



VA Cash Out Refinance Net Tangible Benefit Test (NTB)

Date: February 13, 2019

Loan Number: 123456798ABC

Borrower Name(s): Mr. John Matchbox

Lenders must ensure that all cash-out refinancing loans pass a NTB, which includes providing the Veteran with the following information no later than the third business day after receiving the Veteran's loan application, and again at closing:

(A) Please indicate which of the following eight NTB factors is satisfied by the refinancing loan:

X	The new loan eliminates monthly mortgage insurance, whether public or private, or monthly guaranty insurance;
	The term of the new loan is shorter than the term of the loan being refinanced;
	The interest rate on the new loan is lower than the interest rate on the loan being refinanced;
	The payment on the new loan is lower than the payment on the loan being refinanced;
	The new loan results in an increase in the borrower's monthly residual income;
X	The new loan refinances an interim loan to construct, alter, or repair the home;
X	The new loan amount is equal to or less than 90 percent of the reasonable value of the home, or;
X	The new loan refinance an adjustable rate loan to a fixed rate loan.

(B) A comparison of the following key loan characteristics or terms for the existing and refinancing loan (including: refinancing loan amounts vs. the payoff amount of the loan being refinanced) should be taken into account:

	OLD LOAN	NEW VA LOAN
Loan Type (fixed/adjustable):	Fixed	Fixed
Interest Rate:	5.00	4.750
Loan Term:	360	360
Total Veteran Will Have Paid making all payments:	692,838.17	692,838.17
LTV:	100.00	100.000

(C) Below - provide an estimate of the home equity being removed from the home as a result of the refinance and explain how the removal of the home equity may affect the Veteran.

Borrower Date

CoBorrower Date

Underwriter Date