



FANNIE MAE STANDARD CONFORMING AND HIGH-BALANCE LTV MATRIX								
OCCUPANCY	PURCHASE & LIMITED CASH OUT REFINANCE					CASH OUT REFINANCE		
	PROPERTY TYPE**	MAX LTV/CLTV/HCLTV				PROPERTY TYPE**	MAX LTV/CLTV/HCLTV	
		FIXED RATE		ARM			FIXED RATE	ARM
		PURCH	LTD C/O	PURCH	LTD C/O			
PRINCIPAL RESIDENCE	SFR/PUD/CONDO	97%*	97%*	95%	95%	SFR/PUD/CONDO	80%	80%
	MANUFACTURED	95%	95%	95%	95%	MANUFACTURED	65%	65%
	2 UNITS	85%	85%	85%	85%	2 UNITS	75%	75%
	3-4 UNITS	75%	75%	75%	75%	3-4 UNITS	75%	75%
SECOND HOME	SFR/PUD/CONDO	90%	90%	90%	90%	SFR/PUD/CONDO	75%	75%
	MANUFACTURED	90%	90%	90%	90%			
INVESTMENT PROPERTY	SFR/PUD/CONDO	85%	75%	85%	75%	SFR/PUD/CONDO	75%	75%
	2-4 UNITS	75%	75%	75%	75%	2-4 UNITS	70%	70%

\* Max LTV 95% for High Balance Loans

\*\* Manufactured Homes: limited to 1-unit property; cash-out refinance term limited to ≤ 20 years

FANNIE MAE HOMEREDY LTV MATRIX						
OCCUPANCY & PROPERTY TYPE	PRODUCT	PURCHASE		LIMITED CASH OUT REFINANCE		
		MAX LTV/CLTV/HCLTV		PRODUCT	MAX LTV/CLTV/HCLTV	
		SINGLE LIEN	W/APPROVED 2ND <sup>⊖</sup>		SINGLE LIEN	W/APPROVED 2ND <sup>⊖</sup>
PRINCIPAL RESIDENCE SFR/PUD/CONDO	CONFORMING	95.01 – 97%	97%/105%	CONFORMING	95.01 – 97% <sup>⊖</sup>	105%/105%
	HIGH BALANCE	95%	95%/105%	HIGH BALANCE	95%	95%/95%
PRINCIPAL RES. 2 UNITS	CONFORMING	85%	N/A	CONFORMING	85%	N/A
PRINCIPAL RES. 3-4 UNITS		75%	N/A		75%	N/A

⊖ Loan must be currently owned by Fannie Mae.

⊖⊖ LoanStream does not provide financing for 2nd mortgage; broker must source approved 2nd lien financing that meets FNMA guidelines and would subordinate at closing

2023 CONFORMING LOAN LIMITS 1-4 UNITS (Click Here)			
UNITS	GENERAL LIMITS	HIGH COST LIMITS	AK, GUAM, HI, U.S. VIRGIN ISLANDS
1	\$726,200	\$1,089,300	\$1,089,300
2	\$929,850	\$1,394,775	\$1,394,775
3	\$1,123,900	\$1,685,850	\$1,685,850
4	\$1,396,800	\$2,095,200	\$2,095,200

TOPIC	OVERLAY
BASIC GUIDELINES	Overlays in this matrix apply to FNMA (Fannie Mae). Refer to <a href="#">FNMA Selling Guide</a> for additional guidance. Information in this matrix is subject to change without notice.
Amended Tax Returns	Accepted for the following amendment reasons: <ul style="list-style-type: none"> <li>• Amended for clerical items only (i.e. modifying a prior ITIN number to a newly issued SSN)</li> <li>• Amended for income-related items, under the following conditions: <ul style="list-style-type: none"> <li>○ Amended at least sixty (60) days before mortgage application taken</li> <li>○ Amendment shows on transcripts (stamped returns not acceptable)</li> <li>○ Documentation supplied to support the increase, including but not limited to: <ul style="list-style-type: none"> <li>▪ 1099 or W2 showing missed/updated income</li> <li>▪ Canceled Checks or Bank Statements showing missed/updated rental income</li> </ul> </li> </ul> </li> </ul>
Assets	<ul style="list-style-type: none"> <li>• Internet Statements, obtained from financial institution’s website, must contain same information found on a standard bank statement.</li> <li>• VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor.</li> </ul>
Condominiums	<ul style="list-style-type: none"> <li>• FNMA PERS Approved condos are eligible</li> <li>• Leasehold not permitted.</li> <li>• Minimum square footage: 400 Sq Ft</li> </ul>
Credit	All borrowers must have at least one (1) valid credit score to be eligible for an ‘Approved’ recommendation (by DU or LPA). Extenuating circumstances are not allowed for Bankruptcy or Foreclosure.
Custodial Account	An account in a minor’s name where the borrower is named only as custodian of the funds is not eligible for use as closing costs, down payment, or reserves.
Electronic Signatures/eSigning	<ul style="list-style-type: none"> <li>• eSigning is allowed for most documents.</li> <li>• eSigning is <u>not</u> allowed for: <ul style="list-style-type: none"> <li>○ Note</li> <li>○ Note Rider(s)</li> <li>○ Notice of Right to Cancel</li> <li>○ Security Instrument</li> <li>○ Security Instrument Rider(s)</li> </ul> </li> </ul>
Family Owned Business	Two years tax returns are required regardless of AUS (DU) recommendation.
Ineligible Programs – FNMA	<ul style="list-style-type: none"> <li>• Community Land Trusts</li> <li>• High-LTV Refinance</li> <li>• HomePath, HomeStyle</li> <li>• HomeReady with Reduced Mortgage Insurance Option</li> <li>• Land Trusts</li> <li>• Native American Lands</li> <li>• PACE Obligations attached to property</li> </ul>



