

<b>General Specifications</b>	<ul style="list-style-type: none"><li>• Fixed payments for the first 3 years</li><li>• For the remaining 27 years, payments are based on the Treasury index rate + 2.25% margin and adjust annually:<ul style="list-style-type: none"><li>– 1% initial interest rate cap</li><li>– 1% annual periodic interest rate cap</li><li>– 5% maximum lifetime interest rate cap</li></ul></li><li>• Loan amount — \$35,000 minimum, \$333,700 maximum</li><li>• LTV — up to 100% of the VA-established reasonable value of the property<ul style="list-style-type: none"><li>– The VA Funding Fee may also be included in the mortgage amount, making it possible for the loan amount to be more than the purchase price</li></ul></li><li>• Interest Rate Reduction Refinance Loan (Streamline Refinance) available</li><li>• The co-borrower (if any) must be either a veteran or the spouse of a veteran</li><li>• The VA loan is assumable with prior approval</li><li>• No prepayment penalty</li><li>• No mortgage insurance required; however, a one-time funding fee is required at closing</li></ul>
<b>Properties</b>	<ul style="list-style-type: none"><li>• Eligible properties (all must be owner-occupied):<ul style="list-style-type: none"><li>– 1-4 unit properties (one unit must be occupied by the veteran)</li><li>– PUDs</li><li>– Townhouses</li><li>– VA-approved condos</li></ul></li><li>• Ineligible properties:<ul style="list-style-type: none"><li>– Investor properties</li><li>– Manufactured housing</li></ul></li></ul>
<b>Down Payment &amp; Closing Costs</b>	<ul style="list-style-type: none"><li>• Many loans require no down payment (as long as they meet VA guidelines)</li><li>• Fewer allowable closing costs are paid by the veteran (regulated by the VA)<ul style="list-style-type: none"><li>– Cash to close may be 100% gift funds</li><li>– All closing costs may be paid by the seller</li></ul></li></ul>
<b>Underwriting</b>	<ul style="list-style-type: none"><li>• Veteran eligibility and proof of eligibility must be established before origination</li><li>• All manual underwrites must conform to standard VA guidelines</li><li>• LSC will submit for AUS recommendation</li><li>• Assumptions require prior approval of lender</li><li>• Non-convertible</li></ul>

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