciting journey—one that will not only change your life but also build your financial portfolio!

Congratulations!
Jonathan Kulak

INTRO

YOUR VA LOAN BLUEPRINT:

Dodge Pitfalls, Create Life-changing Wealth

If you're reading this, chances are you're interested in the VA loan program. Maybe you've heard about it from a friend or family member, or maybe you're a veteran yourself and want to learn more about this incredible benefit. Whatever your reason for being here, I'm excited to share my knowledge and experience with you.

As a veteran who has used the VA loan to purchase my own home, I understand firsthand the power of this program. But I also know that there are a lot of misconceptions and "gotchas" when it comes to using the VA loan.

That's why I wrote this book - to cut through the confusion and provide you with the information you need to make the most of this benefit.

In the following pages, I'll take you through the basics of the VA loan program, from eligibility requirements to common pitfalls to avoid. I'll also share some of my own experiences and insights to help you navigate the process with confidence.

My goal is simple: to help you understand and take advantage of the VA loan program. Whether you're a first-time homebuyer or a seasoned real estate investor, this book has something for you. So let's dive in and unlock the power of the VA loan!

SECTION 1:
Your Secret Weapon for Buying a Home

YOUR VA LOAN BLUEPRINT:
Dodge Pitfalls, Create Life-changing Wealth

The VA loan program was created to help eligible veterans, active-duty service members, and surviving spouses purchase or refinance a home. It is a unique program that offers many benefits, including no down payment and lower interest rates than traditional mortgages.

The program was established in 1944 as part of the Servicemen's Readjustment Act, also known as the GI Bill of Rights. This legislation was designed to help returning World War II veterans assimilate back into civilian life by providing them with a range of benefits, including education, training, and home loans.

Since its creation, the VA loan program has helped millions of veterans and their families achieve homeownership. In fact, according to the Department of Veterans Affairs, the program has helped more than 24 million veterans become homeowners since its inception.

One of the most significant benefits of the VA loan program is that it is backed by the federal government. This means that VA-approved lenders are able to offer favorable loan terms to eligible borrowers, including no down payment and lower interest rates than traditional mortgages.

The VA loan program is also designed to be flexible, with options for different properties and loan types. For example, borrowers can use VA loans to purchase primary residences, single-family homes, duplexes, or investment properties. You can also use VA loans to refinance an existing mortgage or make home improvements.

The VA loan program is an essential benefit for veterans and their families, helping to make homeownership more accessible and affordable. In the following sections, we'll explore the eligibility requirements for VA loans, the benefits of using a VA loan, common pitfalls, mistakes to avoid, and more.

ELIGIBILITY REQUIREMENTS

The first requirement is service length - you must have served on active duty for at least 90 consecutive days during wartime or 181 days during peacetime. If you were discharged for a service-connected disability before reaching these minimums, you may still be eligible.

Another important eligibility factor is your discharge status. To qualify for the VA loan, you must have been discharged under conditions other than dishonorable. If you received a dishonorable discharge, you will not be eligible for the VA loan.

In addition to these basic requirements, there are other factors that can impact your eligibility, such as your credit score and income. However, even if you don't meet all of the requirements, you may still be able to obtain a VA loan by obtaining a Certificate of Eligibility (COE) and meeting certain lender-specific requirements.

The VA loan program is designed to help veterans and active-duty service members achieve the dream of homeownership. If you meet the eligibility requirements, it can be a powerful tool to help you achieve that goal. If you don't, DON'T GIVE UP HOPE! We can help you strategize and come up with a plan to make it happen!

Type of Property	Eligibility for VA Loan
Primary Residence	Eligible
Vacation Home	Not Eligible
Investment Property	Not Eligible

WHAT COUNTS AS ELIGIBLE INCOME?

It's important to understand what types of income are eligible when applying for a VA loan, as this can impact your ability to qualify for the loan and the loan amount you may receive. Here are a few things to keep in mind:

1. Military Pay: Active duty and veteran military pay is considered eligible income for VA loan purposes. This includes base pay, BAH, BAS, and other special pay…as long as it with last at least 12 months from closing.
2. Retirement and Disability Pay: Retirement pay and disability payments from the military are also considered eligible income for

VA loans.

3. Employment Income: Income from employment is also eligible, as long as it is stable and verifiable. Self-employment income may be eligible but may require additional documentation.
4. Investment Income: Investment income, such as rental income or stock dividends, may be considered eligible income, but may require additional documentation. If you're planning on renting out your current house after buying, you can use a lease or a rental appraisal to offset the current mortgage.
5. GI Bill Income: While the GI Bill can provide a valuable source of income for veterans, it is not considered eligible income for VA loan purposes. This is because the GI Bill is intended to provide education benefits rather than income.
6. Credit score & history: this is especially important for how *much* you'll be approved for and at what interest rate! You want to make sure your credit history is cleaned up so you can get the best rate possible!
7. Debt-to-income ratio: We will talk about this a little bit later, but summed up, if you are buried in debt (from that E-2 Mustang you're still trying to pay off + student loans + credit card debt), it affects your ability to make higher monthly payments. So…be frugal. Keep that in check. And if you can pay some things off, get it done!

You have to know that the above list is not exhaustive, and there may be other types of income that are considered eligible for VA loan purposes. Ultimately, it's crucial to work with a qualified lender who can help you determine which types of income are eligible and can provide guidance on the documentation you will need to provide to support your income. Your lender can become your best friend.

HOW TO OBTAIN A CERTIFICATE OF ELIGIBILITY (COE)

To apply for a VA loan, you will need to obtain a Certificate of Eligibility (COE) from the VA. The COE is a document that verifies your eligibility for the VA loan program, and it is required by lenders to approve your loan application.

I could list out all the steps to get one…but I'm trying to make your life easier and skip the nonsense.

Most COEs are available through an automated system that all VA lenders have access to. If it's not, the lender can do the app easily in the same system. If you'd prefer to get your own you can go through that headache…but VA lenders are getting paid to take care of you. So…let them earn that paycheck.

They issue them within 5 business days, typically. Nice.

***__common theme: get a GOOD VA-approved lender on your team! If you don't have one, I have great, reliable resources!**__

THE VA LOAN GUARANTY AND HOW IT WORKS

The VA loan program is unique because the VA provides a guaranty to lenders that they will be repaid if the borrower defaults on the loan. In other words, if you use a VA loan to buy a home and you can't make your mortgage payments, the VA will step in and help the lender recover some or all of their losses.

