

VA Home Buyer Guide_ Waianae, Ewa Beach, and Kapolei, Hawaii

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Table Of Contents

VA Home Buyer Guide: Waianae, Ewa Beach, and Kapolei, Hawaii	2
Table of Contents	4
VA Loans 101: Benefits & Eligibility	6
VA Loans 101: Benefits & Eligibility	14
Step-by-Step VA Homebuying Process in Hawaii	19
Waianae – Local Market Insights for VA Homebuyers	29
Ewa Beach – Local Market Insights for VA Homebuyers	38
Ewa Beach – Local Market Insights for VA Homebuyers	43
Kapolei – Local Market Insights for VA Homebuyers	53
Frequently Asked Questions (FAQs) – Hawaii VA Loans	65
Next Steps & Contact Information	78

01

VA Home Buyer Guide: Waianae, Ewa Beach, and Kapolei, Hawaii

Aloha and welcome! This guide aims to assist veterans and active-duty service members as they navigate the homebuying process in West Oahu, specifically within the communities of Waianae, Ewa Beach, and Kapolei. Purchasing a home is a significant milestone, and as a veteran or active-duty member, you have access to a powerful benefit through your military service: the VA home loan. Our objective is to furnish you with clear, factual information presented in a friendly and professional manner, ensuring that you feel both confident and informed throughout this journey. We will delve into how VA loans operate, covering essential aspects such as eligibility, entitlement, funding fees, and key benefits. Additionally, we will guide you step-by-step through the homebuying process in Hawaii, provide localized insights into the housing markets of Waianae, Ewa Beach, and Kapolei, address common questions regarding VA loans, and offer tips on how to maximize your VA benefits. Let's embark on the journey of turning your dream of homeownership in Hawaii into a tangible reality!

02

Table of Contents

- **VA Loans 101: Benefits & Eligibility** – *Learn what a VA loan is and why it's so advantageous for Hawaii homebuyers (0% down, no PMI, etc.), who is eligible, what "entitlement" means, and how VA funding fees work.*
- **Step-by-Step VA Homebuying Process in Hawaii** – *Understand each stage of buying a home with a VA loan in Hawaii, from getting your Certificate of Eligibility to closing on your new home.*
- **Waianae – Local Market Insights** – *Overview of Waianae's housing market, typical home prices, community vibe, commute considerations, and tips for VA buyers in Waianae.*
- **Ewa Beach – Local Market Insights** – *Overview of Ewa Beach's housing market, prices, new developments, military presence, commute, and tips for VA buyers in Ewa Beach.*
- **Kapolei – Local Market Insights** – *Overview of Kapolei's housing market, growth as the "Second City," amenities, commute, and tips for VA buyers in Kapolei.*
- **Frequently Asked Questions (FAQs)** – *Quick answers to common questions and misconceptions about VA loans in Hawaii.*
- **Next Steps & Contact Information** – *How to get personalized help on your VA home purchase. Contact our local VA-savvy real estate team (Jessica Haynes & Jeffrey Haynes) for guidance.*

03

VA Loans 101: Benefits & Eligibility

What is a VA Loan? The VA home loan is a mortgage program provided by the U.S. Department of Veterans Affairs, specifically designed for eligible veterans, active-duty service members, and certain military spouses. It is important to note that the VA does not directly lend money; rather, it guarantees a portion of the loan that private lenders issue. This guarantee provides lenders with the confidence needed to offer more favorable terms to VA borrowers. In practical terms, the availability of a VA loan simplifies and makes home buying more affordable for those who have served in the military. This unique program is an invaluable resource for veterans looking to secure a home.





Key Benefits of VA Loans: VA loans come with several significant advantages that are particularly beneficial in Hawaii's high-cost housing market, where average home prices can exceed \$800,000. One of the most notable benefits is that qualified VA buyers can purchase a home with no down payment required. This feature eliminates the need to save for years, allowing veterans to buy immediately without the burden of a substantial down payment. This is especially relevant in Hawaii, where saving 20% down could amount to over \$150,000 on a median-priced home. Additionally, VA loans do not require private mortgage insurance (PMI), even when the buyer puts zero down, leading to substantial savings on monthly payments. These advantages collectively make VA loans an attractive option for eligible homebuyers.



- **Zero Down Payment Required:** Qualified VA buyers can purchase a home with 0% down payment. You don't need to save up for years; VA loans allow you to buy immediately without the hurdle of a large down payment. This is perfect for Hawaii, where saving 20% down could mean \$150k+ on a median home – VA loans eliminate that barrier.
- **No PMI (Private Mortgage Insurance):** Unlike conventional loans, VA loans do not require monthly PMI even when you put 0% down. This saves you hundreds of dollars per month, keeping your mortgage payments more affordable.
- **Competitive Interest Rates:** VA-backed loans often have lower interest rates than comparable conventional mortgages. Over the life of the loan, a lower rate can save you thousands of dollars in interest – a big benefit when financing an expensive Hawaii home.
- **Flexible Credit and Debt Guidelines:** The VA program is more forgiving on credit scores and debt-to-income ratios. There is no strict minimum credit score mandated by the VA; many lenders will approve VA loans with credit around 620 or sometimes lower, whereas conventional loans often require higher scores. The program recognizes your overall financial stability rather than just a number.
- **Limits on Buyer Closing Costs:** The VA prohibits certain fees from being charged to the veteran buyer and limits others, which can save you money on closing costs. For example, in Hawaii, it's customary for sellers to pay for items like termite inspection for VA buyers, since VA loans require a termite inspection in termite-prone areas, and VA rules often prevent the veteran from paying that fee. While you will still have some closing costs, the VA framework ensures they're reasonable.

- **No Pre-Payment Penalty & Assumability:** You can pay off a VA loan early with no penalty. Additionally, VA loans are assumable, meaning a future buyer (veteran or not) could potentially take over your low-rate VA loan when you sell – a nice selling point if interest rates rise. This is a more advanced benefit but worth noting as it can make your home attractive to future buyers.

Who is Eligible? VA loans aren't for everyone; they are an earned benefit. You may qualify for a VA home loan if you meet one of the following service criteria:

- **Veterans:** Generally, if you served on active duty for at least 90 consecutive days during wartime or 181 days during peacetime and received an honorable discharge, you're eligible. Many Post-9/11 veterans easily meet these criteria.
- **Active-Duty Service Members:** Currently active-duty members become eligible after about 90 days of continuous service. So even if you're early in your career but past 90 days, you can utilize your VA benefit.
- **National Guard / Reserves:** Typically require 6 years of honorable service in the Selected Reserve or National Guard if not activated on federal orders. Recent rule changes have expanded VA loan eligibility for Guard/Reserve – for instance, if you have at least 90 days of cumulative full-time Title 32 service, with at least 30 of those consecutive, you may now qualify.
- **Surviving Spouses:** Unremarried spouses of veterans who died in service or from a service-connected disability are also usually eligible for VA loans and typically exempt from the funding fee.

To officially prove your eligibility, you'll need to obtain a Certificate of Eligibility (COE) from the VA. This document is essential for your lender. The process of acquiring a COE is straightforward; you can apply online through the VA's eBenefits portal or have a lender retrieve it for you electronically. In many cases, a VA-approved lender can quickly obtain your COE through the VA's system. If paperwork is required, it usually involves a simple form and your DD-214 discharge papers. Don't worry; obtaining your COE is typically one of the first steps that your lender or agent will assist you with.

Understanding "Entitlement": A unique aspect of VA loans is the concept of entitlement, which refers to the dollar amount the VA guarantees on your behalf. This amount determines how much you can borrow without a down payment. Here's a clear breakdown: the VA provides eligible borrowers a basic entitlement of \$36,000. This figure is not a loan limit; rather, it is the amount that the VA guarantees on a loan. Lenders generally allow borrowing of about four times that amount with no down payment since the VA guarantees roughly 25% of the loan. In the past, county loan limits were tied to entitlement.

- **No Loan Limits with Full Entitlement:** As of 2020, if you have your full entitlement available, meaning you don't have an outstanding VA loan or have restored entitlement after selling any VA-financed home, there is no maximum loan amount for a VA loan with zero down payment. This is particularly beneficial in high-cost areas like Hawaii, where it allows for significant borrowing potential, provided you can afford the monthly payments.
- *Example:* VA buyers in Hawaii with full entitlement have purchased homes well above conventional loan limits with zero down payment. Essentially, the VA acts as if the "county limit" is unlimited in such cases. This makes VA loans extremely powerful in Hawaii, where home prices frequently surpass traditional loan limits.
- **Remaining/Partial Entitlement:** If you already have a VA loan outstanding or lost one to default, some of your entitlement is tied up. It is possible to have two VA loans at once using remaining entitlement. For example, if you purchased a home at a previous duty station and kept that property as a rental, you might still have some entitlement available to buy in Hawaii. In that scenario, a formula using the county loan limit determines how much you can borrow without a down payment. Many service members leverage this option when PCSing.
- **Restoring Entitlement:** Once you pay off or sell a home financed with a VA loan, you can apply to have your entitlement fully restored for your next purchase. This is why you can reuse your VA benefit multiple times throughout your lifetime. There's no limit to how many times you can utilize a VA loan, as long as each time you either have entitlement available or restore it by paying off the prior loan. You do not lose your VA home loan benefit after one use; it is a renewable benefit, which is one of the most valuable aspects of VA loans.

In summary, entitlement is the VA's method of determining how much of a loan they will guarantee. As a buyer, it is essential to remember that with full entitlement, you are unlikely to encounter a loan limit in Hawaii, allowing for zero down payments up to the price you qualify for. Furthermore, you have the ability to restore and reuse your benefit when moving or refinancing out of a VA loan.

