



Native American Direct Loan Program

Presented by

Phoenix Regional Loan Center



Loan Purpose

- Purchase or Construct a SFR
- Manufactured Home
 - On permanent foundation
- Significant Home Improvements
 - Existing liens “incidental” to transaction
- Refinance an existing NADL
- No Multi-Family Units



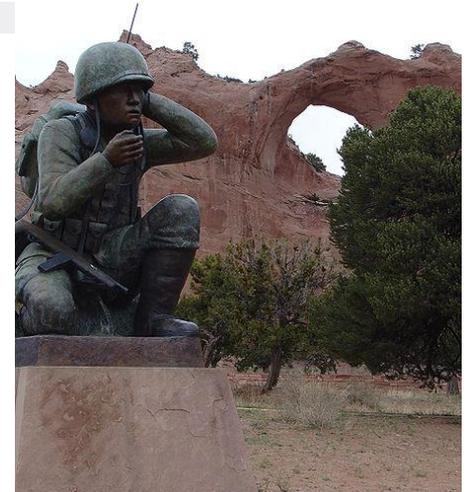
Who is Eligible?

- Veterans
 - Completed full term of service
 - Discharge other than Dishonorable
- Active Duty Service Members
 - At least 90 days
- Reserve/National Guard Members
 - At least 6 years
 - Under Honorable Conditions
- Un-remarried Surviving Spouses



NADL Requirements

- Tribal Membership
 - Spouse of Tribal Member
- Reside on Trust Land
 - Renewable Home Site Lease
 - Certified Title Status Report
- Memorandum of Understanding (MOU)



The Loan

- Interest Rate is 3.5%
- Loans up to \$417,000
- Owner Occupy (primary residence)
- Credit and Income Qualify
- Down Payment Assistance and Grant programs acceptable



Credit Guidelines

- No minimum credit score
- 2 years from Bankruptcy/Foreclosure
- Judgments paid or repay plan
- Collections do not necessarily have to be paid
- No late payments in the past 12 months
- Flexible standards



Income & Assets

■ Income

- Stable and Reliable
- Anticipated to continue
- Sufficient in amount

■ Assets

- Document any funds needed to close
- Investment properties require additional funds
- Gifts and Homebuyer Assistance Programs are acceptable



Closing Costs

- VA Appraisal (\$450-\$500)
- Inspection Fees (\$100-\$200 each)
- Loan Closer/Escrow Fees
- Pre-paid Interest
- Hazard Insurance Premiums
- VA Funding Fee
 - 1.25% Active Duty
 - 2% Reservists
 - Some Veterans Exempt
- Third Party Packaging Fee (\$300)



The Loan Process

1. Contact VA or Third Party Processor
2. Verify Eligibility/Lease Agreement
3. Loan Application Completed
 - Paystubs
 - Bank Statements
4. VA Preliminary Credit Review



The Loan Process Cont.

5. Purchase Contract
 - Contingent on VA Financing
6. TSR Requested
7. Final Loan Approval
8. Appraisal/Inspections Completed
9. Loan Closes
10. Loan Servicer is Bank of America



New/Proposed Construction

- Three copies of plans & specs
- Description of materials
- Cost Estimates
- Financing:
 - Staged Disbursements
 - Temporary Financing with VA reimbursement
 - Turn-key with commitment from VA



Frequently asked Questions

- What are the contractor requirements?
 - Licensed by state or tribe
- Can the veteran act as contractor?
 - With qualified experience and access to subcontractors
 - VA prior approval required



More FAQs

- What are the minimum property requirements?
 - Safe, Sanitary, Structurally Sound
- Does the site need water, electricity, and sewer hook ups?
 - May be waived if typical for the area



Contact Information

- Local Website:
www.vba.va.gov/ro/phoenix/RLC_Main.htm
- National Website: www.homeloans.va.gov
- Phoenix Regional Loan Center
 - **1-888-869-0194**
 - Loan Production email: LPGC.VBAPHO@va.gov
 - Construction & Valuation email: CVGC.VBAPHO@va.gov

