

CalVet Home Loans ELIGIBILITY/FUNDING WORKSHEET

Chart 1 for Veterans with Active Duty

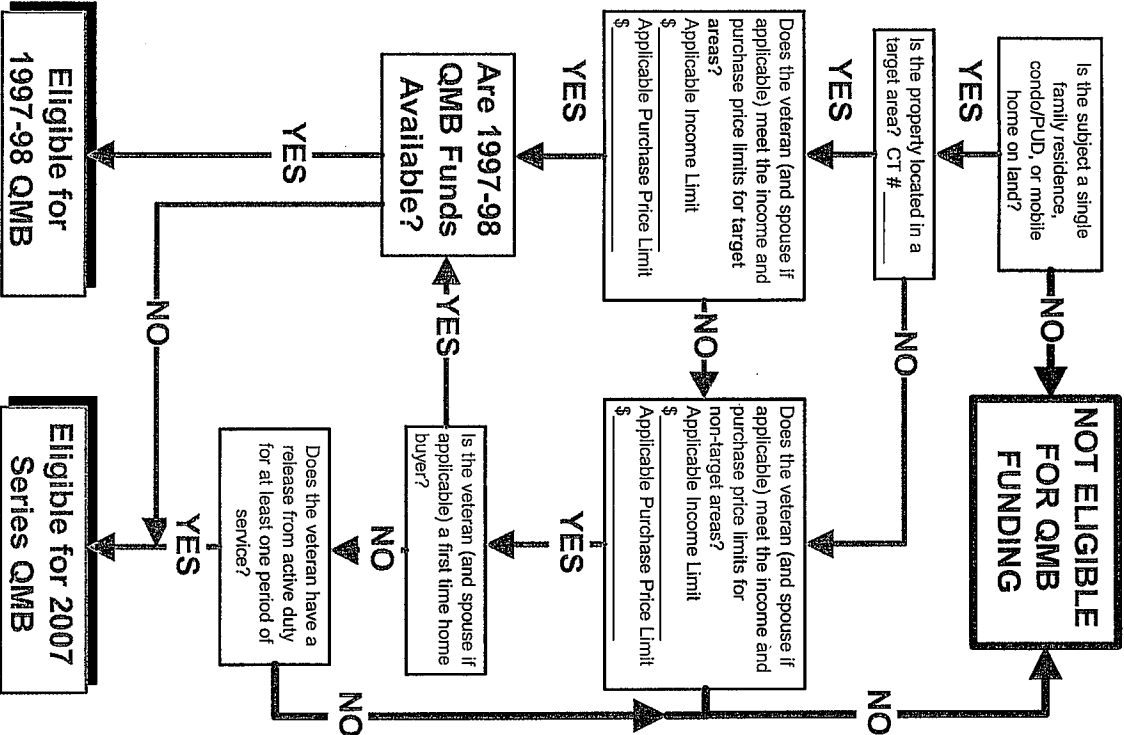
- YES HONORABLE DISCHARGE (or Under Honorable Conditions), or on active duty (or reservist on active status) and serving honorably
 YES 90 DAYS ACTIVE DUTY (other than ACCDUTRA - Active Duty Training) OR
 Discharge due to Service Connected Disability, or
 Receipt of Campaign or Expeditionary Medal, or
 Ordered to Active Duty by Presidential Executive Order

ELIGIBLE FOR CalVet UNRESTRICTED FUNDS (UR)

Allocation
 Test each veteran for both QMB or QVMB eligibility and indicate below the funding source(s) for which he/she is eligible.
 Funding Priority
 1st - QMB (if available) 2d - QVMB 3d - Unrestricted