Think of the VA loan guaranty like a co-signer on a loan. Let's say you want to buy a car but you don't have enough credit history or income to qualify for a loan on your own. You might ask a family member or friend to co-sign the loan with you. The co-signer is basically vouching for you and promising to repay the loan if you can't.

The VA loan guaranty works in a similar way. When you apply for a VA loan, the VA guarantees a portion of the loan amount to the lender. This guarantee is usually around 25% of the loan amount, but it can vary depending on your loan size and other factors. So, if you default on the loan and the lender forecloses on your home, the VA will pay the lender back for their losses up to the guaranteed amount.

This guaranty is what makes VA loans such an attractive option for lenders, even if you don't have perfect credit or a large down payment. Because the lender is protected by the VA guaranty, they can offer more favorable terms and lower interest rates than you might find with other loan programs.

It's important to note that the VA loan guaranty does not mean that you can't default on your loan or that you should take out a loan that you can't afford. Just like with any other loan, you are responsible for making your mortgage payments on time and in full. However, the VA loan guaranty provides an extra layer of protection for both you and the lender, which can help make the home-buying process more accessible and affordable for eligible veterans and service members.

THE DIFFERENCE BETWEEN A VA LOAN AND OTHER TYPES OF LOANS

The VA loan is a unique type of mortgage loan that is guaranteed by the Department of Veterans Affairs. It is designed specifically for veterans, active-duty service members, and eligible surviving spouses who want to buy a home.

One of the biggest differences between the VA loan and other types of loans is that the VA loan typically requires *no down payment*. This means that eligible borrowers can finance 100% of the home's purchase price without having to come up with a large down payment, which can be a significant barrier to homeownership for many people.

Another key difference is that the VA loan has more flexible credit requirements than other types of loans. While lenders will still review your credit history and score as part of the application process, they may be more willing to work with you if you have less-than-perfect credit. This is because the VA's guaranty provides an added layer of protection for the lender, which can make them more comfortable taking on slightly more risk.

In addition, the VA loan typically has lower interest rates than other types of loans, which can save you money over the life of your loan. This is because the VA's guaranty makes the loan less risky for lenders, which in turn allows them to offer more competitive interest rates.

One other difference to note is that the VA loan does not require private mortgage insurance (PMI), which is typically required on conventional loans if you put down less than 20%. This will save you money on your monthly mortgage payments, which makes homeownership more affordable.

The VA loan is a great option for eligible veterans and service members who want to buy a home with little or no money down, flexible credit requirements, and competitive interest rates. While it may not be the right choice for everyone, it is definitely worth considering if you meet the eligibility requirements and are in the market for a new home.

SECTION 2:
Benefits of the VA Loan and Why to Use It

YOUR VA LOAN BLUEPRINT:
Dodge Pitfalls, Create Life-changing Wealth

FINANCIAL BENEFITS OF USING THE VA LOAN

If you're a veteran or service member looking to buy a home, there's no better way to do it than with a VA loan. Not only does it come with unbeatable perks like no down payment and no private mortgage insurance, but it can also save you thousands of dollars in interest over the life of your loan.

Let's start with the most obvious benefit: no down payment. With other types of loans, you could be required to put down as much as 20% of the purchase price upfront. For many people, that's just not feasible. But with a VA loan, you can finance up to 100% of the purchase price, meaning you don't have to come up with a down payment at all. This can be a game-changer for anyone who wants to become a homeowner but doesn't have a lot of cash on hand.

With a conventional loan, if you don't put down 20%, you are liable for Private Mortgage Insurance (PMI). That can add over $100/month to your payment. With the VA loan, even when you put down $0, you are still able to avoid PMI!

But that's *still* not all. VA loans also come with lower interest rates than other types of loans. According to the VA, the average interest rate for a 30-year fixed mortgage in 2020 was just 2.75%. Compare that to the average rate for a conventional loan, which was 3.08%. Over the life of your loan, that lower interest rate can save you tens of thousands of dollars in interest payments.

Obviously, these aren't today's rates, but the difference between a conventional rate and a VA loan rate is typically anywhere from .50%-.75%! That is a game-changer!

Now, you might be thinking: "But if the VA loan is so great, why doesn't everyone use it?" Well, the truth is that not everyone is eligible for a VA loan. AND…a lot of our servicemembers have heard of it, but they don't know HOW to use it! (hence why I wrote this book! Do you have any fellow servicemembers or veterans that you could share this with? Feel free to send them the link, and I'll send it over to them!)

If you are eligible, you'd be crazy not to take advantage of it. It's one of the best benefits you'll ever receive for your service, and it can make all the difference in achieving financial freedom.

Think about it this way: if you can save thousands of dollars in down payments and interest payments, that's money you can use to pay off debt, invest in your retirement, invest in *other properties,* or even take that dream vacation you've always wanted. The bottom line is that the financial benefits of using a VA loan are too good to pass up. So if you're eligible, LET'S GET MOVING!

EXPLANATION OF VA LOAN FEES, INCLUDING FUNDING FEES AND CLOSING COSTS

As previously mentioned, one of the most significant advantages of the VA loan is that you can purchase a home without a down payment. However, it's important to understand that there are still fees associated with using the loan. These fees include funding fees and closing costs.

The funding fee is a one-time fee paid directly to the Department of Veterans Affairs. It's essentially insurance that protects the lender in case you default on the loan. The amount of the funding fee varies depending on the type of loan, your military service status, and whether you've used the VA loan before. It can range from 1.4% to 3.6% of the loan amount.

Type of Veteran	Down Payment	First Time Use	Subsequent Use	Funding Fee
Active Duty	None	2.15%	3.3%	5% (10% or more disabled)
Reserves/National Guard	None	2.15%	3.3%	5% (10% or more disabled)
Active Duty	5% - 9.99%	1.5%	1.5%	5% (10% or more disabled)
Active Duty	10% or more	1.25%	1.25%	5% (10% or more disabled)
Reserves/National Guard	5% - 9.99%	1.5%	1.5%	5% (10% or more disabled)
Reserves/National Guard	10% or more	1.25%	1.25%	5% (10% or more disabled)

Note: Please note that these rates are effective from April 7, 2023, and are subject to change. Always verify the current rates with your lender or the VA.

BONUS: If you have a disability rating from the VA of 10% or more, you are *exempt* from the funding fee altogether! So for most veterans, it's HANDS DOWN the best loan product available.

Okay. Moving on.

As of January 2023, the median home price in the United States is $429,000. Let's use this as an example to illustrate the importance of having some money saved up when using a VA loan. If you were to purchase a home at the median price with a VA loan and put nothing down, you would be looking at a funding fee of $11,430.

