VALOR HOME MORTGAGE · SAN ANTONIO, TEXAS

The Military Homebuying Guide

2026 Edition

- **Active Duty**
- **National Guard**
- **Reserves**
- **Veterans**
- **Surviving Spouses**

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WHO THIS GUIDE IS FOR

Five Paths, One Benefit

The VA home loan is the strongest mortgage benefit in America — $0 down, no monthly mortgage insurance, and rates that consistently beat conventional financing. But how you qualify, what you document, and what you should watch out for depends entirely on how you serve or served. This guide is organized around that reality.

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The Benefit in Plain Language

What a VA loan actually gives you
$0 down payment on the full purchase price, up to what you qualify for. There is no VA maximum loan amount when you have full entitlement.
No monthly mortgage insurance. FHA charges it for the life of the loan; conventional charges it under 20% down. VA never does.
A one-time VA funding fee — 2.15% first use, 3.3% subsequent use, 1.25%–1.5% with a 5%+ down payment. Waived entirely for anyone with a VA service-connected disability rating and for eligible surviving spouses.
Assumable financing. A future buyer can take over your low rate, which becomes a real selling advantage in a higher-rate market.
Reusable. This is not a one-time benefit. Entitlement can be restored and reused for a lifetime.

Two numbers to know for 2026: the baseline conforming figure used for partial-entitlement math is $832,750, and the average Valor closing runs 21 days. Minimum FICO we work with is 500.

SECTION 01

Active Duty

You have the most powerful version of this benefit and the least flexible timeline. Everything below is written around orders, not around a calendar.

Eligibility at a glance

90 continuous days of active service during wartime, or 181 continuous days during peacetime. Your Statement of Service — signed by your commander or personnel office, showing entry date, rank, and no known separation — replaces the DD-214 you do not have yet.

Use BAH as the engine, not as an afterthought

BAH is stable, non-taxable income a lender can count fully. In most military markets your BAH alone covers a large share of a principal-and-interest payment on a $0-down VA loan, which is why so many service members build equity instead of handing BAH to a landlord for three years.

- Your BAH rate is set by duty ZIP code, rank and dependent status — not by where you buy.
- Sizing a payment to BAH alone leaves your base pay free for taxes, insurance and maintenance.
- Rate changes each January; underwriting uses your current entitlement.

Occupancy: the rule people get wrong

VA requires you to intend to occupy the home as your primary residence, generally within 60 days of closing. Two exemptions matter to you: a spouse's occupancy satisfies the requirement while you are deployed or on unaccompanied orders, and a documented later occupancy date within 12 months is allowed when tied to a known separation or PCS date.

PCS timing that actually works

When	What to do
120+ days out	Get fully underwritten pre-approval. Pull your Certificate of Eligibility.
90 days out	Lock your agent, pick target neighborhoods by commute, not by listing photos.
60 days out	Go under contract. VA appraisal and inspection ordered in the same week.
30 days out	Final underwriting, insurance bound, closing scheduled around your report date.
Report week	Close before or on arrival — remote closings are routine, see below.

Buying while deployed

It is done constantly and it is not exotic. You need a specific power of attorney that names the property and authorizes mortgage transactions, a spouse or attorney-in-fact who can attend closing, and a lender who structures the file for it from day one rather than discovering the problem at the closing table. Alive-and-well statements are typically required within a short window of funding.

SECTION 02

National Guard & Reserves

Guard and Reserve members are the most under-served group in VA lending — largely because too many loan officers do not know the qualifying rules and quietly steer them to FHA. You should not accept that.

How you qualify

Path	Requirement	Proof
Title 10 / Title 32 active service	90 days of active-duty service (other than for training)	Orders + DD-214 or Statement of Service
Long service	Six creditable years in the Selected Reserve or Guard, with honorable discharge or continued service	NGB Form 22 / 23, or points statement
Reduced service window	90 cumulative days of active service, at least 30 consecutive, under Title 32	Orders and NGB documentation

Documentation is the whole game

- **Points statement.** Your annual retirement points summary is what proves creditable years. Pull it before you shop, not after.
- **NGB Form 22 or 23** for Guard; a Reserve unit letter on letterhead with service dates works when a DD-214 does not exist.
- **Drill pay** can be counted as income when there is a documented two-year history and a reasonable expectation it continues.
- **Civilian income** is underwritten normally alongside it — the two stack, they do not compete.

Activation protections you should know

The Servicemembers Civil Relief Act caps interest at 6% on obligations incurred before active-duty orders and provides foreclosure protections during and shortly after activation. If you are activated mid-process, tell your lender immediately — the file changes from Guard income to active-duty income and often improves.

The funding fee note that saves Guard buyers money

Since 2020 there is no separate, higher funding fee for Guard and Reserve borrowers. The fee is the same as active duty — 2.15% on a first use with no down payment. If a lender quotes you more because you are Guard or Reserve, they are using outdated tables.

SECTION 03

Veterans

If you have already separated or retired, your two questions are almost always the same: how much entitlement do I have left, and what does the funding fee cost me this time?

Entitlement, restored and reused

Full entitlement means no VA loan limit and no down payment. You have full entitlement if you have never used the benefit, or if you sold the home and paid the loan in full, or if a qualified buyer assumed the loan and substituted their own entitlement. A one-time restoration is available if you paid the loan off but kept the property.

