

Announcement #22-76

Date: November 29, 2022

## Conventional Loan Limit Increase for 2023

Effective immediately, PennyMac is aligning with the conforming loan limit increases for standard and high balance loans, as announced by Fannie Mae and Freddie Mac.

In most areas, the 1-unit standard balance limit is increasing **from \$647,200 to \$726,200** and the 1-unit high balance limit is increasing **from \$970,800 to \$1,089,300**. Loan amounts vary by area and unit, with complete details located at:

[https://www.fhfa.gov/DataTools/Downloads/Documents/Conforming-Loan-Limit/FullCountyLoanLimitList2023\\_HERA-BASED\\_FINAL\\_FLAT.xlsx](https://www.fhfa.gov/DataTools/Downloads/Documents/Conforming-Loan-Limit/FullCountyLoanLimitList2023_HERA-BASED_FINAL_FLAT.xlsx)

Fannie Mae's DU will be updated the weekend of December 3rd and Freddie Mac's LPA on December 5<sup>th</sup>. Pennymac will accept DU or LPA Approve/Ineligible decisions, when the "ineligible" result is solely due to the loan amount being in excess of the 2022 limits but is within the 2023 limits.

In addition to the changes outlined above, Pennymac will update Conventional LLPAs effective for all Best Efforts Commitments taken on or after **Wednesday, November 30, 2022** as follows:

- Remove the 'Loan Balance Adjustments' LLPA Grid.

Please contact your Sales Representative with any questions.