However, if you were to put just 5% down ($21,450), the funding fee would drop to $8,406, saving you $3,024. While it's true that you don't have to put money down with a VA loan, doing so can save you thousands of dollars in the long run. Let's compare them side by side:

	0% Down Payment	**5% Down Payment**
Home Price	$429,000	$429,000
Down Payment	$0	$21,450
Funding Fee (first use)	$9,223.50	$6,113.25
Loan + Funding Fee	$438,223.50	$413,663.25
Interest Rate	4.5%	4.5%
Loan Term	30 years	30 years
Estimated Monthly Payment	$2,223	$2,095
Total Cost of the Loan (including Funding Fee)	$800,122	$754,164

**Note: This table assumes a 30-year loan term and is for illustrative purposes only. The actual interest rate, monthly payment, and cost of the loan may vary depending on various factors, including credit score, debt-to-income ratio, and other loan terms.

**Note: As you can see from the table, putting down 5% on a $429,000 home can save you thousands of dollars in both funding fees and interest over the life of the loan. By putting down just $21,450, you can save over $40,000 in interest payments over 30 years, and reduce your funding fee by over $3,000. That's a significant amount of money that can go towards other things, such as home improvements, education, or retirement savings. So, while it's true that a VA loan allows you to purchase a home with zero down payment, it's important to consider the financial benefits of putting down some money upfront.

CLOSING COSTS

Closing costs are fees associated with the purchase of the home, and they can include:

- Title insurance: This protects the lender and buyer in case there are any issues with the title of the property.
- Appraisal fees: This covers the cost of having the property appraised to ensure that it's worth the purchase price.
- Inspection fees: This covers the cost of having the property inspected for any potential issues or needed repairs.
- Attorney fees: This covers the cost of having an attorney review and prepare the necessary legal documents.
- Recording fees: This covers the cost of recording the sale with the local government.
- Transfer taxes - gov taxes in many states
- First-year home insurance premium
- Prepaid interest for the days remaining in the month you close because you'll skip a month before making your 1st payment
- Escrow reserves to pay your property taxes and insurance. (Some lenders don't require an escrow account)

These costs can vary depending on the price of the home and the location, but they typically range from 2% to 5% of the purchase price. While the VA loan does not require a down payment, it's still advisable to have some money saved up to cover these costs.

While you can roll the funding fee and closing costs into your loan, doing so *will increase* the amount of your monthly payments and the overall cost of the loan. Therefore, it's beneficial to have some money saved up to cover these fees and minimize the amount of debt you take on. A good VA lender can help talk you through the strategy that's right for you!

While the VA loan allows you to purchase a home without a down payment, having some money saved up to cover the associated fees is never a bad idea. By doing so, you can minimize your debt and ensure a more financially stable future.

FLEXIBILITY OF VA LOANS FOR DIFFERENT TYPES OF PROPERTIES, INCLUDING PRIMARY RESIDENCES, VACATION HOMES, AND INVESTMENT PROPERTIES

The VA loan program is incredibly versatile and can be used for a variety of property types. The most common use of the VA loan is for a primary residence, which is the home that you will live in for the majority of the year. This could be a single-family home, a condominium, or a townhouse. However, many people don't realize that the VA loan can also be used for other types of properties, such as multi-family homes (up to 4 units), as long as you live in one of the units as your primary residence.

Remember that the VA loan cannot be used for vacation or second homes (in the traditional sense of the word)! The purpose of the VA loan is to help eligible veterans purchase a primary residence, and it is not intended for investment properties or properties that are used solely for recreational purposes (but I'm gonna show you how you can acquire investment properties later on).

That being said, there is some flexibility with the VA loan program that can allow you to use it to purchase a second property. For example, if you already have a VA loan on your primary residence and you want to purchase a new primary residence in a different location (where you can continue your employment or will be starting a new job), you may be able to keep your existing VA loan and use it to purchase the new home. Additionally, if you are stationed overseas and need to purchase a primary residence for your family back home, you would be eligible for a VA loan.

So, for example, if you're stationed in North Carolina, but you want to buy a home in Florida, you are not eligible to use the VA loan *unless you have orders to*

FL.

Then again, there is also a caveat there: the "geo-bachelor loan" for the family to live in FL while you're stationed in NC. In this case, you just have to account for both housing expenses when underwriting (aka your lender will do this). *The VA allows the spouse to occupy the home as the primary residence even if the vet is elsewhere.*

HOW TO USE A VA LOAN TO PURCHASE, REFINANCE, OR IMPROVE A HOME

VA loans can be used for a variety of purposes related to home ownership. Some common uses of VA loans include purchasing a home, refinancing an existing mortgage, and making improvements or repairs to a home. In this section, we will discuss how to use a VA loan for each of these purposes.

So once you find a lender, you'll do the little "pre-qualification application" on their website and they'll get the ball rolling. The lender will review your credit and financial information to determine if you qualify for a VA loan and how much you can borrow. Keep in mind that VA loans have limits on how much you can borrow, which vary by location.

To refinance an existing mortgage using a VA loan, you can apply for a VA Interest Rate Reduction Refinance Loan (IRRRL) or a VA Cash-Out Refinance Loan. With an IRRRL, you can lower your interest rate and monthly payment, while with a Cash-Out Refinance Loan, you can access some of the equity in your home to pay for other expenses, such as home improvements or debt consolidation…more on this later.

To use a VA loan to make improvements or repairs to your home, you can apply for a VA Energy Efficient Mortgage (EEM) or a VA Home Improvement Loan. With an EEM, you can finance energy-efficient upgrades to your home, such as solar panels or insulation, which can save you money on your energy bills over time. With a Home Improvement Loan, you can make repairs or renovations to your home, such as replacing a roof or updating a kitchen.

Once more for the people in the back: VA loans cannot be used for investment properties or vacation homes! Additionally, there may be restrictions on the types of improvements or repairs that can be financed with a VA loan. It's best to check directly with your lender or the VA to determine if your project is eligible for a VA loan.

VA LOANS ARE ASSUMABLE?!

One unique feature of the VA loan is that it is assumable, which means that it can be transferred to someone else.

Imagine there's a servicemember named Sarah who wants to buy a house. She finds a home for sale, and the seller has a VA loan with a low interest rate of 3.5%. Instead of Sarah applying for a new loan at the current higher interest rate, she can assume the seller's VA loan. This means she can take over the seller's loan and continue making the mortgage payments at the lower interest rate.

