



Date: November 28, 2016

Subject: New Conforming Conventional Loan Limits for 2017

The Federal Housing Finance Agency (FHFA) has announced increased conforming and high-cost area loan limits for calendar year 2017. These are located on the FHFA website:

<http://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx>

The tables below show the new 2017 loan limits.

| Units | General Loan Limits | |
|-------|---------------------|-------------------|
| | Contiguous States | Alaska and Hawaii |
| One | \$424,100 | \$636,150 |
| Two | \$543,000 | \$814,500 |
| Three | \$656,350 | \$984,525 |
| Four | \$815,650 | \$1,223,475 |

| Units | High-Cost Area Loan Limits | |
|-------|----------------------------|-------------------|
| | Contiguous States | Alaska and Hawaii |
| One | \$636,150 | \$954,225 |
| Two | \$814,500 | \$1,221,750 |
| Three | \$984,525 | \$1,476,775 |
| Four | \$1,223,475 | \$1,835,200 |

Note: A number of states do not have any high-cost areas in 2017.

Freddie Mac's Loan Product Advisor (LPA) will be updated on December 2, 2016.

Fannie Mae's Desktop Underwriter (DU) will be updated during the weekend of December 10, 2016.

Desktop Underwriter (DU) will be updated in two phases:

- Loan casefiles submitted on or after the weekend of December 10, 2016 (using either Version 9.3 or 10.0) will be underwritten with the new general loan limits.
- Loan casefiles submitted on or after January 1, 2017, will be underwritten with the new high-cost area loan limits.

Once the agency systems are updated, loans may close immediately at the new higher **general loan limits** in accordance with the respective AUS approval (DU or LPA) and Impac guidelines. There is no need to wait until 2017 as long as the loan has an AUS approval within the new 2017 loan amount limits. Remember, high-cost area loan limits will not be updated in DU until January 1, 2017.

The iQM Agency Plus program currently has credit and income documentation flexibility for loans with DU Approve recommendations ≤ \$417,000. Effective for iQM Agency Plus loans with DU submissions pulled after the weekend of December 10, 2016, the DU credit and documentation flexibility will apply to loans with DU Approve recommendations ≤ \$424,100.

If you have questions, please contact 855-GO-IMPAC (855-464-6722)

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