2026 EDITION · VA HOME LOANS

VA Loan Basics *for San Antonio buyers*

Eligibility and entitlement, the funding fee and who skips it, and the cash you'll want on hand from signed contract to keys.



Funding fee table

VA's current rates, the five exemptions, and what financing the fee does to your loan

Entitlement, pictured

Full, partly in use and restored, plus buying again with a VA loan at your next duty station

Cash-to-close worksheet

Every cost that comes due before keys, and where to find each number

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WELCOME

Buying in San Antonio with your VA loan benefit



I'm Tiffany Reed, an Army wife and a REALTOR® certified as a Military Relocation Professional (MRP). I work with VA loan buyers, and I've used the VA loan benefit personally. More than once, actually, so I've sat on your side of the lender's desk. It's a great program, and here's how it works when you buy in San Antonio.

Your lender has the final word on your loan numbers. Use these pages to walk into your first lender call knowing what to ask, and send me anything they don't cover.

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Start with these three things

1

A lender that makes VA loans

The lender pulls your Certificate of Eligibility, often online, and can tell you how much entitlement you have.

PAGES 5 AND 6

2

Your funding fee status

First use with less than 5% down: 2.15% of the loan. Receiving VA disability compensation? You don't pay it.

PAGE 7

3

Cash before closing

No down payment still leaves the earnest money, the option fee and inspections, all due before closing. Texas programs can help.

PAGES 8 AND 10

Good to know

- ☐ Three things VA.gov spells out: you can put nothing down unless the price tops the appraised value, you never pay private mortgage insurance, and full entitlement means no VA loan limit.
- ☐ The benefit isn't one and done. When orders move you, you can hold on to this house as a rental and put any remaining entitlement toward a VA loan where you're headed next.

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SECTION 1 · THE BASICS

What is a VA loan, and how does it compare with other loans?

> A VA loan is a mortgage from a private lender that the Department of Veterans Affairs partly guarantees. VA doesn't lend the money. Its guarantee on part of the loan is what lets lenders offer eligible buyers no down payment and no monthly mortgage insurance.

That guarantee is what makes the loan work: the lender takes less risk, so you get terms that are hard to match. Here's how it compares.

	VA LOAN	FHA LOAN	CONVENTIONAL LOAN
Down payment	$0, if the price doesn't exceed the appraised value	As low as 3.5%	As low as 3% on some programs
Mortgage insurance	None. VA's guarantee takes its place, with a one-time funding fee instead (some buyers are exempt)	Required on every FHA loan: an upfront cost at closing plus a monthly cost	Private mortgage insurance (PMI) is usually required with less than 20% down, generally paid monthly
Credit score	VA sets no minimum; lenders set their own	Allows lower scores than most conventional loans	Set by the lender and the loan program
How much you can borrow	No VA loan limit with full entitlement; your lender decides what you qualify for	Your lender decides what you qualify for, within the program's own limits	
Who can use it	Eligible service members, veterans and certain surviving spouses	Any buyer who qualifies	
Paying it off early	No prepayment penalty	Ask your lender	

Sources: VA.gov purchase loan and loan limits pages; VA Quick Reference for Real Estate Professionals; CFPB on FHA loans, PMI and mortgage insurance; Fannie Mae HomeReady. Data current as of October 2026.

What can you buy with it?

Per VA.gov, a VA purchase loan can buy any of these, as long as it's the home you'll live in:

- ☐ A single-family home or townhome
- ☐ A duplex, triplex or fourplex, if you live in one of the units
- ☐ A condo in a VA-approved project
- ☐ A manufactured home or lot
- ☐ A new build (page 17) or a home to improve

What do you need to qualify?

Three things, according to VA:

- ☐ **A Certificate of Eligibility (COE)** showing you meet the service requirement. Your lender usually pulls it (page 5).
- ☐ **VA's and your lender's standards** for credit, income and other requirements.
- ☐ **A plan to live in the home.** VA's handbook expects you to move in within 60 days of closing, with exceptions for duty (page 6).

SECTION 2 · ZERO DOWN, NO PMI

What do no down payment and no PMI mean for your payment?

> You can buy without first saving up a down payment, and your monthly payment never carries a mortgage insurance line. The trade-offs are a one-time funding fee, which you can roll into the loan, and a loan balance that starts at the full price because nothing came off the top.

What the down payment alone would be

EXAMPLE: A $350,000 HOME	DOWN PAYMENT	MONTHLY MORTGAGE INSURANCE?
VA loan, no money down	$0	No
Conventional, 3% down (some programs)	$10,500	Usually, with less than 20% down
FHA, 3.5% down	$12,250	Yes, on every FHA loan
Conventional, 20% down	$70,000	No

Arithmetic on an example price, not a quote. Minimums per CFPB (FHA) and Fannie Mae (HomeReady); mortgage insurance per CFPB.

Month to month

Your payment is principal and interest, property taxes, homeowners insurance, and HOA dues if there are any. There's no mortgage insurance line, because, in the CFPB's words, the VA guarantee replaces mortgage insurance.

Here, property tax is the line that moves most. Run 2026 rates on $350,000 of taxable value and you get roughly $504 a month in Garden Ridge versus $733 in Mahncke Park, before exemptions. Compare homes by the full payment.

On active duty?

Set the full monthly payment next to your BAH. Every JBSA location uses the same San Antonio rates, and the full 2026 table by pay grade is in my PCS to San Antonio guide: tiffanyreedtx.com/resources/pcs-san-antonio-guide.

Over the life of the loan

The fee adds to the balance if you finance it. On a first-use purchase with nothing down, 2.15% of a $350,000 loan is $7,525, so the loan becomes $357,525 and you pay interest on that amount. Paying the fee at closing, or putting 5% down, lowers it (page 7).

Extra payments are welcome. VA.gov says there's no penalty for paying the loan off early, so you can send extra principal whenever it suits you.

Equity starts at zero. It grows as you pay the loan down and as the home's value changes. That matters most if you might sell within a few years, since the costs of buying and selling come out of it. Keeping the home as a rental is on page 6.

