

## NEWS FROM MILITARY HOME PROGRAMS

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### Lending Experts Say Buying a Home in San Diego Easier than Ever for Military



Military families in Southern California are now better able than ever to buy their own homes thanks to new, higher limits on VA loans, according to Karen Bates, president of Military Home Programs, Inc., VA and Cal-Vet lending specialists in San Diego. As of September 1, 2007 VA loans are now available with a ceiling much more Southern California-friendly.

As of September 1, 2007, Ginnie Mae (Government National Mortgage Association) announced that it has eliminated the \$417,000 home loan limit on VA loans and lenders will now do VA loans up to \$1,000,000 —much more realistic for San Diego and the rest of Southern California. This new limit means that luxury homebuyers associated with the military can take advantage of their hard earned benefits, says Bates, who estimates that 20% of the population in San Diego is associated with the military.

“VA loan homebuyers no longer need a 20% down payment to buy a house over \$697,500. The new VA jumbo loan with a higher limit also means that if a military home owner is currently in an adjustable rate mortgage (ARM) and has a little equity built up, he or she may be able to use their VA loan to refinance. That’s monumental,” Bates explains.

As an example, if the homeowner’s house is valued at \$950,000 and \$750,000 is owed on an adjustable rate mortgage, the owner could refinance into a competitive 30 year fixed rate loan at the same rate as normal VA loans (typically 1-2 % lower than conventional Jumbo programs currently available). This is an option that was not available under the previous limit rules, says Bates.

“The beauty of it is, VA has been doing zero down purchases for eligible buyers since 1944. Now with the VA Jumbo, military members both past and present who have a small down payment aren't limited to lower priced properties. A major advantage for people who might be looking to upgrade from their current home, but have limited equity to use as a down payment. It is exciting to help our military families fulfill their dreams of owning a home in San Diego. That’s a great feeling,” says Bates.

*About Military Home Programs, Inc.*

After many years serving in the military, founders Karen and Ken Bates established Military Home Programs, Inc. to help military families buy homes in San Diego. Karen served eight years in the Navy as an Air Traffic Controller and went on to graduate from Old Dominion University, completed a Master’s of Taxation and acquired a Certified Public Accountant (CPA) license. After working for several years as a tax accountant, she received a real estate broker license. Ken Bates entered the Navy as a commissioned officer in 1993 after earning an aeronautical engineering degree from Rensselaer Polytechnic Institute. He left active duty in 2005 and is now an active Naval Reservist in San Diego.