

VA Loan Qualifying Easy in Hard Lending Climate

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Despite an even tougher lending climate this year, VA loan qualifying standards haven't changed.

A new report* indicates that mortgage qualifying may be a lot tougher these days. Based on an analysis of about 20% of the nation's total number of mortgages (VA loans excluded), everything from credit score, to debt-to-income (DTI) ratios, to loan-to-value (LTV) requirements have stiffened across the lending industry. The good news is, though conventional and FHA lending may be affected, **VA loan qualifying** guidelines haven't changed.

A sampling of averages from Fannie Mae and Freddie Mac loans closed in August 2012 illustrate the tightening of the lending belt:

Down Payment 21%**

70% LTV for Refinance Loans (30% equity in homes)**

DTI Ratio of 33% (back-end average)***

49 Days to Process Purchase Loans, 51 Days for Refinance Loans***

Comparing VA loan qualifying guidelines outlined by the U.S. Department of Veterans Affairs and actual loan data from the latest VA Benefits Annual Report can show just how much easier it can be to get a mortgage using [veterans' home loan benefits](#):

0% Down Payment Required for Most VA Purchase Loans

100% LTV for Refinance and Purchase Loans

DTI Ratio of 41%

14 to 29 Days to Process Most Purchase and Refinance Loans****

According to VA loan reports, about 90% of its borrowers are attracted to the mortgage program for the zero-down feature on purchase loans. Additionally and even though VA loans of 100% LTV are common, private mortgage insurance is never required.

Valery Behr, veterans advocate for iFreedom Direct®, says, "Our veterans have sacrificed so much for our country, the least we can do is help them achieve their dream of homeownership."