

VA INTEREST RATE REDUCTION REFINANCE LOAN COMPARISON STATEMENT

VETERAN:		SPOUSE:	
ORIGINATOR:			
PROPERTY:			

MONTHLY SAVINGS: OLD LOAN vs. NEW LOAN

	OLD LOAN	PROPOSED LOAN	
VA Loan #			
Month & Year Originated			
Interest Rate (1)			
Loan Term (2)			
Fixed Rate or ARM			
Original Loan Amount (including funding fee)			
Principal & Interest Payment (3)			
Tax & Insurance Payment	+	+	
PITI Payment (4)	=	=	
MY ESTIMATED MONTHLY SAVINGS (OLD PITI MINUS NEW PITI):			A

TOTAL COSTS FOR THE NEW LOAN

Proposed New Loan Amount (including funding fee)			
Current Principal Balance (Old Loan)	-		
Financed Cost of the New Loan (New Loan Amt minus Old Loan Balance)	=		
Out-of-Pocket Cost of the New Loan (POC or cash brought to closing)	+		
MY ESTIMATED TOTAL COSTS FOR THE NEW LOAN:			B

VETERAN'S CERTIFICATION & STATEMENT OF UNDERSTANDING

Due to financed closing costs, I understand that the principal balance of my proposed loan will increase by approximately _____, and that I will pay approximately _____ in out-of-pocket closing costs. I also understand that with the estimated _____ in monthly savings on my house payment, that it will take approximately _____ months or _____ years to recoup my estimated total costs for the new loan (**B** divided by **A**).

I certify that I (check one) () currently occupy, or () previously occupied the property referenced above as my primary residence.

 Veteran Date Spouse Date

 Originator Date

- (1) The interest rate on the new loan must be lower than the interest rate on the old loan unless the old loan is an ARM and the new loan is a fixed rate.
- (2) The maximum loan term is the original term of the old loan plus 10 years, with the maximum maturity date being 30 years and 32 days from date of closing.
- (3) The P & I payment on the new loan must be less than the P & I payment on the old loan unless one of these exceptions applies:
- (a) the old loan is an ARM and the new loan is a fixed rate, or (b) the term of the new loan is shorter than the term of the old loan, or
 - (c) allowable energy efficient improvements are included in the new loan.
- (4) If the monthly payment (PITI) increases by 20% or more, the lender must:
- (a) determine, and (b) include a certification, that the Veteran qualifies for the new monthly payment.