Assuming the VA loan at a lower interest rate can be an incredible opportunity for Sarah. With current interest rates around 6.5%, being able to assume a loan at 3.5% can save her a lot of money over the life of the loan.

For example, let's say the house has a remaining loan balance of $300,000. If Sarah were to get a new loan at 6.5% interest, her monthly payment would be higher, and she would end up paying much more in interest over time. However, by assuming the existing VA loan at 3.5% interest, Sarah can enjoy a lower monthly payment and save a significant amount of money in interest payments.

This option is incredible because it allows Sarah to take advantage of the lower interest rate that the seller already had, making homeownership more affordable and financially advantageous for her.

Not all loans are assumable, but the VA loan offers this unique benefit. It's a way for servicemembers to benefit from the lower interest rates that were available when the seller obtained the loan.

If you're ever in a situation where you have the opportunity to assume a VA loan, it's essential to work closely with a VA-approved lender and seek professional advice to understand the specific terms and conditions of the loan assumption and determine if it's the right option for you.

Is it too good to be true? Well…based on personal experience, kind of. Generally speaking, you have to work with the seller's mortgage company because they want to maintain control of the loan. And the VA won't allow a second mortgage either. I've also seen a lot of mortgage companies that were either just really inflexible with it (because they want that money) OR they say it's going to take 120-180 days. Which…is freaking absurd, especially when you consider that I've seen creative deals get assumed in less than 2 weeks. I guess I should explain why that would even be necessary…I'll keep it really simple:

So Sarah found this home on the market for $350,000. Jeff, the seller, has a remaining loan balance of $300,000, remember? So…now what? Well, the mortgage company is NOT rewriting the loan for $350,000. So Sarah would be required to bring the "gap" amount. It doesn't really matter where it comes from, but she would have to be able to bring that $50,000 to the closing table to get the deal done.

So…while assumables are a really fascinating feature, hold your horses. They aren't always as cut and dry as I truly believe they were intended to be. But you SHOULD still ask your realtor to pursue them for you anyway! It's worth a shot!

SECTION 3:
Common Pitfalls and Mistakes When Using the VA Loan

YOUR VA LOAN BLUEPRINT:
Dodge Pitfalls, Create Life-changing Wealth

Many people have misconceptions about VA loans and one of the most common ones is the belief that they are harder to qualify for or take longer to close. In reality, VA loans are actually easier to qualify for than conventional loans and typically close just as quickly (I've closed VA loan deals in under 30 days!).

One of the reasons for this misconception is that some lenders may not be as familiar with the VA loan program, which can lead to misunderstandings or delays. However, as long as you work with a lender who has experience with VA loans, the process should be straightforward and efficient. To be honest, not all lenders are created equal…and DEFINITELY not all VA lenders. I'll talk about picking a good VA lender later.

Another misconception is that VA loans have more restrictions than conventional loans. While there are some guidelines that borrowers must meet, such as using the loan for a primary residence and meeting certain credit and income requirements, the VA loan program is actually very flexible and can be used for a variety of home types and purposes.

VA loans are backed by the government, remember? This means that lenders are taking on less risk than they would with a conventional loan. This can make VA loans more attractive to lenders, who may offer more competitive interest rates and terms than they would for a conventional loan.

POTENTIAL DRAWBACKS OF VA LOANS, INCLUDING RESTRICTIONS ON CONDO PURCHASES AND CERTAIN PROPERTY TYPES

While VA loans can offer many benefits to veterans and their families, there are also some potential drawbacks that should be considered. One of the main drawbacks of VA loans is the restrictions on condo purchases. In order for a condo to be eligible for a VA loan, it must be on the VA's approved list of condos. This can limit the options for veterans who are interested in purchasing a condo, as not all condos are eligible. (That being said, it's a very easy thing for your lender or Realtor to look up for you, so don't let that discourage you!)

Another potential drawback of VA loans is the restrictions on certain property types. Again, VA loans cannot be used to purchase investment properties or vacation homes. They are only intended to be used for primary residences.

Additionally, there are limits on the types of homes that can be purchased with a VA loan. For instance, homes with more than four units are not eligible.

It's important to consider these potential drawbacks when deciding whether a VA loan is the right choice for you. While they may limit your options in some cases, the benefits of a VA loan can (and generally always will) still outweigh these drawbacks for many veterans and their families.

HOW TO AVOID COMMON MISTAKES WHEN APPLYING FOR A VA LOAN, SUCH AS NOT GETTING PRE-APPROVED OR UNDERESTIMATING CLOSING COSTS

Applying for a VA loan can be an exciting and daunting process. To ensure a smooth experience, it's important to avoid common mistakes that can cause delays or lead to disappointment.

One common mistake is not getting pre-approved for a VA loan. Getting pre-approved can save time and give you a better idea of how much you can afford to borrow. It can also give you an edge over other buyers who haven't taken this step. Without pre-approval, you risk falling in love with a home you can't afford or missing out on a great deal because you're not ready to make an offer. And, to be honest, if you make an offer without a pre-approval letter, you can basically consider that offer REJECTED.

Another mistake is underestimating closing costs. While VA loans have many benefits, they still come with closing costs that can add up quickly. These costs can include things like appraisal fees, title insurance, and inspection fees. It's important to understand these costs and budget accordingly, so you don't find yourself in a tough financial situation when it's time to close on your home.

A major and potentially devastating scenario that I've seen far too many servicemembers in: separating from the military within 12 months of *an approved separation/re-enlistment date (see your LES)* and not having a guaranteed job (aka a "noncontingent job offer). If you don't have a date on your LES (most Officers don't, actually), but are planning on separating, then you can still technically get a loan, but you should definitely talk to your lender.

In this case, the service member may assume they will have no problem qualifying for a VA loan based on their military service and their future job prospects. However, without a guaranteed letter of employment (AND a job that is considered to be in a similar line of work), the service member is NOT eligible for the VA loan! This catches so many people off guard, but we will cover this a bit later in the book. That section is CRITICAL to understand!

To avoid these common mistakes, work with a knowledgeable VA-approved lender who can guide you through the process and answer any questions you may have. By getting pre-approved and budgeting for closing costs, you'll be in a better position to make your dream of homeownership a reality. If you don't know how to find one, well, *you have my contact information*. I have a ROLODEX of who I consider to be the best VA lenders across the country. I'm happy to make an introduction for you.

