

Product Release

Information for Correspondent Lenders of SunTrust now Truist Bank
December 18, 2019 • COR19-058



Alert

Update

Reminder

Clarification

Training
Information

Preview

Agency 2020 Loan Limits and New Minimum Key Loan Limit Announced

Effective immediately, SunTrust now Truist Bank (Truist) aligns with Agency guidelines and implements the increased 2020 loan limits for standard Agency, Agency Plus, HomeReady®, Home Possible®, and Texas Section 50(a)(6) Mortgage transactions.

As a result of the conforming loan limit increase, we also increase the minimum loan amount for the Key Loan Program.

Effective Dates

The revised loan limits are effective for loans locked on or after December 18, 2019.

Background Information

The Federal Housing Finance Agency (FHFA), Fannie Mae, and Freddie Mac recently announced the maximum 2020 conventional loan limits. In response to this announcement, we align with Agency guidelines and implement the increased 2020 loan limits for all impacted Agency loan programs and also increase the minimum loan limit for Key Loan Program transactions.

Bulletin Details

Standard Agency, HomeReady, Home Possible, Texas Section 50(a)(6) Mortgage (1-unit only) Loans

- The **maximum general** loan limits are as follows:

General Maximum		
Units	2019	2020
1	\$484,350	\$510,400
2	\$620,200	\$653,550
3	\$749,650	\$789,950
4	\$931,600	\$981,700

Agency Plus, HomeReady High-Balance, and Home Possible High-Balance Loans

- The **minimum high-balance** loan limits are as follows:

High-Balance Minimum		
Units	2019	2020
1	\$484,351	\$510,401
2	\$620,201	\$653,551
3	\$749,651	\$789,951
4	\$931,601	\$981,701

- The **maximum high-balance** loan limits are as follows:

High-Balance Maximum		
Units	2019	2020
1	\$726,525	\$765,600
2	\$930,300	\$980,325
3	\$1,124,475	\$1,184,925
4	\$1,397,400	\$1,472,550

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Bulletin Details, continued

Agency Plus, HomeReady High-Balance, and Home Possible High-Balance Loans, continued

[Click here](#) for a complete listing of the **2020** maximum conforming limits for all counties and county equivalent areas in the country.

Reminder: Loans on properties in the states of Alaska and Hawaii, or any U.S. territories, remain ineligible for purchase or funding. See the applicable product description for additional geographic lending restrictions that continue to apply.

Fannie Mae Desktop Underwriter® (DU®) and Freddie Mac Loan Product Advisor® (LPA®) Implementation

- Fannie Mae applied the 2020 loan limits to DU Version 10.2 and Version 10.3 loan casefiles submitted (or resubmitted) on or after the weekend of December 7, 2019. We will accept loan casefiles underwritten through DU prior to December 7 that receive an “Ineligible” recommendation **due only to exceeding the 2019 loan limit**. These loan casefiles do not have to be resubmitted to DU if the loan amount complies with the applicable 2020 loan limit.
- Freddie Mac implemented the 2019 loan limits in LPA on December 4, 2019. We will accept loan casefiles underwritten through LPA prior to December 4 that receive an “Ineligible” recommendation **due only to exceeding the 2019 loan limit**. These loan casefiles do not have to be resubmitted to LPA if the loan amount complies with the applicable 2020 loan limit.

Key Loan Program

As a reminder, for Key Loan Program transactions (1-unit), the minimum loan amount is always one (\$1) dollar above the conforming loan limit. As a result of the conforming loan limit increase, we increase the minimum loan amount from \$484,351 to \$510,401.

Revised Material

Click [Agency Loan Programs](#), [Fannie Mae HomeReady®](#) and [Freddie Mac Home Possible® Mortgages](#), and [Texas Section 50\(a\)\(6\) Mortgages](#) to review the revised product materials.

Former Guidelines

See the Bulletin Details section for the former 2019 loan limits.

Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Contact Correspondent Relations Coordinators at 800.382.2111, Option 1.
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 3.

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