



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-  
FEDERAL HOUSING COMMISSIONER

**Date: December 7, 2017**

To: All FHA-approved Mortgagees  
All Direct Endorsement Underwriters  
All FHA Roster Appraisers  
All FHA Roster Inspectors  
All FHA-approved 203(k) Consultants  
All HUD-approved Housing Counselors  
All HUD-approved Nonprofit Organizations  
All Governmental Entity Participants  
All Real Estate Brokers  
All Closing Agents

**Mortgagee Letter 2017-16**

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**Subject** 2018 Nationwide Forward Mortgage Limits

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**Purpose** The Federal Housing Administration (FHA) calculates forward mortgage limits based on the median house prices in accordance with the National Housing Act. FHA's Single Family forward mortgage limits are set by Metropolitan Statistical Area (MSA) and county and are published periodically. FHA publishes updated limits effective for each calendar year. FHA sets these limits at or between the low cost area and high cost area limits based on the median house prices for the area.

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**Effective Date** Forward mortgage limits for calendar year 2018 are effective for case numbers assigned on or after January 1, 2018.

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**Requests for Local Increases (Appeals)** Any request for a change to high-cost-area loan limits must comply with the existing guidance in HUD Handbook 4000.1, Section II.A.2.a.ii (A). Such requests must be received by FHA's Santa Ana Homeownership Center no later than 30 days after the published date. Any changes in area loan limits because of valid appeals will be in effect retroactively for case numbers assigned on or after January 1, 2018.

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## Mortgagee Letter 2017-16, Continued

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**Affected Topics** This guidance will affect HUD’s Single Family Housing Policy Handbook 4000.1 (Handbook 4000.1), section II.A.2.a.ii(B) – *Low Cost Area*; section II.A.2.a.ii(C) – *High Cost Area*; and section II.A.2.a.ii(D) – *Special Exceptions for Alaska, Hawaii, Guam, and the Virgin Islands*.

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**Access to 2018 Limits** As stated in HUD Handbook 4000.1, Section II.A.2.a.ii, FHA forward mortgage limits for individual MSAs and counties are available on the internet at <https://entp.hud.gov/idapp/html/hicostlook.cfm>. In addition, downloadable text files with complete listings of all county loan limits are available at [http://www.hud.gov/pub/chums/file\\_layouts.html](http://www.hud.gov/pub/chums/file_layouts.html).

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**Single Family Housing Policy Handbook 4000.1**

### **Nationwide Mortgage Limits (II.A.2.a.ii(B))**

#### **Low Cost Area**

The FHA national low cost area mortgage limits, which are set at 65 percent of the national conforming limit of \$453,100 for a one-unit Property, are, by property unit number, as follows:

- One-unit: \$294,515
  - Two-unit: \$377,075
  - Three-unit: \$455,800
  - Four-unit: \$566,425
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## Mortgagee Letter 2017-16, Continued

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**Single Family  
Housing  
Policy  
Handbook  
4000.1**

### **Nationwide Mortgage Limits (II.A.2.a.ii(C))**

#### **High Cost Area**

The FHA national high cost area mortgage limits, which are set at 150 percent of the national conforming limit of \$453,100 for a one-unit Property, are, by property unit number, as follows:

- One-unit: \$679,650
  - Two-unit: \$870,225
  - Three-unit: \$1,051,875
  - Four-unit: \$1,307,175
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**Single Family  
Housing  
Policy  
Handbook  
4000.1**

### **Nationwide Mortgage Limits (II.A.2.a.ii(D))**

#### **Special Exceptions for Alaska, Hawaii, Guam, and the Virgin Islands**

Mortgage limits for the special exception areas of Alaska (AK), Hawaii (HI), Guam (GU) and the Virgin Islands (VI) are adjusted by FHA to account for higher costs of construction. These four special exception areas have a higher ceiling as follows:

- One-unit: \$1,019,475
  - Two-unit: \$1,305,325
  - Three-unit: \$1,577,800
  - Four-unit: \$1,960,750
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**Paperwork  
Reduction Act**

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## Mortgagee Letter 2017-16, Continued

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### Questions

For additional information on this ML, please visit [www.hud.gov/answers](http://www.hud.gov/answers) or call FHA's Resource Center at 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number via TTY by calling the Federal Relay Service at 1-800-877-8339.

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### Signature

Dana T. Wade  
General Deputy Assistant Secretary for Housing

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