

---

**H 2015-11: Annual Base City High Cost Percentage and High Cost Area Revisions for 2015 (11/18/15)**

Special Attention of:  
All Regional Directors, Field Office Directors  
Multifamily Regional Center/Hub Directors,  
Multifamily Program Center/Satellite Office  
Directors, Supervisory Project Managers

**Notice H 2015-11**  
Issued: November 18, 2015

Expires: This notice remains in effect  
until amended, superseded or rescinded

Reference: Mortgagee Letter 2015-28

Maximum mortgage amounts were revised by the Consolidated Appropriations Act, 2008 (Public Law 110-161, approved December 26, 2007) (FY 2008 Appropriations Act). 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 Production has developed a list of High Cost Areas for 2015. The threshold for a High Cost Area has been set for all areas (Special Limit Areas excepted) with a "calculated" High Cost Percentage (HCP) of 281.70 or greater, but because of the statutory cap of 170% or 270 multiplier, some localities have a higher HCP but still have the 270 multiplier,

The attached designated Annual Base City High Cost Percentages and High Cost Areas are effective January 1, 2015.

**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%.

**Paperwork Reduction Act**

There are no information collection requirements in this Notice and therefore the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) does not apply. In accordance with the Paperwork Reduction Act, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

**Signature**

Edward L. Golding  
Principal Deputy Assistant Secretary for Housing

Attachment

**FHA MULTIFAMILY STATUTORY MORTGAGE PROGRAMS**  
**BASE CITY HIGH COST PERCENTAGES**                      Effective January 1, 2015

<b>Boston MA Hub</b>	270%
Hartford CT	270%
Bangor ME	270%
Manchester NH	270%
Providence RI	270%
Burlington VT	270%

<b>New York NY Hub</b>	270%
Buffalo NY	270%
Albany NY	270%

<b>Philadelphia PA Hub</b>	270%
Charlestown WV	270%
Camden NJ	270%
Newark NJ	270%
Pittsburg PA	270%
Wilmington DE	270%

<b>Baltimore MD Hub</b>	270%
Washington DC	270%
Richmond VA	265%

<b>Greensboro NC Hub</b>	239%
Columbia SC	244%

<b>Atlanta GA Hub</b>	258%
Louisville KY	245%
Knoxville TN	227%
Memphis TN	219%
Nashville TN	223%
San Juan PR	270%
US Virgin Isl. (spec limit)	405%

<b>Jacksonville FL Hub</b>	250%
Birmingham AL	221%
Jackson MS	217%
Miami FL	256%
Tampa FL	268%

<b>Chicago IL Hub</b>	270%
Springfield IL	270%
Indianapolis IN	251%

<b>Columbus OH Hub</b>	256%
Cleveland OH	270%
Cincinnati OH	245%

<b>Detroit MI Hub</b>	270%
Grand Rapids MI	246%

<b>Minneapolis MN Hub</b>	270%
Milwaukee WI	270%

<b>Fort Worth TX Hub</b>	217%
Little Rock AR	217%
New Orleans LA	221%
Shreveport LA	216%
Albuquerque NM	247%
Dallas TX	217%
Houston TX	213%
Lubbock TX	209%
San Antonio TX	193%

<b>Kansas City MO Hub</b>	270%
Des Moines IA	217%
Topeka KS	238%
St. Louis MO	270%
Omaha NE	228%
Oklahoma City OK	230%
Tulsa OK	226%

<b>Denver CO Hub</b>	270%
Helena MT	251%
Fargo ND	248%
Sioux Falls SD	234%
Salt Lake City UT	266%
Casper WY	261%

<b>Los Angeles CA Hub</b>	270%
Santa Ana CA (LA)	270%
San Diego CA	270%

<b>San Francisco CA Hub</b>	270%
Phoenix AZ	254%
Sacramento CA	270%
Honolulu HI (spec limit)	405%
Las Vegas NV	270%

<b>Seattle WA Hub</b>	270%
Anchorage AK (spec limit)	405%
Boise ID	270%
Portland OR	270%
Spokane WA	270%

**Note:** Offices with a "calculated" HCP of 281.70 (before the statutory cap of 270) or higher are designated "High Cost Areas" and are shaded. The Multifamily for Tomorrow (MFT) Transformation will be effective for all Hubs after Wave 5 is complete for the Western Region in approximately Summer of 2016. The next Housing Notice on this topic will reflect the MFT changes with respect to the new organizational structure.