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HUD ANNOUNCES NEW FHA LOAN LIMITS FOR 2019 ***Loan limits to increase in more than 3,000 counties***

WASHINGTON - The Federal Housing Administration (FHA) today announced the agency's new schedule of loan limits for 2019, with most areas in the country to experience an increase in loan limits in the coming year. These loan limits are effective for FHA case numbers assigned on or after January 1, 2019.

- [Read FHA's Mortgagee Letter on 2019 Forward Mortgage Limits.](#)
- [Read FHA's Mortgagee Letter on 2019 Home Equity Conversion Mortgage \(HECM\) Limits.](#)

FHA is required by the National Housing Act, as amended by the Housing and Economic Recovery Act of 2008 (HERA), to set Single Family forward loan limits at 115 percent of median house prices, subject to a floor and a ceiling on the limits. FHA calculates forward mortgage limits by Metropolitan Statistical Area and county.

In high-cost areas of the country, FHA's loan limit ceiling will increase to \$726,525 from \$679,650. FHA will also increase its floor to \$314,827 from \$294,515. Additionally, the National Mortgage Limit for FHA-insured Home Equity Conversion Mortgages (HECMs), or reverse mortgages, will increase to \$726,525 from \$679,650. FHA's current regulations implementing the National Housing Act's HECM limits do not allow loan limits for reverse mortgages to vary by MSA or county; instead, the single limit applies to all mortgages regardless of where the property is located.

Due to robust increases in median housing prices and required changes to FHA's floor and ceiling limits, which are tied to the Federal Housing Finance Agency (FHFA)'s increase in the conventional mortgage loan limit for 2019, the maximum loan limits for FHA forward mortgages will rise in 3,053 counties. In 181 counties, FHA's loan limits will remain unchanged. By statute, the median home price for a Metropolitan Statistical Area (MSA) is based on the county within the MSA having the highest median price. It has been HUD's long-standing practice to utilize the highest median price point for any year since the enactment of the Housing and Economic Recovery Act (HERA).

The National Housing Act, as amended by HERA, requires FHA to establish its floor and ceiling loan limits based on the loan limit set by FHFA for conventional mortgages owned or guaranteed by Fannie Mae and Freddie Mac. FHA's 2019 minimum national loan limit, or floor, of \$314,827 is set at 65 percent of the national conforming loan limit of \$484,350. This floor applies to those areas where 115 percent of the median home price is less than the floor limit.

Any areas where the loan limit exceeds this 'floor' is considered a high-cost area, and HERA requires FHA to set its maximum loan limit 'ceiling' for high-cost areas at 150 percent (\$726,525) of the national conforming limit.

Based upon the volume of FHA endorsements in FY 2018, the following chart represents the number and share of counties where FHA loan limits are at the ceiling, floor and somewhere in between.

2019 LIMITS	Counties		FY 18 Endorsements		FY 18 Endorsed Amount		Average Loan
	Number	Percent	Number	Percent	Number	Percent	Amount
Counties at Ceiling	73	2.26%	79,639	7.85%	\$29,085,594,869	13.91%	\$365,218
Counties Between Ceiling and Floor	504	15.58%	442,109	43.57%	\$102,074,625,753	48.83%	\$230,881
Counties at Floor	2,657	82.16%	492,860	48.58%	\$77,890,616,723	37.26%	\$158,038

To find a complete list of FHA loan limits, areas at the FHA ceiling, areas between the floor and the ceiling, as well as a list of areas with loan limit increases, visit [FHA's Loan Limits Page](#).

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