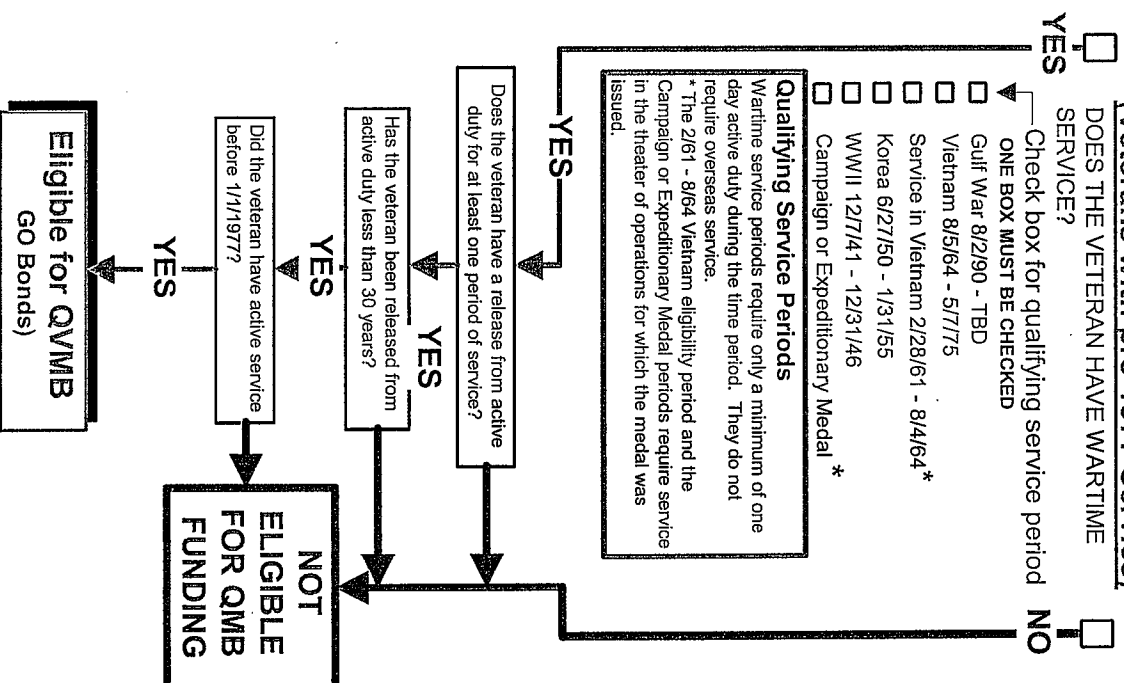
NOT ELIGIBLE FOR CalVet

QMB Eligibility



QVMB Eligibility

(Veterans with pre-1977 Service)



VETERAN _____

SSN or C# _____

REVIEWED BY _____

FIELD MANAGER _____

Date _____

1. Farm loans must qualify for and be funded with Unrestricted Funds.
2. Mobile Homes in Parks must be funded with QVMB or Unrestricted Funds
3. Unremarried Spouses (M&VC Section 987.58) must qualify for and be funded with Unrestricted funds.
4. Current members of the NG or Reserves must qualify for QMB funds as first time home buyers(see Chart 2).

Employment Income Analysis Form

Use separate form for applicant and spouse. See Income verification notes for instructions. This form is not intended for analysis of income from sources other than employment or self-employment.

APPLICANT: _____ SSN: _____

SPOUSE: _____ SSN: _____

Income Analysis -- from pay stubs:

- Multiply hourly rate X number of hours worked X 4.33 = Monthly Income
- Multiply weekly income X 4.33 = Monthly Income
- Multiply biweekly income X 26 and divide by 12 = Monthly Income
- Monthly income paid twice a month -- add pay stubs to = Monthly Income

Pay Day	Amount per	X	Factor	=	Monthly Income
VET	/ /		X	=	\$
VET	/ /		X	=	\$
SPOUSE	/ /		X	=	\$
SPOUSE	/ /		X	=	\$

Year to date income divide YTD income from pay stub by the number of months (for example, for a pay stub dated 5/23, use 4.75 months, for 6/10 use 5.33 months)

Year to date income	÷	# of Months	=	Monthly Income
VET	÷		=	\$
SPOUSE	÷		=	\$

Income analysis from W-2 forms -- divided annual income from the box identified as "wages, tips, and other compensation" by 12 for each year covered by the W-2's.

