

CONFORMING LTV LIMITS

Loan limits for loans originated on or AFTER January 1, 2026.

Loans will not be allowed to close/fund without an AUS Approval.

Please refer to [FHFA Loan Limits](#) for specific high-cost area maximum loan amounts.

Occupancy			Conforming Loan Limits	DU LTV/CLTV	LPA LTV/CLTV	Owens 1 - 6 Properties FICO	Owens 7 - 10 Properties FICO ¹
Purchase	2 nd Home	1 Unit	\$832,750	90%	90%	620	720
	Investment	1 Unit	\$832,750	85%	85%		
		2 Units	\$1,066,250	75%	75%		
		3 Units	\$1,288,800				
		4 Units	\$1,601,750				
Rate/Term Refinance	2 nd Home	1 Unit	\$832,750	90%	90%	620	720
	Investment	1 Unit	\$832,750	85%	85%		
		2 Units	\$1,066,250	75%	75%		
		3 Units	\$1,288,800				
		4 Units	\$1,601,750				
Cash Out / Delayed Financing	2 nd Home	1 Unit	\$832,750	75%	75%	620	720
	Investment	1 Unit	\$832,750				
		2 Units	\$1,066,250	70%	70%		
		3 Units	\$1,288,800				
		4 Units	\$1,601,750				

HIGH BALANCE / SUPER CONFORMING LTV LIMITS

Loan limits for loans originated on or AFTER January 1, 2026.

Loans will not be allowed to close/fund without an AUS Approval.

Please refer to [FHFA Loan Limits](#) for specific high-cost area maximum loan amounts.

Occupancy			High Balance Loan Limits	DU LTV/CLTV	LPA LTV/CLTV	Owens 1 - 6 Properties FICO	Owens 7 - 10 Properties FICO ¹
Purchase	2 nd Home	1 Unit	\$1,249,125	90%	90%	620	720
	Investment	1 Unit	\$1,249,125	85%	85%		
		2 Units	\$1,599,375	75%	75%		
		3 Units	\$1,933,200				
		4 Units	\$2,402,625				
Rate/Term Refinance	2 nd Home	1 Unit	\$1,249,125	90%	90%	620	720
	Investment	1 Unit	\$1,249,125	85%	85%		
		2 Units	\$1,599,375	75%	75%		
		3 Units	\$1,933,200				
		4 Units	\$2,402,625				
Cash Out / Delayed Financing	2 nd Home	1 Unit	\$1,249,125	75%	75%	620	720
	Investment	1 Unit	\$1,249,125				
		2 Units	\$1,599,375	70%	70%		
		3 Units	\$1,933,200				
		4 Units	\$2,402,625				

1. Greater than 6 financed properties: Minimum Credit Score: 720



Multiple Financed Properties

- Allows borrowers to purchase or refinance a second home and/or investment property as long as they do not exceed a total of ten financed (including primary residence).
- If the loan is secured by the borrower's principal residence, there are no limitations on the number of other properties that the borrower can have financed (applies to both FNMA and FHLMC).
- Fannie Mae changed its requirement to allow up to six financed properties with the same guidelines that previously applied to investors with four financed properties.
- Fannie Mae only, minimum FICO 720: Standard investment property requirements may be used for seven to ten investment properties.
- 30, 20, & 15-year fixed rate loans available.
- The financed property limit applies to the borrower's ownership of 1–4-unit properties that are financed or mortgage obligations on such properties and is cumulative for all borrowers. These limitations apply to the total number of properties financed, not to the number of mortgages on the property or the number of mortgages sold to Fannie Mae or Freddie Mac.

***Conforming / High Balance for Hawaii & Alaska:**
Loan limits for loans originated
on or AFTER January 1, 2026

Units	Conforming Loan Limits	High Balance Loan Limits
1 Unit	\$1,249,125	N/A
2 Units	\$1,599,375	N/A
3 Units	\$1,933,200	N/A
4 Units	\$2,402,625	N/A

* Alaska and Hawaii do not have any high-cost areas.

