

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
February 13, 2015 • COR15-011



Alert

Update

Reminder

Clarification

Training
Information

Preview

VA Clarifies Maximum Entitlement Calculation

The Veterans Administration (VA) clarified that the maximum entitlement available to the veteran from the VA is the amount of guaranty or insurance benefit based on a Federal Housing Finance Agency (FHFA) one-unit, primary, single-family residence limit.

Intended Audience

**Origination
Processing**

Secondary Marketing

Underwriting

**Closing
Delivery
Funding**

**Compliance
Legal**

Other

Effective Dates

Friday, February 13, 2015
Follow published guidance for
maximum entitlement.

Background Information

VA published Circular [26-214-39 Change 1](#) to provide clarity for the maximum allowable entitlement available for the veteran. SunTrust Mortgage provides a VA Entitlement Worksheet (COR 0341) to assist correspondent lenders with this calculation.

Bulletin Details

Maximum Entitlement

The VA maximum entitlement may not exceed 25% of the FHFA maximum county loan limit for a one-unit single-family residence, when purchasing a 1-4 unit residence.

For all VA purchase, cash-out/regular and rate/term refinance transactions, provide evidence showing the VA county loan limit in the loan file. Loan amounts can exceed the FHFA maximum county loan limits, but require the veteran to make a down payment to provide the full 25 percent guaranty. SunTrust Mortgage requires the VA Entitlement Worksheet (COR 0341) for all VA loans submitted for purchase.

Action Required

**Origination, Processing, Underwriting,
Closing, Funding, Compliance and Legal
Starting February 13, 2015**
Follow published guidance.

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Bulletin Details, continued

Revised Material

Click [The Veterans Administration \(VA\) Loan Program](#) and the VA Entitlement Worksheet ([COR0341](#)) for the revised materials.

Former Guidelines

Previously, our guidelines reflected the maximum entitlement is the amount of guaranty or insurance benefit available to the veteran from the VA. When entitlement greater than \$104,250 is being used, the entitlement may not exceed 25% of the VA County Loan Limit.

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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