Tax Year	wages, tips, other compensation	12	12	Monthly Income
VET 2002		÷ 12 =		\$
VET 2001		÷ 12 =		\$
SPOUSE 2002		÷ 12 =		\$
SPOUSE 2001		÷ 12 =		\$

Self Employment Income

Tax Year	Net Income (Self)	+	Credits	12	Monthly Income
VET 2002		+		÷ 12 =	\$
VET 2001		+		÷ 12 =	\$
SPOUSE 2002		+		÷ 12 =	\$
SPOUSE 2001		+		÷ 12 =	\$
P&L YTD		+		÷ 12 =	\$

*VA allows depreciation, business interest, and amortization of organizational fees (corporations) to be credited back to the net income.

Income used for Loan Analysis \$ _____ Agent _____ DM _____

Comments (Explain Reasoning for your income inclusion) _____



HOME LOANS

**REAL ESTATE AGENT
INTERNET ACCESS REGISTRATION**

As a licensed real estate agent CalVet can now provide you with up-to-the-minute status of your clients loan application. You can also use our *Apply online* system to confirm eligibility or pre-qualify a new client. If you wish to become registered to access this information please complete this form and either mail, E-mail, or fax it to your local CalVet office. Upon receipt of the required information you will be assigned a Real Estate Agent ID number along with a user ID and Password by E-mail within one business day. Once you have registered with us just check the "Authorization for subsequent application box" and enter the

Please note that you must also obtain authorization from your client in order for you to be able to access their account. Your veteran client's signature on this form is his/her authorization to enable you to access their loan information. They should understand that they are not required to provide access to anyone.

For information on office locations please select
<http://www.cdva.ca.gov/calvet/offices.asp>

**California Department of Veterans Affairs
REAL ESTATE AGENT
INTERNET ACCESS**

- REGISTRATION**
 AUTHORIZATION - Agent ID # _____

(Instructions: All fields are required. Please print or type)

First Name MI:	Last Name:		
Bus. Address:	City - State - Zip code		
E-Mail	Phone	Fax	Pager or Mobile
DRE License #	Client's Name	Subj. Property Address	

Approved: _____
Veterans Signature _____ Date _____

STATE OF CALIFORNIA, DEPARTMENT OF VETERANS AFFAIRS
DIVISION OF FARM AND HOME PURCHASES

**DETERMINATION CONCERNING ELIGIBILITY OF LOAN APPLICATION FOR FUNDING BY
DEPARTMENT'S QUALIFIED MORTGAGE BONDS**

This form must be completed by the office responsible for loan processing and submitted with each loan application which is to be funded with Qualified Mortgage Bond (QMB) funds. (Applications for farms or mobile homes located in rental parks are not eligible for QMB funding.)

1. Are all Purchasers First Time Homebuyers? YES NO
2. Is the subject property located in a Targeted Area? YES NO
If "Yes," the subject property is located in census tract number _____.
3. Is the property located in a county which has been declared a disaster area by the Federal Emergency Management Administration YES NO
If "Yes," the subject property is located in _____ County.
4. Has at least one of the Purchaser's served in the active military, naval, or air service, and been discharged or released therefrom under conditions other than dishonorable? YES NO

If the answer to either question 1, question 2, question 3, or question 4 above is "Yes," complete the applicable questions on this form. If the answers to question 1, question 2, question 3, and question 4 are "No," skip the remaining numbered questions on this form and check the box labeled "Not Eligible for Financing by Revenue Bonds". (Note: If the answer to question 3 is "Yes" complete questions 5 and 6 as if the property were located in a Targeted Area.)

5. Is the "annualized gross income" of the applicant less than or equal to the applicable income limitations? YES NO
(The applicable income limitation is \$ _____.)
6. Is the purchase price of the subject property less than or equal to the applicable purchase price limitation? YES NO
(The applicable purchase price limitation is \$ _____.)

7. If the answer to question 1 is "Yes," are copies of the signed Federal income tax returns of all Purchasers for the last three years attached to this form showing that neither has taken deductions for property taxes or for interest paid on a mortgage loan on a principal residence (or, if no such return was filed for a particular year, a sworn statement to that effect)? YES NO

8. Has it been documented that the applicant is *not* refinancing a previous mortgage on the subject property, except for construction financing or temporary interim financing of a term not exceeding 24 months? YES NO

QMB ELIGIBILITY DETERMINATION – Review the following statements and CHECK ALL BOXES THAT APPLY

If the answer to question 1 is "Yes" and the answers to questions 5 through 8 are "Yes," check the box labeled "Eligible for Financing with QMB Revenue Bonds."

