



WHOLESALE BULLETIN

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20W-133

Attention: AEs, Business Development Managers & Mortgage Brokers

November 30, 2020

Please take a moment to read the important information contained in this bulletin.

Included in this Bulletin: Loan Limits for 2021

The Federal Housing Finance Agency (FHFA) has announced new loan limits for the year 2021.

Conforming loan limits for Conventional loans will increase from \$510,400 to \$548,250. Loan limits will also be increasing in what the FHFA calls “high cost areas”, where 115% of the local median home value exceeds the baseline loan limit. The new ceiling loan limit for one-unit properties in most high cost areas will be \$822,375, which is up from \$765,600 in 2020.

For 2021, almost all counties increased. The county list has been included with this bulletin and can also be accessed by clicking [here](#).

We are in the process of updating our pricing engine to accept the new conventional loan limits. In the meantime, **we are able to accept locks for loans falling under the new limits effective December 1st**. Until our pricing engine is updated, please lower your loan amount to the current conforming limit, lock the loan, then email our lock desk to have them increase the loan amount. There may be slight changes in pricing for loan amount-specific adjustments such as including the underwriting fee into pricing. Our lock desk will confirm final pricing with you at the time of the request.

2021 loan limits will be applied to Desktop Underwriter (DU®) Version 10.3 loan casefiles submitted (or resubmitted) on or after the weekend of December 12, 2020. Also note that loan casefiles underwritten through DU prior to December 12th that receive an Ineligible recommendation due only to exceeding the 2020 loan limit may be delivered after January 1, 2021. The loan casefile does not have to be resubmitted to DU if the loan amount complies with the applicable 2021 loan limit.

2021 loan limits will be applied to LPA December 13th. Loans that receive an Ineligible finding prior to December 13th based solely on 2021 loan limits will be eligible.

Changes are also expected for FHA, VA and USDA and will be communicated once received.

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