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\$766,550 is The New Conforming Loan Limit For 2024

If you're just here for the conforming loan limit news, **\$766,550 is the number for 2024.**

Does this mean no one can get a mortgage for more than \$766,550? No. The conforming loan limit is the maximum amount that can be guaranteed by Fannie Mae and Freddie Mac (the government-sponsored enterprises or GSEs). That guarantee has advantages in terms of the loan approval process and [interest rates](#). There are plenty of mortgage options for higher amounts or that are not guaranteed by the GSEs, but conforming loans account for a vast majority of new mortgages.

\$766,550 is the base amount. Higher cost areas have access to higher limits based on the average home prices in that area. The county by county limits are listed separately, [HERE](#). The highest tier is \$1,149,825 (base loan limit x 1.5).

HOUSING TYPE	STANDARD	HIGH BALANCE
Single Family, Coop & Condos	\$766,550	\$1,149,825
Two Family Homes	\$981,500	\$1,472,250
Three Family Homes	\$1,186,350	\$1,779,525
Four Family Homes	\$1,474,400	\$2,211,600

Where do these numbers come from?

The Federal Housing Finance Agency (FHFA) is the regulator of the GSEs. It publishes various home price data. Once the data is in for the 3rd quarter (typically by late November), it is compared to the 3rd quarter of the previous year and home prices are adjusted by the corresponding amount.

In situations where home prices fall, the limit does not fall, but it will not rise again until home prices move back above the levels associated with the previous limit. For instance, let's imagine the loan limit was \$700k, but prices fell enough to drop it to \$600k. The limit would remain at \$700k year after year (even if prices were rising) until prices got back above \$700k.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.86%	-0.05	0.00
15 Yr. Fixed	6.31%	-0.02	0.00
30 Yr. FHA	6.32%	-0.06	0.00
30 Yr. Jumbo	7.04%	-0.03	0.00
5/1 ARM	6.53%	-0.02	0.00
Freddie Mac			
30 Yr. Fixed	6.78%	-0.08	0.00
15 Yr. Fixed	6.07%	-0.09	0.00
Mortgage Bankers Assoc.			
30 Yr. Fixed	7.00%	-0.03	0.60
15 Yr. Fixed	6.63%	+0.07	0.61
30 Yr. FHA	6.87%	-0.03	0.92
30 Yr. Jumbo	7.13%	+0.02	0.38
5/1 ARM	6.22%	-0.16	0.60

Rates as of: 7/26

Recent Housing Data

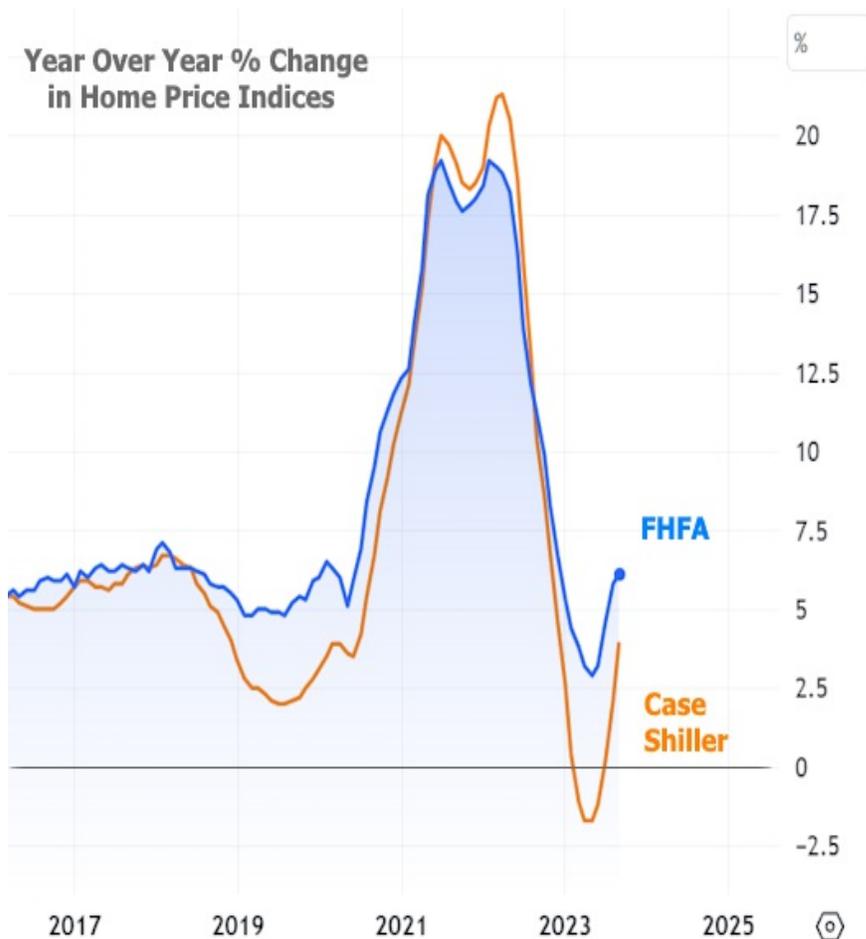
		Value	Change
Mortgage Apps	Jul 10	206.1	-0.19%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%

Housing News Update

Value

Change

All that having been said, even after the deceleration in prices in early 2023, year-over-year numbers remain in positive territory. The following chart includes the Case Shiller HPI which focuses on the 20 largest metro areas (it's not used for conforming loan limit calculation, but it too is in moderately positive territory year over year).



Perhaps "moderately positive" wrong term. After all, annual home price appreciation of 5.5% FAR surpasses the Fed's 2% inflation target. Combined with the highest rates in decades a little over a month ago, this speaks to the ever-present affordability problem.

Conforming loan limits can play some small part in helping affordability to the extent that someone needs a \$766,550 mortgage and was unable to buy/refi with the previous limit of \$726,200.

The new limits go into effect for loans acquired by the GSEs in 2023. That typically means lenders can apply the limits immediately since it takes at least a month for a new loan to be 'delivered' to the GSEs. Lenders tend to adopt the new limits at slightly different paces.

Frontrunner lenders will likely announce them today. Laggards may take a few weeks. Many lenders preemptively offered limits of \$750k, knowing that the actual limit would be at least that high and that it would not need to deliver those loans to the GSEs until 2024.

How about FHA loan limits? These have yet to be announced. Last year it happened on the same day as FHFA. In any event, the calculation is known. FHA will be 65% of the FHFA Conforming Loan Limit or \$498,250 (rounded from a calculated value of \$498,257.50).

Navigating Current Market Trends Together!

Hello and welcome! This page is designed with you in mind, serving as your go-to resource for all things mortgage-related. My goal is to keep you updated on market trends, changes in mortgage rates, and other relevant financial news that could impact your home buying, refinancing, or investment decisions.

As a seasoned Loan Officer at Mortgage 1, Inc., I understand that the mortgage process can be complex. That's why I'm dedicated to standing in your corner, ready to provide expert advice and clear explanations to help you understand the ins and outs of the mortgage market.

But this page is about more than just providing updates. It's about creating an open line of communication between us. Your financial journey is unique, and I'm here to answer any questions or concerns you might have, at any time. So feel free to reach out via phone or email whenever you need.

I aim to be a resource to my clients and service partners, ensuring you feel confident and knowledgeable about your mortgage options. I believe that informed decisions are the best decisions, and I'm committed to giving you the tools to navigate your financial journey with confidence.

So welcome aboard! I look forward to connecting with you, assisting you, and celebrating your financial milestones together. Here's to a successful partnership and your prosperous future!

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