

13 Reasons For Using a VA Home Loan

Why Use A VA Home Loan?



Like many veterans and current service members you may be wondering what makes a VA home loan a good deal -- besides a "no-down payment" requirement. Well, here are 13 good reasons to use the VA home loan program to buy your next home.

1. No [down payment](#) is required for homes under \$417,000.
2. Loan maximum may be up to 100 percent of the VA-established reasonable value of the property (due to secondary market requirements, however, loans generally may not exceed \$417,000).
3. Negotiable interest rate.
4. You are not required to pay a monthly [mortgage insurance premium](#).
5. You are informed of actual reasonable value of the home you are considering buying. This may help you negotiate a lower price, or avoid paying too much.
6. Your [closing costs](#) are limited by VA.
7. In most cases, you can finance the [VA funding fee](#) into the loan balance.
8. VA [will waive the funding fee](#) for veterans receiving VA disability in at least the amount of 10%.
9. You have a choice of mortgage repayment plans:
 - o [Traditional Fixed Rate](#) -- constant principal and interest; increases or decreases may be expected in property taxes and homeowner's insurance coverage.
 - o [Adjustable-Rate Mortgage \(ARM\)](#) -- Interest rate and payments may fluctuate with changes in the prime rate.
 - o [Graduated Payment Mortgage \(GPM\)](#) -- low initial payments which gradually rise to a level payment starting in the sixth year.
10. If you sell the home you can elect to allow the buyer to [assume your mortgage](#), subject to VA approval of the assumer's credit.
11. There are no pre-paid penalties if you elect to pay the loan off early.
12. The closing costs are comparable with other financing types (and may be lower).
13. The VA performs personal loan servicing, and offers financial counseling to help veteran borrowers in default due to temporary financial difficulty.

Although the VA Home Loan process can be challenging, knowing what to expect before you start can help you to speed up the process and get the home of your dreams Citizens Mortgage Company loan professionals will help you do just that.

Simply click on www.citizens.biz if you would like to receive information from a military friendly VA approved lender. As always, the resources provided by Citizens Mortgage Company are free and without obligation, so don't stay on the fence -- get the information you need to get started, today.