HOW TO CHOOSE A REPUTABLE VA LENDER AND AVOID SCAMS OR PREDATORY LENDING PRACTICES

When choosing a lender for your VA loan, it is important to do your research and select a reputable lender to avoid scams or predatory lending practices. Here are some tips to help you choose a reputable VA lender:

1. Look for VA-approved lenders: The Department of Veterans Affairs maintains a list of VA-approved lenders. These lenders have been thoroughly vetted and are authorized to originate VA loans. Working with a VA-approved lender can help you avoid scams or predatory lending practices.
2. Check the lender's reputation: Research the lender's reputation by checking reviews online, asking for referrals from friends or family members who have used the lender, and reviewing the lender's record with the Better Business Bureau.
3. Compare loan offers: Obtain loan offers from multiple lenders and compare them to find the best terms and interest rates. Don't be afraid to negotiate or ask questions about the loan terms to ensure you understand all of the costs associated with the loan.
4. Avoid lenders who pressure you: Be wary of lenders who pressure you to sign loan documents or make decisions quickly. Take your time to review all loan documents and ask questions before making a decision.
5. Watch out for predatory lending practices: Predatory lenders often target veterans and active-duty service members with high-interest rate loans, hidden fees, and other deceptive practices. Be sure to read all loan documents carefully and ask questions if anything seems unclear.

6. MY ADVICE: Avoid using big-box, nationwide lenders. As much as I want to call them out by name…I just shouldn't. But…usually they're the first couple of ads that pop up when you google anything about VA loans or mortgages…if you catch my drift. Will the deal close? Sure. But I've seen how they use their reputation and huge name to attract vets but then have a litany of lender-specific fees and origination costs that not everyone has, and you probably don't know how to identify. I have to be honest, I'm really not a fan of any of them when it comes to mortgages.

   Think of it this way: the bigger the lender, the most overhead they have. The more overhead, typically that leads to higher rates and/or fees. Aside from that, it seems to follow that there is terrible customer service, which is a MAJOR deal when it comes to the biggest purchase of your life. Calling XXX that closes at 5 PM with a desperate question hits differently. And, not always the case, but I know realtors that won't even consider an offer it involves some big-box lenders because they already know from experience that the communication is going to be atrocious.

By following these tips and doing your research, you can find a reputable VA lender and avoid scams or predatory lending practices. Remember, take your time and ask questions to ensure you understand all of the costs associated with your VA loan.

WHAT IS QUALIFYING INCOME? WHAT PAY AND ENTITLEMENTS COUNT AS QUALIFYING INCOME, AND WHAT DOESN'T COUNT?

Qualifying income is the income a lender considers when determining if you can afford the loan. For a VA loan, various forms of income can qualify, including:

- Base military pay: This is your basic salary as a service member and it counts as qualifying income.
- Allowances: Certain military allowances such as Basic Allowance for Housing (BAH), Basic Allowance for Subsistence (BAS), or Cost of Living Allowance (COLA) can be considered as qualifying income.
- Special pay: Flight pay, jump pay, dive pay, etc.
- Civilian income: If you work a regular job in addition to being in the reserves, or if you are a veteran working in the civilian sector, this income can be used to qualify for a VA loan.

- Self-employed income: If you're self-employed, your net income can be considered as qualifying income. However, lenders typically require 2 years of tax returns and a BIG gotcha is it's the average of the 2 years *after* expenses. So if you significantly lower your taxable income with expenses (write-offs), it's going to hurt and affect what you can qualify for. In other words: tax-planning matters.
- Other income: This may include income from part-time jobs, commissions, overtime, retirement income, dividends from investments, spousal income, and more.

Income that usually does not count as qualifying income includes:

- Unverified income: Any income that cannot be verified by a reliable source, like a pay stub or tax return, usually can't be used.
- Temporary income: If an income source is temporary or not expected to continue, it may not be considered. This might include things like temporary work assignments or short-term bonus payments.
- Certain VA benefits: Some benefits, such as disability payments, can be included in qualifying income, but others, like education benefits, usually are not.
- VA Disability (which can also be plussed up by 25% since it's tax free!)

Remember, lenders may have their own guidelines and requirements about what counts as qualifying income, so it's always best to check with your lender.

The VA doesn't set a minimum income threshold for the VA loan, but lenders will look at your debt-to-income ratio and residual income (the income left over each month after all major expenses are paid) to determine if you can afford the loan.

USING THE VA LOAN TO BUILD A PATH TO FINANCIAL FREEDOM

The VA loan is not just for buying a home - it can also help you achieve financial freedom. It's like a special tool that veterans can use to build a better future. In this section, we will learn how the VA loan can help you save money, grow your wealth, and have a stable financial life. We'll explore simple steps you can take to make the most of the VA loan and make your money work for you. From owning a home to using the benefits of the VA loan, this section will show you how to use this special loan to build a brighter financial future.

HOW USING A VA LOAN CAN HELP VETERANS BUILD WEALTH AND CREATE LONG-TERM FINANCIAL STABILITY

Using a VA loan can be a powerful way for veterans to build wealth and create long-term financial stability. Let's explore some key ways in which the VA loan can help you achieve these goals:

1. Building Equity: When you make mortgage payments on your VA loan, you're building equity in your home. Equity is the portion of the home's value that you own outright, and it can increase over time as you pay down your mortgage. This equity can serve as a valuable asset, giving you financial stability and the potential for future wealth.

Consider the scenario of renting a home for $1,500 per month versus owning a home with a VA loan, which (for the sake of argument) has a monthly mortgage payment of $1,800. Initially, it may seem more cost-effective to rent and save $300 per month. However, let's explore the long-term benefits of building equity:

Each year the homeowner builds equity through mortgage payments and benefits from the appreciation of the home's value. This combination contributes to the overall wealth accumulation. Meanwhile, when you're paying rent, you're not getting anything in return except for a temporary place to live. But at the end of it, you might as well have just lit that money on fire, because it's impossible to recoup any of it.

This is a simplified illustration and does not account for variables such as taxes, insurance, closing costs, or potential fluctuations in the housing market. However, it provides a clearer understanding of how equity can be built over time through mortgage payments and home value appreciation.

And look…even if you break even if you decide to sell your house and you recoup all the money put into the house, that means you basically lived for free! You'll NEVER see your rent money again, but even if you don't make bank off of your equity, the upside is *almost always* more profitable.

By leveraging a VA loan, veterans have the opportunity to build equity and create wealth through homeownership, making it a strategic long-term financial investment.

