News & Updates

Virginia Housing

– Overlay Removal –

1% Borrower Asset Requirement Eliminated for Plus Second Mortgage

As part of our ongoing efforts to simplify and align our programs with industry standards, **we are removing the 1% borrower asset requirement for the Plus Second Mortgage program, effective immediately.**

This change is a result of feedback from our partners and continues our commitment to reducing overlays where feasible, with a continued commitment to managing and mitigating risk. We remain focused on making our programs more accessible and efficient.

Previously, borrowers were required to document assets equal to at least 1% of the sales price used towards the transaction or held in reserves. That requirement has now been removed. Going forward, borrowers must simply meet any asset requirements of the applicable GSE, insurer, or guarantor.

When is this effective? This change is effective immediately and applies to any Virginia Housing loan with a Plus Second Mortgage that has not yet closed.

Are all resources updated? Nearly all of Virginia Housing's resources have been revised to reflect this change, including the Plus Second Mortgage program guidelines, FAQs, and other key documents. The on-demand trainings have not yet been refreshed, but we anticipate making this change in the near future. In the meantime, please refer to this announcement and the updated program guidelines for the most current information.

Click here for Plus Second Mortgage program guidelines

Questions? Contact Underwriting or your Business Development Officer.

Email Underwriting

Business Development Officer Team:

Email Gigi Houchins | Email Regina Pinkney

Email Joni Moncure | Email Frank Webster

We believe in the power of home to grow thriving communities across Virginia, and we thank you for being part of our mission for over 50 years.

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