



## VA Cash Out New Rules on VA Cash Out Refis

# VA Cash Out Refis have New Rules

The VA has issued New Rules regarding Cash Out Refis. The New Rules will be effective on VA Loan Applications beginning February 15, 2019. One of the goals of the New Rules is to better inform VA Borrowers of the impact that a Cash Out Refinance will have on their finances. The New Rules don't apply to IRRRLs.

### Highlights

- **Max Cash Out LTV = 100%** (including the Funding Fee)
- **Expanded Net Tangible Benefit Test**
- **New Comparison Disclosure** (many additional metrics)
- **New Disclosure Issued within 3 Days of Application**
- **210 day Loan Seasoning** (seasoning starts 1<sup>st</sup> Payment of current loan)
- **36 Month Fee Recoupment Disclosure** (Applies only to VA to VA and includes all fees but not escrows/prepays)

To read the VA Circular regarding the New Cash Out Refi Rules, click on the URL below:  
[https://www.benefits.va.gov/homeloans/documents/circulars/26\\_18\\_30.pdf](https://www.benefits.va.gov/homeloans/documents/circulars/26_18_30.pdf)

Other Restrictions apply. For complete details, contact your Account Manager

# gmfsagent.com



02/19/19