04

VA Loans 101: Benefits & Eligibility



The VA funding fee is a one-time cost that most veterans incur when utilizing a VA loan. It is important to note that this fee is not an out-of-pocket expense required at the time of application; rather, it is typically financed into the loan amount at the time of closing. Alternatively, veterans have the option to pay the fee in cash at closing if they prefer that method. This funding fee is essential as it supports the VA loan program, which is necessary because taxpayers ultimately cover any losses associated with VA defaults. Understanding the details of the funding fee is crucial for veterans considering a VA loan.

- Most VA buyers are required to pay a funding fee unless they qualify for an exemption. Exemptions can apply to veterans with a service-connected disability rating, recipients of the Purple Heart who are on active duty, and certain surviving spouses of veterans. If you are receiving VA disability compensation, even at a rate as low as 10%, you will be exempt from paying the funding fee. This exemption serves as a significant benefit for disabled veterans, allowing them to save money when financing their homes.
- For first-time users of the VA loan benefit, the funding fee is set at **2.15% of the loan amount** when minimal or no down payment is made, effective as of 2023. For instance, if you purchase a home valued at \$600,000 with no down payment, your funding fee would amount to 2.15% of that total, which equals \$12,900. This fee is then added to the loan, thus increasing the total loan amount to \$612,900 in this example if financed. However, for second or subsequent use of your VA benefit, the funding fee increases to **3.3% with zero down payment**, which reflects the enhanced value of the benefit upon multiple utilizations.
- If you choose to make a down payment, the VA offers a reward in the form of a reduced funding fee. Specifically, if you put down at least **5% of the purchase price**, the funding fee decreases to approximately **1.5%**. If your down payment is **10% or more**, this fee can drop to around **1.25%**. These discounts apply to both first-time users and those using their VA benefits again. It is important to note that while you are not mandated to make any down payment, many VA buyers in Hawaii opt for a zero-down approach, which allows them to maintain more cash on hand, despite the slightly higher fee.

- Nearly all VA buyers choose to incorporate the funding fee into the total loan amount rather than paying it upfront. This approach allows them to spread the cost of the fee over the life of the loan, thereby minimizing the immediate cash requirement at closing. The VA permits this financing option, and it generally has a minimal impact on the monthly payment. For example, financing a \$12,900 fee on a 30-year loan could translate to an additional payment of approximately ~\$70 each month. This trade-off is often viewed as worthwhile for the advantage of purchasing a home without the need for a down payment.
- Even with the inclusion of the funding fee, VA loans typically offer substantial savings compared to other types of loans. A significant point to remember is that VA loans do not require private mortgage insurance (PMI), which could range between \$200 and \$400 per month on a conventional loan with a minimal down payment. By financing the 2% funding fee, many buyers find they come out ahead financially after just a few years of avoiding PMI payments. Additionally, if you have a qualifying disability rating or meet other criteria for exemptions, you will pay **no** funding fee at all, representing one of the standout benefits of the VA loan program.

The fundamental purpose of VA loans is to facilitate home purchases for primary residences. Borrowers must commit to living in the home as their personal residence, typically within 60 days of closing. These loans are not intended for the purchase of investment properties or vacation homes at the outset. However, once you fulfill the occupancy requirement, there is nothing preventing you from renting out the home later, such as if you receive a permanent change of station (PCS) order. Many military families effectively utilize their VA benefits to build long-term wealth through rental properties as they relocate. It is essential to note that the intent to occupy the property must be established from the beginning, and in Hawaii, the concept of “owner-occupancy” is rigorously enforced—certain properties, such as condos, even maintain occupancy ratios. Additionally, the VA stipulates that any co-borrower must be your spouse or another veteran who will reside in the home; using a VA loan with a non-spouse, non-veteran co-borrower is generally not permitted, except in specific scenarios that may require a down payment.

In conclusion, VA loans represent a fantastic financing tool for veterans and service members—you’ve earned this benefit, so take full advantage of it! This program opens the doors to homeownership with minimal upfront costs and favorable lending terms. The next section will explore in detail how the homebuying process works when utilizing a VA loan in Hawaii, ensuring that you know what to expect throughout your journey.

05

Step-by-Step VA Homebuying Process in Hawaii



Purchasing a home with a VA loan in Hawaii requires following a series of steps that resemble those of acquiring any mortgage. However, there are some specific considerations unique to VA loans that you should be aware of. Below is a step-by-step breakdown of the homebuying process from start to finish:

1. The initial step in your homebuying journey is to connect with a team consisting of a **VA-savvy real estate agent** and a **VA-approved lender** licensed in Hawaii. It is highly recommended to work with professionals experienced in assisting military buyers and navigating VA loan offers, as they will often collaborate closely throughout the process. Begin by obtaining a **pre-approval** for a VA loan. This process involves reaching out to a lender to evaluate your income, credit history, and overall eligibility for a VA loan. The lender will assist you in obtaining your Certificate of Eligibility (COE) if you have not already secured it and will help determine the potential loan amount you can afford using your VA benefit. A solid pre-approval letter in hand is crucial in Hawaii's competitive housing market, as it demonstrates your qualifications before you start searching for a home. *(Tip: It is beneficial to select a lender who understands the unique aspects of Hawaii's real estate market, such as lava zones, leasehold properties, and condo approvals, as well as an agent (like us!) who frequently works with VA buyers.)*

2. Once you have secured pre-approval, the exciting part begins—searching for your new home! Your agent will assist you in identifying properties in Waianae, Ewa Beach, Kapolei, and other suitable areas that align with your criteria, such as budget, size, commuting distance, and school districts. As a VA buyer, you have **wide-ranging options** available—whether you prefer single-family homes, condominiums, or townhomes, as long as the condo project is VA-approved (your agent and lender can quickly verify if a project is on the VA's approved list). During this stage, your agent will also provide valuable **local market insights**. For instance, they may point out that *Ewa Beach features numerous newer homes that are particularly family-friendly*, while *Waianae offers larger lots or ocean views at more affordable prices, albeit with a longer commute*. Utilize your agent's local expertise to your advantage. As you tour potential homes, keep VA requirements in mind: properties should be in **reasonably good repair**. While they do not need to be brand new, any major safety issues will need to be addressed. VA appraisals have **Minimum Property Requirements (MPRs)**, which stipulate that the home must have safe utilities, a sound roof, and no signs of termite infestations. Most standard homes easily meet these criteria, especially in the areas you are considering, but if you are contemplating a fixer-upper, discuss with your agent the best approach to navigate that situation (the seller may be responsible for repairs, or you might explore a VA renovation loan as an option).

3. Once you identify the perfect home, your agent will assist you in crafting a compelling offer. In Hawaii, real estate transactions typically rely on a standard Purchase Contract used throughout the state. Your VA pre-approval letter will accompany the offer, demonstrating to the seller that you are a qualified buyer. A well-structured VA offer can also request certain advantages, such as asking the seller to **credit you for a portion of the closing costs** or to cover expenses like the termite inspection, which is quite common in Hawaii. In fact, many sellers expect to pay for termite clearance in VA transactions. It is important to note that requesting the seller to cover the cost of a termite inspection is standard practice and *is allowed by VA regulations* (veterans generally cannot be responsible for the pest inspection costs in Hawaii, making it the seller's responsibility or potentially covered by lender credit). Your agent will also work to ensure your offer stands out—there is a **misconception** among some sellers that VA loans are more difficult or slower to process, but a good agent will proactively reassure them that you are collaborating with an efficient VA lender and that you, as a buyer, are well-qualified. VA loans can close just as quickly as conventional loans, typically within ~30-45 days, so sellers should not have reservations. Including a personal letter detailing your service can also help your offer resonate with sellers, as some Hawaii homeowners have a strong appreciation for military families. Once the offer has been submitted, negotiations may ensue. When both parties reach an agreement and sign the contract, you will officially enter the “escrow” phase, meaning you are under contract to buy the property.
4. The period between the acceptance of your offer and the closing of the sale, which usually spans 30-45 days in Hawaii, is referred to as the **escrow** period. Numerous important activities take place during this time:

5. While a home inspection is not mandated by VA requirements, it is *highly recommended* that you engage a professional home inspector to thoroughly evaluate the property's condition. This inspection serves as an opportunity to identify any potential issues, such as roof leaks, electrical problems, or plumbing concerns, and allows you to negotiate necessary repairs or credits with the seller. Your agent will assist in coordinating these inspections shortly after the contract has been accepted.

6. The **VA appraisal** is a necessary component of the loan process and is ordered by your lender through the VA's system. A VA-certified appraiser will visit the home to determine its fair market value and ensure that it meets the VA's minimum property standards. This process may sound daunting, but it is not as intimidating as it seems—the appraiser's role is not to conduct a detailed inspection; rather, they ensure the home is safe, structurally sound, and free from any major habitability issues. Additionally, they will flag any discrepancies if the appraised value does not support the agreed-upon sale price. In Hawaii, VA appraisers may pay particular attention to **termite and pest** reports, any indications of water damage, or the presence of lava zones (especially on the Big Island). However, typical suburban homes in areas such as Waianae, Ewa, and Kapolei usually pass appraisal without complications. One common concern is whether the appraisal will meet the contract price; if it falls short, your agent will guide you through your options, which may include renegotiating the price or potentially covering the difference yourself, or even requesting a reconsideration of value. Thankfully, many neighborhoods in West Oahu exhibit stable prices, so significant appraisal discrepancies are not typically an issue, although it remains an important consideration in a competitive market where your offer may exceed the asking price.