Sources: VA.gov purchase loan and funding fee pages; CFPB on mortgage insurance; 2026 combined tax rates from the Bexar County Tax Assessor-Collector (Mahncke Park) and Comal County (Garden Ridge); DTMO BAH lookup. Data current as of October 2026; tax rates change each fall.

SECTION 3 · ELIGIBILITY

Who qualifies for a VA loan?

> Service members, veterans, and National Guard and Reserve members who meet a minimum service time qualify, and so do certain surviving spouses. Your lender confirms it by pulling your Certificate of Eligibility (COE), so you don't have to work it all out before you call.

IF YOU ARE	MINIMUM SERVICE, PER VA.GOV
On active duty	At least 90 continuous days
A veteran who served on or after Aug. 2, 1990	At least 24 continuous months, or the full period (at least 90 days) you were called or ordered to active duty. Less can qualify with certain discharges, including one for a service-connected disability.
A veteran who served earlier	It depends on the era: 90 total days for wartime eras such as Vietnam (Aug. 5, 1964 to May 7, 1975), 181 days for most peacetime eras, and 24 continuous months for Sept. 8, 1980 to Aug. 1, 1990 (Oct. 17, 1981 for officers). VA.gov lists every era.
In the National Guard	90 days of non-training active-duty Title 10 service; or 90 days of active duty, including 30 days in a row, under certain Title 32 activations; or 6 creditable years, still serving or honorably discharged or retired
In the Reserve	90 days of active duty that wasn't for training, or 6 creditable years in the Selected Reserve (still serving, honorably discharged or retired)
A surviving spouse	Generally: you receive or qualify for certain Dependency and Indemnity Compensation (DIC), or the service member is missing in action or a prisoner of war. Remarrying on or after Dec. 16, 2003, at age 57 or older, doesn't end eligibility.

Eligibility may be limited after an other than honorable, bad conduct or dishonorable discharge; VA says you can still apply, or ask for a discharge upgrade or a Character of Discharge review. Sources: VA.gov eligibility and surviving spouse home loan pages. Data current as of October 2026.

Who gets the COE?

Your lender, in most cases. Per VA.gov, lenders can often get it through VA's online system, called Web LGY, while they work on your pre-approval. You can also request it online yourself, or by mail with VA Form 26-1880, which VA says takes longer.

The COE also shows what your lender needs to know about your entitlement (page 6). If you've used the benefit before, that's the first thing to ask about.

Documents that back up your service

Veteran	Your DD214
Active duty	A statement of service signed by your commander, adjutant or personnel officer
Guard or Reserve	Your DD214 if you were activated; otherwise a statement of service with your creditable years
Surviving spouse	The veteran's DD214 if you have it, plus VA Form 26-1817 if you receive DIC (other forms if you don't)

Per VA.gov's COE page. Your lender will tell you which ones it actually needs.

SECTION 4 · ENTITLEMENT

How does VA entitlement work, and can you use it again?

Entitlement is the part of your loan VA backs. With full entitlement there's no VA loan limit: the lender sets your amount from your income, credit and debts, capped at the lower of the price and the appraised value, plus any funding fee you finance. An open VA loan ties some of it up; selling and paying it off frees it.

FULL

Nothing in use

You've never used the benefit, or you sold the home and paid that loan in full, or your entitlement was restored.

What it means: no VA cap on the loan, and $0 down if the appraisal comes in at or above the price.

PARTLY IN USE

An earlier VA loan is still open

For example, you kept your last home as a rental and its VA loan is still open.

What it means: the county loan limit sets how much entitlement remains, and a larger loan may need some money down.

RESTORED

Available again

Per VA.gov, any one of these: you sold the home and paid the loan in full; a qualified veteran assumed your loan and substituted their entitlement; or you paid it off and kept the home (once only).

How: request a COE with restoration online, through your lender, or with VA Form 26-1880.

County loan limits change each year; your lender checks the current one against your COE.

Using it again at your next duty station

Per VA.gov, if your first VA loan stays open, your remaining entitlement can go toward another one, so you can keep this home as a rental and still buy with a VA loan at your next duty station. If what's left doesn't cover the new loan, the lender may ask for a down payment.

Thinking you'll rent it out later? Tell me early in your search. I'll pull rental comps on the homes you're serious about, so the likely rent sits right beside the mortgage payment.

Selling instead? After a short stay, a sale may not cover the costs of buying and selling. It depends on the home and the market.

Living in the home

A VA purchase loan is for a home you'll live in. VA's lender handbook defines a "reasonable time" to move in as within 60 days of closing. A later date tied to a specific event can work, but generally not more than 12 months out.

On active duty and can't move in yet? Your spouse living in the home (or planning to) meets the rule, and so can a dependent child with the right certification. VA treats deployment like temporary duty.

Planning to rent it out later? Ask your lender how that fits before you buy.

Sources: VA.gov loan limits, eligibility ("Can I reuse my COE?") and purchase loan pages; VA Lenders Handbook (VA Pamphlet 26-7), Ch. 3, Occupancy. Data current as of October 2026.

SECTION 5 · FUNDING FEE

How much is the VA funding fee, and who doesn't pay it?

> It's a one-time charge paid to VA, figured as a percentage of the loan amount. Per VA.gov, a first-time user with less than 5% down pays 2.15%, and the rate drops with a bigger down payment. Veterans receiving VA disability compensation, and four other groups, don't pay it at all.

VA says the fee lowers the program's cost to taxpayers, since there's no down payment or monthly mortgage insurance. Think of it as the cost of the no-down-payment, no-PMI deal on page 4.

Purchase and construction loans

IF YOUR DOWN PAYMENT IS	FIRST USE	AFTER FIRST USE
Less than 5%	2.15%	3.3%
5% or more	1.5%	1.5%
10% or more	1.25%	1.25%

VA.gov rates "Effective April 7, 2023," for veterans, active duty, Guard and Reserve. Other VA loans: assumption 0.5%; Interest Rate Reduction Refinance Loan (IRRRL) 0.5%; cash-out refinance 2.15% first use, 3.3% after. Reviewed each January.

