

VA Guaranteed Home Loan Cash-Out Refinance Comparison Certification

Section I – REFINANCE LOAN COMPARISON

Date: _____ Estimate Final

	<u>EXISTING LOAN</u>	<u>PROPOSED LOAN</u>
Loan Balance	\$ _____	\$ _____
Monthly Payment	\$ _____	\$ _____
Remaining Term (months)	_____	_____
Loan Type	_____	_____
Interest Rate	_____ %	_____ %
Total Scheduled Payments	\$ _____	\$ _____
Loan-to-Value Percentage	_____ %	_____ %
Home Equity Remaining	\$ _____	\$ _____
Estimated Impact of Refinance Amount of Equity Removed*		\$ _____

***NOTICE TO BORROWER(S):**

The removal of your home’s equity may impact your ability to sell or refinance your property in the future.

Section II – NET TANGIBLE BENEFIT FOR REFINANCE LOAN

To the best of the _____ knowledge and based on the information above, _____, has determined that the proposed refinance loan outlined in Section I meets the following net tangible benefits:

- The new loan eliminates monthly mortgage insurance, whether public or private, or monthly guaranty insurance
- The term of the new loan is shorter than the term of the loan being refinanced
- The interest rate on the new loan is lower than the interest rate on the loan being refinanced
- The payment on the new loan is lower than the payment on the loan being refinanced
- The new loan results in an increase in the borrower’s monthly residual income as explained by 38 CFR 36.4340(e)
- The new loan refinances an interim loan to construct, alter, or repair the primary home
- The new loan amount is equal to or less than 90 percent of the reasonable value of the home
- The new loan refinances an adjustable rate mortgage to a fixed rate loan
- Payment savings on rate/term refinance will recoup the loan costs within 36 months

Section III – BORROWER CERTIFICATION FOR REFINANCE LOAN

I/We hereby certify that I/we understand the effect the refinancing has on my loan balance, payments, interest rate, term, total payback of payments, and remaining equity in my home should I/we accept a refinance loan.

Borrower _____

Date:

Co-Borrower _____

Date: