



Can you build a house in Florida with a VA Loan? Here's how

Description

Building a home from the ground up is a dream for many veterans and active-duty service members. The good news is: yes, you can build a house in Florida with a VA loan! Through the VA One-Time Close (OTC) Construction Loan, eligible borrowers can finance both the construction and permanent mortgage of a custom home, without the need for multiple closings or large down payments.

Let's walk you through how this works, who qualifies, and what you need to know to build your Florida dream home with a [VA construction loan](#).

What Is a VA Construction Loan?

A VA construction loan is a government-backed mortgage option designed for eligible veterans, active-duty military, and certain surviving spouses who wish to build a new home rather than buy an existing one. Unlike a traditional VA loan, which applies to already-built homes, the VA construction loan funds the construction process and rolls into a standard VA mortgage once the home is completed.

This is typically done through a VA One-Time Close Construction Loan, which means you only go through underwriting and closing once. It simplifies the process and reduces closing costs.

Why Florida Is a Great Place to Build

Florida is one of the most popular states for veterans and military families. With its zero state income tax, mild winters, beautiful beaches, and a large network of VA medical centers and military bases, it's no surprise that Florida attracts those who have served.

Whether you're looking to build in Tampa, Jacksonville, Orlando, or a quieter Gulf Coast town, the Sunshine State offers diverse options for every lifestyle and budget.

How to Build a House with a VA Loan in Florida

1. Check Your VA Loan Eligibility

To use a [VA Loan in Florida](#), you'll need to meet the standard VA loan eligibility requirements, including:

- Sufficient service history (generally 90 continuous days during wartime or 181 days during peacetime).
- A Certificate of Eligibility (COE), which you can get from the VA or through your lender.
- Satisfactory credit and stable income.

If you've already used your VA loan benefit before, you may still be eligible if you've restored your entitlement.

2. Find a VA-Approved Lender That Offers Construction Loans

Not all VA lenders offer VA construction loans. In fact, only a few lenders specialize in them. In Florida, Security America Mortgage is one of the top VA construction loan lenders, offering the VA One-Time Close solution.

Working with a lender that understands VA construction loans is crucial. They'll walk you through:

- Getting pre-approved
- Working with VA-approved builders
- Handling disbursements during construction
- Transitioning to permanent VA financing

3. Get Pre-Approved and Set Your Budget

Before choosing a lot or home design, get pre-approved for a loan amount. This helps define your budget and makes planning much easier.

A typical VA construction loan covers:

- The cost of land
- Permits and fees
- Labor and materials
- Inspections
- Landscaping
- Closing costs (if rolled in)

There's no down payment required as long as the appraised value matches or exceeds the loan amount, and no monthly mortgage insurance is needed.

4. Choose a VA-Registered Builder

The builder must be registered with the VA and meet certain requirements. Your lender may already work with a network of approved builders in Florida.

Make sure to select a builder with experience in VA construction projects, as this will simplify paperwork, inspection requirements, and communication.

5. Select Your Land

If you don't already own land, the loan can cover the purchase of a lot. The land must be intended for your primary residence and included in the construction plan.

You can't use a VA construction loan for:

- Investment properties
- Vacation homes
- Buying land without building immediately

6. Submit Plans and Get the Loan Approved

Once you have your builder and lot, you'll submit plans, specs, and a construction contract to the lender. The lender will also conduct an appraisal based on the future value of the completed home.

After approval, the construction loan phase begins, and your builder will receive funds in phases (called "draws") as the home is built.

Pros of Using a VA Construction Loan in Florida

- \$0 Down Payment – Build your home with no money down if eligible.
- Competitive Interest Rates – VA loans often have lower rates than conventional loans.
- No Mortgage Insurance – Save hundreds monthly compared to FHA or USDA loans.
- One-Time Close – Roll construction and permanent financing into a single process.
- Build Your Dream Home – Customize everything to your taste, from layout to finishes.
- VA Protections – VA inspections and standards protect your investment.

Challenges to Be Aware Of

While VA construction loans offer incredible benefits, here are a few things to keep in mind:

- Fewer Lenders – Only a limited number of lenders offer VA construction loans.
- More Paperwork – You'll need detailed builder contracts, permits, and architectural plans.
- Longer Timeline – Construction loans take longer than buying an existing home.
- Builder Must Be VA-Approved, Not every contractor qualifies.

These aren't deal-breakers, but it's important to work with a lender experienced in the VA construction process in Florida.

Final Thoughts

So, can you build a house in Florida with a VA loan? Absolutely. With the VA One-Time Close Construction Loan, veterans can build a custom home from the ground up with no down payment, no mortgage insurance and competitive rates.

Whether you dream of a coastal cottage in Sarasota, a family home in Orlando, or a country retreat in Central Florida your VA loan benefit can make it a reality.

Just make sure you:

- Confirm your eligibility
- Work with a lender
- Choose a VA-registered builder
- Stay organized through each step

With the right team and plan in place, building your dream home in Florida as a veteran is easier than you think.

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