What that looks like in dollars

EXAMPLE: $350,000 PRICE	LOAN	FEE
First use, nothing down	$350,000	$7,525
After first use, nothing down	$350,000	$11,550
5% down ($17,500)	$332,500	$4,987.50
10% down ($35,000)	$315,000	$3,937.50

Arithmetic on an example price using VA.gov's rates. Your lender's Loan Estimate shows your actual fee.

YOU DON'T PAY THE FEE IF

- You get VA compensation for a service-connected disability
- You're eligible for it but receive retirement or active-duty pay instead
- You're a surviving spouse who receives Dependency and Indemnity Compensation (DIC)
- You have a proposed or memorandum rating, issued before closing, saying you're eligible for compensation based on a pre-discharge claim
- You're on active duty and show evidence of a Purple Heart on or before closing

Roll it in or pay it at closing?

Either works. On a purchase, it's the only cost VA lets you finance. Rolling it in keeps cash in your pocket; paying it keeps the balance lower. The seller can also pay it for you as a seller concession, which counts toward VA's 4% cap (page 9).

Rated after closing?

VA.gov says you may get the fee refunded if VA awards compensation effective before your closing date. If a claim is pending, tell your lender early.

Source: VA.gov, VA funding fee and closing costs (va.gov/housing-assistance/home-loans/funding-fee-and-closing-costs). Data current as of October 2026.

SECTION 6 · CASH TO CLOSE

How much cash do you need with $0 down?

> Some, in two stages: deposits and inspections before closing, then closing costs at closing unless the seller covers them. Here's a $350,000 resale home worked through, nothing down, for a veteran who gets VA disability compensation and pays no funding fee.

LINE	EXAMPLE	YOURS
BEFORE CLOSING		
Earnest money My transactions usually run about 1% on a pre-owned home: 1% × $350,000	**$3,500**	$
Option fee 10 days at $15; most I see run $10 to $20 a day. Credited if you buy	**$150**	$
Home inspection and sewer scope VA strongly recommends an inspection; I recommend both on every purchase. In my transactions, $400 to $900 for the inspection (by home size) and $99 to $150 for the scope. Not in the totals	**$499 to $1,050**	$
VA appraisal fee, if your lender collects it up front VA's fee for a single-family home in Bexar, Comal and Guadalupe counties	**$800**	$
AT CLOSING (FROM YOUR LOAN ESTIMATE)		
Lender charges Many lenders charge VA buyers a 1% flat fee, per VA.gov: 1% × $350,000	**$3,500**	$
Title insurance TDI rates: $100 loan policy + $101 survey amendment; the seller pays the owner's policy here	**$201**	$
Prepaid insurance and taxes TDI's 2025 average premium ($3,489) + 3 months of Garden Ridge taxes (3 × $504)	**$5,001**	$
VA funding fee, if you pay it instead of financing it This buyer is exempt (page 7)	**$0**	$
Minus seller or builder credits toward your costs None in this example	**-$0**	- $
Minus earnest money and option fee already paid	**-$3,650**	- $
Cash due at closing, before recording fees	**$5,052**	**$**

Adding up the example

Before closing: $3,500 + $150 + $800 = $4,450, plus inspections. At closing: $3,500 + $201 + $5,001 + $0 − $0 − $3,650 = **$5,052**, plus recording fees, the credit report and any prepaid interest. All in: $4,450 + $5,052 = **$9,502**. Your deposits are credited at closing. Seller credits and Texas programs (page 10) come off the last line.

Deposit and inspection figures come from my own transactions; deposits are negotiated in each offer. Insurance, tax reserve and lender-fee lines are examples; your Loan Estimate has your real numbers. Sources: TREC contract and option period FAQ; VA.gov; VA Appraisal Fees and Timeliness (May 1, 2026); TDI title rates (March 1, 2026) and market overview; Comal County 2026 tax rate; CFPB. Data current as of October 2026.

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SECTION 6 · CASH TO CLOSE

Which closing costs can a VA buyer be charged?

Only the ones on VA's list. Under VA's rule, 38 CFR 36.4313, you can pay reasonable amounts for a short list of itemized costs plus a lender charge of up to 1% of the loan, and no other charge can be passed to you. Anything else has to be paid by someone other than you.

What VA lets you pay

COST	WHAT IT LOOKS LIKE HERE
VA appraisal	$800 for a single-family home in Bexar, Comal or Guadalupe County, set by VA (page 14)
Title examination and title insurance	TDI sets Texas premiums: $100 for the loan policy issued with an owner's policy; $2,015 for an owner's policy on $350,000
Recording fees and taxes	Charged by the county to record your deed and loan
Credit report	Ordered by your lender
Your share of this year's taxes and assessments	Split with the seller as of the closing date
Homeowners insurance the loan requires	Compare companies at HelpInsure.com
Flood zone determination	The actual cost of a third-party check; no fee if VA's appraiser or the lender made it
Survey	If your lender or you require one
Lender's flat charge	Up to 1% of the loan, in place of the origination costs not on this list

What that means for you

Charges outside the list can't land on your side of the settlement statement. Ask your lender and the title company early which charges on your file fall in that group and who will cover them, so nothing surprises anyone at the closing table.

Discount points are separate: VA.gov lists them among the costs you and the seller can negotiate, if you choose to pay to lower your rate.

What can the seller pay?

Per VA.gov, VA doesn't limit seller credits toward your normal closing costs. It caps *seller concessions*, the extras, at 4% of the home's reasonable value: paying your funding fee, prepaying your insurance, paying off a debt, or a builder-paid temporary buydown. Normal discount points don't count.

Who pays what is negotiated, and I write it into your offer. Sellers' contributions swing too widely from one deal to the next for me to quote a typical amount.