2. No Down Payment: One of the biggest advantages of the VA loan is that it allows you to purchase a home with no down payment. This means you can keep your savings intact or use them for other financial goals, such as emergency funds or investments. By not having to save up for a large down payment, you can start building wealth and investing in your future sooner.
3. Competitive Interest Rates: VA loans often offer competitive interest rates, which can save you thousands of dollars over the life of your loan. Lower interest rates mean lower monthly mortgage payments, leaving you with more money in your pocket to invest, save, or spend on other financial priorities.
4. Refinancing Opportunities: As market conditions change or your financial situation evolves, you may have opportunities to refinance your VA loan. Refinancing can help you secure a lower interest rate, reduce your monthly payments, or even access cash from your home's equity. In fact, the VA loan has "Streamline Refi" opportunities. This means that they don't relook at income and there's no appraisal requirement. Many lenders will also pay for all the costs of the refi so there's not even a real break-even point. By taking advantage of these opportunities, you can optimize your financial situation and build wealth over time.

Let's explore the potential savings through refinancing by using the example of a $400,000 home with an original interest rate of 6%. We'll compare the savings when refinancing to a lower interest rate of 5% and 4%. Here's a table that illustrates the potential savings:

	Original Loan	Refinance to 5%	Refinance to 4%
Interest Rate	6%	5%	4%
Monthly Payment	$2,398	$2,147	$1,909
Total Interest	$463,288	$341,980	$263,813
Interest Savings	-	$121,308	$199,475

Refinancing to a lower interest rate allows homeowners to reduce their monthly mortgage payments and save a significant amount on interest over the life of the loan. This freed-up money can be used for other financial goals, such as investing, paying off debt, putting more money towards the principal, or saving for the future.

It's important to note that refinancing typically involves closing costs and fees, so it's crucial to carefully evaluate the costs and potential savings. Consulting with a qualified lender or financial advisor can provide personalized guidance based on your specific circumstances and help you make an informed decision regarding refinancing opportunities.

****BONUS****

This would be an appropriate place to mention the Interest Rate Reduction Refinance Loan (IRRRL), also known as the VA streamline refinance. The IRRRL is a specific type of refinancing option available to veterans with an existing VA loan.

The IRRRL is designed to simplify the refinancing process by offering a streamlined application and approval process with reduced documentation requirements. It allows veterans to refinance their current VA loan to obtain a lower interest rate, potentially reducing their monthly mortgage payments.

One of the main benefits of the IRRRL is that it typically does not require a new appraisal or credit underwriting. This can save time and money compared to a traditional refinance.

The IRRRL is intended for rate and term refinancing, meaning that the primary goal is to secure a lower interest rate or switch from an adjustable-rate mortgage to a fixed-rate mortgage. Cash-out refinancing, where you receive funds in excess of your loan balance, is not available through the IRRRL.

If you currently have a VA loan and are interested in refinancing to take advantage of lower interest rates, the IRRRL may be a viable option for you. However, it's always advisable to consult with a qualified lender or financial advisor to evaluate your specific circumstances and determine the best course of action.

By using a VA loan wisely, you can make smart financial decisions that lead to long-term wealth creation and stability. Remember to consult with a knowledgeable VA loan specialist who can guide you through the process and help you maximize the benefits of your VA loan.

TIPS FOR USING A VA LOAN STRATEGICALLY, INCLUDING USING IT TO PURCHASE RENTAL PROPERTIES OR REFINANCE HIGH-INTEREST DEBT

While a VA loan is designed to help veterans purchase their primary residence, it can be used in more ways than you might think. Here's how you can strategically use a VA loan to grow your wealth, with a focus on purchasing rental properties and refinancing high-interest debt.

STRATEGIC USE OF VA LOANS TO PURCHASE RENTAL PROPERTIES

THIS IS MY BIGGEST REGRET FROM MY TIME IN THE SERVICE!! Nobody taught me how to do this…I should have accumulated 4-6 properties just from PCSing and major life events. So, I'm only going to touch on it here to put the seed in your brain, but this we could write a WHOLE BOOK on this topic!

While the primary purpose of a VA loan is to help veterans and active-duty service members buy a home to live in, there are strategic ways to use this benefit to get into the world of rental properties. Remember, the VA requires you to live in the home as your primary residence, but this doesn't mean you can't turn it into a rental property later or rent out part of the property while you're living there.

TRANSITIONING FROM PRIMARY RESIDENCE TO RENTAL PROPERTY

For instance, imagine you purchase a single-family home using a VA loan. You live in the home for a few years, making it your primary residence as required by the VA. Then, life takes a turn – maybe you need to relocate for work, or your family grows and you need more space. At this point, instead of selling your home, you have the option to keep it and rent it out.

By doing this, you're essentially turning your VA-financed home into an investment property. Your tenants' rent payments can help cover the mortgage, property taxes, and insurance, while you potentially build equity over time. Plus, if property values in your area increase, your home could appreciate in value, leading to increased wealth when you decide to sell.

BUYING MULTI-UNIT PROPERTIES

Another strategy is buying a multi-unit property, like a duplex or a fourplex, with a VA loan. You live in one unit and rent out the others. This way, you're following the VA's primary residence requirement while also generating rental income. In the investment world, this is one way to do what's called "house hacking".

For instance, suppose you buy a triplex for $300,000. You live in one unit and rent out the other two for $1,000 each per month. This rental income of $2,000 a month can significantly offset your mortgage payment, and in some cases, may even cover it completely.

The potential rental income from the other units can sometimes be considered by lenders when qualifying you for the loan. This can make it easier to qualify for a larger loan amount than you might otherwise be able to.

In both of these scenarios, not only are you leveraging the VA loan for low upfront costs and competitive interest rates, but you're also setting yourself up for potential long-term wealth building through rental income and property appreciation.

Remember, owning rental properties also comes with responsibilities and costs, including maintenance, repairs, and dealing with tenants. It's important to consider these factors and possibly consult with a real estate or financial advisor to ensure you're making the best decision for your financial situation.

REFINANCING HIGH-INTEREST DEBT WITH A VA LOAN

Refinancing high-interest debt into a low-interest VA loan can be a smart move. By doing so, you're essentially replacing your high-interest debt with a new, lower-interest loan, which can save you a lot of money in the long run.

Consider this example: Let's say you have a credit card balance of $10,000 with an interest rate of 15%. Over five years, you'd pay about $4,150 in interest. However, if you could refinance that $10,000 into your mortgage with a 3% interest rate, you would pay just about $775 in interest over the same period. That's a potential savings of over $3,000!

A VA cash-out refinance loan is a way to do this. With a VA cash-out refinance, you can refinance your existing mortgage and take out additional cash to pay off high-interest debt. This can consolidate your debt into one manageable monthly payment and potentially lower your interest costs significantly.