TOPIC	OVERLAY
Ineligible Properties	<ul style="list-style-type: none"> <li>• Co-Ops</li> <li>• Indian Leased Land</li> <li>• Property Flip of Non-Arm's Length Transaction</li> <li>• Resale type Deed Restrictions</li> <li>• Solar Panels that affect first lien position</li> </ul>
Manufactured Housing	<ul style="list-style-type: none"> <li>• Fixed Rate programs only</li> <li>• Manufactured Homes that are subject to deed restrictions are not allowed</li> <li>• Leased Land property is not allowed</li> <li>• Single-wide homes not allowed</li> <li>• Must meet all other FNMA guidelines</li> <li>• 95% Maximum LTV</li> </ul>
Minimum Loan Amount	\$75,000
Mortgage Credit Certificate (MCC)	Not permitted
Mortgage Insurance (MI): Reduced	Not permitted
Multiple Financed Properties	<ul style="list-style-type: none"> <li>• Per FNMA Guidelines</li> <li>• Maximum 10 for all borrowers on the loan</li> <li>• Minimum credit score of 720 when borrower(s) have more than 6 financed properties</li> <li>• HomeReady products no more than 1 financed property</li> </ul>
Non-Permanent Resident Aliens	<p>These borrowers accepted under the following conditions:</p> <ul style="list-style-type: none"> <li>• Acceptable Visa evidence provided</li> <li>• Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS</li> <li>• Borrower has valid Social Security Number (SSN)</li> <li>• Borrower satisfies the same requirements, terms, and conditions as those for U.S. Citizen</li> <li>• DACA with Category C33 work status under deferred action, DACA borrowers eligible</li> <li>• Diplomatic Immunity: Borrowers with Diplomatic Immunity are ineligible</li> </ul>
Power of Attorney (POA)	A POA may not be eSigned and must be specific to the transaction.
Social Security Number (SSN)	All borrowers must have a valid SSN.
Tax Transcripts	Required when tax returns are used to qualify borrower income
Temporary Buydowns	Allowed with Limitations – see 'Temporary Buydown Guide' below for specific terms and conditions
Underwriting Method	Manual Underwriting not allowed. All loans must receive AUS approval:FNMA DU Approve/Eligible
Unpaid Federal Tax Debt	<ul style="list-style-type: none"> <li>• LSM considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed; one monthly payment is required</li> <li>• Borrower with delinquent Federal Tax Debt is ineligible</li> </ul> <p>NOTE: Record of Account can be used in lieu of canceled check or proof of electronic payment.</p>



TEMPORARY BUYDOWN GUIDE	
Product Eligibility	<ul style="list-style-type: none"> <li>• 30-Year Fixed Rate only</li> <li>• Conforming and High-balance loan amounts</li> <li>• Primary Residence</li> <li>• Second Home</li> <li>• Purchase Transactions only</li> <li>• Single Family (1-2 Units), PUD and Condo only</li> </ul>
Term of Buydown	<ul style="list-style-type: none"> <li>• 2/1 Buydown:               <ul style="list-style-type: none"> <li>○ 24-month term</li> <li>○ Initial interest rate temporarily reduced by no more than two percent below the note rate and increased by no more than one percent annually for no more than two years, with the non-reduced note rate applying for years three through 30</li> </ul> </li> <li>• 1/0 Buydown:               <ul style="list-style-type: none"> <li>○ 12-month term</li> <li>○ Initial interest rate temporarily reduced by no more than one percent below the note rate, with the non-reduced note rate applying for years two through 30</li> </ul> </li> </ul>
Underwriting Criteria	<ul style="list-style-type: none"> <li>• Borrowers qualified using note rate, not buydown rate</li> <li>• Standard Interested Party Contribution guidelines apply</li> </ul>