Sources: 38 CFR 36.4313, Charges and fees (ecfr.gov); VA.gov funding fee and closing costs page (updated Oct. 5, 2026); VA Appraisal Fees and Timeliness, effective May 1, 2026; Texas Department of Insurance, Texas Title Insurance Premium Rates effective March 1, 2026, and rate rule R-5; VA temporary buydown guidance. Data current as of October 2026.

SECTION 7 · TEXAS PROGRAMS

What Texas programs can you pair with a VA loan?

Three kinds: a home loan from the Texas Veterans Land Board, down payment and closing cost help from two state agencies (TSAHC and TDHCA), and a federal tax credit that veterans can get without being first-time buyers. With no down payment to cover, the help can go toward your closing costs. Each one runs through participating lenders, so ask yours which it offers.

PROGRAM	WHAT IT OFFERS	THE VETERAN RULES
Texas Veterans Land Board home loan (Veterans Housing Assistance Program)	A fixed-rate loan for 15, 20, 25 or 30 years with little or no down payment, made through VLB participating lenders alongside VA, FHA or conventional financing. A VA service-connected disability rating of 30% or more gets a discounted rate.	You must be a Texas resident on the day you apply and be on active duty, in the Texas National Guard, a reservist with 20 qualifying years, or a veteran with 90 days of active duty (honorable, general or medical discharge). Certain surviving spouses qualify. Move in within 60 days and keep it as your Texas home for 3 years. You can get another VLB loan after paying one off.
TSAHC Homes for Texas Heroes	Up to 5% of the loan amount for down payment and closing costs, as a grant or a second lien forgiven after three years. Credit score 620 on VA, FHA and USDA loans; homebuyer course required.	Veterans and active military. On active duty, you must be assigned to a base in Texas and have Texas as your home of record. Veterans need 90 days of active duty (or a service-connected discharge sooner) and Texas residency. Certain surviving spouses qualify.
TDHCA My First Texas Home	Up to 5% of the loan as a 0% second lien, forgiven after three years or repaid when you sell, refinance or pay off. Credit score 620; homebuyer course; a TDHCA-approved loan officer.	Normally for first-time buyers, but TDHCA makes an exception for qualified veterans.
Mortgage Credit Certificate (TDHCA or TSAHC)	A federal tax credit each year of 15% of the mortgage interest you pay, for as long as you live in the home and keep the loan.	Veterans don't have to be first-time buyers. TDHCA waives its issuance fee for military, and TSAHC waives its $400 fee for Heroes who pair the MCC with its down payment help.
City of San Antonio HIP	$1,000 to $30,000 as a 0% second loan, forgiven over time while it's your homestead. Works with a VA first mortgage.	No veteran exception: first-time buyers only (no ownership in 3 years), home inside San Antonio city limits.

Rates and assistance percentages change daily, so your lender quotes today's. Sources: Texas General Land Office, Veterans Land Board home loans page and Jan. 5, 2026 release; TSAHC, Homes for Texas Heroes and Home Sweet Texas pages and rate sheet; TDHCA, My First Texas Home and Texas MCC pages and Lender Guide; City of San Antonio, HIP page. Data current as of October 2026.

Stationed here, home of record elsewhere?

Read the residency rules before you plan around these. The Land Board wants Texas residency on the day you apply, and Texas Heroes wants active-duty buyers to have Texas as their home of record. Ask TDHCA's loan officer how it defines a qualified veteran, too.

Can you use more than one?

Sometimes. The City's HIP FAQ leaves combining programs to the lender, and TDHCA's stand-alone MCC can't be paired with outside down payment help. Ask your lender to lay out which ones work together before you count on two.

SECTION 7 · TEXAS PROGRAMS

Do you fit the income and price limits?

Most VA buyers will want to check two numbers: household income and the home's price. These are the limits each program publishes today for a Bexar County purchase. The Land Board's loan has no income limit on its page. Your lender confirms what applies to you.

Bexar County limits as of October 2026

PROGRAM	HOUSEHOLD INCOME LIMIT	PURCHASE PRICE LIMIT
TSAHC Homes for Texas Heroes	$178,339, any household size	None listed by TSAHC
TSAHC Heroes help paired with its MCC	$104,905 for 1 or 2 people; $120,641 for 3 or more	$583,581
TDHCA My First Texas Home and Texas MCC	$104,725 for 1 or 2 people; $120,434 for 3 or more	$583,580
TDHCA My Choice Texas Home (no first-time rule for anyone)	$178,033 with a VA, FHA or USDA loan	None
City HIP 80 / HIP 120 (first-time buyers only)	$72,450 / $108,650 for 3 people (other sizes at sa.gov)	$260,000 / $301,700 resale

Higher limits apply in targeted areas, and parts of Bexar County are targeted. TDHCA counts the income of everyone who will sign the deed of trust, including a spouse who isn't on the loan.

Checking one household against the limits

Take the $350,000 purchase on page 8 and a household of four earning $110,000. That's under Heroes' $178,339 limit and TDHCA's $120,434, and the price is under TDHCA's $583,580 limit, so ask a lender about both. HIP is out on price: $350,000 is above HIP 120's $301,700 cap.

If a program gave 2% of the loan (a made-up figure inside "up to 5%"), that's 2% × $350,000 = **$7,000**, more than the $5,052 due at closing in that example. Ask your lender how the help is applied and what happens to any amount beyond what you owe.

Where to check

- ☐ **Land Board:** glo.texas.gov/veterans/home-loans, with its participating lender list and certification form
- ☐ **TSAHC:** tsahc.org, Homes for Texas Heroes, and its county income limits tool
- ☐ **TDHCA:** welcomehome.tdhca.texas.gov, programs and income limits
- ☐ **City HIP:** sa.gov, search "Homeownership Incentive Program," or (210) 207-6459

Each program needs its own homebuyer course or approval steps, so start early. The lender you choose has to participate in the program you want.

