

# Lender Letter(LL-2021-16)

Nov. 30, 2021

## To: All Fannie Mae Single-Family Sellers Confirmation of Conforming Loan Limits for 2022

This Lender Letter establishes Fannie Mae loan limits for 2022. The Federal Housing Finance Agency (FHFA) has issued the conforming loan limits that will apply to conventional loans to be acquired by us in 2022. The first mortgage conforming loan limits are defined in terms of baseline loan limits and high-cost area loan limits. The limits are increasing in 2022.

**Effective:** The new limits are effective for whole loans delivered, and mortgage loans delivered into MBS with pool issue dates, on or after Jan. 1, 2022.

Whole loans delivered through Dec. 31, 2021, must comply with the 2021 limits. MBS pools with Dec. 1, 2021 pool issue dates must comply with the 2021 limits, and MBS pools with Jan. 1, 2022 pool issue dates must comply with the 2022 limits (even if delivered in Dec.). Lenders must ensure the appropriate identification of high-balance loans at delivery using Special Feature Code 808.

### First mortgage conforming loan limits

The following table contains the baseline (also known as “general”) loan limits for 2022:

Units	Baseline Loan Limits	
	Contiguous States, District of Columbia, and Puerto Rico	Alaska, Guam, Hawaii, and U.S. Virgin Islands
One	\$647,200	\$970,800
Two	\$828,700	\$1,243,050
Three	\$1,001,650	\$1,502,475
Four	\$1,244,850	\$1,867,275

The high-cost area loan limits are established for each county (or equivalent) and are published on [Fannie Mae’s website](#) and on [FHFA’s website](#). The ceiling for the high-cost area limits for 2022 are:

Units	High-Cost Area Loan Limits*	
	Contiguous States, District of Columbia, and Puerto Rico	Alaska, Guam, Hawaii, and U.S. Virgin Islands
One	\$970,800	Not Applicable
Two	\$1,243,050	
Three	\$1,502,475	
Four	\$1,867,275	

\* Several states (including Alaska and Hawaii), Guam, Puerto Rico, and the U.S. Virgin Islands do not have any high-cost areas in 2022.



High-cost area loan limits are derived from median home prices estimated by the Federal Housing Administration (FHA) of the Department of Housing and Urban Development (HUD). FHA will permit a 30-day appeals period during which requests for individual area median home price increases will be evaluated. FHFA will issue a subsequent announcement if any individual high-cost area loan limit is increased as a result of the appeals process. Updates resulting from subsequent FHFA announcements will be posted on our website.

Loans subject to the high-cost area limits are referred to as high-balance loans and must comply with the high-balance loan requirements described in the *Selling Guide*.

### Application of the Limits Based on Original Loan Amount

All conforming loan limits apply to the original loan amount of the mortgage loan, not to its balance at the time of purchase by Fannie Mae. Lenders are responsible for ensuring that the original loan amount of each mortgage loan does not exceed the applicable loan limit for the specific area in which the property is located.

### Desktop Underwriter® Implementation

The 2022 loan limits will be applied to Desktop Underwriter (DU®) loan casefiles submitted (or resubmitted) on or after the weekend of Dec. 4, 2021. Also note that loan casefiles underwritten through DU prior to Dec. 4 that receive an Ineligible recommendation due only to exceeding the 2021 loan limit may be delivered after Jan. 1, 2022 (or in Jan. 1, 2022 MBS pools). The loan casefile does not have to be resubmitted to DU if the loan amount complies with the applicable 2022 conforming loan limit. However, lenders may want to resubmit after the new loan limits are implemented in DU to potentially obtain more streamlined collateral valuation options.

### Reference Materials

To assist lenders in determining the applicable limits, we post reference material on our website, including the [Loan Limit GeoCoder™](#), which lenders can use to look up conforming loan limits based on a specific address (or batch of addresses).

Lenders may also contact their Fannie Mae Account Team if they have questions about this Lender Letter.  
Have guide questions? Get answers to all your policy questions, straight from the source. [Ask Poli](#).

**Let your voice be heard!** We want your feedback on our policy communications to help us improve the clarity of new and updated policy and understand any implications to borrowers. Click below to take a short survey regarding this Lender Letter.



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