

## Bulletin 23-45

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### Enhancement to Fannie Mae 2-4 Unit Maximum LTV/CLTV

[Fannie Mae DU Release Notes](#), dated October 4, 2023, announced an improvement to primary residence 2-4 unit maximum LTV/CLTV.

The maximum LTV/CLTV for 2-4 unit properties is being increased subject to the following:

- Maximum 95% LTV/CLTV (currently 2-units maximum 85% LTV/CLTV and 3-4 units maximum 75% LTV/CLTV)
- Primary residence purchase and rate/term refinance transactions **only**; cash-out **ineligible**
- Conforming loan amounts **ONLY**

**NOTE:** There is **no change** to high balance primary residence purchase and rate/term transactions which continue to have a maximum 85% LTV/CLTV for 2-units and 75%LTV/CLTV for 3-4 units

The higher LTV also applies to HomeReady primary residence purchase transactions with a conforming loan amount. The increased LTV is **not** applicable to HomeStyle, as Homebridge limits HomeStyle to 1-unit only.

This improvement may be applied to new submissions and loans currently in the pipeline. All loans taking advantage of this improvement with a DU finding **prior to** the weekend of November 18, 2023 will **require resubmission** to DU and an “Approve/Eligible” finding must be received.

The Fannie Mae guidelines have been updated and posted on the website at [www.HomebridgeWholesale.com](http://www.HomebridgeWholesale.com)

If you have any questions, please contact your Account Executive.