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Housing

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Helping Virginians Attain Quality, Affordable Housing

When homes are affordable and accessible to jobs, good schools and transportation, everyone benefits. Individual lives are improved and communities as a whole grow stronger. Virginia Housing was created in 1972 by the General Assembly to help Virginians attain quality, affordable housing. We carry out this mission by working in public-private partnerships with local governments, community service organizations, lenders, real estate agents, developers and many others.

Virginia Housing is self-supporting and receives no state taxpayer dollars to fund our programs. Instead, we raise money in the capital markets, and we contribute a significant portion of our net revenues each year to help meet Virginia's most difficult housing needs.

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Virginia Housing Offerings

- Mortgages for first-time and repeat homebuyers.
- Financing for apartment communities and neighborhood revitalization efforts.
- Free homebuyer classes.
- Support for housing counseling.
- Home accessibility grants for people with disabilities and the elderly.
- Administration of the federal Housing Choice Voucher and Housing Credit programs in Virginia.

For the most up-to-date information on our home loan options, please visit VirginiaHousing.com/HomebuyerPrograms.



“I remember when I was a loan officer, there were times I didn't have any loan options for families who needed special financing. Virginia Housing has been a wonderful resource in helping to provide options to make the dream of homeownership a reality for so many Virginians.”

▶ Gigi Houchins
Virginia Housing

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Down Payment Assistance Grant

Virginia Housing's Down Payment Assistance Grant provides qualified first-time homebuyers with funds to help make the dream of homeownership a reality.

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Benefits

- The maximum grant is 2% – 2.5% of the purchase price, depending on which type of Virginia Housing mortgage loan you receive.
- Because this is a grant, you never have to pay it back.



Requirements

- You must be a first-time homebuyer.
- Grant funds must be used with an eligible Virginia Housing bond loan.
- Income of all household members cannot exceed Virginia Housing loan limits; see [VirginiaHousing.com/LoanLimits](https://www.virginiahousing.com/LoanLimits).
- The eligible Virginia Housing mortgage must be locked prior to reserving grant funds.
- For the complete list of requirements, please visit [VirginiaHousing.com/HomebuyerPrograms](https://www.virginiahousing.com/HomebuyerPrograms).

To see if you qualify for a Down Payment Assistance Grant, please contact a Virginia Housing-approved lender; see [VirginiaHousing.com/FindALender](https://www.virginiahousing.com/FindALender).

To learn more about Virginia Housing's Down Payment Assistance Grant, visit [VirginiaHousing.com/DownPayment](https://www.virginiahousing.com/DownPayment).

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Closing Cost Assistance Grant

The Closing Cost Assistance Grant reduces the out-of-pocket expenses for borrowers applying for either an eligible Rural Housing Service (RHS) or Veterans Affairs (VA) bond loan. This grant makes these 100% financing programs even more affordable.

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Benefits

- The maximum grant is 2% of the purchase price.
- Because this is a grant, you never have to pay it back.
- Grant funds can be applied to your closing costs, RHS guarantee or VA funding fee.
- It may strengthen your negotiation of RHS and VA contracts.



Requirements

- You must be a first-time homebuyer.
- This grant must be used with an RHS or VA bond loan from Virginia Housing.
- Income of all household members cannot exceed Virginia Housing loan limits; see [VirginiaHousing.com/LoanLimits](https://www.virginiahousing.com/LoanLimits).
- The eligible Virginia Housing mortgage must be locked prior to reserving grant funds.
- For the complete list of requirements, please visit [VirginiaHousing.com/HomebuyerPrograms](https://www.virginiahousing.com/HomebuyerPrograms).

To see if you qualify for a Closing Cost Assistance Grant, contact a Virginia Housing-approved lender to discuss eligibility requirements. Find one near you at [VirginiaHousing.com/FindALender](https://www.virginiahousing.com/FindALender).

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Government Loan Programs

Virginia Housing offers several types of federal government loans for first-time and repeat homebuyers.

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FHA

Federal Housing
Authority

- FHA-insured.
- Available to first-time and repeat homebuyers.
- Eligible for our Down Payment Assistance Grant (bond only) or Plus Second Mortgage.
- 3.5% down payment (or as low as 1% down with our Down Payment Assistance Grant, or 0% down with our Plus Second Mortgage).
- Liberal credit qualifying; credit scores may be as low as 620.