Sources: TSAHC County Income Limits tool (Bexar County); TDHCA Combined Income and Purchase Price Limits and My Choice Texas Home Income Limits, effective July 13, 2026; City of San Antonio HIP page; Texas General Land Office, Veterans Land Board home loans page. Data current as of October 2026; limits change each spring, summer and October.

SECTION 8 · STEP BY STEP

What happens between pre-approval and keys?

> Eight steps, and most look like any financed purchase. The VA pieces are the COE at the start and the VA appraisal in the middle. In my transactions, a home that's ready to move into generally closes 21 to 30 days after the contract; a new build depends on where the home is in the build.

1. **Talk to a lender that makes VA loans** — YOU AND YOUR LENDER
   Get pre-approved before you tour. The lender pulls your COE, checks your entitlement and funding fee status, and sends a Loan Estimate within three business days of your application. Want names? I'll point you to lenders who make VA loans.

2. **Sign a buyer agreement** — YOU AND ME
   Since January 1, 2026, Texas law says an agent needs a written agreement with you before showing you any home. TREC says it has to spell out the agent's compensation and state that it isn't set by law and is fully negotiable.

3. **Shop** — YOU AND ME
   Not in town yet? I walk homes for you on a video tour. Before a showing, I find out how old the water heater, HVAC system and roof are, and I get the seller's disclosure plus any earlier inspection reports. Tell me your HOA deal-breakers so I can find out before the tour.

4. **Make the offer** — ME
   I write and negotiate your offer on the TREC contract. With any lender financing, it includes TREC's Third Party Financing Addendum, and that addendum already carries VA's required escape clause (page 14). You'll owe the earnest money and option fee within three days of the effective date.

5. **Inspect during the option period** — YOU, YOUR INSPECTOR AND ME
   At a minimum, I recommend a general home inspection and a sewer scope, and I coordinate the inspections you choose. During the option period you can end the contract for any reason with written notice, and you get the earnest money back, though not the option fee.

6. **The VA appraisal** — YOUR LENDER AND A VA APPRAISER
   Your lender arranges it. The appraiser gives an opinion of value and checks VA's minimum property requirements, and a Notice of Value follows. VA's fee schedule sets the fee and turnaround time in Bexar County (page 14).

7. **Underwriting and the Closing Disclosure** — YOUR LENDER
   Answer document requests quickly. The Closing Disclosure has to reach you at least three business days before closing. Line it up against your Loan Estimate.

8. **Final walkthrough and closing** — YOU AND ME
   Right before closing, I walk through the home with you to check its condition. Then you sign, the loan funds, and the house is yours. After that, file your homestead exemption (page 17).

Sources: VA.gov home buying process; VA Appraisal Fees and Timeliness (effective May 1, 2026); CFPB on Loan Estimates; TREC, "What Changes in 2026 About Buyer/Tenant Representation in Texas"; TREC No. 40-11 Third Party Financing Addendum; TREC option period FAQ. Data current as of October 2026. The 21 to 30 days is from my own transactions; your contract sets your actual dates.

SECTION 9 · LENDER CALL CHECKLIST

What should you ask on your first call with a VA lender?

> Ask what you'll pay, how much cash you'll need and when, and what your COE shows. Work with a lender that makes VA loans, have your service and income paperwork close by, and compare more than one Loan Estimate before you choose.

VA.gov says to shop around, because lenders offer different rates and fees, and the CFPB suggests comparing Loan Estimates side by side. You pick the lender; I can connect you with a few, including VA lenders.

Questions to ask

- [ ] Can you pull my COE, and what does it show for my entitlement?
- [ ] Do I pay the funding fee, or am I exempt? If I pay it, will you finance it or should I pay it at closing?
- [ ] Do you charge the 1% flat fee, or itemize your charges? Which of your fees are negotiable?
- [ ] About how much cash will I need, and what's due before closing versus at closing?
- [ ] I'm on active duty: how do you count BAH and other allowances as income?
- [ ] I'm keeping a home that still has a VA loan. How much entitlement do I have left, and would I need a down payment on this price?
- [ ] How long do you need from contract to closing, and how does your rate lock work?
- [ ] I'm looking at condos. Can you check whether a project is VA-approved before I make an offer?
- [ ] I'm thinking about assuming a seller's VA loan. Do you help with assumptions, or does the servicer handle everything?

Shop by the payment

At an example 7% rate, $350,000 with nothing down is $2,329 a month in principal and interest. Add $291 of insurance and Garden Ridge's taxes ($504): $3,124. With Mahncke Park's ($733): $3,353. Same price, $229 a month apart.

Have these within reach

- [ ] Your service document: DD214, or a statement of service if you're on active duty or in the Guard or Reserve and haven't been activated (page 5)
- [ ] Recent pay records, such as Leave and Earnings Statements or pay stubs
- [ ] W-2s and tax returns, if your lender asks for them
- [ ] Recent bank and asset statements
- [ ] Your VA award letter, if you receive disability compensation
- [ ] Details on any home you own now: the loan, whether you'll keep it, and any rent it brings in

Your lender will give you its exact list. This is a head start, not a requirement.

AFTER THE CALL, WRITE DOWN

LINE	EXAMPLE	YOURS
Pre-approval amount	**$375,000**	$
Comfortable monthly payment	**$3,150**	$
Funding fee	**exempt**	$
Cash before / at closing	**$4,450 / $5,052**	$

The pre-approval and payment examples are made up to show how the top two lines can differ.

Examples, not quotes: insurance is TDI's 2025 statewide average ($3,489 a year); taxes are 2026 rates on $350,000 before exemptions (page 4); cash figures are from page 8. Sources: VA.gov; CFPB; TDI. Data current as of October 2026.

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SECTION 10 · APPRAISAL AND INSPECTION

What does the VA appraisal check, and what if the value comes in low?

> The VA appraiser your lender arranges estimates the home's value and checks VA's minimum property requirements (MPRs): safe, structurally sound and sanitary. VA says this isn't a home inspection and strongly recommends you get one. If the value comes in low, you have options, and the escape clause lets you walk away with your earnest money.

