

Submitted by: Affiliate-Realtor® Committee

There are changes on the horizon for Conforming Loans, as well as FHA and VA. Annually there is an opportunity for change to the Lending Limits, which usually take place on January 1. While the agencies have not officially announced the 2022 Lending Limits, there is an agreement within the industry that the new Single Family Lending Limit for Fannie Mae and Freddie Mac will be \$625,000. This will also be the new limit for VA, as it follows the Conforming Guidelines. FHA has not released their changes for 2022, but in September, they made a change to \$356,362 in the four counties in Western MA and Hartford CT and \$364,500 in Worcester County.

Another change that has just been announced is the analysis of the health of the financials for Condominium projects. Because of the condo disaster in FL, the agencies have taken a harder stance on whether a loan secured by a condominium is saleable. The primary concern is a project that has one of the following:

- Deferred Maintenance
- Special Assessments
- Talk of either of these as noted in their meeting minutes

Whether the project is under full review or the buyer qualifies (with 10% or more down) a Limited Review, the requirements may include additional documentation that could include a request for the last Six Months' minutes from their monthly meetings. In the past, only the most recent month was requested. The Condo Questionnaire is being updated to also request a comment from the HOA regarding this topic.

If these items are noted, the degree of the deferred maintenance or special assessment will be taken into consideration, but it may cause the property to not qualify for mortgage financing, even with a larger down payment.

If you want to read up on the latest release from Fannie Mae, please use this link:

<https://www.nationalmortgagenews.com/news/fannie-mae-sets-new-restrictions-on-condos-following-florida-collapse>