In conclusion, VA loans can be used strategically to help you build wealth. Whether it's turning your primary residence into a rental property or using the VA cash-out refinance to pay off high-interest debt, there are opportunities to make the most of your VA benefits. Remember, it's important to talk to a financial advisor or a mortgage professional to understand how these strategies fit into your overall financial plan

Using Your VA Loan More Than Once: How Do You Do It?

One of the less-known features of a VA loan is that you can use it more than once. Yes, you read that right! This benefit is reusable, providing a fantastic opportunity to continue to build wealth and financial stability. Let's delve into how to strategically use your VA loan more than once.

RESTORING YOUR ENTITLEMENT

To use your VA loan benefit again, you first need to restore your entitlement. Entitlement is the amount the VA guarantees for your loan. For most veterans, full entitlement is often enough to buy a home without a down payment.

Restoring your entitlement is pretty straightforward if you've paid off your previous VA loan and sold the property. In this case, you can apply to have your entitlement restored, enabling you to use the full benefit again.

You COULD actually refi into a conventional loan, by the way. In this scenario, you keep the house and you can do a one-time restoration of entitlement. That's *not* a bad play at all!

Even if you haven't paid off your first VA loan, you might still be able to use your benefit again. This is because every veteran gets both a basic and a bonus entitlement. If you didn't use your full entitlement with the first loan, you might be able to tap into the remaining entitlement for a second home purchase.

SUBSEQUENT USE FUNDING FEE

While the VA loan program doesn't require a down payment or private mortgage insurance, there is a funding fee. This fee helps to keep the program running and is a percentage of the loan amount.

For your first use of the VA loan, the funding fee is usually lower. When you use your VA loan benefit again, the funding fee is a bit higher, known as the subsequent use funding fee.

However, certain veterans, including those receiving VA disability compensation, are exempt from this fee.

MULTIPLE VA LOANS AT ONCE

In some scenarios, you may even be able to have two or more VA loans at once. If you've bought a home with a VA loan and then have to move for work or family reasons, you might be able to use your remaining entitlement to buy a second home without selling the first.

For instance, if you bought a home in Texas using a VA loan but then had to move to California for work, you might be able to use your remaining entitlement to buy a home in California without selling your Texas home.

However, keep in mind that you still need to meet the lender's income and credit requirements. The VA also needs to see that there's a valid reason why you can't occupy your original home, such as a job relocation.

In conclusion, strategically using your VA loan more than once can help further your financial goals. Whether you're upgrading to a bigger home, relocating for work, or buying an investment property, the VA loan is a powerful tool in your financial toolkit.

FAQS

YOUR VA LOAN BLUEPRINT:
Dodge Pitfalls, Create Life-changing Wealth

1. What is the maximum amount I can borrow with a VA loan?

The maximum amount you can borrow with a VA loan is not directly determined by the VA. Instead, it's set by your lender, who typically adheres to guidelines such as the conforming loan limit established by the Federal Housing Finance Agency (FHFA). The cap on loan amounts is also influenced by factors such as your debt-to-income ratio and credit score. However, your entitlement, which is the portion of the loan that the VA guarantees, is determined by the VA.

If you have full entitlement, there is no specific limit on the amount you can borrow for your home loan. This information comes directly from the VA's website.

You might be wondering what happens if you don't have enough entitlement left. In such cases, you can still purchase a house, but it will require a down payment. Your lender can help calculate the amount required for this down payment according to VA guidelines.

You are considered to have full entitlement if any of the following conditions apply:

- You've never used your home loan benefit, or
- You've fully paid off a previous VA loan and sold the property (which would restore your full entitlement), or
- You've used your home loan benefit but had a foreclosure or compromise claim (also known as a short sale) and have fully repaid the VA.

It's important to note that the concept of a loan limit capped at the county level is outdated. This only applies if you have an outstanding VA loan. So, there's no need to consider county loan limits if you have full entitlement and no existing VA loans.

2. What are the closing costs for a VA loan?

Closing costs are the fees associated with getting a mortgage. They can include things like appraisal fees, origination fees, title insurance, and recording fees. Closing costs can vary depending on the lender and the type of loan, but they typically range from 2-5% of the loan amount.

3. What kind of homes can I buy with a VA loan?
VA loans can be used to buy single-family homes, condos, multi-unit properties, manufactured homes, and new construction homes.

What is the interest rate for a VA loan?

The interest rate for a VA loan can vary based on factors like your credit score, loan term, and current market conditions. However, VA loan rates are typically lower than conventional loan rates. Always check with your lender for current rates.

4. Can I use a VA loan to buy a rental property?
VA loans are intended for primary residences, so you can*not* use it to directly purchase an investment property. However, there are ways to later turn your primary residence into a rental or to rent out part of your property while you're living there, such as with a duplex.

5. Which VA Benefits count as qualifying income when trying to use my VA loan?

- Disability Compensation: Veterans who receive VA disability compensation can include this as effective income on a VA loan application. Not only is this a stable, reliable source of income, but it's also tax-free, which can further help veterans qualify for a home loan. Lenders often add the monthly disability amount to your gross income, which can boost your buying power.
- Survivors Pension: This is a tax-free monetary benefit payable to low-income, un-remarried surviving spouses and unmarried children of deceased veterans with wartime service. Similar to disability compensation, this benefit is also considered stable income and can be counted towards mortgage qualification.
- Dependency and Indemnity Compensation (DIC): DIC is a tax-free monetary benefit generally payable to a surviving spouse, child, or parent of service members who died while on active duty, active duty for training, or inactive duty training, or to survivors of veterans who died from their service-connected disabilities. This, too, is counted as income for VA loan purposes.
- Military Retirement Pay: If you've retired from military service and receive regular retirement pay, this can certainly be counted as qualifying income. This income is stable, reliable, and ongoing, making it ideal for mortgage qualification purposes. Whether it's

based on your length of service or disability, as long as it's regular and stable, it can be included.

- Civil Service Retirement Pay: Similarly, if you've retired from a federal civil service position, your retirement pay is also considered a stable source of income and can be used as qualifying income when applying for a VA loan.
- Pensions and Annuities: Other forms of retirement income, such as pensions and annuities, can also be used as qualifying income, provided that they are regular and ongoing.
- Individual Retirement Account (IRA) and 401(k) Distributions: Regular distributions from an IRA or 401(k) retirement savings account can be counted as income. However, these distributions need to be expected to continue for at least three years from the date of your mortgage application.

For all forms of retirement pay, lenders typically want to see evidence that the income is stable and will continue. You might be asked to provide documentation such as a statement from the source of the income, copies of retirement award letters, or copies of tax returns showing the retirement income.

