

OCCUPANCY VA 267 CH 35 A

- The Law on Occupancy The law requires a veteran obtaining a VA-guaranteed loan to certify that he or she intends to personally occupy the property as his or her home. As of the date of certification, the veteran must either
 - personally live in the property as his or her home, or
 - intend, upon completion of the loan and acquisition of the dwelling, to personally move into the property and use it as his or her home within a reasonable time



OCCUPANCY VA 26 7 CH 3 5 A

- What is a “Reasonable Time?” Occupancy within a “reasonable time” means within 60 days after the loan closing.
- More than 60 days may be considered reasonable if both of the following conditions are met:
- the veteran certifies that he or she will personally occupy the property as his or her home at a specific date after loan closing, and
- there is a particular future event that will make it possible for the veteran to personally occupy the property as his or her home on a specific future date. Occupancy at a date beyond 12 months after loan closing generally cannot be considered reasonable by VA.



OCCUPANCY VA 26 7 CH 3 SEC 5

- 5c Spouse or Dependent Child - may need attorney in fact for dependent child
- Spouse, when due to “distant employment” by veteran
- 5d Deployed servicemember considered a temporary status and are able to meet occupancy with or without spouse certification
- 5e Retired servicemember - must be within 12 months, carefully document
- 5g Intermittent occupancy - use caution and document employment or other reasons the veteran would not be at the property regularly





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INCOME AND CREDIT VA 26-7 CH 4

The Chapter you must read !



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INCOME AND CREDIT VA 26-7 CH4

ETS less than 12 months see CH 4 Sec 2 K , Jump over to 26-7



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INCOME AFTER SERVICE

- In order to be considered for approval for a VA home loan, job stability is a mandatory requirement
- Generally speaking, Veterans who have separated from service need a minimum 2 year work history (different employers okay)
- Veteran should be in most recent job 12 months
- Self employment, commission, bonuses, part time and overtime must have been in existence at the same job for at least 2 years
- Lender can waive 2 year employment history if Veteran has a position technically related to military training



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INCOME AFTER SERVICE

- Temporary income from educational allowances or unemployment compensation do not represent stable income.
- Post 9/11 GI Bill Housing Allowance cannot be used
- Automobile reimbursement can only be used to offset car payments
- Foster care income can be used to offset any increase in residual income requirement
- Public Assistance or social security income must continue for at least 3 years (VA disability is considered a lifetime benefit)



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ALIMONY AND CHILD SUPPORT

Alimony, Child Support, and Maintenance Payments

The payments must be likely to continue in order to include them in effective income. Factors used to determine whether the payments will continue include, but are not limited to: whether the payments are received pursuant to a written agreement or court decree, the length of time the payments have been received, the regularity of receipt, and the availability of procedures to compel payment.

Receipt 3 months
Continuance 3 Years



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INCOME: RENTAL

- Lender may use projected rental income for the current home to offset the current mortgage when qualifying for a new home. Provide VA Form 26-6393
- Rentals income requires two years tax returns and three months (PITI)
- Multi Unit (Income): Six months PITI Reserves. Borrower must have reasonable likelihood of success as a landlord



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CREDIT CONSIDERATIONS

Collections

Judgements

Student Loans



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MILITARY CONSIDERATIONS

Alive and Well

BAH BAS

Change of Station

ETS less than 12

Med Board out

PROPERTY SPECIFIC POA