



Announcement 16-48

Date: December 20, 2016

Topic: FHA ML 2016-20 and VA Circular 26-16-36: 2017 Loan Limit Increases

FHA

Effective with case numbers assigned on or after January 1, 2017, PennyMac is aligning with FHA's increase to the floor and ceiling loan amounts. Complete details of FHA loan limits can be found at http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/lender/origination/mortgage_limits.

VA

For all non-IRRRL VA loans, effective with loans closed on or after January 1, 2017, PennyMac is aligning with VA's increase to the county loan limits. VA does not have a maximum loan amount, but instead uses the county loan limit to determine the maximum potential entitlement available. Complete details of VA's county loan limits can be found at http://www.benefits.va.gov/homeloans/purchaseco_loan_limits.asp.

As a reminder, PennyMac requires that all VA loans conform to GNMA secondary market guidelines which include the minimum 25% coverage requirement.

Please contact your Sales Representative with any questions.