

CORRESPONDENT LENDING Announcement

25-014: EXPANDED AGENCY CONVENTIONAL LOAN LIMITS

Date: 10/14/2025
 Programs: Merchants Premium Program | Agency

In anticipation of 2026 Agency loan limit increase, Merchants Bank is offering expanded Agency conventional conforming loan amounts up to at least \$819,000 in all states and counties effective Tuesday, October 14th. With the exception of Alaska and Hawaii, counties with 2025 high cost loan limits that are greater than \$819,000 will not change. For all other counties, Merchants will now accept loan limits up to the amounts listed in the table below:

	Expanded Max Loan Limit	Expanded Loan Limit Alaska & Hawaii
1 Unit	\$819,000	\$1,229,000
2 Unit	\$1,049,000	\$1,573,000
3 Unit	\$1,268,000	\$1,902,000
4 Unit	\$1,576,000	\$2,363,000

Please note the following information related to this change:

- Increased loan limits are effective for FNMA, FHLMC and Conforming Elite products only. Government product limits remain unchanged.
- Loans locked up to the new expanded loan limits will be priced and locked under standard FNMA, FHLMC and Conforming Elite product and pricing. These loans do not need to be locked as high-balance products.
- The minimum loan amount for the FNMA and FHLMC High Balance, Jumbo Elite and High Balance Elite products will be updated \$1 above the expanded loan limits outlined above.
- DU and LPA will return an ineligible result for loan amounts above the 2025 conforming limits. Merchants will accept loans with AUS result of Approve/Ineligible (DU) and Accept/Ineligible (LPA) due only to the loan amount in excess of the 2025 loan limits.

ADDRESS 410 Monon Blvd., Carmel, IN 46032 | **WEB** www.bankmerchants.com

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- A full appraisal will be required for loans with Approve/Ineligible and Accept/Ineligible AUS findings. DU's Value Acceptance and Value Acceptance + PDC and LPA's ACE and ACE + PDR are not allowed on loans with ineligible AUS findings.
- Existing loans in the locked pipeline are eligible for updates to the loan amount up to the expanded loan limits. Please contact the lock desk with any changes to existing loans, as this will require manual adjustments to the lock record and pricing.
- Sellers may be responsible for re-running the AUS within one week of the official update of 2026 loan limits.

For Questions

If you have any questions regarding any information in this announcement, please contact your Merchants Account Executive or Client Manager.

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