



WHOLESALE ANNOUNCEMENT 2023-57

November 1, 2023

Fannie Mae Update



Effective Date

Effective for new loans submitted or resubmitted to DU on or after November 18, 2023

Guideline Updates:

Loan to Value Ratios

- To expand access to credit and provide support for affordable rental housing, the maximum allowable LTV, CLTV, and HCLTV ratios for two-to four-unit, principal residence, purchase, and limited cash-out transactions will be updated to 95%. This change will not apply to high-balance mortgage loans.

| Eligibility Requirements Excludes: High LTV Refinance and Manufactured Housing | | |
|---|-----------------|------------------------------|
| Standard | | |
| Transaction Type | Number of Units | Maximum LTV, CLTV, HCLTV |
| Principal Residence Purchase Limited Cash-Out Refinance | 1 Unit | FRM: 97% ARM: 95% |
| | 2 Units | FRM/ARM: 95% (currently 85%) |
| | 3-4 Units | FRM/ARM: 95% (currently 75%) |
| HomeReady | | |
| Principal Residence Purchase Limited Cash-Out Refinance | 1 Unit | FRM: 97% ARM: 95% |
| | 2 Units | FRM/ARM: 95% (currently 85%) |
| Principal Residence Purchase Limited Cash-Out Refinance | 3-4 Units | FRM/ARM: 95% (currently 75%) |

Fannie Mae Product Announcement has been posted on FCM's

[Wholesale Knowledge Center](#)

Should you have any questions, please reach out to your Account Executive or Client Manager

