**VA Guaranteed Home Loan Cash-Out Refinance Comparison Certification**

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| **PROPOSED REFINANCE LOAN***Sections I through III should be completed within 3 business days of the loan application. Please note that the information provided in these sections represent an* ***estimate*** *of the refinance loan and its impact.* |
| **Section I – PROPOSED REFINANCE LOAN COMPARISON**(This section to be completed by the Lender.) |
| Loan Application Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  | EXISTING LOAN | PROPOSED LOAN | ESTIMATED IMPACT OF REFINANCE |
| VA Loan Number (LIN) | \_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_ |  |
| Loan Balance | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
| Monthly Payment  | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
| Remaining Term (months) | \_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_ |
| Loan Type  | \_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_ | N/A |
| Interest Rate | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% |
| Total of the Remaining  Scheduled Payments | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
| Loan-to-Value Percentage  | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% |
| Home Equity Remaining | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
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| **Section II – NET TANGIBLE BENEFIT FOR PROPOSED REFINANCE LOAN**(This section to be completed by the Lender.) |
| To the best of my knowledge, I, \_\_\_[insert Lender name]\_\_\_\_, have determined that the proposed refinance loan outlined in Section I meets the following net tangible benefits (check all that apply):* 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
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| **Section III – BORROWER CERTIFICATION FOR PROPOSED REFINANCE LOAN** |
| I/We hereby certify that I/we understand the estimated effect the proposed 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:** |
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| **FINAL REFINANCE LOAN***Sections IV through VII should be completed at or before the closing of the refinance loan.* |
| **Section IV – FINAL REFINANCE LOAN COMPARISON**(This section to be completed by the Lender.) |
|  | EXISTING LOAN | NEW LOAN | IMPACT OF REFINANCE |
| VA Loan Number (LIN) | \_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_ |  |
| Loan Balance | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
| Monthly Payment  | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
| Remaining Term (months) | \_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_ |
| Loan Type  | \_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_ | N/A |
| Interest Rate | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% |
| Total of the Remaining  Scheduled Payments | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
| Loan-to-Value Percentage  | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% | \_\_\_\_\_\_\_\_% |
| Home Equity Remaining | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ | $\_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |  |  |  |  |
| **Section V – REFINANCE CLOSING SUMMARY**(This section to be completed by the Lender.) |
|  |  |  |  |
| Amount of Cash Directly Disbursed to Borrower(s): | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Payoffs Disbursed, Excluding Mortgages, on Behalf of Borrower(s): | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Amount of Increase in Total Paid Over Life of Loan: | $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |  |
| **Section VI – NET TANGIBLE BENEFIT FOR FINAL REFINANCE LOAN**(This section to be completed by the Lender.) |
| I, \_\_\_[insert Lender name]\_\_\_\_, have determined that the new refinance loan outlined in Section IV meets the following net tangible benefits (check all that apply):* 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
 |  |  |
| **Section VII – BORROWER CERTIFICATION FOR FINAL REFINANCE LOAN** |
| I/We hereby certify that I/we understand the effect 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:** |