

FHFA Announces Maximum Conforming Loan Limits for 2018

Fannie Mae and Freddie Mac Baseline Limit Will Increase to \$453,100

FOR IMMEDIATE RELEASE

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Washington, D.C. – The Federal Housing Finance Agency (FHFA) today announced the maximum conforming loan limits for mortgages to be acquired by Fannie Mae and Freddie Mac in 2018. In most of the U.S., the 2018 maximum conforming loan limit for one-unit properties will be \$453,100, an increase from \$424,100 in 2017.

Baseline limit

The Housing and Economic Recovery Act (HERA) requires that the baseline conforming loan limit be adjusted each year for Fannie Mae and Freddie Mac to reflect the change in the average U.S. home price. Earlier today, FHFA published its third quarter 2017 House Price Index (HPI) [report](#), which includes estimates for the increase in the average U.S. home value over the last four quarters. According to FHFA's seasonally adjusted, expanded-data HPI, house prices increased 6.8 percent, on average, between the third quarters of 2016 and 2017. Therefore, the baseline maximum conforming loan limit in 2018 will increase by the same percentage.

High-cost area limits

For areas in which 115 percent of the local median home value exceeds the baseline conforming loan limit the maximum loan limit will be higher than the baseline loan limit. HERA establishes the maximum loan limit in those areas as a multiple of the area median home value, while setting a "ceiling" on that limit of 150 percent of the baseline loan limit. Median home values generally increased in high-cost areas in 2017, driving up the maximum loan limits in many areas. The new ceiling loan limit for one-unit properties in most high-cost areas will be \$679,650 — or 150 percent of \$453,100.

Special statutory provisions establish different loan limit calculations for Alaska, Hawaii, Guam, and the U.S. Virgin Islands. In these areas, the baseline loan limit will be \$679,650 for one-unit properties, but loan limits may be higher in some specific locations.

As a result of generally rising home values, the increase in the baseline loan limit, and the increase in the ceiling loan limit, the maximum conforming loan limit will be higher in 2018 in all but 71 counties or county equivalents in the U.S.

Questions about the 2018 conforming loan limits can be addressed to

LoanLimitQuestions@fhfa.gov.

- For a list of the 2018 maximum loan limits for all counties and county-equivalent areas in the U.S. click [here](#).
- For a map showing the 2018 maximum loan limits across the U.S. click [here](#).
- For a detailed description of the methodology used to determine the maximum loan limits in accordance with HERA, click [here](#).