7. In Hawaii, **termite inspections are mandatory** for VA loans, and they are also advisable for any home purchase in the area. You will need to hire a licensed pest control company to conduct an inspection, with costs generally ranging from ~\$100 to \$150; as mentioned earlier, the seller usually covers this expense in VA transactions. If the inspection reveals termites or wood rot, treatment and necessary repairs will be required. Most contracts stipulate that the seller is responsible for ensuring the home is delivered with a **“Termite clearance”**, meaning any infestations must be treated and any significant damage repaired. Given the prevalence of termites in Hawaii’s climate, effective treatments are available, and the VA simply wants to ensure that the home you are purchasing is not compromised by these pests.
8. Simultaneously, your lender will be **processing your loan application**. This involves finalizing your income and asset documentation, verifying the appraisal once it is completed, and preparing everything needed for underwriting. To maintain momentum in the process, it is crucial to respond promptly to any requests for paperwork. During this stage, it is advisable to avoid making significant financial changes, such as purchasing a vehicle or opening a new credit card, as these actions could impact your loan qualification.
9. You will also need to shop for homeowner’s insurance, which is a requirement for all homes, and your lender or agent can recommend reputable local insurance providers. Meanwhile, a title company (often referred to as escrow) will be working diligently in the background to ensure that you receive **clear title** to the property. This company is responsible for managing the closing paperwork and transferring funds. In Hawaii, closings typically utilize an **escrow company** as a neutral third party to facilitate the signing process and coordinate the transfer of funds.

10. Once all appraisals, inspections, and loan underwriting have been satisfactorily completed, you will reach the **closing** phase. In Hawaii, it is common for closing documents to be signed a few days prior to the official closing date, which is when the transaction is finalized, and the ownership is recorded with the Bureau of Conveyances. Before closing, you will have the opportunity to conduct a final walk-through of the property to ensure it is in the same condition as when you made your offer and that any agreed-upon repairs have been carried out. Following this, you and any co-borrower or spouse will sign the final loan documents, which can occur either at the escrow office or through a mobile notary. **Important:** As a VA buyer, one of the documents you will sign is a statement affirming that you will occupy the property as your primary residence—this is a requirement set forth by the VA. After you complete the signing, the lender will send the necessary funds, the deed will be recorded, and **the home is officially yours!** Typically, you will receive your keys on the day of recording. Congratulations on becoming a homeowner! It is time to **move in** and relish your new home in paradise. As a homeowner utilizing your VA benefit, you have likely secured a favorable interest rate and a monthly payment that your Basic Allowance for Housing (BAH) can comfortably cover (especially for active-duty personnel), effectively transforming your housing allowance into equity in your very own home.

Throughout this process, it is essential to rely on your real estate agent, and their transaction coordinator if they have one, as they will help coordinate all of the steps involved and keep everyone on schedule. VA transactions may involve additional paperwork, but experienced professionals are adept at handling these requirements routinely. Hawaii boasts a substantial military population, making VA loans particularly common in this region; many sellers, lenders, and agents are well-versed in the specifics of these loans. With the right team in place, your journey toward becoming a VA homebuyer should proceed smoothly and efficiently.

Now that we have discussed the general homebuying process, let's delve into local market insights specific to the communities of Waianae, Ewa Beach, and Kapolei. Each of these areas offers unique characteristics and amenities, and having a comprehensive understanding of the local conditions will assist you in making an informed decision about where to buy your home. Familiarity with the nuances of each market can provide you with a competitive advantage, particularly when negotiating and securing the best possible deal.

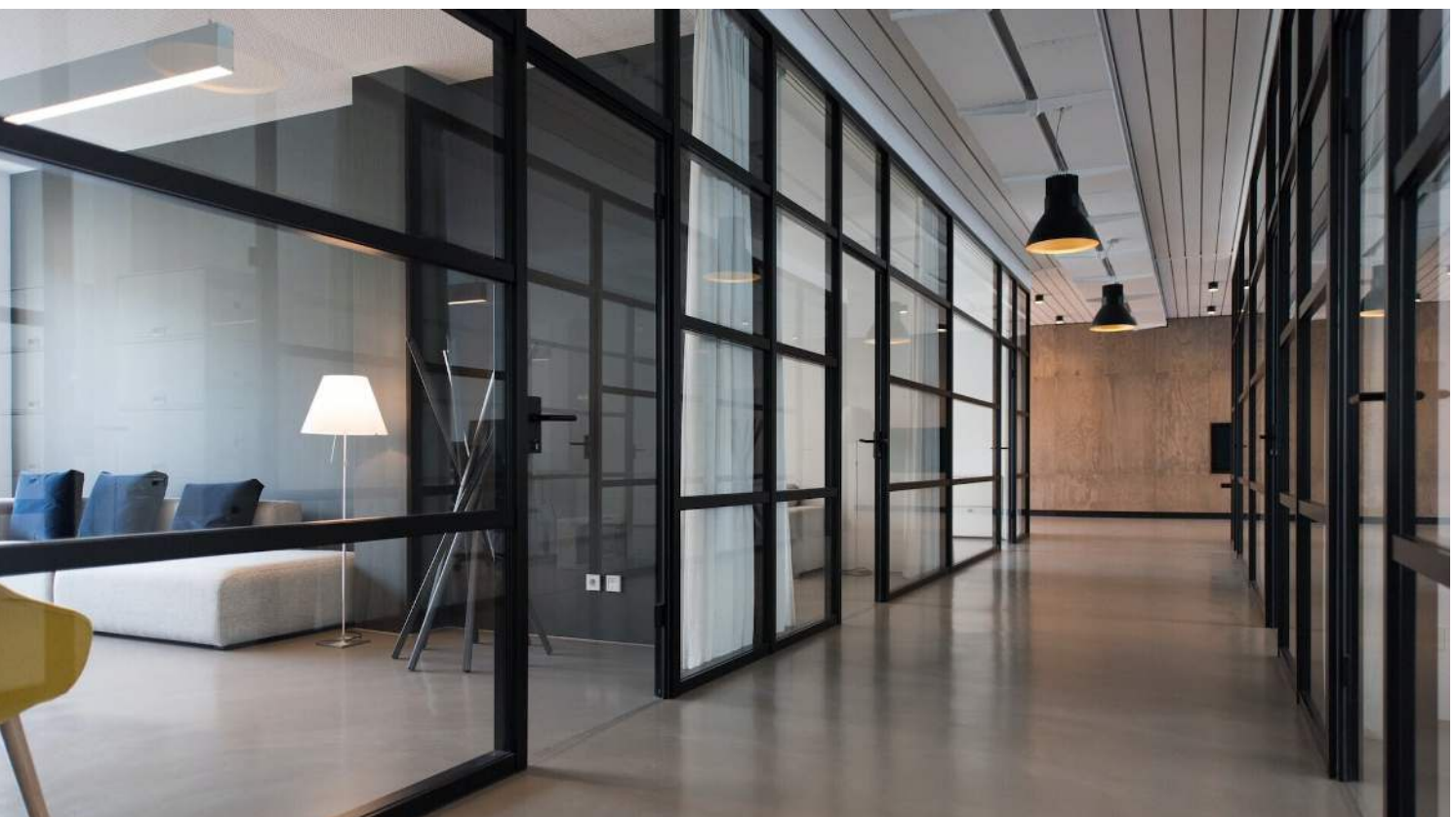
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Waianae - Local Market Insights for VA Homebuyers

Community Overview: Waianae (pronounced “WHY-uh-nye”) is a vibrant community located on the leeward (west) coast of Oahu. It is renowned for its stunning beaches, tranquil rural atmosphere, and rich local Hawaiian culture. Situated approximately 30 to 35 miles from downtown Honolulu, Waianae lies at the base of the majestic Waianae Mountain Range. This area, along with its neighboring towns—Makaha, Maili, and Nanakuli—offers a more remote and less developed environment compared to Ewa Beach or Kapolei, which enhances its laid-back, country feel. Residents can enjoy breathtaking coastline vistas, a variety of hiking trails, and a close-knit community vibe. For many military homebuyers, Waianae’s primary attractions are its affordability and spacious properties, as you typically get more house or land for your money in this region than in other parts of Oahu.



The real estate landscape in Waianae is diverse, featuring a blend of older plantation-style single-family homes, some newer constructions in select areas, and a variety of condos, particularly in Makaha. When compared to other regions in Oahu, home prices in Waianae are significantly more affordable. As of mid-2025, the median home sale price in the Waianae area is approximately \$547,500, which reflects a mix of single-family and condo sales. Many single-family homes can be found within the \$500,000 to \$700,000 range, which is considered very reasonable for Oahu. Notably, Waianae often has some of the island's lowest-priced homes; for instance, Makaha features condos priced between \$200,000 and \$300,000, and houses under \$600,000—prices that are virtually unheard of closer to urban areas. This affordability means that as a VA buyer with no down payment, you can find options that allow your VA loan to cover the entire purchase, comfortably falling below VA's county limits, which generally do not pose a concern for those with full entitlement. The market in Waianae in 2025 has cooled slightly from previous years' frenzies, shifting toward a buyer's market, which provides you with more negotiating power and a greater selection of inventory.



Types of Homes: In Waianae, prospective homebuyers can expect to find a significant number of single-story single-family homes, many situated on larger lots that range from 5,000 to 7,000 square feet or more, as well as modest townhome communities. Most homes in this area were constructed between the 1960s and 1980s, and while some may require a bit of tender loving care (TLC), there are also numerous renovated properties and even some new constructions within certain subdivisions. VA loans can be utilized to purchase any of these home types; however, it is important to consider that if a home is particularly old or exhibits deferred maintenance—such as a roof in disrepair or inadequate water or electrical service—it may require repairs to meet VA's minimum property standards. While encountering major issues in Waianae is not common, if you are interested in properties like off-grid cabins or homes in remote valleys that need work, it is advisable to discuss these considerations with your agent and lender. Generally, standard homes will meet VA requirements without issue, and your VA loan can also be applied to homes on Hawaiian Home Lands leases (if you are Native Hawaiian and eligible) or other leasehold properties, although these situations are exceptions.

It is important to note that Waianae itself does not host any major military installations. The closest facility is the Pililaau Army Recreation Center located at Pokai Bay, which serves as a beachfront recreation and relaxation center with cabins available for military personnel, but it is not a base. The absence of nearby military bases means that fewer active-duty families choose to reside in Waianae compared to areas like Ewa Beach and Kapolei.

