



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

ASSISTANT SECRETARY FOR HOUSING-  
FEDERAL HOUSING COMMISSIONER

**Date: November 30, 2021**

**Mortgagee Letter 2021-28**

**To:** All FHA-Approved Mortgagees  
All Direct Endorsement Underwriters  
All Eligible Submission Sources for Condominium Project Approvals  
All FHA Roster Appraisers  
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

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**Subject** 2022 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 as further described below.

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**Effective Date** Forward mortgage limits for calendar year 2022 are effective for case numbers assigned on or after January 1, 2022.

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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), except that, for the calendar year 2022 loan limits only, this Mortgagee Letter amends the method for submitting any request for a change. Requests must be e-mailed to Answers@HUD.gov with the subject line of **2022 Loan Limits Appeal** no later than 30 days from the publication date of this Mortgagee Letter. Requests for a change will only be considered for counties for which HUD does not already have home sales transaction data for the calculation of mortgage limits. Any changes in area loan limits because of valid appeals will be in effect retroactively for case numbers assigned on or after January 1, 2022.

**Affected Programs**

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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**Background – Determination of Loan Limits**

Loan limits are determined by the county in which a property is located, except for properties located in Metropolitan Statistical Areas (MSAs) as defined by the Office of Management and Budget. The limits in these areas are set using the county with the highest median price within the metropolitan statistical area. For purposes of conforming high-cost-area limits to the indexing of the base Freddie Mac loan limit required in 305(a)(2) of the Federal Home Loan Mortgage Corporation Act, HUD uses indexing of county-level prices starting in 2008, the year that current statutory authorities for FHA loan limit determination were enacted. That implies that, when determining high-cost area limits, HUD defines the highest median price over time as well as across counties.

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**Access to 2022 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). FHA has published a list of areas at the ceiling, and between the floor and ceiling on the [Maximum Mortgage Limits](https://www.hud.gov/program_offices/housing/sfh/lender/origination/mortgage_limits) web page at [https://www.hud.gov/program\\_offices/housing/sfh/lender/origination/mortgage\\_limits](https://www.hud.gov/program_offices/housing/sfh/lender/origination/mortgage_limits).

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**Single Family  
Housing Policy  
Handbook  
4000.1**

**Nationwide Mortgage Limits (II.A.2.a.ii(B), (C), and (D))**

**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 \$647,200 for a one-unit Property, are, by property unit number, as follows:

- One-unit: \$420,680
- Two-unit: \$538,650
- Three-unit: \$651,050
- Four-unit: \$809,150

**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 \$647,200 for a one-unit Property, are, by property unit number, as follows:

- One-unit: \$970,800
- Two-unit: \$1,243,050
- Three-unit: \$1,502,475
- Four-unit: \$1,867,275

**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: \$1,456,200
  - Two-unit: \$1,864,575
  - Three-unit: \$2,253,700
  - Four-unit: \$2,800,900
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**Paperwork  
Reduction Act**

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 2502-0005; 2502-0059; 2502-0117; 2502-0189; 2502-0302; 2502-0306; 2502-0322; 2502-0358; 2502-0404; 2502-0414; 2502-0429; 2502-0494; 2502-0496; 2502-0525; 2502-0527; 2502-0538; 2502-0540; 2502-0556; 2502-0561; 2502-0566; 2502-0570; 2502-0583; 2502-0584; 2502-0589; 2502-0595; 2502-0600; 2502-0610; and 2502-0611. 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.

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**Questions**

Any questions regarding this Mortgagee Letter may be directed to the FHA Resource Center at 1-800-CALL-FHA. Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339. For additional information on this Mortgagee Letter, please visit [www.hud.gov/answers](http://www.hud.gov/answers).

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**Signature**

Lopa P. Kolluri  
Principal Deputy Assistant Secretary  
Office of Housing – Federal Housing Administration

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