Article published on June 7th 2012 | Loans

Veterans and those in active military service donâ€™t need to worry about buying a house or bringing their monthly amortization down through the VA mortgage loan rates. Sadly, not too many soldiers and veterans are taking advantage of this opportunity mainly because they donâ€™t understand the whole concept. This fear is not warranted even after the scare created when the housing bubble erupted in the U.S. rendering hundreds of thousands homeless and the term â€˜refinancingâ€™ took on a whole negative connotation.

Why is a VA loan rate affordable?

This forms part of the VA home loan guarantee program following the enactment of the GI Bill of Rights in 1944. But rather than releasing loans to millions of veterans and soldiers, the Department of Veterans Affairs instead is offering to shoulder a portion of the loan to allow banks and mortgage companies to extend the loan even to borrowers saddled with debt. The aim is to allow veterans and soldiers to â€œpurchase and retain homes in recognition of their service to the Nation.â€• This program however doesnâ€™t bind these private lending institutions into giving you the loan because what it does is to assume part of the risk of default.

What are the benefits of a VA mortgage loan rate?

The obvious benefit is your credit score wouldnâ€™t matter much. In fact, most borrowers who inquire about VA loan mortgage rates wonâ€™t even be considered for an interview if they apply for a conventional loan. Also, you can get your house at zero down payments and pre-qualify for up to $729,000 either in refinancing or new purchase in some selected locations. You also donâ€™t need to worry about closing costs and funding fee because they can be incorporated into the loan. In fact, you can have the seller assume at least 6% of the total closing cost.

Inquire about VA mortgage loan rate today

But first you must contact the Department of Veterans Affairs to secure your eligibility certificate. Thatâ€™s an important document for private lending institutions to consider you. If you donâ€™t know how some lenders will walk you through all the requirements. After the usual background check on your credit score and income, the final closing will take not even an hour to have all papers signed and delivered. You donâ€™t have to lose sleep on whether or not you can keep your house or buy a new one. Inquire about the VA loan rate thatâ€™s best for you.

Article Source:
http://www.articleside.com/loans-articles/get-va-loan-mortgages-and-save-money-for-other-purposes.htm - Article Side

Virendra Smith - About Author:
Valoandesk.com offers at cheap rate loan for veterans. For more details click here a VA mortgage loan rates, a VA loan rate and a VA mortgage loan rate.

Article Keywords:
VA mortgage loan rates, VA loan rate, VA mortgage loan rate

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!