USDA

Rural Housing
Service

- USDA-guaranteed.
- Available to first-time and repeat homebuyers.
- Eligible for Virginia Housing's Closing Cost Assistance Grant (bond only).
- 100% financing for eligible rural properties.
- Affordable monthly payments.
- Low mortgage insurance.
- Liberal credit qualifying; credit scores may be as low as 620.



VA

Veterans
Administration

- VA-guaranteed.
- Available to first-time and repeat homebuyers.
- Eligible for Virginia Housing's Closing Cost Assistance Grant (bond only).
- 100% financing for eligible veterans.
- Liberal credit qualifying; credit scores may be as low as 620.

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Virginia Housing Conventional

This loan provides affordable financing for first-time and repeat homebuyers.

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Benefits

- Less cash required at closing than with an FHA loan.
- Available to first-time and repeat homebuyers.
- May be used for purchase or limited cash-out refinance.
- This is a 30-year, fixed-rate loan.
- This loan has the lowest conventional mortgage insurance payments available.
- Flexible down payment sources are allowed, including gifts, our Down Payment Assistance Grant (bond only), Virginia Housing Plus Second Mortgage and other eligible second mortgages.



Requirements

- 3% down payment (or as low as 1% down with our Down Payment Assistance Grant (bond only), or 0% down with our Plus Second Mortgage).
- 640 minimum credit score.
- Maximum 50% debt-to-income ratio.
- 3% maximum seller concessions (or 6% if making a down payment of 10% or greater).
- Maximum 97% loan-to-value (105% combined loan-to-value).
- Loans up to conforming limits.
- Maximum income limits apply; see [VirginiaHousing.com/LoanLimits](https://www.VirginiaHousing.com/LoanLimits).

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Virginia Housing Conventional

No Mortgage Insurance

Affordable monthly payments, with
no mortgage insurance required.

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Benefits

- Less cash required at closing than with an FHA loan.
- Available to first-time and repeat homebuyers.
- May be used for purchase or limited cash-out refinance.
- This is a 30-year, fixed-rate loan.
- This loan has no mortgage insurance up to 97% loan-to-value.
- Flexible down payment sources are allowed, including gifts, Virginia Housing Plus Second Mortgage and other eligible second mortgages.



Requirements

- 3% down payment or 0% down with our Plus Second Mortgage.
- 660 minimum credit score.
- Maximum 50% debt-to-income ratio.
- 3% maximum seller concessions (or 6% if making a down payment of 10% or greater).
- Maximum 97% loan-to-value (105% combined loan-to-value).
- Loans up to conforming limits.
- Maximum income limits apply; see [VirginiaHousing.com/LoanLimits](https://www.VirginiaHousing.com/LoanLimits).

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Virginia Housing Plus Second Mortgage

The Virginia Housing Plus Second Mortgage eliminates the down payment requirement for qualified first-time and repeat homebuyers by pairing an eligible Virginia Housing first mortgage with a Virginia Housing second mortgage to cover the down payment.

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Benefits

- Available to first-time and repeat homebuyers.
- The maximum second mortgage is 3% – 5% of the purchase price, depending on your credit score and type of Virginia Housing first mortgage you receive.
- This is a 30-year, fixed-rate loan with no prepayment penalty.
- This loan covers your entire down payment.
- Qualified buyers with credit scores of 680 or higher can also finance part of their closing costs into the second mortgage.



Requirements

- Income of all borrowers cannot exceed Virginia Housing loan limits; see [VirginiaHousing.com/LoanLimits](https://www.virginiahousing.com/LoanLimits).
- At closing, borrowers must have 1% of purchase price available to them.
- This loan is for purchase transactions only.
- For the complete list of requirements, please visit [VirginiaHousing.com/HomebuyerPrograms](https://www.virginiahousing.com/HomebuyerPrograms).

To see if you qualify for a Virginia Housing Plus Second Mortgage, contact a Virginia Housing-approved lender. Find one near you at [VirginiaHousing.com/FindALender](https://www.virginiahousing.com/FindALender).

