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What is a JUMBO VA Loan?

Currently a Jumbo VA loan - is a loan over the zero down of **\$690,000** limit (**SAN DIEGO**). For years, the U.S. Department of Veterans Affairs has allowed Jumbo VA loans.

If you are thinking of pursuing a VA JUMBO Loan, here is something you need to know... According to the Department of Veterans Affairs, the "VA does **not set a cap** on how much you can borrow to finance your home. However, there are limits on the amount of liability VA can assume, which usually affects the amount of money an institution will lend you."

The current zero down limit can change, a VA qualified borrower can get a loan up to the limit with no money down. But anything over the **\$690,000** the VA buyer has to put down **25%** down of the overage.

In certain lesser home cost counties, VA loan limits are less than the current of San Diego **\$690,000** (ie: 2019 *Riverside County is at \$484,350 limit*) Jumbo loan limits can vary from lender to lender, so it's important to shop to see how much you can borrow with this type of loan.

The general rule is that if someone borrows more than the zero down limit, a down payment is most likely required. A down payment for a **Jumbo loan** is based on what the VA will guarantee.

Example of a VA Jumbo Loan.... if living in **San Diego** county where the VA zero down loan limit is **\$690,000**, but a VA buyer wants to borrow **more than** that, he or she would need to come up with a down payment equal to **25%** of the amount over **\$690,000**. Let's say he or she is buying a home for **\$920,000**. The difference is **\$230,000**, and **25%** of that is **\$57,500**. This now is the down payment that is needed, and the **actual loan amount** would be **\$862,500**, which in this case comes out to be **93.75%** loan to value ratio.... This in effect works out to about **6.25% down payment** on a **\$920,000** home. - When compared to down payments required for Conventional loans, the VA Home Loan Program is difficult to beat.

As on all VA loans, currently there is a **funding fee** of about **2.15%** of the loan amount that can be rolled into the VA loan as long as the total loan is below the VA loan limit.

Like all VA loans, A Jumbo VA loan is available only to VA-eligible borrowers who qualify with income and credit requirements. For VA-eligible borrowers, the VA Home Loan Guarantee Program is one of the best "no money down" home financing options out there and **Jumbo - VA loans** are no exception.

Currently the **2019** Fannie Mae **FHA** loan limit in **San Diego** County is also **\$690,000**.

The **2019 Conventional** "conforming" Loan Limit in **San Diego** County is currently at **\$690,000**.



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