Nevertheless, Waianae is home to many retired military personnel and veterans who are drawn to its local lifestyle and affordability. Some active-duty service members stationed at Schofield Barracks or Joint Base Pearl Harbor-Hickam (JBPHH) do opt to purchase homes in Waianae due to the appealing prices, but they often must factor in the commute as a significant consideration. On a positive note, the civilian community in Waianae is known for being very local and welcoming, especially if you make an effort to engage with your neighbors. Unlike the typical “military town” atmosphere, Waianae has a more authentically Hawaiian and local character.

The primary trade-off when considering Waianae is the lengthy commute to military bases or downtown Honolulu. There is essentially one main road, Farrington Highway, that serves as the primary route in and out of the area. During peak traffic hours, congestion on this road can become significant, particularly for those commuting from the Waianae Coast towards Kapolei and town. For instance, traveling from Waianae to Joint Base Pearl Harbor-Hickam or Hickam Field during morning rush hour can easily take 60 to 90 minutes for the approximately 25 to 30-mile journey. Reaching Schofield Barracks in Central Oahu can be more complicated; there is a back gate road over the mountain (Kolekole Pass) that may open for military use, allowing for a commute of about 35 to 45 minutes. If that route is unavailable, you might have to drive around via Kapolei, which could take about an hour. The drive to Kapolei (particularly the Barbers Point area) is more manageable, generally taking around 30 to 40 minutes. Ultimately, if you work at Pearl, Hickam, Tripler, or in Honolulu, you should be prepared for an early morning routine or consider adjusting your work hours. Some residents find that living in Waianae is worthwhile if they can adapt their schedules, such as leaving early to avoid traffic or working remotely on certain days. Additionally, there is a commuter ferry service from the nearby Kapolei area that runs to downtown, and a future rail line is planned to reach Kapolei, which could alleviate some commuting challenges in the long run. However, as it stands, Waianae currently offers the longest commute among these three areas. On the bright side, during weekends or off-peak hours, the drive can be quite pleasant, taking about 45 minutes and offering beautiful ocean views along the way.

Lifestyle and Amenities: The strengths of Waianae lie in its natural beauty and community spirit, rather than in extensive commercial amenities. Residents can enjoy gorgeous, uncrowded beaches—such as the family-friendly Pokai Bay and the renowned surfing destination of Makaha Beach—as well as numerous hiking trails in the Waianae mountains, all contributing to a slower, more relaxed pace of life. The shopping scene in Waianae leans heavily towards local businesses, featuring a few grocery stores, pharmacies, and small restaurants, along with an abundance of food trucks and roadside BBQ options. For larger retail needs, residents typically travel into Kapolei, which is about a 30-minute drive. The significant advantage of living in Waianae is the feeling of being distanced from the hustle and bustle of urban life—this represents a conscious lifestyle choice. For veterans retiring or families that do not mind the commute, Waianae can be a wonderful place to purchase a home with your VA loan while enjoying the tranquility of country living by the sea. Just be sure to consider the commute as an important factor in your decision-making process.

VA Buying Tips for Waianae:

- Take Advantage of Affordability: Due to the lower home prices in Waianae, you may find that you can comfortably keep your mortgage within your Basic Allowance for Housing (BAH) limits or afford a single-family home rather than being limited to a condo, which might be the case elsewhere. For example, with \$0 down and no private mortgage insurance (PMI), a home priced around \$550,000 in Waianae could yield mortgage payments that align closely with the BAH for an E-6 or E-7 with dependents. This scenario essentially allows you to convert your housing allowance into equity.
- Consider Resale and Renting: If you are active-duty and may need to relocate in a few years, it is wise to contemplate the future resale value or the potential for renting your property. The market in Waianae can be somewhat slower, meaning homes may take longer to sell. However, many owners successfully transition their Waianae homes into rental properties, as there is a demand for rentals from locals and civilians alike. Keep in mind that while the location may not appreciate as rapidly as Ewa Beach historically, it also did not experience the same drastic price increases, which can result in steadier long-term value.
- Be Mindful of VA Appraisal Requirements: Since Waianae has many older homes, if you find a property with visible issues—such as peeling paint or missing stair railings—work closely with your agent on how best to address these concerns. Often, sellers in Hawaii are familiar with VA buyer requirements and may proactively fix termite damage or safety issues. If needed, you can negotiate repairs as part of your purchase agreement. Do not shy away from considering older homes; just be sure to budget for necessary maintenance and use your housing allowance wisely to maintain your property.
- Community Involvement: Embrace the local community spirit in Waianae. Known for its aloha spirit, Waianae expects newcomers to show respect for local customs and friendliness.

As a military member, getting involved in the community—such as volunteering or attending local events—can greatly enhance your integration and enjoyment of life outside the base. While this may not be a tangible homebuying tip, it is a lifestyle choice that can make your homeownership experience there all the more rewarding.

07

Ewa Beach - Local Market Insights for VA Homebuyers

Community Overview: Ewa Beach (pronounced “EH-vuh”) is a rapidly growing suburb located in the southwest corner of Oahu. Situated on the Ewa Plain, just west of Pearl Harbor, Ewa Beach has undergone a remarkable transformation over the past few decades, evolving from former sugarcane fields into one of Oahu’s largest suburban communities. This area is often at the top of the list for military families seeking new homes, as it combines newer housing options, family-friendly neighborhoods, and relative proximity to both Honolulu and military bases. The community is characterized by well-planned developments, with various subdivisions that include modern homes, parks, schools, and shopping centers seamlessly integrated into the landscape. Ewa Beach offers a compelling blend of “old and new Hawaii,” featuring some historic plantation homes and local beaches alongside contemporary shopping plazas and suburban developments. It has become a popular choice for those stationed at Joint Base Pearl Harbor-Hickam, Schofield Barracks, or Camp Smith, as residents can easily commute from Ewa while enjoying a suburban lifestyle surrounded by fellow military families.

Housing Market & Prices: The real estate market in the Ewa Beach area, which includes neighborhoods like Ocean Pointe, Ewa Gentry, and Iroquois Point, is robust and dynamic. Housing options range from condos and townhomes to spacious single-family homes, with many properties constructed between the 1990s and 2010s. When evaluated by Oahu standards, the prices in Ewa Beach are considered mid-range. As of mid-2025, the median sold price for properties in Ewa Beach is approximately \$800,000, encompassing all property types. Single-family homes typically list within the \$800,000 to \$1 million range, depending on their size and location, while townhomes are generally priced between \$600,000 and \$800,000. The market experienced significant competition during the intense periods of 2020-2022; however, it has settled into a more neutral market in 2025, indicating that homes are selling at a reasonable pace and prices have begun to stabilize, with a slight decrease of a few percent compared to the previous year. For VA buyers, Ewa Beach's price points are manageable, as they align well with what many dual-military or military-civilian couples can afford, particularly given the absence of a down payment requirement. In fact, many homes in Ewa were originally purchased using VA loans, indicating a strong presence of VA homebuyers in this community, with Ewa Beach boasting one of the highest concentrations of VA loan purchases on the island.

In Ewa Beach, those interested in newer construction will find numerous options that meet their needs. Large developments by builders such as D.R. Horton, Gentry, and Haseko have introduced thousands of homes to the Ewa landscape since the 1990s. The types of homes you can expect to find include:

- Modern Single-Family Homes: Typically featuring 3 to 5 bedrooms and ranging from 1,500 to 2,500 square feet, these homes often include garages and small yards. Many exhibit a “neo-plantation” architectural style, characterized by stucco or siding and built during the 2000s or 2010s. They are equipped with modern amenities, such as open kitchens, central air conditioning, and solar panels.
- Townhouse Communities: Ewa Beach is home to a variety of townhome complexes, often consisting of 2-story townhouses or low-rise condos with 2 to 3 bedroom units, typically constructed within the last 20 years. These townhomes provide a more affordable entry point into homeownership, with some units priced between \$500,000 and \$700,000. VA loans can be utilized for these properties, provided that the condo project is VA-approved, which is common in Ewa Beach due to its significant military residential population—your lender can easily verify this information.
- Older Homes: Known as “Old Ewa,” this area near the ocean or within older village sections features some charming plantation-style single-wall homes from the mid-20th century. While these homes are less common, you may occasionally encounter a delightful older property on the market. Though they may not possess the polished finishes of new constructions, they often come with larger lots. VA loans can certainly be applied to these homes as well; just ensure that the property meets the basic conditions or that the seller is willing to address any required repairs.

One notable sub-area within Ewa Beach is Hoakalei and Ocean Pointe, which are master-planned communities featuring newer, often larger homes, as well as a private golf course in Hoakalei. Properties in these areas tend to be priced at the higher end, often closer to the \$1 million mark. However, the majority of offerings in Ewa Beach consist of mid-range family homes that are well-suited for VA buyers, making it an appealing choice for those seeking a welcoming and vibrant community.

