



**Department of  
Veterans Affairs**

Office of Public Affairs  
Media Relations

Washington, DC 20420  
(202) 273-6000  
[www.va.gov](http://www.va.gov)

# News Release

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## **Higher Limits Extended in VA Home Loan Program**

WASHINGTON - America's veterans and their families now have a greater chance to make their dreams of home ownership a reality, thanks to an increase in the Department of Veterans Affairs (VA) home loan guaranty limit.

Effective January 1, 2006, changes in the loan guaranty limits will mean veterans are able to get no-down payment loans up to \$417,000. The previous ceiling was \$359,650.

"For more than 60 years, VA has assisted our veterans to become home owners," said the Honorable R. James Nicholson, Secretary of Veterans Affairs. "This increase is another example of our commitment to ensure VA benefits keep pace with the needs of our veterans in today's housing market."

The Veterans Benefits Improvement Act of 2004 tied increases in the VA guaranty to increases in the Federal Home Loan Mortgage Corporation's conforming loan limit. When this limit increases, VA guaranty limits also go up, allowing VA to keep pace with rising home values.

VA-guaranteed home loans are made by banks and mortgage companies to veterans, service members and reservists. With VA guaranteeing a portion of the loan, veterans can receive a competitive interest rate without making a down payment, making it easier to buy a home.

More information about VA home loan benefits is available on the Web at <http://www.homeloans.va.gov> or by calling 1-800-827-1000.