
Issue Date: **12.18.2015**

Effective Date: **1.1.2016**

No: **2015-12-02**

VA Announces 2016 County Loan Limits

The Department of Veterans Affairs published [Circular 26-15-31](#) announcing 2016 County Loan limits for the maximum amount the VA may guarantee on a home loan in a particular County. The loan limits are posted at The U.S. Department of Veterans Affairs Loan Limits page and can be found [here](#). The new loan limits are effective for loans closed on or after January 1, 2016.

VA does not set a cap on how much a Veteran can borrow to finance their home. However, there are limits on the amount of liability VA can assume. The loan limits are the amount a qualified Veteran with full entitlement may be able to borrow without making a down payment.

The County loan limits do NOT apply to IRRRLs. VA will guarantee 25 percent of the loan amount on an IRRRL, regardless of whether the loan exceeds the limit for the particular County.

In instances where a county loan limit has decreased in calendar year 2016, VA will honor the previous year's higher limit on a purchase loan, provided the sales contract has been ratified by all parties and the Uniform Residential Loan Application (URLA) is signed by both parties prior to January 1, 2016. Please see circular for additional information.

Questions: Please address all questions to: LoanHelpDesk@ResMac.com