If the answer to question 2 is "Yes" and the answers to questions 5, 6 and 8 are "Yes," check the box labeled "Eligible for Financing with QMB Revenue Bonds."

If the answer to question 3 is "Yes" and the answer to questions 5, 6, and 8 are "Yes," check the box labeled "Eligible for Financing with 1997-98 QMB Revenue Bonds

If the answer to question 4 is "Yes" and the answers to questions 5, 6 and 8 are "Yes," check the box labeled "Eligible for Financing with 2007 QMB Revenue Bonds."

In all other cases, check the box labeled "Not Eligible for Financing with Revenue Bonds."

- Eligible for Financing with QMB Revenue Bonds
- Eligible for Financing with 1997-98 QMB Revenue Bonds
- Eligible for Financing with 2007 QMB Revenue Bonds
- Not Eligible for Financing with Revenue Bonds.

Veteran Purchaser's Name and Social Security Number (print or type)

Distinct Manager or Agent Signature

Date

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS

Division of Farm and Home Purchases

PURCHASER'S AFFIDAVIT
(Cal-Vet Loan Contract)

As an applicant(s) for a Cal-Vet loan, you must read this affidavit carefully, INCLUDING THE INSTRUCTIONS ON THE REVERSE SIDE, and complete the affidavit (print in ink or type) and sign it under penalty of perjury. By doing so, you certify and declare that all statements in it are true. (See instructions on reverse)

Purchaser's name _____ Purchaser's name _____

I (We) CERTIFY AND DECLARE THAT:

1. The home being purchased is intended for use as my (our) principal residence and will be occupied as such within 60 days after the Cal-Vet loan is funded and will be maintained as my (our) principal residence for the duration of the Cal-Vet loan. I (We) will not use the home as a recreational property, or as a vacation or "weekend" home. I (We) do not intend to and have not entered into any agreement to rent or sell the home.
2. I (We) will not allow the Cal-Vet loan to be assumed by someone else without the prior written consent of the California Department of Veterans Affairs.
3. I (We) will not use the home in a business or trade or for any other commercial purpose, or as an investment property.
4. The home is is not permanently attached to the lot.
5. I (We) do not have and have not had previous financing for the house, whether paid in full or not, except for a construction loan or other temporary interim financing with a term of 24 months or less.
6. I (We) have not made and will not make an agreement to purchase the department's bonds, directly or indirectly, in an amount related to the amount of the Cal-Vet loan.
7. The land being purchased with the home is required to maintain the basic livability of the residence, and will not provide a source of income.
8. Check all that apply; cross out any statement that does not apply:
 - At least one of the Purchaser's whose signature appears below served in the active military, naval, or air service, and has been discharged or released therefrom under conditions other than dishonorable.
 - I (We) have not previously had a mortgage loan for my (our) personal residence which was financed by state or local tax-exempt bonds pursuant to a program specifically for veterans which was enacted into law by the Tax Relief and Health Care Act of 2006.
 - I (We) have not had an ownership interest in a home used as my (our) principal residence during the three years immediately prior to the closing of the Cal-Vet loan.
9. I (We) have filed have not filed and were not required to file federal income tax returns for the three years preceding the loan.
10. The number of full time members of the household who will reside in the property, including all children anticipated to reside in the residence at least 50% of the time, and including any live-in attendants is _____.
11. The home to be financed is located at _____
12. The "acquisition cost" of the home is \$ _____
13. My (our) "annualized gross income" is \$ _____

I (we) hereby certify and declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 20____, in the City of _____,
County of _____, State of California.

Signed: _____ Purchaser Signed: _____ Purchaser

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS
Division of Farm and Home Purchases
SELLER'S AFFIDAVIT
(Cal-Vet Loan Contract)

The purpose of this affidavit is to determine the acquisition cost of the home being purchased with Cal-Vet financing. Please read this affidavit carefully, including the INSTRUCTIONS FOR SELLER'S AFFIDAVIT printed on the reverse side. Fill in (print in ink or type) the appropriate section of this affidavit (1, 2, or 3), and sign the affidavit under penalty of perjury. By doing so, you are certifying and declaring that all the statements in it are true.

