

NORTHERN VIRGINIA • DC METRO

The VA Homebuyer Playbook

A strategic guide to buying a home with a VA loan in one of the country's most competitive markets.

Built for veterans, active-duty service members, and military families who want to buy with confidence, preserve cash, and make smart financing decisions.

VETERAN EQUITY ADVANTAGE PROGRAM

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28

VA LOANS CLOSED

\$23M

VA VOLUME

\$823K

AVERAGE VA LOAN

Trailing twelve months as of August 2026.

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One

Why the VA loan matters more than ever here

Northern Virginia and the broader DC Metro area can be a challenging place to buy a home. Prices are high, competition can be intense, and buyers often feel pressure to move quickly and make strong offers. In that environment, financing strategy matters.

This guide was created to help veteran and military buyers use their VA benefit with more clarity, stronger planning, and better execution.

The VA home loan is one of the most valuable mortgage benefits available to eligible veterans, active-duty service members, and certain surviving spouses. It was designed to support homeownership by offering meaningful advantages, including the potential for no down payment and no monthly mortgage insurance.

Despite those strengths, VA financing is still widely misunderstood by buyers, sellers, and even some real estate professionals. Too often, buyers hear incomplete information, focus only on rate, or assume VA financing puts them at a disadvantage in a competitive market.

That is the wrong way to think about it.

When structured correctly, the VA loan can be a powerful financial and strategic tool. The goal of this playbook is to help you understand how the benefit works, where strategy matters most, and how to move through the homebuying process with more confidence.

The VA loan is not just a benefit. In the right hands, it can be a real competitive advantage.

Two

What a VA purchase loan is, and who is eligible

A VA purchase loan is a mortgage used to buy a primary residence with the support of the VA home loan guaranty program. The guaranty helps approved lenders offer financing with features that can make homeownership more accessible and more efficient for eligible borrowers.

Eligibility for the VA benefit is only one part of the process. To obtain financing, borrowers must also meet lender and VA requirements related to credit, income, assets, and occupancy. In other words, the VA loan is flexible and powerful, but it is still a fully underwritten mortgage.

Borrowers who may be eligible can include:

- Eligible veterans
- Active-duty service members
- Certain National Guard and Reserve members
- Certain surviving spouses

One of the first documents reviewed in the process is the **Certificate of Eligibility**, often called the COE. This helps establish whether you have full entitlement, partial entitlement, and in some cases whether the VA funding fee may be waived.

Understanding eligibility early matters because it affects how the transaction is structured, how much can potentially be financed, and what planning decisions should be made before you begin writing offers.

Eligibility is the starting point. Strategy is what turns eligibility into a strong purchase plan.

Three

Why so many eligible buyers choose VA financing

The VA loan program offers a combination of advantages that are difficult to match with many other loan types.

Many eligible buyers choose VA financing because it can provide:

- Up to 100 percent financing for qualified buyers
- No monthly mortgage insurance
- Competitive rate options
- Improved cash preservation
- Repeat-use potential in many scenarios
- Flexibility in how the overall financing structure is designed

For many buyers, one of the most meaningful advantages is **the ability to preserve cash**. In a high-cost market, that can matter just as much as the note rate. Keeping more money available for reserves, moving expenses, home setup, or future flexibility can be a smart financial decision.

Another major advantage is the absence of monthly mortgage insurance. Compared with many low-down-payment conventional options, this can have a substantial impact on monthly affordability.

The strongest buyers do not just ask, "What is the rate?" They ask, "What is the full structure of this transaction, and how does it support my goals?" That is where VA financing can stand out.

No monthly mortgage insurance can be one of the most important financial advantages of a VA loan.

Four

Understanding the VA funding fee

The VA funding fee is a one-time fee that helps support the VA home loan program. It may be paid in cash at closing or financed into the loan amount, depending on how the transaction is structured.

For purchase loans, the amount depends on whether you are using the benefit for the first time or after prior use — and on how much you put down.

PURCHASE FUNDING FEE	FIRST USE	SUBSEQUENT USE
Less than 5% down	2.15%	3.30%
5% or more down	1.50%	1.50%
10% or more down	1.25%	1.25%

This is why down payment strategy matters. A 5 percent or 10 percent down payment can reduce the funding fee materially, which may lower the financed balance and improve the long-term structure of the loan.

It is also important to understand what the funding fee *is not*. It is not monthly mortgage insurance. It is not paid every month. It is a one-time fee, and for many borrowers it can be financed.

Some borrowers are exempt from the funding fee, including many veterans receiving VA compensation for a service-connected disability and certain other eligible borrowers.

The VA funding fee is a one-time cost, not monthly mortgage insurance. That distinction matters.

Five

Zero down vs. 5% down vs. 10% down

One of the greatest strengths of the VA loan is flexibility. Eligible buyers can choose to put no money down, 5 percent down, 10 percent down, or more if it supports their goals. **There is no automatic right answer.**

0%

Preserves the most cash. Attractive for buyers who want stronger reserves after closing, or who simply want liquidity available in a high-cost market.

