



**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-6212-N-01]**

**Annual Indexing of Basic Statutory Mortgage  
Limits for Multifamily Housing Programs**

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Notice.

**SUMMARY:** In accordance with Section 206A of the National Housing Act, HUD has adjusted the Basic Statutory Mortgage Limits for Multifamily Housing Programs for Calendar Year 2020.

**APPLICABLE DATE:** January 1, 2020.

**FOR FURTHER INFORMATION CONTACT:** Patricia M. Burke, Acting Director, Office of Multifamily Development, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410-8000, telephone (202) 402-5693 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling Federal Relay Service at (800) 877-8339 (this is a toll-free number).

**SUPPLEMENTARY INFORMATION:**

The FHA Down Payment Simplification Act of 2002 (Pub. L. 107-326, approved December 4, 2002) amended the National Housing Act by adding a new Section 206A (12 U.S.C. 1712a). Under Section 206A, the following are affected:

- I. Section 207(c)(3)(A) (12 U.S.C. 1713(c)(3)(A));
- II. Section 213(b)(2)(A) (12 U.S.C. 1715e(b)(2)(A));
- III. Section 220(d)(3)(B)(iii)(I) (12 U.S.C. 1715k(d)(3)(B)(iii)(I));
- IV. Section 221(d)(4)(ii)(I) (12 U.S.C. 1715l(d)(4)(ii)(I));

V. Section 231(c)(2)(A) (12 U.S.C. 1715v(c)(2)(A)); and

VI. Section 234(e)(3)(A) (12 U.S.C. 1715y(e)(3)(A)).

The Dollar Amounts in these sections are the base per unit statutory limits for Federal Housing Administration's (FHA) multifamily mortgage programs collectively referred to as the 'Dollar Amounts.' They are adjusted annually (commencing in 2004) on the effective date of the Consumer Financial Protection Bureau's (CFPB's) adjustment of the \$400 figure in the Home Ownership and Equity Protection Act of 1994 (HOEPA) (Pub.L. 103-325, approved September 23, 1994). The adjustment of the Dollar Amounts shall be calculated using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) as applied by the CFPB for purposes of the above-described HOEPA adjustment.

The percentage change in the CPI-U used for the HOEPA adjustment is 2.3 percent and the effective date of the HOEPA adjustment is January 1, 2020. The Dollar Amounts under Section 206A have been adjusted correspondingly and have an effective date of January 1, 2020.

These revised statutory limits, high cost areas and per unit cost thresholds for substantial rehabilitation may be applied to FHA multifamily mortgage insurance applications submitted or amended on or after January 1, 2020, so long as the loan has not been initially endorsed.

The adjusted Dollar Amounts for Calendar Year 2020 are shown below:

## **BASIC STATUTORY MORTGAGE LIMITS FOR CALENDAR YEAR 2020**

### **MULTIFAMILY LOAN PROGRAM**

Section 207—Multifamily Housing

Section 207 pursuant to Section 223(f)—Purchase or Refinance Housing

Section 220—Housing in Urban Renewal Areas

Bedrooms	Non-Elevator	Elevator
0	\$54,892	\$64,026
1	60,807	70,944
2	72,633	86,990
3	89,525	108,951
4+	101,352	123,193

Section 213—Cooperatives

Bedrooms	Non-Elevator	Elevator
0	\$59,488	\$63,342
1	68,592	71,764
2	82,723	87,265
3	105,887	112,895
4+	117,966	123,927

Section 234—Condominium Housing

Bedrooms	Non-Elevator	Elevator
0	\$60,702	\$63,881
1	69,991	73,230
2	84,411	89,049
3	108,050	115,201
4+	120,372	126,454

Section 221(d)(4)—Moderate Income Housing

Bedrooms	Non-Elevator	Elevator
0	\$54,628	\$59,010

1	62,013	67,649
2	74,959	82,262
3	94,085	106,418
4+	106,314	116,817

Section 231—Housing for the Elderly

Bedrooms	Non-Elevator	Elevator
0	\$51,937	\$59,010
1	58,063	67,649
2	69,336	82,262
3	83,443	106,418
4+	98,101	116,817

Section 207—Manufactured Home Parks

Per Space—\$25,200

**PER UNIT LIMIT FOR SUBSTANTIAL REHABILITATION FOR CALENDAR YEAR**

**2020**

The 2016 Multifamily Accelerated Processing (MAP) Guide established a base amount of \$15,000 per unit to define substantial rehabilitation for FHA insured loan programs. Section 5.1.D.2 of the MAP guide requires that this base amount be adjusted periodically based on the percentage change published by the CFPB or other inflation cost index published by HUD.

Applying the HOEPA adjustment to the base amount, the 2020 base amount per dwelling unit to determine substantial rehabilitation for FHA insured loan programs is \$16,299.

## **ENVIRONMENTAL IMPACT**

This issuance establishes mortgage and cost limits that do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Dated: June 1, 2020.

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John Garvin,  
General Deputy Assistant Secretary for Housing.

**[Billing Code 4210-67]**

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