	VA APPRAISAL	HOME INSPECTION
Who arranges it	Your lender, with a VA-approved appraiser	You, with an inspector you choose (I coordinate it)
What it's for	The loan: value and VA's minimum property requirements, reported in a Notice of Value	You: the home's condition, top to bottom, in a report you use during the option period
Required?	Yes, for a VA loan	Not by VA, but VA strongly recommends it. I recommend one, plus a sewer scope, on every purchase.
Cost	Set by VA (below)	$400 to $900 in my transactions, by home size

VA sets the fee and the turnaround: per its schedule effective May 1, 2026, $800 for a single-family home or condo in Bexar, Comal or Guadalupe County ($850 manufactured, $925 for 2 to 4 units), with a 7-business-day standard.

Before the appraisal is final

If the appraiser thinks the home may not reach the contract price, VA's Tidewater process kicks in: the appraiser contacts the person named in the order, who can send more sales for the appraiser to consider. The appraiser can't share the expected value.

If the value still comes in low

Per VA.gov, you can:

- ☐ Ask your lender to request a Reconsideration of Value (ROV) if sales support a higher value
- ☐ Renegotiate the price with the seller
- ☐ Pay the difference in cash at closing

The VA escape clause

VA requires an "escape clause" whenever the contract is signed before VA issues its Notice of Value. If the price is higher than VA's reasonable value, you don't have to buy and you keep your earnest money.

In Texas, that language is in paragraph 4 of TREC's Third Party Financing Addendum (TREC No. 40-11). If you choose to go ahead above VA's value, you pay the difference in cash that isn't borrowed (unless VA approves), or the seller may lower the price to VA's value.

If the home misses an MPR

Ask your lender whether an MPR waiver is possible, as VA's quick reference suggests. Otherwise, repairs become part of the negotiation with the seller.

Sources: VA.gov home buying process; VA escape clause guidance, 38 CFR 36.4303(k)(4); VA Quick Reference for Real Estate Professionals; VA Appraisal Fees and Timeliness; VA Lenders Handbook, Ch. 12; TREC No. 40-11. Data current as of October 2026.

SECTION 11 · VA BUYERS

What does a seller see in a VA offer?

A buyer who has already met VA's and a lender's standards for credit and income, with a pre-approval to show for it. VA's quick reference for real estate professionals calls veterans "some of the strongest borrowers in the market," and its 2023 numbers back that up.

VA'S OWN NUMBERS, 2023

721
Average credit score of veterans applying for VA purchase loans

32 days
Average time to close a VA loan (45 conventional, 46 FHA, per ICE Mortgage Technology data VA cites)

90%
Initial VA purchase appraisals that met or exceeded the contract price (fiscal year 2023)

I write a VA offer like any other strong offer: price, closing date, option period and any credits you're asking for, with your pre-approval behind it. Then I negotiate it for you.

Straight answers from VA's own sources

THE QUESTION	WHAT VA SAYS
How many times can you use it?	There's no set limit, as long as you meet VA's occupancy and entitlement rules.
Is there a price cap?	Not with full entitlement. Your lender sets what you qualify for, and the loan is based on the appraised value (plus any financed funding fee).
What credit score do you need?	VA sets no minimum credit score. Lenders set their own.
Does the seller have to pay your closing costs?	No. Who pays what is negotiated. VA doesn't cap seller credits toward normal closing costs and caps concessions at 4%.
Who can assume a VA loan?	Any buyer who qualifies, veteran or not, with approval (page 16).
Does the VA appraisal replace an inspection?	No. VA strongly recommends a separate home inspection, and I recommend one plus a sewer scope on every purchase.

Sources: VA Loan Guaranty Service, Quick Reference for Real Estate Professionals (benefits.va.gov; 2023 and FY 2023 data from VA's WebLGY and ICE Mortgage Technology); VA.gov loan limits, funding fee and closing costs, and home buying process pages; 38 U.S.C. 3714. Data current as of October 2026. VA's current edition, checked October 2026, still reports 2023 data; these figures are refreshed when VA publishes newer ones.

SECTION 12 · ASSUMABLE LOANS

How does a VA loan assumption work, and why does it matter when rates are higher?

> A qualified buyer can take over an existing VA loan, at its interest rate and remaining balance, once the loan holder (or VA) approves. When today's rates are higher than the rate on that loan, the assumed balance can cost less each month than the same balance at a new rate. That can help you as a buyer, and it can help you later as a seller.

If you're buying a home with one

- ☐ **You don't have to be a veteran.** Under 38 U.S.C. 3714, the buyer has to qualify on credit the same way a veteran would.
- ☐ **The loan holder reviews you.** On VA loans committed on or after March 1, 1988, VA or a lender acting for VA has to approve the assumption. Ask the servicer how long its review takes.
- ☐ **There's a funding fee.** VA.gov sets it at 0.5% of the loan balance, unless you're exempt.
- ☐ **You cover the gap.** The loan only covers what's left on it. The difference between the price and that balance is yours to bring, so ask your lender how you'd pay it.

A simple way to see the value

Ask your lender for two payment estimates on the same home: one assuming the existing loan (plus whatever covers the gap), and one with a new loan at today's rate. The difference between the two is what the assumption is worth to you each month.

If you're selling a home with one

An assumable low-rate loan can make your home stand out to buyers when rates have climbed since you bought. Two things to settle before you agree to it:

IF THE BUYER	YOUR ENTITLEMENT
Is an eligible veteran who substitutes their entitlement	Can be restored to you
Isn't a veteran, or doesn't substitute	Stays with that loan until it's paid in full

Your liability. When the assumption is approved under 38 U.S.C. 3714, the statute says the seller is relieved of further liability to VA on the loan. Get the approval and the release in writing from the servicer.

Your next purchase. If your entitlement stays with the loan, you can still use whatever entitlement you have left, figured from the county loan limit (page 6). A lender can tell you what that covers before you sign.

