U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

April 24, 2012

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MORTGAGEE LETTER 2012-9

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TO: **ALL FHA APPROVED MULTIFAMILY MORTGAGEES**

SUBJECT: **Annual Base City High Cost Percentage and High Cost Area Revisions for 2012**

Maximum mortgage amounts were revised by the Consolidated Appropriations Act 2008 (Public Law 110-161, approved December 26, 2007) (FY 2008 Appropriations Act) which appropriated Fiscal Year 2008 funds for the majority of Federal agencies, including HUD. Section 221 of the General Provisions of Title II of Division K of the FY 2008 Appropriations Act revises the statutory exceptions to maximum mortgage amounts for the FHA Multifamily Housing Programs, listed in Section 221 of the FY 2008 Appropriations Act, by (1) substituting 170 percent for the 140 percent exception of any geographical area, and (2) substituting 215 percent for 170 percent as the maximum exception allowed for a specific project. Accordingly, the statutory revision allows the Secretary to grant exceptions to maximum mortgage limits for certain Multifamily Housing Programs by (1) up to 170 percent, (equivalent to a 270 percent multiplier) in geographical areas where cost levels so require or (2) up to 170 percent, or 215 percent in High Cost Areas, (equivalent to a 315 percent multiplier) where necessary on a project-by-project basis.

The law does not determine which areas are to be considered "High Cost Areas." Accordingly, the Office of Multifamily Development has developed a list of High Cost Areas for 2012. The threshold for a High Cost Area has been set for all areas (Special Limit Areas excepted) with an assigned High Cost Percentage (HCP) of 267 or greater.

The attached designated Annual Base City High Cost Percentages and High Cost Areas are effective January 1, 2012.

SPECIAL LIMIT AREAS

Guam, the U.S. Virgin Islands, and the states of Alaska and Hawaii are Special Limit areas. Care should be taken to ensure that the appropriate limits are used for corresponding programs. The HCP for Special Limit Areas is 405%.

Attachment

Carol J. Galante
Acting, Assistant Secretary for Housing –
  Federal Housing Commissioner

FHA MULTIFAMILY STATUTORY MORTGAGE PROGRAMS
BASE CITY HIGH COST PERCENTAGES -   Effective January 1, 2012

BASE CITY	HCP	BASE CITY	HCP
BOSTON MA	270 %	**DETROIT MI**	270 %
HARTFORD CT	270 %	GRAND RAPIDS MI	233 %
BANGOR ME (PORTLAND)	267 %		
MANCHESTER NH	270 %	**MINNEAPOLIS MN**	270 %
PROVIDENCE RI	270 %	MILWAUKEE WI	270 %
BURLINGTON VT	270 %		
		FORT WORTH TX	199%
NEW YORK NY	270 %	LITTLE ROCK AR	208 %
ALBANY NY	270 %	NEW ORLEANS LA	208 %
		SHREVEPORT LA	207 %
BUFFALO NY	270 %	ALBUQUERQUE NM	231 %
		DALLAS TX	199 %
PHILADELPHIA PA	270 %	HOUSTON TX	196 %
CHARLESTON WV	270 %	LUBBOCK TX	199 %
CAMDEN NJ (TRENTON)	270 %	SAN ANTONIO TX	187 %
NEWARK NJ	270 %		
PITTSBURGH PA	270 %	**KANSAS CITY KS**	270 %
WILMINGTON DE	270 %	DES MOINES IA	230 %
		TOPEKA KS	233 %
BALTIMORE MD	267 %	ST. LOUIS MO	270 %
WASHINGTON DC	270 %	OMAHA NE	220 %
RICHMOND VA	244 %	OKLAHOMA CITY OK	211 %
		TULSA OK	208 %
GREENSBORO	234 %		
COLUMBIA SC	224 %	**DENVER CO**	251 %
		HELENA MT	231 %
ATLANTA GA	230 %	FARGO ND	230 %
LOUISVILLE KY	223 %	SIOUX FALLS SD	217 %
KNOXVILLE TN	211 %	SALT LAKE CITY UT	244 %
MEMPHIS TN	202 %	CASPER WY	244 %
NASHVILLE TN	211 %		
SAN JUAN PR (K WST)	270 %	**LOS ANGELES CA**	270 %
US VIRG ISL.(SPEC LMT)	405 %	SANTA ANA CA (L.A.)	270 %
		SAN DIEGO CA	270 %
JACKSONVILLE	230 %		
BIRMINGHAM AL	208 %	**SAN FRANCISCO CA**	270 %
JACKSON MS	205 %	PHOENIX AZ	244 %
MIAMI FL	230 %	SACRAMENTO CA	270 %
TAMPA FL	240 %	HONOLULU HI (SP LMT)	405 %
		LAS VEGAS NV	270 %
CHICAGO IL	270 %		
SPRINGFIELD IL	270 %	**SEATTLE WA**	270 %
INDIANAPOLIS IN	239 %	ANCHORAGE AK(SP LMT)	405 %
		BOISE ID	257 %
COLUMBUS OH	239 %	PORTLAND OR	270 %
CLEVELAND OH	254 %	SPOKANE WA	270 %
CINCINNATI OH	230 %		

NOTE: Offices with an HCP of 267 or higher are designated High Cost Areas (HCA) and are shaded