08

Ewa Beach - Local Market Insights for VA Homebuyers

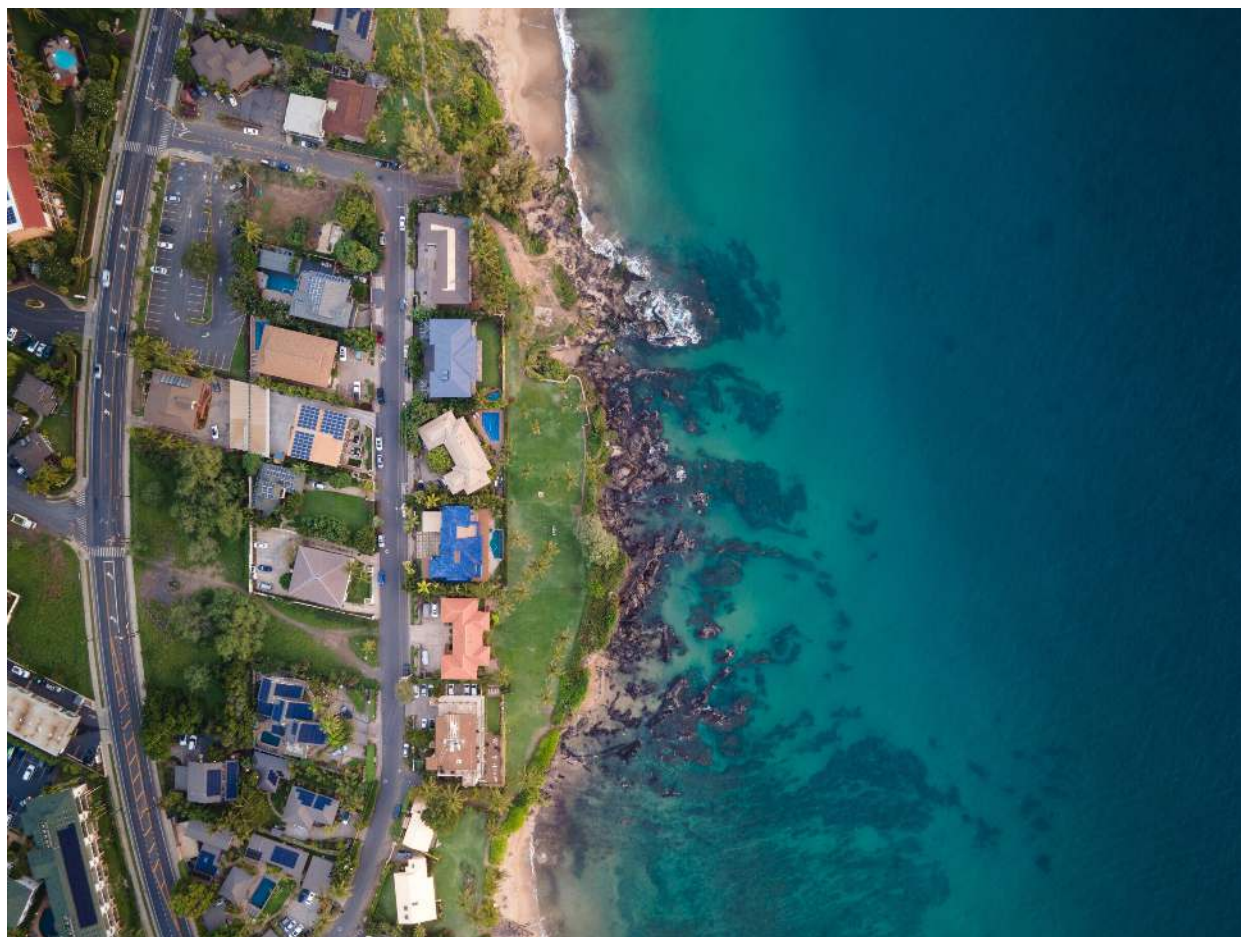
Ewa Beach serves as a significant military hub on Oahu, with a substantial portion of its residents being either active-duty military personnel or veterans. This military presence fosters a community where neighbors can easily relate to the unique challenges and experiences associated with military life. Topics like Permanent Change of Station (PCS) moves and deployments are commonplace at local playgrounds and community events. One of the key factors contributing to Ewa Beach's popularity is its strategic location, approximately 6 to 10 miles west of Joint Base Pearl Harbor-Hickam, which facilitates a manageable commute for many military families. Additionally, Ewa is situated about 17 miles south of Schofield Barracks and within 10 to 15 miles of Camp Smith. While Marine Corps Base Hawaii in Kaneohe is located further away at around 30 miles, many service members stationed at Hickam or Pearl Harbor opt for Ewa Beach due to its newer housing options. Coast Guard personnel stationed at Barbers Point Coast Guard Base, which is adjacent to southern Ewa, enjoy a mere 15-minute commute. This favorable situation has led to shorter waiting lists for base housing for certain ranks, as many military families prefer buying in Ewa.

Furthermore, residents benefit from a variety of military-focused services, such as the Navy Exchange and commissary located at Pearl Harbor, which is only a 20-minute drive away. The robust military community has also resulted in a supportive infrastructure, including well-regarded public schools and active youth sports leagues, which effectively integrate newcomers into the community.



Ewa Beach is more accessible than Waianae, yet it still falls within Oahu's "West Side," which means residents often encounter traffic congestion when commuting east toward Honolulu in the mornings. Specifically, the distance from Ewa Beach to the main gates of Pearl Harbor/Hickam is approximately 11 to 15 miles. Under ideal conditions, this commute would take about 20 minutes, but during typical rush hours, it can extend to anywhere from 45 minutes to an hour each way. The primary bottleneck occurs where Fort Weaver Road meets the H-1 freeway. Although the state has added lanes to alleviate congestion and a nearly completed rail line is expected to assist with commuting in the future, residents are advised to plan for early departures, ideally before 6 AM, to avoid traffic delays. Many military personnel take advantage of carpooling or adjust their schedules to mitigate the impact of peak traffic times, a flexibility that is often afforded by military life. For those commuting to Schofield Barracks or Wheeler Army Airfield, the distance is around 18 miles via Kunia Road, which typically translates to a 35-minute drive without traffic and up to 45 minutes during peak hours. The Kolehaha Pass, which connects Schofield to the back of Lualualei/Waianae, occasionally opens for military use, providing a faster route for Ewa residents when accessible. Overall, many Army families find that living in Ewa Beach offers a manageable commute to Schofield.

The good news for Ewa Beach residents is that the infrastructure is steadily improving. As highlighted in the Ewa Beach article, recent freeway expansions and the construction of an elevated rail transit system—known as Honolulu Rail—are already underway, with partial operations currently in place. Once fully operational, this rail line is projected to connect East Kapolei, which is adjacent to Ewa, to downtown Honolulu in approximately 40 minutes by train. This development has the potential to significantly transform commuting patterns for residents of Ewa Beach, making it a more attractive option for those working in the city. Many locals are expressing excitement about the future connectivity options that the rail system will provide, viewing it as a positive change that could enhance their daily commutes.



Ewa Beach is characterized as a family-oriented community, offering a wide array of amenities that cater to residents of all ages. Multiple shopping centers, including Safeway and Foodland grocery stores, along with popular dining options like Buffalo Wild Wings, McDonald's, and Starbucks, make it convenient for families to access familiar brands and services. Just a short drive away, the large shopping complex in neighboring Kapolei, known as Ka Makana Ali'i Mall, features a movie theater, department stores, and a diverse selection of dining options. Residents can also enjoy recreational activities at local golf courses, community parks, and beach parks, such as One'ula Beach, which is affectionately referred to as "Hau Bush" by locals. The educational landscape in Ewa Beach is also noteworthy, with schools generally receiving favorable ratings and showing improvement over time—many institutions boast GreatSchools ratings around 6 to 7. Additionally, the presence of Queen's Medical Center West Oahu provides residents with access to quality healthcare services, as this major hospital opened in 2014 and is currently expanding. Ultimately, life in Ewa Beach resembles that of a classic American suburb, infused with Hawaiian charm, where children play in cul-de-sacs, neighbors host barbecues, and the stunning ocean is never too far away, with White Plains Beach at Barbers Point being a quick drive for weekend surfing and family picnics.

For military families considering Ewa Beach as their potential home, several VA buying tips can enhance their home-buying experience. First and foremost, it's crucial to maximize the benefits of using a VA loan, especially in a competitive market like Ewa. While entering the market with a VA loan and making a \$0 down payment is common, it's important to demonstrate that you are a strong buyer in other aspects as well. Obtaining full underwriting pre-approval, if possible, can give your offer a cash-like quality that may ease concerns for sellers considering a VA offer. Highlighting your stable income and good credit through a cover letter can further strengthen your position. Interestingly, many sellers in Ewa Beach tend to prefer military buyers due to the reliable income provided by Basic Allowance for Housing (BAH) and stable employment, which can be a significant advantage in negotiations. Additionally, considering new construction options can be beneficial, as there are ongoing developments in Ewa Plains, such as Ho'opili by D.R. Horton, located on the border of Kapolei and Ewa. These new homes often welcome VA buyers and may even offer incentives, such as credits for closing costs or upgrades. If you have a flexible timeline before moving, opting for a brand-new home with VA financing—sometimes with builders covering closing costs—can be a rewarding choice. Just be sure to consult your agent to explore the latest available options, as new phases can sell out quickly.

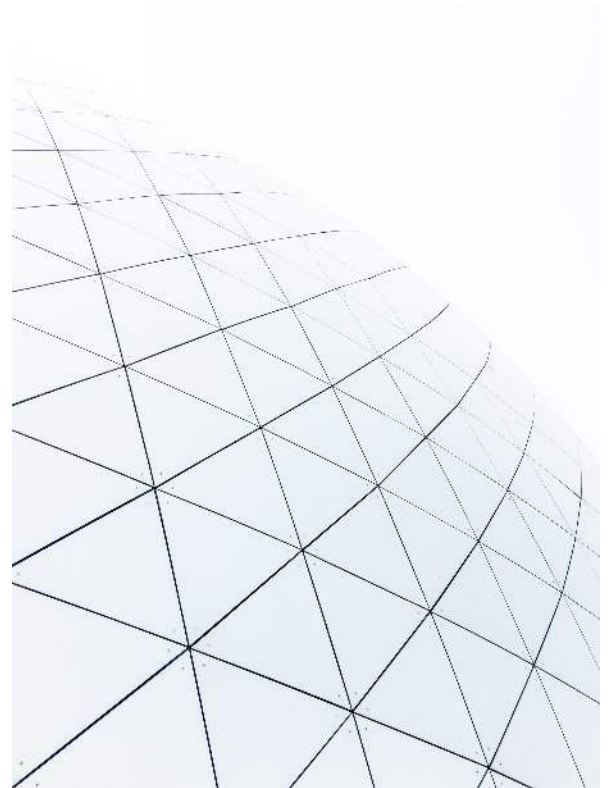
Another important consideration for potential homebuyers in Ewa Beach is budgeting for Homeowners Association (HOA) fees. Many homes in Ewa Beach, particularly townhomes or properties within newer communities, come with HOA fees that cover community maintenance. While VA loans allow qualifying buyers to include these fees in their overall budget, it's important to be aware of how they contribute to monthly expenses. HOA fees can vary significantly, ranging from approximately \$100 for some single-family communities with minimal associations to as much as \$300 to \$500 per month for townhomes that cover essential services like water, sewer, and landscaping. Therefore, it is vital to factor these costs into your overall affordability calculations. Sometimes, a slightly higher-priced single-family home with low HOA fees can end up being more cost-effective monthly compared to a less expensive townhome with higher maintenance costs. Quality of life is another compelling reason to consider purchasing in Ewa. If you plan to establish long-term roots in Hawaii, using your VA loan to buy in Ewa can provide you with a home that maintains solid resale value due to ongoing demand from incoming military families. If your stay is expected to be shorter, around three to four years, it is wise to think ahead; Ewa Beach boasts a strong military rental market, making it relatively easy to rent out your home if you receive a PCS order. Many investors actively target this area for rental opportunities, and even if market conditions are not optimal for selling upon your departure, renting to another military family can cover your mortgage, thanks to favorable BAH rates. Be sure to discuss property management options with your agent if you are considering this route.