I CERTIFY AND DECLARE THAT:
(Check appropriate box)

1. A. I am the seller(s) of the house located at _____ Address _____
that is being purchased with Cal-Vet financing.
- B. I am selling the house to _____ Purchaser _____ and _____ Purchaser _____
- C. The total "acquisition cost" of the house is \$ _____. (See instructions)
2. A. I am the construction / interim lender for the house located at _____ Address _____
_____, which is being purchased with Cal-Vet financing.
- B. I have lent interim funds to purchase the above house to _____ Purchaser _____
and _____ Purchaser _____.
- C. The total "acquisition cost" of the house is \$ _____. (See instructions)
3. A. I am the Cal-Vet loan applicant (and spouse). I (We), _____ Purchaser _____
and _____ Purchaser _____, own the land located at _____ Address _____
_____, on which I (we) are building a house which is to be
financed with a Cal-Vet loan upon completion.
- B. The total "acquisition cost" of the house is \$ _____. (See instructions)

I (we) hereby certify and declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 200__ in the City of _____,
County of _____, State of California.

Signed: _____ Seller _____ Title (if applicable) _____

Signed: _____ Seller _____ Title (if applicable) _____



BORROWER'S AUTHORIZATION

We hereby give our consent to have CalVet Home Loans, or any credit reporting bureau which it may designate, obtain any and all credit information concerning our employment, checking and/or savings accounts, obligations, and all other credit matters which they may require in connection with our application for a loan and any quality control review of such loan. This form may be reproduced and photocopied and a copy shall be effective as the original which we have signed.

Signature of Veteran Applicant	Date	Signature of Spouse	Date
--------------------------------	------	---------------------	------

I hereby certify this to be a true and correct copy of the original.

CalVet Home Loans	Date
-------------------	------

Privacy Act Notice: This information is to be used by the agency collecting it or it's assignees in determining whether you qualify as a prospective mortgageor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not, your application for approval as a prospective borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37.

Verification of Borrower(s) Name(s)

I understand and agree that I will take title as my name is shown below, regardless of the way my name is shown or signed on my loan application. I am aware that all legal documents will carry my name exactly as shown below and understand that I will be required to sign exactly as it is shown below.

Print Name (Veteran)	Signature
----------------------	-----------

Print Name (Spouse)	Signature
---------------------	-----------



THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977
(Pursuant to Title 21, California Code of Regulations, Section 7114)

FAIR LENDING NOTICE

It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:

1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice; or
2. Race, color, religion, sex, marital status, national origin or ancestry.

It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one-to four-unit family residences occupied by the owner and for the purpose of the home improvement of any one-to four-unit family residence.

If you have questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or the Office of the Secretary, Business, Transportation and Housing Agency, 1120 N Street, Sacramento, CA 95814

Acknowledgment of receipt

I (we) received a copy of this notice.

Signature of Veteran Applicant

Date

Signature of Spouse or Registered Domestic Partner

Date

WORD OF CAUTION

The processing of your home loan is a detailed process and requires accurate information. Please keep in mind that this process may take longer than expected and requires final updating prior to the funding of your loan. Because of these last minute updates, it is imperative that the information you give us, and subsequently verified by our office, does not change appreciably. Therefore, please continue to make your mortgage payments and all other financial obligations as usual until the close of escrow.

Please notify us before you do any of the following, or please delay doing the following if at all possible:

- 1) Change employment or department.
- 2) Move any funds from one bank account to another or close an existing account.
- 3) Make any large purchases such as an automobile, furniture, or high cost items.

All of the above situations might be dealt with appropriately if we know about the changes prior to their occurrence. Failure to notify us about any significant changes to your original loan file, or any material fact regarding your financial condition could seriously affect the outcome of your loan transaction. **YOUR LOAN FILE MAY BE UPDATED PRIOR TO THE CLOSE OF ESCROW!**

CalVet Home Loans and the Department of Veterans Affairs of the State of California **do not warrant** the condition, desirability, suitability, or actual value of the property you are purchasing, such determinations being entirely the responsibility of the purchaser. You are encouraged to inspect the property thoroughly, review the seller's/agent's disclosure statements, and obtain any inspection reports that you deem necessary.

