



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:
Section 184 Approved Lenders

Notice PIH 2020-15

Issued: July 17, 2020

Expires: This Notice supersedes PIH Notice 2019-17 and remains in effect until amended, superseded, or rescinded.

Cross Reference:
PIH Notice 2019-17
12 USC 1715z-13a (b)(5)(C)(ii)

Title: Revised Loan Limits for the Section 184 Indian Home Loan Guarantee Program

Purpose: The purpose of this Notice is to update the mortgage loan limits for the Section 184 Indian Home Loan Guarantee (Section 184) program.

Background: The U.S. Department of Housing and Urban Development (HUD) is authorized to set maximum loan limits under the Section 184 program pursuant to 12 U.S.C. § 1715z-13a(b). The Office of Native American Programs (ONAP) periodically reviews the Section 184 loan limits and implements changes, as appropriate. In reviewing the loan limits for the Section 184 program, ONAP takes into consideration both the current annual loan limits published by the Federal Housing Finance Agency (FHFA) and the Federal Housing Administration's (FHA) single-family mortgage insurance program. HUD last published Section 184 loan limits on July 10, 2019 (PIH Notice 2019-17).

Determining the Maximum Loan Limit: HUD establishes the maximum loan limit for every county eligible for the Section 184 program by using the following multi-step process.

1. **Calculated ACS:** First, the median home price for the respective approved county is established using data from the American Community Survey (ACS) conducted by the U.S. Census Bureau. Second, this amount is multiplied by 150 percent, and, then, this amount is rounded up to the nearest \$50. This final calculation is the "Calculated ACS".
2. **National Conforming Loan Limit:** As of the date of this Notice, the National Conforming Loan Limit, which is set by the FHFA, is \$510,400.
3. **Lower Level:** This level is set at the FHA 2020 low-cost area mortgage limit for one-unit property. This limit is \$331,760 as published in Mortgage Letter 2019-19.

4. **Maximum Loan Limit:** HUD calculates the maximum loan limit for the respective approved county by using one of the following methods:
- a. **For all States except Alaska:** If the Calculated ACS for the respective county is higher than the Lower Level (\$331,760), then the Section 184 maximum loan limit for that county is set at the Calculated ACS. If the Calculated ACS for the respective county is lower than the Lower Level, then the Section 184 maximum loan limit for that county is set at the Lower Level. If the Calculated ACS is higher than the maximum loan limit for a respective county, as set by the Federal Housing Finance Agency (FHFA), then the Section 184 maximum loan limit will be the FHFA maximum loan limit for that county.
 - b. **For Alaska:** For all counties, the Section 184 maximum loan limit will be set at \$510,400 (the National Conforming Loan Limit). However, if the Calculated ACS for a county exceeds \$510,400, then the Section 184 maximum loan limit for that county will be set at the Calculated ACS, provided it does not exceed the FHFA maximum loan limit for all Alaska counties (\$765,600).

Example:

- **Nassau County, Florida.** In 2019, the ACS median home price was \$253,790.56 for the county. After multiplying this by 150 percent, it becomes \$380,685.84. Rounded up to the nearest \$50, the Calculated ACS would be \$380,700. Since the Calculated ACS is more than the Lower Limit and not more than the National Conforming Loan Limit for the county (\$510,400), the maximum loan limit would be \$380,700.
- **San Diego County, California.** In 2019, the ACS median home price was \$626,654.02 and the National Conforming Loan Limit was \$701,500 for the county. After multiplying the ACS median home price by 150 percent, it becomes \$939,981.03. Rounded up to the nearest \$50, the Calculated ACS would be \$940,000. Since the Calculated ACS amount is more than the National Conforming Loan Limit for the county (\$701,500), the maximum loan limit would be \$701,500.

Applicability: This Notice is effective for Section 184 case numbers issued on or after the date of this Notice.

Contact Information: If you have questions regarding this Notice, please email Krisa M. Johnson at Krisa.M.Johnson@hud.gov.

Revised Loan Limits: The revised loan limits for all counties eligible for a Section 184 guaranteed mortgage are attached. They are also located on the Section 184 Program CodeTalk webpage and can be found using the following link: www.hud.gov/section184.

/s/
R. Hunter Kurtz
Assistant Secretary
for Public and Indian Housing