

Maximum Guaranty for Loans Closed August 6, 2012 to December 31, 2012

1. Purpose. The Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012 was signed into law August 6, 2012. Effective with the signing of this bill, a method previously used to derive the Department of Veterans Affairs (VA) loan limits has been restored and will be in effect through December 31, 2014. **Updated loan limits for loans closed on or after August 6, 2012 through December 31, 2012, have been posted at http://www.benefits.va.gov/homeloans/loan_limits.asp.** Note that while VA does not have a maximum loan amount, the county "limits" must be used to calculate VA's maximum guaranty amount for that county.

2. Future Changes. Calendar year 2013 county loan limits will be posted once VA receives median price data from the Federal Housing Finance Agency (FHFA). This transmittal from FHFA typically happens in November. If a loan limit for a county decreases in 2013, VA will guarantee a loan using the previous higher limit if there is proof of a pre-approval based on a sales contract or a Uniform Residential Loan Application (URLA) executed on or before December 31, 2012.

3. Rescission: This circular is rescinded January 1, 2014.

By Direction of the Under Secretary for Benefits

Michael J. Frueh
Director, Loan Guaranty Service

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