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# RUNNELS COUNTY

## VETERANS COUNTY SERVICE OFFICE

*serving THE Veterans and dependants of runnels county*

**Date: January 09, 2020**

**TO: Runnels County Register**

On Jan. 1, 2020, it became easier for veterans to use their VA home loan benefit to purchase, refinance, or construct a home with no down payment, regardless of the cost of the home. The VA home county loan limits were eliminated as part of the [Blue Water Navy Vietnam Veterans Act](#) of 2019 for Veterans and service members with full entitlement. Historically, VA only guaranteed home loans up to the county conforming loan limits (CLL) as determined by the Federal Housing Finance Agency. These loan limits reflect the changes in average U.S. home prices at the county level. If you chose to purchase, refinance, or construct a home above the CLL, the lender would likely require a down payment from you before they would choose to close on the loan. In counties such as San Diego, Calif., or Arlington, Va., the limit is much higher to reflect the average cost of a home. This meant that when using your VA benefit, the lender—not VA—would require you to pay up to a 25% down payment on any amount above the county limit. As of January 1, first-time homebuyers, or homebuyers who have sold their home and have full benefit entitlement available, will no longer have to worry about loan limits or down payment requirements when purchasing, refinancing, or constructing a new home. Conforming loan limits will impact those who want to purchase a second (or subsequent) home using a VA home loan. For those that currently have a VA home loan and plan to keep it and purchase a new home using a VA-backed loan that is more than \$144,000, the rules are different, you must be able to afford all the loans at the time of closing and VA may be able to back the next loan, but it will depend on your *remaining entitlement* and the [conforming loan limit](#) (CLL) for your county. Your basic VA home loan entitlement starts at \$36,000 and goes up to 25% of the loan amount. The amount remaining on your entitlement after purchasing your first home will impact how much of a down payment will be required for your next purchase. If the county CLL is \$500,000 and your last loan was for \$500,000, then you have no entitlement remaining. If your first loan was for \$200,000 and the second is for \$400,000, the CLL for your next home would need to be at least \$600,000 if you want the no-down payment option, otherwise you'll have to pay a down payment on the amount above the CLL. Note that the county that will determine your loan limit is the county in which your next home is located. As each case is different, your first step should be to request your [certificate of eligibility](#), which will show your remaining VA home loan entitlement. If you need assistance determining what this means for you, reach out to your lender or a VA loan specialist. As with any home loan decision, you should speak with your lender(s) or a loan specialist at your [VA Regional Loan Center](#) to go over your options when purchasing your next home. The next home you purchase must be your primary residence. Only you can determine what is best for your personal and financial needs. Whatever the case, speaking to a loan professional about your options and shopping around for the best situation for you is key. Remember, the VA Home Loan Program staff are there to assist you. For more information on VA home loans go to: [www.benefits.va.gov/homeloans](http://www.benefits.va.gov/homeloans). For more information, contact Sandra at the Veterans Service Office at 602 Strong Ave on Tuesdays and Thursdays from 10am to 3pm, or call 365-3612.

Sandra G. Van Zant,  
Veterans County Service Officer



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