



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Date: May 17, 2022

Dear Lender Letter 2022-04

To: All Section 184 Approved Lenders and Servicers
All Section 184A Approved Lenders and Servicers
All Tribes
All Tribally Designated Housing Entities
Department of Hawaiian Home Lands

Subject Revised Maximum Loan Limits for the Section 184 Indian Home Loan Guarantee Program and Section 184A Native Hawaiian Home Loan Guarantee Program

Purpose The purpose of this Dear Lender Letter (DLL) is to update the maximum loan limits for the Section 184 Indian Home Loan Guarantee (Section 184) program and Section 184A Native Hawaiian Home Loan Guarantee (Section 184A) program.

Effective Date This DLL is effective for Section 184 and Section 184A case numbers issued on or after the date of this DLL.

Public Feedback The Office of Native American Programs (ONAP) welcomes feedback from interested parties for a period of 30 calendar days from the date of issuance. To provide feedback on this policy document, please send feedback to ONAP at Section184Comments@HUD.gov. ONAP will consider the feedback in determining the need for future updates.

Affected Programs This DLL applies to the Section 184 and Section 184A programs. This DLL supersedes section 8 of Notice PIH 2014-11, and Notices PIH 2020-15 and PIH 2020-34 for the Section 184 program and Section 5.8 of the Section 184A Processing Guide and DLL 2020-11 for the Section 184A program.

Background

Pursuant to 12 U.S.C. § 1715z-13a(b), the U.S. Department of Housing and Urban Development is authorized to set maximum loan limits under the Section 184 program.

Under 12 U.S.C. § 1715z-13b HUD is authorized to make loan guarantees under the Section 184A program for homes located on the Hawaiian Home Lands. Pursuant to Section 208(6) of the Hawaiian Homes Commission Act (HHCA) of 1920, as amended, loans made by lending institutions, insured or guaranteed by HUD may not exceed the maximum insurable limits established under the Federal Housing Administration (FHA) Section 247 mortgage insurance program.

ONAP periodically reviews the Section 184 and Section 184A maximum loan limits and implements changes, as appropriate. The Section 184 Maximum Loan Limits were last published on July 17, 2020, under Notice PIH 2020-15 and subsequently amended by Notice PIH 2020-34 published on December 22, 2020, which added eight counties in the state of Arkansas to the approved Section 184 lending areas.

The Section 184A Maximum Loan Limits are published in Section 5.8 of the Section 184A Processing Guide, which was amended by DLL 2020-11, which adjusted the maximum loan limits for Hawaii County.

Given the recent increases in housing and construction costs, ONAP has determined it is time for another adjustment to the maximum loan limits for the Section 184 and Section 184A programs. The methodology previously used to determine the Section 184 Maximum Loan Limits includes data from the American Community Survey (ACS) and the Federal Housing Finance Agency (FHFA) National Conforming Loan Limit. Due to the continued COVID-19 National Emergency, the latest ACS data is not available. As a result, ONAP researched alternative methodologies to determine both the Section 184 and Section 184A Maximum Loan Limits, including the current loan limits set by the FHFA and the FHA single-family mortgage insurance program.

ONAP determined that the FHA maximum single-family mortgage limits, called the “Nationwide Forward Mortgage Limits” has the most relevant data set for the Section 184 and Section 184A programs, provides equity within HUD programs, and reflects adjustments for higher cost areas. Additionally, for Section 184A, it complies with Section 208(6) of the HHCA.

Summary of Changes

ONAP is revising the methodology to calculate the Section 184 and Section 184A Maximum Loan Limits and is publishing new limits based on the FHA Nationwide Forward Mortgage Limits.

**Section 184 and
Section 184A
Loan Limits**

The maximum loan limits for the Section 184 and Section 184A programs will be based on the FHA Nationwide Forward Mortgage Limits. As part of the transition to these limits, if the FHA Nationwide Forward Mortgage Limit for an area is less than the Section 184 Maximum Loan Limit published in Notice PIH 2020-15, ONAP will retain the limit from Notice PIH 2020-15 until the FHA Nationwide Forward Mortgage Limit is equal to or exceeds the PIH 2020-15 limit.

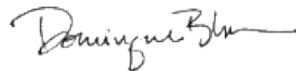
Areas retaining the PIH Notice 2020-15 limits are all Section 184 eligible areas in Alaska, except for the counties of Aleutians West and Juneau.

Attached are two separate documents: the 2022 Maximum Loan Limits for Section 184 areas by state and county for one-to-four-unit properties and the 2022 Maximum Loan Limits for Section 184A by county.

Questions

Any questions regarding this DLL may be emailed to Section184Comments@hud.gov.

Signature



Dominique Blom
General Deputy Assistant Secretary
for Public and Indian Housing