Sources: 38 U.S.C. 3714 (assumptions and release from liability); VA Lenders Handbook (VA Pamphlet 26-7), Ch. 3, Loan Assumptions; VA.gov eligibility page ("Can I reuse my COE?") and funding fee page. Data current as of October 2026.

SECTION 13 · NEW CONSTRUCTION AND AFTER CLOSING

Can you buy a new build with a VA loan?

> Yes. VA.gov lists building a new home among the loan's uses, and VA's quick reference says a home under construction closes once it's complete. Some VA rules differ on a new build.

- ☐ **The escape clause still applies.** VA requires it on new construction too. Money you pay the builder for upgrades isn't earnest money and isn't covered, so ask about the builder's upgrade deposit terms first.
- ☐ **Get your own inspections.** VA stopped its own compliance inspections of new construction in February 2006 (VA Circular 26-25-1) and relies on local building inspections and builder warranties. I recommend an inspection at every stage the build allows: pre-pour, pre-drywall, final (a general inspection plus a sewer scope) and the 11-month warranty inspection.
- ☐ **Builder rate buydowns count.** A temporary buydown the builder pays for is a seller concession, so it counts toward VA's 4% cap.

Bring me in before your first model visit

From the first model visit on, I'm there: I negotiate the price, incentives, closing costs and upgrades, keep up with the build, and attend every walkthrough with you, inspection report in hand, going through it in full. Already toured a model without me? Ask, and I'll find out whether it's too late to add me. More at tiffanyreedtx.com/new-construction.

Sources: VA.gov purchase loan page; VA Quick Reference for Real Estate Professionals; VA escape clause guidance; VA Circular 26-25-1; VA temporary buydown guidance. Data current as of October 2026.

What Texas property tax exemptions can you file after closing?

> Every owner who lives in the home can file for the homestead exemption, and a VA disability rating can take more off. File both with the appraisal district for the county the home is in: Bexar Appraisal District (bcad.org) for most San Antonio addresses.

Homestead. The Texas Comptroller says school districts have to take $140,000 off a homestead's taxable value. File Form 50-114; the general deadline is April 30. If you buy after January 1, you can get it for the rest of that year, as long as the seller didn't already claim it that year and you apply before the first anniversary of your purchase.

100% disabled. Under Texas Tax Code 11.131, a veteran awarded 100% disability compensation for a service-connected disability, with a rating of 100% disabled or individual unemployability, can exempt the home's entire appraised value. An unremarried surviving spouse can keep it. If you qualify after January 1, it starts right away for the rest of that year. File Form 50-114.

Disabled veteran exemption, Tax Code 11.22

VA DISABILITY RATING	TAKEN OFF THE VALUE
10% to 29%	$5,000
30% to 49%	$7,500
50% to 69%	$10,000
70% to 100%	$12,000

Applies to one property you own and choose. It's $12,000 regardless of rating if you're 65 or older with at least a 10% rating, are totally blind in one or both eyes, or have lost the use of one or more limbs. File Form 50-135.

Sources: Texas Comptroller, property tax exemptions and disabled veteran FAQ; Texas Tax Code 11.13, 11.22, 11.131, 11.42 and 11.43. Data current as of October 2026; reviewed each January and after each legislative session.

SECTION 14 · FAQ

What else do VA buyers ask?

Can I have two VA loans at the same time?

It's possible. If you keep your first home with its VA loan still open, the entitlement you have left can go toward a second VA loan, figured from the county loan limit. The new home has to be the one you live in, and your lender may ask for a down payment if what's left doesn't cover the loan.

Do I need my DD214 before I talk to a lender?

No. Call the lender first. Most lenders can pull your Certificate of Eligibility online, and they'll tell you whether they need your DD214, a statement of service or something else to back it up.

I'm deploying soon. Can we still buy?

Yes. VA treats deployment like temporary duty, and if you're on active duty and can't move in yet, your spouse living in the home meets VA's occupancy rule. Ask your lender and the title company early how you'll sign from wherever you are.

Can I use a VA loan to buy a condo?

Yes, if the condo project is VA-approved. VA's quick reference says condos need VA approval or a waiver, so ask your lender to check the project before you make an offer.

Is the VA loan only for first-time buyers?

No. You can use it for your first home and again for later ones, as long as you have entitlement available. Sell and pay off a VA-financed home and your entitlement comes back; pay it off and keep the home, and VA allows that restoration once.

What if my loan or the house doesn't get approved?

TREC's Third Party Financing Addendum covers both. If your contract is subject to Buyer Approval and your lender can't approve you, you can end it within the days set in the addendum and get your earnest money back. If the property doesn't meet the lender's requirements, including the appraisal, you can end it up to three days before closing, earnest money refunded. Either way, you give notice with the lender's written statement.

Can I use Texas down payment help with a VA loan?

Yes. TSAHC's Homes for Texas Heroes and TDHCA's My First Texas Home both work with VA loans, and TDHCA waives its first-time-buyer rule for qualified veterans. With nothing down, the help can go toward closing costs. Income limits, residency rules and participating lenders apply (page 10).

What makes a VA contract different in Texas?

Very little on paper. The contract is the same TREC form other financed buyers use, and the financing addendum already includes the VA language. The main difference you'll notice is the VA appraisal, which checks VA's minimum property requirements along with the value.

NEXT STEP

What does working with me look like?

Here's the short version of me: Army wife, REALTOR® at Real Broker LLC, Military Relocation Professional (MRP). The VA loan is a benefit I've used personally, and I work with VA loan buyers. Your lender handles the loan; here's the house side I handle for you.

- Introduce you to lenders who make VA loans, if you'd like names.
- Tour homes for you by video if you're not here yet.
- Before you tour, get the seller's disclosure, any earlier inspection reports, and the water heater, HVAC and roof ages.
- Check each home's HOA against your deal-breakers before you tour it.
- If you may rent the home out later, run rental comps so you can see likely rent next to the payment.
- Write and negotiate your offer.
- Coordinate inspections as needed.
- Do the final walkthrough before closing.
- On a new build, manage the process from the first model visit through every walkthrough, negotiating price, incentives and upgrades from the start.