5%

Reduces the funding fee significantly and lowers the loan amount. A strong middle ground between cash preservation and financing efficiency.

10%

Reduces the funding fee further and lowers the financed balance again. Appealing when payment reduction matters more than maximum liquidity.

Too many buyers think the VA loan is only about zero down. That misses the bigger point. **The real strength of VA financing is not just the ability to put no money down. It is the ability to choose a structure intentionally.**

The right answer depends on:

- Your reserves
- Your monthly comfort level
- Your long-term plans
- How aggressively you want to preserve cash
- Whether a lower funding fee changes the math meaningfully

VA financing is not just about zero down. It is about choosing the structure that best fits your goals.

Six

Can you use a VA loan again if you already have one?

In many cases, yes. One of the most common misconceptions in the market is that a borrower can only use a VA loan once. In reality, the benefit can often be used multiple times, depending on entitlement, restoration status, and the details of the new purchase.

Some borrowers have full entitlement available. Others may have partial entitlement because they still own another property with a VA loan attached, or because a previous entitlement has not yet been restored.

That distinction matters because it can affect:

- How much can be financed with no down payment
- Whether a down payment may be needed
- Whether county-level loan limit math becomes relevant
- How the overall structure should be reviewed before making offers

In a higher-cost market like Northern Virginia and the DC Metro area, entitlement analysis can be critical. Repeat-use VA buyers often have more options than they think, but the numbers need to be reviewed correctly.

This is not an area for assumptions or quick opinions. A strong review upfront can prevent bad strategy later.

Repeat use may still be possible. The key is reviewing entitlement correctly before you act.

Seven

Rates, payment strategy, and fixed vs. ARM

When buyers compare financing options, they often focus too narrowly on interest rate. A strong mortgage strategy also looks at cash to close, monthly payment, mortgage insurance structure, time horizon, and flexibility.

A **30-year fixed** mortgage may be a strong fit for buyers who value long-term payment consistency. The principal and interest payment remains stable because of the note rate. This can make sense for buyers planning to stay in the home long term, or for those who simply prefer predictability.

A **5-year ARM** may offer a lower initial rate and lower initial payment in some market conditions. That can make it worth evaluating for buyers with a shorter expected time horizon, a likely move, or a realistic refinance plan.

Neither structure is automatically better.

The question is not, *"Which product sounds best in general?"* The question is, *"Which product best supports your actual goals, time horizon, and financial strategy?"*

This is where a strategic conversation matters. The wrong loan for your plan can cost more than the right loan with a slightly different rate.

The best mortgage is not always the one with the lowest advertised rate. It is the one that best supports your goals, timeline, and overall strategy.

Eight

Credit, income, assets, and documentation

The VA loan program is flexible, but it is still a fully documented mortgage. Expect a lender to review credit, income, assets, occupancy, and overall ability to repay.

Credit matters, but VA financing can be more flexible than many buyers assume. There is no single universal score that guarantees approval in every situation.

Income matters because the full income picture needs to support the structure of the loan. Employment history, income stability, and the nature of the income all play a role.

Assets matter because they may need to be reviewed to confirm funds to close, reserves when required, and the overall strength of the transaction.

Documentation matters because smooth execution depends on being organized early. Expect to provide:

- Government-issued identification
- Certificate of Eligibility
- Recent pay stubs and W-2s
- Bank statements
- Tax returns, if needed
- Benefit documentation, when applicable
- Explanations for large deposits or special circumstances, when needed

A prepared buyer usually has a smoother experience than an unprepared buyer.

The smoother path is usually the prepared path.

Nine

The VA appraisal, Tidewater, and property expectations

The VA appraisal is one of the most discussed parts of the VA loan process, and it is often misunderstood.

A VA appraisal is intended to help establish reasonable value and assess whether the property meets the VA's minimum property requirements. **It is not the same thing as a home inspection.**

An inspection is a more detailed review of the property's condition for the buyer's benefit. An appraisal is primarily about value and basic property standards tied to the VA program.

The appraisal process can also involve **Tidewater**. Tidewater gives interested parties an opportunity to provide additional comparable sales support before a value is finalized, when the appraiser believes the value may come in below the contract price.

That does not mean every appraisal problem becomes a crisis. It means the transaction needs competent handling, good communication, and realistic expectations.

The property itself also matters. Homes financed with VA loans must generally meet the VA's minimum property requirements. That is part of protecting both the borrower and the program.

A VA appraisal is not there to kill a deal. It is a valuation and property-review step within the program.

Ten

How VA buyers compete intelligently in a fast market

In competitive markets, buyers often hear language about waiving contingencies, removing protections, or trying to make an offer appear stronger. VA buyers can absolutely be competitive — but they need to understand how the program works and what protections apply.