However, some VA benefits are typically **not** considered qualifying income. For example:

- GI Bill or Education Benefits: While these benefits are invaluable in helping veterans and their families with educational costs, they are *not* considered stable, long-term income for the purposes of a mortgage loan and typically cannot be included as effective income. The reason is that these benefits are temporary and are *not* likely to continue for the duration of the loan.
- Grants for Home Modification: While these benefits can be useful for veterans with service-related disabilities who need to modify their homes, they're not typically considered as qualifying income for a VA loan.

Remember, lenders can sometimes have additional requirements or considerations, so it's essential to have an open discussion with your loan officer about which benefits can be considered as income. As VA benefits can vary greatly from veteran to veteran, understanding how your benefits affect your qualifying income can help you plan effectively for your VA home loan.

6. How long do I have to live in my primary residence (using the VA loan) before I can use it again? Let's say I'm living in the same city but just want to move houses.

The VA loan program requires that you occupy the home you purchase as your primary residence. However, the VA doesn't have a strict rule on how long you must live in the home before you can move out and purchase another home using a VA loan.

In general, the VA expects that you'll move into the home within 60 days after closing. But exceptions can be made depending on the circumstances, like if you're deployed or on temporary duty. The key is to have the intention to occupy the home as your primary residence when you purchase it.

If you decide to move houses within the same city and want to use a VA loan again, a few factors come into play:

- Selling your first home: If you've fully paid off your first VA loan and sold the property, your full VA loan entitlement can be restored, allowing you to use the VA loan program again for your next home.
- Keeping your first home: If you decide to keep and rent out your first home, it gets a little trickier. The VA allows for "second-tier entitlement," meaning you could potentially use your remaining entitlement to purchase another home. However, there are certain limits, and you'll need to check with your lender to see if you qualify.
- Loan payoff: If you've fully paid off your first VA loan but still own the home (say, as a rental), you might be able to have your entitlement restored for use on another home.

When it comes to the specific timeframe that you need to live in the home before being eligible to use a VA loan again, the VA doesn't set a strict rule. The key factor is the restoration of your VA loan entitlement, which largely depends on whether you sell your previous property and fully pay off your VA loan.

That said, many lenders do indeed like to see that you've lived in the home for at least 12 months before applying for a new VA loan. This is because lenders want to see some stability, and they want to ensure borrowers aren't using the program for real estate speculation.

In practice, a borrower could potentially buy a new home sooner than 12 months with the intent of moving into it and renting out the first home, but this could get complex and would require a discussion with the lender. Also, renting out a home purchased with a VA loan might require meeting specific criteria.

Again, it's best to talk to a VA loan specialist about your particular situation. These are general guidelines and individual lender requirements may vary.

7. So let's say I buy a $400,000 home in Colorado Springs. I put $0 down and financed 100% of the home with a VA loan. Assuming my credit and DTI are good, could I still buy another house with the VA loan 2 years later?

The short answer is: consult your lender first! They will perform all the necessary calculations for you. However, here's a general breakdown:

In theory, it's possible to use your second-tier entitlement to secure another VA loan two years later, even if you haven't paid off your first VA loan. However, the feasibility of this in practice depends on several factors.

First, you'll need to check the conforming loan limit for your county (you can easily find this by searching online for your county's loan limit). For this example, let's assume it's $726,200, which is the current conforming limit in many areas (note that this limit changes annually and can be higher in certain counties). The VA guarantees 25% of the loan amount for a VA loan, up to the conforming loan limit.

For your first home, which cost $400,000, the VA guaranteed 25%, or $100,000.

The maximum guarantee in most counties is 25% of $726,200, or $181,550.

If you subtract the $100,000 used on the first house from the maximum guarantee, you have $81,550 of entitlement left.

A lender is typically willing to loan up to four times the amount of your remaining entitlement without requiring a down payment. So in this case, you could potentially get a second VA loan for up to $326,200 ($81,550 x 4).

Remember, while the VA backs the loan, the actual money comes from a lender who will have additional requirements. This is a simplified example, and the actual numbers might vary based on factors such as the county loan limit and the lender's policies.

You also need to consider the costs of maintaining two properties and two mortgages, which could impact your debt-to-income ratio and ability to qualify for the second loan.

Always consult with a VA loan specialist to get an accurate understanding of your entitlement and eligibility. They will be able to guide you based on your unique circumstances.

8. Can your credit score affect your ability to get a VA loan?

Yes, your credit score can affect your ability to get a VA loan. Lenders look at credit scores to decide if they'll give you a loan and what terms they'll offer. A higher credit score can increase your chances of getting approved and getting better loan terms. While the VA loan program doesn't set a minimum credit score, most lenders prefer a score of at least 620 (though some will go down to 580). It's important to work on improving your credit score by paying bills on time and reducing debt.

ABOUT THE AUTHOR

YOUR VA LOAN BLUEPRINT:

Dodge Pitfalls, Create Life-changing Wealth

Kyle Petitt, a seasoned real estate investor of six years, transitioned into a professional Real Estate to help guide others in their real estate buying and investing journey. A graduate of Brigham Young University, Kyle holds a Bachelor's Degree in Communications. His background in Broadcast Journalism equips him with a unique perspective on marketing properties and crafting compelling narratives - a skill that proves invaluable in selling homes.

Before embarking on his real estate career, Kyle served in the Air Force Special Operations for nine years. His service took him to Iraq, Syria, Qatar, UAE, and Afghanistan, where he provided security during the evacuation. His dedication and bravery were recognized with numerous accolades, including the Air Force Commendation Medal, Air Force Combat Action Badge, five Air Medals (with "C" device), the Humanitarian Service Medal, Meritorious Unit Award, and the Joint Service Achievement Medal.

Kyle's military service has honed his skills in strategic planning, teamwork, negotiation, and task management, making him an exceptional real estate broker. Known for his tenacity and aggressive approach, Kyle is passionate about delivering the highest standard of service to his clients.

Kyle's foray into the real estate industry was driven by his belief in homeownership as the embodiment of the American Dream. He has witnessed its transformative power in the lives of hundreds of individuals. To ensure his clients reap the benefits of homeownership, Kyle has dedicated his life to mastering market trends, negotiation tactics, and strategic planning.

Residing in Colorado Springs with his dog, Butters, Kyle enjoys rock climbing, mountain climbing, working out, and reading in his spare time. A connoisseur of comfort food, he is on a perpetual quest to find the best macaroni and cheese wherever he goes.