Signature of Veteran Applicant

Date

Signature of Spouse or Registered Domestic Partner

Date



H O M E L O A N S

Interest Rate / Loan Origination Fee / Funding Fee

All CAL VET Applicants – Please complete and sign the following statement:

I understand that CAL VET has multiple interest rates, and that the rate on my loan will be "locked in" at the interest rate in effect for the funding source that I qualify for as of the date my application is received. If the interest rate is reduced during loan processing prior to funding of my loan, I will receive the benefit of the reduced rate. I also understand that the CAL VET interest rate is a variable rate that can be increased by no more than one half of one percent (0.5%) over the term of the loan. I further understand that a 1% Loan Origination Fee will be charged and that if my loan amount exceeds 80% of the sales price, I will be charged a funding fee. This funding fee will be charged regardless of whether or not the California Department of Veterans Affairs (CDVA) purchases a loan guarantee from VA or obtains mortgage protection from another source. I intend to pay these fees as follows:

Application Fee - \$50 Must be submitted with application. This fee will be credited to the Loan Origination Fee at close of escrow. (Exception: not required for loans submitted through a CAL VET certified mortgage broker)

Loan Origination Fee of 1% (of loan amount) to be:

- Paid in escrow by me
 - Paid in escrow by seller*
- (If the application is submitted through a Mortgage Broker certified by CAL VET this fee will be paid to the broker.)

Funding Fee (see table) to be:

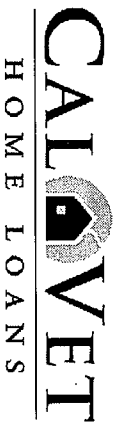
- Paid in escrow by me
- Paid in escrow by seller*
- Added to my loan (CAL VET /VA ONLY)

Down payment	Funding Fee		
	CAL VET/VA	CAL VET 97	
20% or more	N/A	N/A	The funding fee for VA loans is waived for veterans who have a service connected disability of 10% or greater and for unmarried spouses of veterans whose death, either while on active duty or after release from active duty, is determined to be service connected. Neither of these exceptions applies to CAL VET 97 loans using private mortgage protection. **For veterans who have previously used their VA guarantee entitlement, the funding fee is increased to 3.35% for subsequent guarantees.
15 – 19%	1.25%	0.63%	
10 – 14%	1.25%	0.80%	
5 – 9%	1.5%	1.05%	
3 – 4%	2.15%**	1.38%	
0%	2.15%**	NA	

This fee is a percentage of the loan amount and will be used by CDVA to purchase a loan guarantee from VA, or if the VA guarantee cannot be obtained, to secure mortgage protection for your loan from a private mortgage insurance provider. This is a one time charge and does not affect your interest rate or monthly payment (unless you choose to finance the fee with your loan.)

Veteran Applicant: _____ Date: _____

Seller: _____ Date: _____
*Seller must sign if you are indicating above that fees will be paid by the seller.



BUYERS INFORMATION FORM

The following information will assist us in making certain your application is set up correctly from the beginning.

1. Have you had a CalVet loan before? Yes No
If yes; Loan number _____
Date (mo/yr) loan was paid off _____
Location of property _____
Have you had a VA loan before? Yes No
If yes; Loan number _____
Date (mo/yr) loan was paid off _____
Location of property _____
2. Are you buying a new home that has never been previously occupied? Yes No
If not already completed, when is the estimated completion date? _____
3. Is the property either a Condominium, or located in a Planned Unit Development (PUD)?
Condominium Planned Unit Development If yes to either;
• What is the name of the Association and how much are the monthly dues?
Association Name _____ \$ _____ per mo.
• Is the hazard insurance on the unit a master policy carried through the Association?
Yes No
4. Is this loan to purchase a mobile home in a rental park? Yes No
If yes, what is the monthly space rental? \$ _____
6. Are you currently in receipt of or eligible to receive VA Compensation? Yes No
If yes, VA Case # _____ Disability Rating _____ %
7. In order to gain access to the home you are buying the appraiser should contact:
Name: _____ at phone # (_____) _____