The strongest VA offers are not built on guesswork. They are built on:

- Strong preapproval
- Smart agent coordination
- Realistic pricing
- Clean documentation
- Understanding where flexibility exists
- Understanding where required protections remain in place

The wrong mindset is to assume VA financing is weak, or that the only way to compete is by taking unnecessary risk.

The better mindset is to prepare early, structure the financing correctly, communicate clearly, and work with people who understand how VA transactions operate in the real world.

VA buyers can be strong buyers. The key is not pretending the rules do not exist. The key is knowing the rules, using the benefit strategically, and positioning the offer intelligently.

The strongest VA offers are built on structure, preparation, and clarity.

Eleven

The VA buying process, step by step

The process can feel complex from the outside, but with planning and coordination it becomes far more manageable.

- 1 **Initial consultation.** Review goals, timeline, and strategy.
- 2 **Eligibility and COE review.** Confirm benefit status, entitlement, and funding fee considerations.
- 3 **Preapproval.** Review credit, income, assets, and documentation.
- 4 **Home search.** Work with an agent to identify homes that fit your goals and budget.
- 5 **Offer strategy.** Structure the offer based on market conditions and financing plan.
- 6 **Ratified contract.** Once accepted, the loan moves into full processing.
- 7 **Processing and documentation.** Provide updated documents and respond to conditions.
- 8 **Appraisal and underwriting.** The property and borrower are reviewed in greater detail.
- 9 **Final approval.** Clear remaining items and prepare for settlement.
- 10 **Closing.** Sign final documents, complete settlement, and take ownership of the home.

The process gets easier when the right planning happens before the first offer is submitted.

Twelve

Why seller credits and concessions matter

For many buyers, the biggest stress point in a purchase is not the monthly payment. It is cash to close.

That is why seller credits and concessions matter so much. When structured correctly, they can help offset certain closing costs and prepaid items, reduce the amount of cash a buyer needs to bring in, and improve the overall affordability of the transaction.

This is especially meaningful for VA buyers who may already be using the benefit to preserve cash through low-down-payment or no-down-payment financing.

In practical terms, seller credits and concessions can help a buyer:

- Keep more reserves on hand
- Reduce immediate out-of-pocket pressure
- Move into the property with more financial comfort
- Create a stronger overall transaction structure

Not every market allows for the same degree of negotiation, and not every seller will respond the same way. But when the opportunity exists, seller credits and concessions can materially improve the economics of a deal.

This is another reason strategy matters. **The financing structure and the contract structure should work together.**

Seller participation can meaningfully change cash to close — and that can change the entire feel of the transaction.

Thirteen

Common mistakes VA buyers make

Many VA buyers start with the right benefit but the wrong assumptions.

Assuming you are not eligible

Some buyers qualify when they think they do not.

Assuming VA can only be used once

Repeat use may still be possible depending on entitlement structure.

Waiting too long for a real preapproval

Preparation matters before the home search becomes serious.

Looking only at rate

Funding fee, cash to close, reserves, and total structure matter too.

Confusing appraisal with inspection

They serve different purposes in the transaction.

Assuming zero down is always the best answer

Sometimes a 5 percent or 10 percent strategy creates a better structure.

Working with people who do not understand VA well

Guidance quality can materially affect the outcome.

A well-structured VA purchase is rarely accidental. It comes from preparation, education, and good execution.

The benefit is powerful. The outcome still depends on strategy.

Fourteen

How the Veteran Equity Advantage Program helps

Buying with a VA loan should feel strategic, not confusing.

The **Veteran Equity Advantage Program** is designed to help veteran and military buyers approach the home purchase process with stronger planning, clearer guidance, and better coordination from the beginning.

The goal is not simply to explain the loan. The goal is to help the buyer understand how to use the benefit well in the real world.

This approach is built to support buyers with:

- Early eligibility review
- Strong preapproval
- Down payment and payment strategy analysis
- Education around funding fee and appraisal expectations
- Documentation planning
- Local market guidance
- Coordinated support throughout the process

The right support creates clarity.

Clarity creates confidence.

Confidence makes better decisions possible.

Clarity creates confidence. Strategy creates results.

Your next step

Your VA benefit is too valuable to use without a plan.

If you are considering a home purchase in Northern Virginia or the DC Metro area, the next step is to review your eligibility, payment options, and purchase strategy **before you begin making offers.**

Whether you are buying for the first time, using the benefit again, comparing zero down to 5 or 10 percent down, or deciding between a fixed-rate and an ARM strategy, the right guidance can make the process clearer and the outcome stronger.

Three ways to start

- 1 **Schedule a VA Buyer Strategy Call** · 15 minutes, no application required · leewilliamsvaloans.com
- 2 **Start your application** · apply.rate.com/?emp-id=37603
- 3 **Review your eligibility, COE, and purchase options** · call or text (571) 420-3116

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28 VA loans · \$23M in VA volume — trailing twelve months, August 2026

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Use your VA home loan benefit with clarity, confidence, and a plan.

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