Partial entitlement — you still have an active VA loan, or you had a prior VA foreclosure or short sale — does not block you. It simply means county-level limit math applies to the remaining amount, and a small down payment may be required on a higher-priced purchase.

Disability rating changes the math

- Any VA service-connected disability rating, even 10%, **waives the funding fee entirely.** On a $400,000 loan that is roughly $8,600 back in your pocket.
- VA disability compensation is non-taxable and can be grossed up in underwriting, which raises your qualifying income.
- If your rating is granted after closing, the funding fee you paid may be refundable — ask, in writing.
- Texas offers a property tax exemption that scales with rating, and is a full exemption at 100%. Budget for it correctly.

Refinancing later

The VA Interest Rate Reduction Refinance Loan (IRRRL) is a streamlined rate-and-term refinance with no new appraisal and no new income documentation in most cases, at a 0.5% funding fee. A VA cash-out refinance lets you access equity and can also be used to refinance out of a conventional or FHA loan into VA terms.

SECTION 04

Surviving Spouses

This benefit is real, it is generous, and it is routinely missed. If you are the surviving spouse of a service member, you may be able to buy a home with no down payment and no funding fee at all.

Who is eligible

- The un-remarried surviving spouse of a veteran who died in service or from a service-connected disability.
- A surviving spouse receiving Dependency and Indemnity Compensation (DIC).
- A surviving spouse who remarried on or after age 57 and on or after December 16, 2003.
- The spouse of a service member missing in action or a prisoner of war.

How to claim it

File VA Form 26-1817, *Request for Determination of Loan Guaranty Eligibility — Unmarried Surviving Spouses*, together with the veteran's DD-214 and the death certificate. If you already receive DIC, eligibility is usually confirmed quickly through the VA's automated system. A good lender submits this for you rather than handing you a form number.

What you get
No funding fee. Not reduced — waived. This is the single largest closing-cost difference of any borrower category.
$0 down payment on the full purchase price with full entitlement.
No monthly mortgage insurance, and the same competitive VA rate structure.
DIC income counts as qualifying income, and it is non-taxable, so it can typically be grossed up.

A note on handling: this process involves paperwork tied to the hardest event of your life. You should be asked for documents once, told plainly what each one is for, and never chased. If that is not how it feels, change lenders.

SECTION 05

The Process, Start to Keys

Step	What happens	Typical time
1. Certificate of Eligibility	We pull your COE electronically in minutes using your service data.	Same day
2. Full pre-approval	Income, assets and credit underwritten up front — not a soft 'pre-qual' letter.	24–48 hours
3. Offer accepted	Your pre-approval is what makes a VA offer competitive against cash and conventional.	Varies
4. VA appraisal	A VA-assigned appraiser confirms value and Minimum Property Requirements.	7–10 days
5. Underwriting	Conditions cleared. This is where a responsive lender saves your contract.	5–10 days
6. Clear to close	Final numbers issued three business days before signing.	3 days
7. Closing	Sign, fund, keys. Remote and POA closings supported.	1 day

Documents to gather now

Everyone	Depending on status
Photo ID and Social Security number	**Active duty:** Statement of Service, current LES
Two most recent pay stubs	**Guard / Reserve:** NGB 22/23, points statement, drill LES
W-2s and tax returns, two years	**Veterans:** DD-214 (Member 4 copy), VA award letter
Two months of bank statements	**Surviving spouse:** VA Form 26-1817, DD-214, death certificate
Certificate of Eligibility (we pull it)	**Self-employed:** two years of business returns, YTD P&L

BEFORE YOU START

Five Mistakes That Cost Military Buyers Money

- **Making a down payment you did not need to make.** $0 down is the benefit; cash kept is cash available after a PCS.
- **Letting a listing agent talk you out of a VA offer.** VA appraisals are not slower than conventional in a properly managed file.
- **Paying lender fees.** VA caps what you can be charged, and Valor charges zero lender fees. Compare the Loan Estimate, not the rate quote.
- **Opening credit before closing.** A furniture card or a truck loan can re-price or kill a file days before funding.
- **Using a lender who does not speak military.** If they ask what an LES is, you are the training exercise.

Fast answers to the three questions we hear most

Quick answers
Can I use a VA loan more than once? Yes. Entitlement is reusable for life, and can be restored after a sale or payoff.
Does a VA loan take longer to close? No. Our average is 21 days, which beats most conventional timelines in the same market.
What credit score do I need? VA sets no minimum. We work with scores from 500 up, with compensating factors.

NEXT STEP

Talk to Someone Who Has Done It

Jonathan Mullins is a U.S. Army veteran with more than 23 years in mortgage lending, and Valor Home Mortgage is a veteran-owned broker built specifically for military families. We work as a broker, not a retail bank, which means we shop your file across multiple VA investors instead of selling you one company's rate sheet.

What we commit to
Zero lender fees on every VA loan we close.
500+ minimum FICO considered — we do not use a 620 wall as a filter.
21-day average closing, with remote and power-of-attorney closings supported.
A straight answer the same day, including when the answer is 'not yet, and here is exactly what to fix.'

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Serving	San Antonio & JBSA, plus TX, FL, GA, CO, VA and SC