

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
December 16, 2016 • COR16-043

Alert

Update

Reminder

Clarification

Training
Information

Preview

FHA and VA Loan Limits Announced

SunTrust Mortgage, Inc. is pleased to announce an increase to 2017 Loan Limits for Federal Housing Administration (FHA) and Department of Veteran Affairs (VA) transactions.

With this communication, SunTrust Mortgage announces our implementation strategy for the revised 2017 loan limits:

- We will begin accepting locks for VA loans originated under the new general loan limits starting Monday, December 19, 2016.
- We will begin accepting locks for FHA loans originated under the new general loan limits starting Tuesday, January 3, 2017.

Intended Audience

Origination Processing	Secondary Marketing	Underwriting	Closing Delivery Funding	Compliance Legal	Other
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Effective Dates

Monday, December 19, 2016

The VA general limits are available for existing and new loans on or after this date.

Tuesday, January 3, 2017

The FHA nationwide forward loan limits are available for existing or new loans on or after this date with case numbers assigned on or after this date.

Background Information

The Federal Housing Finance Agency (FHFA), VA and FHA recently announced 2017 loan limits. In response to this announcement, SunTrust Mortgage aligns with FHA and VA guidelines and implements increased 2017 loan limits.

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Bulletin Details

VA Effective Loan Limits

For VA loans, \$424,100 is the 2017 general loan limit for one to four unit properties.

Important Notes:

- SunTrust will begin accepting locks on loans with the new general loan limits on Monday, December 19, 2016.
- Loans with the new general loan limits must close on or after January 1, 2017.
- VA's maximum guaranty amount is based on the on the one-unit (single-family residence) limit established by FHFA.

FHA National Forward Loan Limits

The FHA national low cost area mortgage limits are set at 65% of the national conforming limit of \$424,100 for a one-unit property, are, by property unit number, as follows:

- \$275,665 for one-unit properties
- \$352,950 for two-unit properties
- \$426,625 for three-unit properties
- \$530,150 for four-unit properties

The FHA national high cost area mortgage limits, which are set at 150% of the national conforming limit of \$424,100 for a one-unit property, are, by property unit number, as follows:

- \$636,150 for one-unit properties
- \$815,500 for two-unit properties
- \$984,525 for three-unit properties
- \$1,223,475 for four-unit properties

FHA Forward loan limits for individual MSAs and counties are available at [FHA Mortgage Limits](#).

Jumbo Loan Limits

The FHA and VA Jumbo loan limits are as follows:

- \$424,101 for one unit properties
- \$543,001 for two unit properties
- \$656,351 for three unit properties
- \$815,651 for four unit properties

Important Note:

- SunTrust Mortgage will update the FHA 203b Loan Program guideline document in the Correspondent Seller Guide with the increased Jumbo loan limits on December 30, 2016.
- The Veteran may use the VA Home Loan Guaranty benefit to acquire a property up to four units in size. VA applies the One-Unit (single-family residence) limit as established by FHFA to determine maximum guaranty amount.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance and Legal.

Starting December 19, 2016

For VA loans, begin using the 2017 general loan limits on or after this date

Starting January 3, 2017

For FHA loans, begin using the 2017 national forward loan limits with case numbers assigned on or after this date.

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Bulletin Details, Continued

Revised Materials

Click [Veterans Administration \(VA\) Loan Programs](#), and VA Entitlement Worksheet ([COR 0341](#)) for revised materials.

Former Guidelines

VA Loan Limits

For VA loans, \$417,000 is the 2016 general loan limit for one to four unit properties.

FHA Loan Limits

The low cost FHA loan limits for 2016 are as follows:

- \$271,050 for one-unit properties
- \$347,000 for two-unit properties
- \$419,425 for three-unit properties
- \$521,250 for four-unit properties

The high cost FHA loan limits for 2016 are as follows:

- \$625,500 for one-unit properties
- \$800,775 for two-unit properties
- \$967,950 for three-unit properties
- \$1,202,925 for four-unit properties

Jumbo Loan Limits

The FHA and VA Jumbo loan limits are as follows:

- \$417,001 for one-unit properties
- \$533,851 for two-unit properties
- \$645,301 for three-unit properties
- \$801,951 for four-unit properties

Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Direct contact information for each correspondent relations coordinator is located in General Section 1.01: The Correspondent Division.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 4.

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