



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

Date: December 3, 2019

To: All FHA-approved Mortgagees
All Direct Endorsement Underwriters
All Eligible Submission Sources for Condominium Project Approvals
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 2019-20

Subject	2020 Nationwide Home Equity Conversion Mortgage (HECM) Limits
Purpose	The Federal Housing Administration's (FHA) HECM maximum claim amount limit for HECM mortgages is governed by the maximum claim amount limitation in sections 255(g) and 255(m) of the National Housing Act, which contains cross-references to section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) as further defined in 24 C.F.R. 206.3. FHA publishes updated limits effective for each calendar year.
Effective Date	The HECM maximum claim amount limits transmitted by this Mortgagee Letter are effective for case numbers assigned on or after January 1, 2020.
Maximum Claim Amount Limits	For the period January 1, 2020 through December 31, 2020, the maximum claim amount for FHA-insured HECMs will be \$765,600 (150 percent of Federal Home Loan Mortgage Corporation's (Freddie Mac) national conforming limit of \$510,400). This maximum claim amount of \$765,500 is also applicable to Freddie Mac's special exception areas: Alaska, Hawaii, Guam, and the Virgin Islands.

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Mortgagee Letter 2019-20, continued

Questions

Please address any questions about the topics addressed in this Mortgagee Letter to the FHA Resource Center at (800) 225-5342. Persons with hearing or speech impairments may reach this number via TTY by calling the Federal Relay Service at (800) 877-8339. For additional information on this Mortgagee Letter, please visit www.hud.gov/answers.

Information Collection Requirements

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control numbers 2502-0059 and 2502-0524. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

Signature

Brian D. Montgomery
Assistant Secretary for Housing –
Federal Housing Commissioner