In conclusion, Ewa Beach stands out as an exceptional choice for military homebuyers seeking to leverage their VA benefits. The unique combination of newer, relatively affordable homes by Hawaii standards and a community that genuinely understands the military lifestyle creates a welcoming environment for those moving from the Mainland. With its supportive infrastructure, excellent amenities, and a strong sense of community, Ewa Beach is undoubtedly a favorable landing spot for military families.

09

Kapolei - Local Market Insights for VA Homebuyers

Kapolei is frequently referred to as the “Second City” of Oahu, representing a rapidly growing urban center situated on the west side of the island. Located just north of Ewa Beach and approximately 20 miles from Honolulu, Kapolei has been strategically master-planned to alleviate the congestion faced in crowded Honolulu. For homebuyers, Kapolei presents a unique blend of city-like conveniences alongside suburban living. Residents enjoy access to various government offices, a regional shopping mall, big-box retail stores such as Costco and Home Depot, and even the endpoint of Oahu’s rail transit line. The area consists of several sub-neighborhoods, including Kapolei proper, Makakilo perched on the hillside, and the coastal resort region of Ko Olina. This dynamic area is exceedingly popular among both local residents and military families, primarily due to its strategic location and array of amenities. For those seeking modern conveniences and a newer home within a short drive of essential services, Kapolei undoubtedly emerges as a top choice.



The housing market in Kapolei bears similarities to that of Ewa Beach, with a majority of homes being relatively new, having been developed since the 1990s. However, Kapolei also offers a wider range of upscale options, catering to diverse buyer preferences. As of mid-2025, the median home price in Kapolei is approximately \$817,500, which is closely aligned with the median price in Ewa Beach. The market has maintained a robust performance, even witnessing a slight year-over-year price increase of 4% compared to 2024, indicating a sustained demand for housing in Kapolei. One of Kapolei's key attractions is its variety; buyers can find starter townhomes priced in the \$600,000 range, single-family homes typically within the \$800,000 to \$900,000 bracket, and higher-end executive homes or properties adjacent to golf courses exceeding \$1 million, particularly in sought-after areas like Ko Olina or Kapolei Knolls. For VA buyers, there are ample opportunities within the mid-range price points, particularly in the no-down-payment territory. While inventory may be competitive for certain price segments, the market has leveled off, alleviating some of the frenzy seen in previous years, and well-priced homes continue to sell quickly.

Kapolei features several distinct residential areas, each offering unique options for potential homebuyers. The Kapolei “City” neighborhoods comprise newer subdivisions situated in the relatively flat lands near the city center. Examples include Kapolei Kai and Kapolei Knolls, the latter being more upscale with larger homes, alongside newer developments around the Kapolei Commons area. Houses in these neighborhoods typically feature modern layouts with three to four bedrooms, akin to the new homes found in Ewa Beach. Lot sizes generally range from 4,000 to 5,000 square feet. The hillside community of Makakilo offers a different living experience, with homes ranging from older properties built in the 1960s at lower Makakilo to brand-new constructions at upper Makakilo.

The elevated location provides refreshing breezes and stunning ocean views, making this area popular among VA buyers seeking both scenic beauty and affordability, although it’s important to note that some older homes may require updates. Living in Makakilo does involve a bit more driving up and down hills, along with potentially higher utility costs due to the elevation. Ko Olina, known for its resort lifestyle with lagoons and hotels, also features townhomes and condos. While many of these properties serve as luxury or vacation rentals, some military families choose to reside there to enjoy the resort experience. VA loans can be utilized for these properties, provided the buyer occupies the unit, but prices are typically higher, with many listings easily exceeding \$1 million. Alternatively, Kalaeloa, the area once home to Barbers Point Naval Air Station, offers a small selection of affordable rental townhomes and limited for-sale homes, often restricted to specific programs.

Lastly, ongoing developments in Kapolei, such as the massive Ho'opili project situated between Ewa and Kapolei, will introduce thousands of new homes over time, including both single-family houses and condos. Many military buyers are already purchasing homes there using VA loans, as these properties are competitively priced and new. If a brand-new home is appealing to you, Ho'opili and similar projects should definitely be on your radar.

Overall, the housing market in Kapolei tends to feature newer and larger homes on average compared to Ewa Beach, which can result in slightly higher prices due to its status as the commercial hub of the region. However, the difference in monthly payments is often negligible when utilizing VA financing.





Kapolei is home to a significant number of military families, much like its neighboring area of Ewa. While there is no major active-duty base located within Kapolei itself, the Hawaii National Guard and Reserve maintain a training area in Kalaeloa, which was formerly Barbers Point NAS, and the nearby Kalaeloa Airport is utilized by the Coast Guard and Navy for aviation training. This military presence means that residents can expect to see military aircraft from time to time, and many individuals in uniform can be spotted at local establishments like Target and Costco during weekends. The military community is deeply integrated into the fabric of Kapolei, with families stationed at various military bases throughout Oahu choosing to call this area home. Additionally, many military spouses find employment opportunities within Kapolei's burgeoning job market. The atmosphere in Kapolei is welcoming and vibrant, characterized by a modern environment filled with transplants, making it easy for newcomers to settle in and feel at home.



It is worth noting that, due to Kapolei's more urban character, you may experience a different sense of community compared to the close-knit neighborhoods found in Ewa Beach. However, this perception largely depends on the specific micro-neighborhood within Kapolei. Many subdivisions still foster a sense of community through events such as block parties and social media groups. Additionally, military families are abundant in this area, creating ample opportunities for connection and support among residents.

Commute and Location

Kapolei is situated slightly closer to Honolulu compared to Ewa Beach, with only a few miles between them. This geographical advantage allows Kapolei to serve as the starting point for the H-1 Freeway West, which is a major roadway in the area. For those commuting to Joint Base Pearl Harbor-Hickam, the distance is approximately 17 miles. During peak traffic hours, residents can expect their commute to take around 40 to 45 minutes, which is comparable to Ewa Beach but may be 5 to 10 minutes shorter due to the more favorable position on the freeway. In contrast, off-peak travel can reduce this time to approximately 25 minutes. The commuting patterns are quite similar to those of Ewa, as the residents of Ewa Beach often feed into the Kapolei corridor. Some residents utilize Kapolei Parkway or Kamokila Boulevard to access the H-1, which can result in a less congested trip compared to the more commonly used Fort Weaver Road from Ewa.

Kapolei's inland location, apart from the coastal area of Ko Olina, means that it tends to experience warmer temperatures. It is recognized as one of the sunnier and drier regions on Oahu, which is fantastic for beach outings but can also lead to increased reliance on air conditioning during the summer months. Many of the newer homes in the area have been equipped with solar panels and energy-efficient air conditioning systems. This feature not only helps residents cope with the heat but also promotes sustainability and energy savings, making living in Kapolei comfortable despite its warmer climate.

Lifestyle and Amenities

Kapolei is designed for convenience, offering residents a wide range of amenities that cater to various lifestyles. The centerpiece of shopping in the area is the Ka Makana Ali'i shopping mall, which features popular stores such as Macy's, a movie theater, and a diverse array of dining options, including the Cheesecake Factory and numerous local eateries. In addition to this, residents can find essential retailers like Costco, Home Depot, Walmart, and Target, ensuring that all their shopping needs are met without the necessity of traveling into Honolulu. For families, Kapolei includes recreational attractions like Wet'n'Wild Hawaii, a water park that is a favorite among children and adults alike. The nearby Ko Olina Resort, known for its four stunning lagoons, also offers public access, providing perfect spots for family beach outings. Additionally, military families may benefit from special discounts at restaurants and events hosted by the Aulani Disney hotel.

Education is a priority in Kapolei, which is served by several schools including Kapolei High School, Middle School, and Elementary School, along with newer establishments like Ho'okele Elementary. These public schools are generally regarded as average to good, offering solid educational opportunities for residents. Additionally, some families opt for public charter schools or private institutions available in the Kapolei and Makakilo areas. With a significant military presence in the region, the schools are accustomed to accommodating transitions and provide ample support for military children, ensuring that they receive a stable and nurturing educational experience.

Community

As the “Second City” of Hawaii, Kapolei is characterized by continuous growth and development. This ongoing expansion leads to the construction of new roads and homes, which sometimes results in growing pains, such as increased traffic and construction activity. However, this development also signals an exciting atmosphere of progress and opportunity. For homeowners, the growth in the community can translate into increased property values and improved infrastructure, contributing positively to the overall desirability of the area. Thus, investing in real estate in Kapolei can be quite beneficial, as the community evolves and flourishes.

