Fannie Mae

Lender Letter (LL-2025-04)

Nov. 25, 2025

To: All Fannie Mae Single-Family Sellers
Confirmation of Conforming Loan Limit Values for 2026

This Lender Letter establishes Fannie Mae loan limits for 2026. The U.S. Federal Housing (FHFA) has issued the conforming loan limit values that will apply to conventional loans to be acquired by us in 2026. The first mortgage conforming loan limit values are defined in terms of baseline loan limits and high-cost area loan limits. The limits are increasing in 2026.

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, 2026.

Whole loans delivered through Dec. 31, 2025 that are in "Purchase Requested" status in PE-Whole Loan and Loan Delivery must comply with the 2025 limits. MBS pools with Dec. 1, 2025 pool issue dates must comply with the 2025 limits, and MBS pools with Jan. 1, 2026 pool issue dates must comply with the 2026 limits (even if delivered in December). Lenders must ensure the appropriate identification of high-balance loans at delivery using Special Feature Code 808.

First mortgage conforming loan limit values

The following table contains the baseline (also known as "general") loan limits for 2026.

Units	Baseline Loan Limits	
	Contiguous States, District of Columbia, and Puerto Rico	Alaska, Guam, Hawaii, and U.S. Virgin Islands
One	$832,750	$1,249,125
Two	$1,066,250	$1,599,375
Three	$1,288,800	$1,933,200
Four	$1,601,750	$2,402,625

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 following table contains the ceiling for the high-cost area limits for 2026.

Units	High-Cost Area Loan Limits*		
	Contiguous States, District of Columbia, and Puerto Rico	Hawaii	Alaska, Guam, and U.S. Virgin Islands
One	$1,249,125	$1,299,500	Not Applicable
Two	$1,599,375	$1,663,600	
Three	$1,933,200	$2,010,950	
Four	$2,402,625	$2,499,100	

* *Alaska, Guam, Puerto Rico, and the U.S. Virgin Islands do not have any high-cost areas in 2026.*

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 limit values 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 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 2026 loan limits will be applied to Desktop Underwriter (DU®) loan casefiles submitted (or resubmitted) on or after the weekend of Dec. 6, 2025. Also note that loan casefiles underwritten through DU prior to Dec. 6 that receive an Ineligible recommendation due only to exceeding the 2025 loan limit may be delivered after Jan. 1, 2026 (or delivered in Jan. 1, 2026 MBS pools). The loan casefile does not have to be resubmitted to DU if the only reason for the DU Ineligible recommendation is due to the loan amount, and the loan amount complies with the applicable 2026 conforming loan limit value.

> **NOTE:** *For loan applications dated, or loan casefiles created, before Dec. 6, 2025, the 2025 designation of high-cost or non-high-cost area will be used to determine the applicable area median income that applies to the first-time homebuyer LLPA waiver. On and after Dec. 6, 2025, the 2026 designations will be used.*

Reference Materials

To assist lenders in determining the applicable limits, we post reference material on our website, including the Area Median Income/Loan Limits Lookup Tool, which lenders can use to look up conforming loan limit values based on a specific address (or batch of addresses).

Lenders may 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.