35+ closed transactions · $12M+ in sales volume · licensed since 2022 · Military Relocation Professional (MRP)

Tell me where you are: talking to lenders, ready to tour, or still reading.

Any of those is a fine place to start. Send me a note with your question or the area you're looking at, and I'll take it from there with you.

LET'S TALK ABOUT YOUR NEXT MOVE

Call or text (919) 800-9870 · tiffany@tiffanyreedtx.com

KEEP READING ON MY SITE

VA loans in San Antonio: tiffanyreedtx.com/va-loans
Military relocation to San Antonio: tiffanyreedtx.com/military
The PCS to San Antonio guide, with 2026 BAH: tiffanyreedtx.com/resources/pcs-san-antonio-guide
The buying process, step by step: tiffanyreedtx.com/buyers-process
Buying new construction: tiffanyreedtx.com/new-construction
Estimate a payment: tiffanyreedtx.com/mortgage-calculator

SOURCES

Where these numbers come from

Sources are named next to the figures they support, and each was checked against the issuing agency or the law in October 2026; deposit and contract-to-close figures are from my own transactions. Reviewed each January: VA rates, rules and statistics. When revised: VA's fee schedule, TDI title rates, TREC forms. Each spring, summer and October: Texas program limits. Each fall and after legislative sessions: Texas exemptions and tax rates.

VA purchase loans: VA.gov, Purchase loan (updated Jan. 7, 2026)

Funding fee and closing costs: VA.gov, VA funding fee and loan closing costs, va.gov/housing-assistance/home-loans/funding-fee-and-closing-costs (rates effective Apr. 7, 2023; page updated Oct. 5, 2026)

Eligibility and COE: VA.gov eligibility, how to request a COE, and surviving spouse home loan pages (all updated Sept. 22, 2026)

Entitlement and loan limits: VA.gov, VA home loan limits, va.gov/housing-assistance/home-loans/loan-limits

Buying process and appraisal: VA.gov, VA home loan buying process, va.gov/housing-assistance/home-loans/home-buying-process (updated Jan. 7, 2026)

VA appraisal fee and turnaround: VA Loan Guaranty Service, VA Appraisal Fees and Timeliness, effective May 1, 2026, benefits.va.gov/homeloans/appraiser_fee_schedule.asp

Charges a VA buyer can pay: 38 CFR 36.4313, Charges and fees, ecfr.gov/current/title-38/section-36.4313

VA statistics, Tidewater, property types: VA Loan Guaranty Service, Quick Reference for Real Estate Professionals, benefits.va.gov/homeloans/documents/docs/lgy-quick-reference-va-home-loan-toolkit.pdf (2023 and FY 2023 data from VA WebLGY; days to close from ICE Mortgage Technology)

Escape clause: benefits.va.gov/homeloans/escape-clause.asp (updated Jan. 14, 2026); 38 CFR 36.4303(k)(4)

Occupancy, assumptions, MPRs: VA Lenders Handbook, VA Pamphlet 26-7, Ch. 3 (Topics 5 and 12) and Ch. 12, via knowva.ebenefits.va.gov and benefits.va.gov

New construction: VA Circular 26-25-1, benefits.va.gov/HOMELOANS/documents/circulars/26-25-01.pdf; VA temporary buydowns, benefits.va.gov/homeloans/temporary-buydown.asp

Federal law: 38 U.S.C. 3702, 3704 and 3714, law.cornell.edu/uscode/text/38

Other loan types and costs: CFPB, consumerfinance.gov: FHA loans; What is private mortgage insurance?; What is mortgage insurance and how does it work?; Loan Estimates; Request and review multiple Loan Estimates; Figure out how much you want to spend (closing costs). Fannie Mae, HomeReady, yourhome.fanniemae.com/buy/homeready

Texas contracts and agreements: TREC, Third Party Financing Addendum (TREC No. 40-11, effective Jan. 3, 2025), trec.texas.gov/forms/third-party-financing-addendum-0; One to Four Family Residential Contract (Resale) and the option period FAQ, trec.texas.gov; "What Changes in 2026 About Buyer/Tenant Representation in Texas," trec.texas.gov (Occupations Code 1101.563)

Texas exemptions: Texas Comptroller, comptroller.texas.gov/taxes/property-tax/exemptions and disabled veteran FAQ; Texas Tax Code 11.13, 11.22, 11.131, 11.42, 11.43, statutes.capitol.texas.gov; Bexar Appraisal District, bcad.org

Texas programs for veterans: Texas General Land Office, Veterans Land Board home loans, glo.texas.gov/veterans/home-loans, and release of Jan. 5, 2026; Texas State Affordable Housing Corporation, tsahc.org: Homes for Texas Heroes, Home Sweet Texas, Mortgage Credit Certificate, county income limits tool; Texas Department of Housing and Community Affairs, welcomehome.tdhca.texas.gov: My First Texas Home, My Choice Texas Home, Texas MCC, Lender Guide, income and purchase price limits effective July 13, 2026; City of San Antonio, Homeownership Incentive Program page, sa.gov

Title insurance and homeowners insurance: Texas Department of Insurance, Texas Title Insurance Premium Rates effective March 1, 2026 (Order 2025-9697) and rate rule R-5; Texas homeowners insurance market overview (2025 average premium); HelpInsure.com

Tax rates: Bexar County Tax Assessor-Collector, 2026 Official Tax Rates and Exemptions, bexar.org; Comal County tax rate database, comal.countytaxrates.com

BAH: Defense Travel Management Office, BAH Rate Lookup, travel.dod.mil (housing area TX285; rates effective Jan. 1, 2026)

This guide is general information, not legal, tax or lending advice. Your lender confirms your eligibility, entitlement, funding fee and loan terms; confirm taxes and exemptions for any address with the appraisal district. Texas law requires all license holders to provide the Information About Brokerage Services and the Consumer Protection Notice, both linked at tiffanyreedtx.com.