VA Buying Tips for Kapolei

For those looking to purchase a home in Kapolei, being prepared is critical in this competitive market. Ensuring that your VA financing is in order will put you in a strong position. It is advisable to obtain a solid pre-approval letter from a lender, preferably one familiar with the local market. Some sellers' agents prefer working with local Hawaii VA lenders who are known for their ability to expedite appraisals and ensure smooth closings. If you need assistance, we can connect you with a trusted VA loan officer who can guide you through the process and ensure all your financial documentation is in order.

If you are seeking more space or scenic views within your budget, consider looking into Makakilo, which is situated on the hillside above Kapolei. Many military buyers have discovered hidden gems in this area, often finding older homes that offer ample yard space or stunning ocean views at prices lower than those in new Kapolei developments. VA loans are also applicable in Makakilo, but it is important to verify the type of sewage system in use, as some homes may utilize cesspools. However, the majority of properties in Kapolei and Makakilo are connected to the sewer system, reducing the likelihood of encountering this issue.

Homebuyers should also be aware that Kapolei features properties that may exceed the typical loan limits associated with VA loans, especially if you have partial entitlement issues. However, with full entitlement, the VA imposes no upper limit on loan amounts, allowing qualified buyers to purchase homes priced over \$1 million with zero down payment. Lenders in Hawaii routinely finance VA loans that exceed \$1 million, so do not hesitate to explore higher-priced properties. Your income and Basic Allowance for Housing (BAH) will ultimately determine your purchasing power, not the VA program itself. Many of our clients have successfully invested in luxurious homes on golf courses using their VA benefits, demonstrating the possibilities available to you.

It is worth noting that many neighborhoods in the relatively newer areas of Kapolei have Homeowners Associations (HOAs), similar to Ewa Beach. Additionally, property taxes in Hawaii are relatively low for owner-occupants, averaging around \$600 per \$100,000 of assessed value annually. This low tax rate helps keep monthly escrow payments manageable, even for pricier homes. If you are a veteran with a 100% disability rating, you may qualify for a property tax waiver, which can further enhance your affordability. When considering your budget, keep in mind that the lower tax burden can help offset the overall carrying costs of homes in this area.

Kapolei's ongoing growth suggests that demand for housing will remain strong in the foreseeable future. If you receive orders to relocate later on, it is likely that you will find it easier to sell or rent your Kapolei home due to the area's continued development and increasing desirability. Furthermore, should interest rates decrease in the future, you will have the option to streamline refinance your VA loan through the VA Interest Rate Reduction Refinance Loan (IRRRL), allowing for reduced payments with minimal hassle. This flexibility provides peace of mind, knowing that your investment in Kapolei can be both a home and a financial asset.

Kapolei truly embodies a fantastic lifestyle for military families, offering a balance between being away from the bustling city of Honolulu while still providing modern conveniences. Residents who purchase homes here, often with the intention of staying for just a few years, frequently find themselves falling in love with the community and returning after assignments elsewhere. This sense of belonging and satisfaction speaks volumes about the quality of life in Kapolei.

Having explored the local area, you now have a better understanding of the unique characteristics that differentiate Waianae, Ewa Beach, and Kapolei. Next, we will address some of the most common questions and misconceptions regarding VA loans that have surfaced among homebuyers, particularly those who are new to Hawaii or are utilizing their VA benefits for the first time.

10

Frequently Asked Questions (FAQs) - Hawaii VA Loans



Q: Do I need to put 20% down or any down payment at all with a VA loan?

A: No, one of the most significant advantages of a VA loan is that no down payment is required for loan amounts up to your full entitlement. This means you can finance 100% of the purchase price, which is a considerable benefit for many buyers. In fact, the majority of VA borrowers choose to put down 0%. Additionally, there is no Private Mortgage Insurance (PMI) associated with VA loans, so you won't be penalized for opting not to make a down payment. While it's possible to make a down payment if you wish to lower your monthly payment or decrease the funding fee, it is not a requirement. For example, putting down 5% can lower your VA funding fee from 2.15% to 1.5%. However, if you are short on cash, you can comfortably opt for a \$0 down payment and reserve your savings for other expenses or emergencies.



Q: What credit score do I need to get a VA loan?

A: The VA itself does not impose a minimum credit score requirement. However, individual lenders typically set their own minimums. Most lenders prefer to see a credit score of around 620 or higher for VA loans. Some lenders may accept lower scores in the range of 600-619, or even high 500s, provided that other aspects of your financial profile are strong. It is important to note that VA loans tend to be more forgiving regarding credit history issues compared to conventional loans. If you have experienced a bankruptcy or foreclosure in the past, the waiting periods required by the VA are often more lenient. It is advisable to consult with a VA lender, who can often assist you or provide advice on how to improve your credit quickly to meet the necessary qualifications.

Q: How much can I actually afford in Hawaii with my BAH?

A: The amount you can afford depends on your military rank, dependents, and station, as the Basic Allowance for Housing (BAH) varies accordingly. For instance, in 2025, the BAH for an E-5 with dependents in Honolulu County is approximately \$3,200 per month. Higher ranks receive even more BAH. As a general rule, a mortgage payment that includes taxes, insurance, and HOA fees should ideally be in line with your BAH for a comfortable fit. Given the current interest rates, a loan of \$100,000 typically results in a monthly payment of about \$600 for principal and interest. Therefore, an \$800,000 loan may lead to a total monthly payment of around \$5,400, which could be manageable for an E-7 or O-3 with additional spouse income. Conversely, a \$600,000 loan would total about \$4,000 monthly, which is affordable for many service members. The key to understanding your affordability is to obtain pre-approval from a lender who can calculate your actual BAH and income accurately. Dual-military couples, for example, often find they can comfortably afford homes priced at \$900,000 or more with zero down payment due to their combined BAH and pay. Additionally, with the absence of PMI, your purchasing power is greater compared to conventional loans, and the VA allows higher debt-to-income ratios, recognizing the stability of military income.



Therefore, it is advisable not to self-disqualify; instead, engage with a lender to discover what you can truly afford.

Q: Is it true VA loans take longer or are harder to close?

A: Not anymore. This is a common misconception that has persisted over the years. Historically, VA appraisals were slower, leading to hesitation among sellers. However, current processes have improved significantly, and VA loans in Hawaii now close within a similar timeframe of 30 to 45 days as other loan types. The timeliness of VA appraisals in Oahu is on par with conventional appraisals, typically taking about 10 days to receive a report. Additionally, many bureaucratic hurdles have been streamlined, with a significant portion of the process now being digital. The critical factor is to work with a lender who is well-versed in VA processes. When making offers, we ensure it is clearly communicated that you are working with a reputable VA lender who can deliver on time. In fact, there have been instances where VA loans have closed faster than conventional loans, as VA underwriters are intimately familiar with the nuances of the program. Therefore, do not worry that utilizing your VA benefits will hinder your offer; a well-prepared VA buyer is as solid as a conventional buyer, and we can effectively convey this to sellers when necessary.

Q: Will the seller have to pay all my closing costs with a VA loan?

A: No, there is no requirement for sellers to cover your closing costs; this aspect is negotiable in the contract. VA loans do allow sellers to contribute up to 4% of the purchase price toward your closing costs, known as seller concessions, but this is not mandatory. In Hawaii's competitive market, especially during peak times, buyers often end up covering their own closing costs. However, in softer markets, we may be able to negotiate for the seller to contribute a portion of these costs. It is important to be aware that closing costs generally consist of fees such as the origination fee, title insurance, and escrow fees, which usually total around 2-3% of the purchase price. We can request a credit in your offer to help with these costs, but keep in mind that asking the seller to pay may weaken your offer in a competitive bid. A common strategy is to slightly increase the offer price to account for a credit back, effectively financing the closing costs. VA loans even allow lenders to cover some costs through slightly higher interest rates, known as lender credits. Thus, there are various strategies to minimize your cash outlay. However, aside from the pest inspection fee—which is not permitted to be paid by the veteran in most states, including Hawaii—sellers are not obligated to cover any of your costs; it remains entirely negotiable.

Q: What about the VA funding fee – can I get that waived or do I pay it upfront?

A: As previously discussed, the funding fee is only waived if you have a VA disability compensation rating or fall into specific categories, such as being a Purple Heart recipient on active duty. If you qualify for an exemption, this will be indicated on your Certificate of Eligibility (COE) with a note stating "Funding Fee: Exempt." For all other borrowers, the funding fee is typically financed into the loan rather than being paid upfront in cash. Therefore, most buyers do not experience the funding fee as a separate charge; it is included in the total loan amount at closing. While it is possible to pay the fee in cash at closing, very few choose to do so. One additional tip is that if you think you may soon be eligible for a disability rating—perhaps you have a pending VA claim—and you receive a rating that is retroactive to before closing, you can actually receive a refund of the funding fee. There have been instances where clients closed on their loans and later received a retroactive disability rating, leading to a pleasant surprise when the VA refunded their funding fee.

Q: Can I use a VA loan to buy an investment property or vacation home in Hawaii? A: Not directly. VA loans are specifically intended for primary residences only, which means you must certify that you intend to occupy the home as your main living space. You cannot utilize a VA loan to purchase a property that is purely for rental purposes, where you have no intention of living there at all. However, there is a viable strategy for those interested in investing: you can acquire a multi-family property, which can have up to four units, using a VA loan. In this scenario, you would reside in one unit while renting out the others. This approach not only allows you to make use of your VA benefits but also serves as an excellent introduction to real estate investing. Furthermore, if you later choose to move, you can convert your VA-financed home into a rental property, provided you have lived there for a reasonable amount of time initially. For vacation homes, the regulations are also strict; you are generally allowed only one VA loan for a primary residence at a time unless you have specific entitlement for a second loan. Even then, the occupancy rules will apply to any new purchase. Therefore, it would not be permissible to use a VA loan to acquire a vacation home in places like Kona on the Big Island if you already have a VA loan on your primary residence in Oahu. In summary, VA loans are designed for your primary home, not for secondary residences. Many veterans utilize one VA loan at a time, live in that property, then rent it out or refinance it if necessary, and finally use VA benefits again for a new home at a different duty station.