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The Virginia Housing Loan Combo

What could be better than getting an affordable home loan? How about having the option to combine it with a down payment grant and a free homebuyer class? That's the Virginia Housing Loan Combo, a package of money-saving benefits we've put together especially for first-time homebuyers. No one else in Virginia has anything like it.

So, don't settle for just a loan. Ask your lender if you qualify for a Virginia Housing Loan Combo. Learn more at VirginiaHousing.com/LoanCombo.

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Virginia Housing Mortgage

+ Free Homebuyer Class

+ Down Payment Money

= Big Savings
\$\$\$

“The Virginia Housing Loan Combo absolutely made homeownership more affordable. I wouldn’t have been able to buy a house without it. Even if I was able to, it would have taken me much longer to plan for.”

▼ Andrew
First-Time Homebuyer



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Free Class for Homebuyers

This class is free to anyone who wants to learn the ins and outs of homebuying, and it's required for anyone applying for a Virginia Housing home loan.

Topics covered include personal finances and credit, setting up a spending plan, working with a lender and real estate agent, the home inspection, the closing process, and preparing for the responsibilities of being a homeowner.

The class is offered in English and Spanish and can be taken online or in classrooms around the state. To learn more or find a class near you, visit VirginiaHousing.com/FreeClass.

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Five Steps to Homeownership



1

Learn the process. Take Virginia Housing's free First-time Homebuyer Class.

The class covers the entire homebuying process and is available online or in person.

2

Find a Virginia Housing-approved lender and get pre-approved.

Before you start shopping, you'll need to know what you can afford. A Virginia Housing-approved lender can tell you in advance the maximum home price they can finance for you. All approved lenders offer comparable interest rates and can provide information on all of our loans. To find a lender, visit [VirginiaHousing.com/FindALender](https://www.virginiahousing.com/FindALender).

Pre-approval is based on information you provide and is subject to review at the time of the mortgage application.

3

Choose a real estate agent to help with your home search.

When you meet with your real estate agent for the first time, tell them your price range and the kind of home you're looking for. They will find homes on the market that meet your criteria and take you to see them. When you find the right home, your agent will help you prepare an offer to buy it. The seller will accept your offer, reject it or make a counteroffer. Find a real estate agent at [VirginiaHousing.com/FindARealEstateAgent](https://www.virginiahousing.com/FindARealEstateAgent).

4

Finalize your mortgage application with your pre-selected lender.

Your lender will ask you for additional information and documentation needed to approve your loan. The approval of the loan is contingent on this information, as well as the results of the property appraisal. During this phase, you'll shop for homeowners insurance, choose an attorney or closing agent and schedule utilities to be connected. All inspections will be completed and you will do a final walkthrough inspection of the property before closing.

Ask your lender if your loan may be subject to the federal recapture tax and discuss the potential impact with your tax advisor. Learn more at [VirginiaHousing.com/RecaptureTax](https://www.virginiahousing.com/RecaptureTax).

5

Attend the loan closing with your attorney or closing agent.

This is the official signing of the papers that finalizes your purchase. Each page will be explained to you before you sign. You'll provide your down payment (if applicable) and receive the keys to your new home.

Income and Sales Price / Loan Limits

Visit [VirginiaHousing.com/HomebuyerPrograms](https://www.virginiahousing.com/HomebuyerPrograms) for the most up-to-date information on our loan products and income limits.

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Contact Us

Virginia Housing Headquarters 877-843-2123

601 South Belvidere Street
Richmond, VA 23220

Virginia Housing Center

4224 Cox Road
Glen Allen, VA 23060

Southwest Virginia Housing Center 800-447-5145

105 East Main Street
Wytheville, VA 24382

Virginia Relay Partner 711 (in Virginia) 800-828-1140

Links

VirginiaHousing.com

VirginiaHousing.com/DownPayment

VirginiaHousing.com/FederalTargetedAreas

VirginiaHousing.com/FindALender

VirginiaHousing.com/FindARealEstateAgent

VirginiaHousing.com/FreeClass

VirginiaHousing.com/HomebuyerPrograms

VirginiaHousing.com/LoanCombo

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