Q: What if the house has issues – will VA require repairs? A: The VA appraisal process will identify any Minimum Property Requirement (MPR) issues that must be addressed before the loan can close. In Hawaii, some common problems that may arise include chipping lead-based paint in older homes, which necessitates scraping and repainting, or the absence of essential kitchen appliances like a stove or refrigerator, as the VA expects a fully functional kitchen. Other potential issues include termite damage, which requires treatment and repair, and missing smoke detectors, which are critical for safety. If any of these problems are noted, they must be remedied for the loan to close successfully. Typically, the buyer's and seller's agents will negotiate who will be responsible for making the necessary repairs. Often, sellers are willing to address health and safety-related items, as these concerns will likely be identified by any subsequent buyers, including those using FHA loans. If a seller refuses to complete significant repairs, you will have to decide whether you are willing to take on those costs yourself, and you may need to consult with your lender about the possibility of escrow holdbacks. Our guidance for VA buyers is to avoid properties with serious red-flag issues unless you are fully prepared to undertake the necessary repairs. However, it's reassuring to note that most homes built in Ewa and Kapolei over the last 20 to 30 years typically pass the VA appraisal process with no repairs needed. In contrast, older homes in Waianae may have some minor issues, but these are routinely addressed during the escrow process.

Q: Can I get a second VA loan while I still own my first home (VA)? A: It is possible, yes, depending on the remaining entitlement you have available. This situation often arises when a service member has part of their entitlement tied up in their current VA loan. For instance, if you purchased a home in Georgia for \$300,000 using a VA loan and are now relocating to Hawaii, you may have the option to use your remaining entitlement to secure a new loan in Hawaii. The VA employs a specific formula that considers the local conforming loan limit. For example, in Honolulu County, which has a high balance limit (e.g., \$1,089,300 in 2025 for conforming loans), you might be eligible to buy a new home with either no down payment or a minimal down payment. While this process can become technical, many military families successfully navigate it—retaining one home as a rental while acquiring another using VA financing. The caveat is that if your first loan was substantial, your second purchase is likely to require a down payment, but if your first loan amount was comparatively small, you might have enough entitlement to secure two no-down payment loans. We can assist with the calculations, or your lender can provide guidance. Alternatively, you might consider refinancing the first loan into a conventional loan, which would restore your full VA entitlement for use in Hawaii. Every situation is unique, so if you intend to retain an existing VA-financed property, it's crucial to consult with us and your lender early in the process.

Q: Are condos in Hawaii hard to buy with VA loans? A: Condos can indeed be purchased with VA loans, but it is essential that the specific condo project is VA-approved. Hawaii boasts thousands of condos, and fortunately, many of them are VA-approved, particularly in areas that are popular among military families, such as Ewa Beach, Kapolei, and Salt Lake. The VA maintains an online list of approved condo projects, and our team can quickly check the status of any condo you are interested in. If a particular condo is not already on the VA-approved list, it may still be possible to obtain VA approval for it; however, this process can be time-consuming and is not guaranteed, especially if the condo's financials or owner-occupancy rates do not meet VA standards. To simplify the home buying process, we typically recommend condos that are already known to be VA-approved. If you find a property that you love but it isn't on the list, we will evaluate the potential for approval or explore other options, such as getting a spot approval from the lender, though this is assessed on a case-by-case basis. Additionally, be aware that many townhouses are legally structured as condos, so they are subject to the same VA approval rules. It's also important to keep in mind the distinction between fee simple properties and leasehold properties. VA primarily lends on fee simple properties, which means you own the land. Conversely, a leasehold property, common in some Honolulu area condos or older homes, means you only hold a lease on the property and do not own the land itself. The VA typically requires that the lease expiration extends well beyond the mortgage term and meets other conditions, which means many leasehold properties will not qualify for VA financing. Therefore, it is advisable to focus on fee simple properties, which are widely available in Ewa, Kapolei, and most of Waianae, with the exception of specific areas like Makaha Surfside condos, which may be leasehold.

Q: Should I use my VA loan now or save it for later? A: In almost every case, the advice is to use your VA loan now if you are looking to buy a home. There is a common misconception that VA loans can only be utilized once, but this is not accurate; you can reuse VA loans multiple times throughout your life. Consequently, there is no compelling reason to "save" it for a future purchase. Moreover, the advantage of a 0% down payment is particularly significant when home prices are elevated, such as in Hawaii. If you were to defer using your VA loan and instead pursue a conventional loan, you would likely face the burden of a substantial down payment and private mortgage insurance (PMI), which does not make financial sense when VA financing could substantially reduce those costs. Some may consider waiting to use their VA loan for a retirement home, but if that scenario is decades away, you risk missing out on the opportunity to build equity now, especially if renting in the interim. Our recommendation is straightforward: utilize your VA benefit when and where it is most beneficial for you. If down the line you decide against using VA financing for a future purchase, that's perfectly fine; at least you took full advantage of it in your current situation. The only instance where it might make sense to "save" your VA loan is if you can comfortably afford a 20% down payment and are purchasing a smaller condo that you intend to convert into a rental soon. In such a case, some may opt for a conventional loan on the smaller property while reserving their VA loan for a larger home later. However, even in this situation, you could still proceed with a VA loan now and then reuse it later by selling or renting the property to restore your entitlement; the flexibility is a significant advantage.

Q: What if I receive orders elsewhere after buying – am I forced to sell? A: No, you are not obligated to sell your home at all. Many military homeowners choose to convert their homes into rental properties when they receive orders to relocate. The VA loan does not become due simply because you have moved out. The only stipulation is that you must have initially intended to occupy the property, which is typically satisfied by living there for a minimum of a few months. Once this requirement is met, you can rent out your home. You will continue to pay your VA mortgage as usual; however, you will now benefit from rental income from tenants. It may be necessary to obtain permission from your lender to rent out the property, but this is mostly a formality, often requiring only an update to your insurance. Many families opt to keep their homes in Hawaii as long-term rentals, given the strength of the Oahu rental market, while others may choose to sell and cash out any equity they have built up. Ultimately, the decision is yours. Having a VA loan provides you with options, ensuring you are not locked into any one course of action beyond the general commitments of a mortgage. One important note: if you decide to keep your property and later wish to access VA benefits again, you will either need to have remaining entitlement or refinance the loan out of VA to free it up. We are here to assist you when that time comes, as many of our clients transition into multi-property ownership by strategically leveraging their VA benefits.

Those are some of the most frequently asked questions regarding VA loans. If you have any additional inquiries, please do not hesitate to reach out to us. We are here to serve as your resource. In the next section, we will outline the steps to get started and explain why contacting a local real estate agent experienced with VA transactions (like us!) can significantly enhance your home buying journey.

11

Next Steps & Contact Information

Mahalo (thank you) for taking the time to read this guide! By now, you should feel more informed about the VA loan process and what to expect when purchasing a home in Waianae, Ewa Beach, or Kapolei. The combination of your VA benefits and the vibrant communities in Hawaii can truly lead to a rewarding homeownership experience. Whether you are PCSing to Oahu, a long-time resident ready to utilize your VA benefits, or a veteran planning to retire in this beautiful paradise, we are here to ensure that the process is as smooth and stress-free as possible.

Every buyer's situation is unique, and this is where personalized guidance becomes invaluable. As local real estate professionals specializing in assisting military families, we would be honored to help you take the next steps in your home buying journey:



- **Want to see what you qualify for?** We can connect you with reliable VA loan specialists who will provide pre-approval services and discuss current interest rates and payment options tailored to your specific situation. Often, a brief phone call is all it takes to initiate the pre-approval process.
- **Curious about available homes?** We can set up a customized home search for Waianae, Ewa Beach, and Kapolei (as well as any other areas you may be interested in) so that you receive alerts about new listings that match your criteria. Additionally, we will provide insights on specific neighborhoods, as sometimes the difference between one street and another can significantly impact your commute or the overall feel of the area. We have extensive knowledge of these communities.
- **Unsure if buying is the right move right now?** Let's discuss your situation in detail. We can conduct a rent-vs-buy analysis based on your Basic Allowance for Housing (BAH), explore current market trends to determine if it's a favorable time to buy, and ensure that you feel comfortable with the financial commitment involved. Our goal is to empower you to make the best decision for you and your family. Even if you are a year away from wanting to buy, it is never too early to strategize, especially if you need to save more funds or improve your credit score.

Contact us – we're here to help. Feel free to reach out at any time to discuss your plans or to ask questions about VA loans and real estate in Hawaii.

Jessica Haynes (RA) and Jeffrey Haynes (RA) – Your Local VA-Savvy Real Estate Team (and fellow military family supporters)

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We are experienced Realtors® who have assisted numerous veterans and service members in successfully purchasing homes using VA financing. We take pride in being "military-friendly" and, as a military family ourselves, we understand your needs and the unique challenges associated with relocating. You can trust us to provide honest, transparent service and to go above and beyond to earn your trust; our business thrives on referrals from satisfied clients.

Next Steps: If you are ready to take action, give us a call or send us an email or text. We can schedule a buyer consultation (with no obligation, of course) to address any remaining questions you may have and outline a strategic game plan. Even if you are just arriving on the island and seek advice, we can conduct area tours or arrange video chats. Our mission is to help you feel at home in Hawaii and to maximize your well-deserved VA home loan benefits.

We hope this guide has been informative and welcoming. Purchasing a home is a significant milestone, but you don't have to navigate it alone. With the right information and a supportive team by your side, you will be unlocking the front door to your new home before you know it. Thank you for your service, and we look forward to helping you achieve your homeownership goals in Hawaii!

VA Home Buyer...

Discover the ultimate resource for VA homebuyers in Waianae, Ewa Beach, and Kapolei, Hawaii. This guide offers essential insights into local markets, appraisal requirements, and practical tips to navigate the unique challenges of purchasing a home in paradise. Whether you're relocating for duty or seeking a long-term investment, prepare for a smooth journey to finding your ideal Hawaiian home.