LHFS PROGRAM CODES – STANDARD PROPERTIES

PROGRAM NAME	LHFS CODE	PROGRAM NAME	LHFS CODE
C FNMA Multiple Properties 15 Yr Fixed	CC15M-000	C FNMA Multiple Properties High Balance 15 Yr Fixed	CCHB15M-000
C FNMA Multiple Properties 20 Yr Fixed	CC20M-000	C FNMA Multiple Properties High Balance 20 Yr Fixed	CCHB20M-000
C FNMA Multiple Properties 30 Yr Fixed	CC30M-000	C FNMA Multiple Properties High Balance 30 Yr Fixed	CCHB30M-000
C FNMA Multiple Prop Delayed Fin 20 Yr Fixed	CC20MDF-000	C FNMA Multiple Prop Delayed Fin High Balance 15 Yr Fixed	CCHB15MDF-000
C FNMA Multiple Prop Delayed Fin 30 Yr Fixed	CC30MDF-000	C FNMA Multiple Prop Delayed Fin High Balance 20 Yr Fixed	CCHB20MDF-000
C FNMA Multiple Prop Delayed Fin 15 Yr Fixed	CC15MDF-000	C FNMA Multiple Prop Delayed Fin High Balance 30 Yr Fixed	CCHB30MDF-000



FANNIE MAE - MULTIPLE FINANCED PROPERTIES

If the borrower is financing a second home or investment property that is underwritten through DU, the maximum number of financed properties the borrower can have is ten. If the borrower will have one to six financed properties, Fannie Mae's standard eligibility policies apply (for example, LTV ratios and minimum credit scores). If the borrower will have seven to ten financed properties, the mortgage loan must have a minimum representative credit score of 720; **all other standard eligibility policies apply**.

DU will determine the number of financed properties for the loan casefile based on the following approach:

- If the Number of Financed Properties field is completed, DU will use that as the number of financed properties.
- If the Number of Financed Properties field is not provided, DU will use the number of residential properties in the Real Estate Owned (REO) section that include a mortgage payment, or that are associated with a mortgage or HELOC in the liabilities section of the loan application, as the number of financed properties.
- If the Number of Financed Properties field and the REO information was not provided, DU will use the number of mortgages and HELOCs disclosed in the liabilities section of the loan application as the number of financed properties.
- When none of the information above is provided on the loan application, DU will use the number of mortgages and HELOCs disclosed on the credit report as the number of financed properties.

Note: In order to account for the subject property, DU will add "1" to the number of financed properties on purchases, number of mortgages on the application, or number of mortgages on the credit report are used as the number of financed properties.

After determining the number of financed properties, DU will use that value to assess the eligibility of the loan, including the minimum credit score requirement for seven to ten financed properties and the minimum required reserves.

FREDDIE MAC – MULTIPLE FINANCED PROPERTIES

Each borrower individually and all borrowers collectively must not own and/or be obligated on (e.g., Notes, land contracts and/or any other debt or obligation) more than **six** 1- to 4-unit financed properties, including the subject property and the borrower's primary residence. **All other standard eligibility policies apply**

Examples of financed properties that do not have to be counted in this limitation include:

- Commercial real estate
- Multifamily (five or more units) real estate
- Timeshares
- Undeveloped land
- Manufactured homes not titled as real property (chattel lien), unless the property is situated on land that is titled as real property
- Property titled in the name of the borrower's business provided that the borrower, in his or her individual capacity, is not on title and/or is not obligated on the property
- Property titled in the name of a trust where the borrower is a trustee, provided that the borrower, in his or her individual capacity, is not on title and/or not obligated on the property

PROPERTY SUBJECT TO LIMITATIONS

Whenever the subject property is a second home or investment property, the borrower is limited to the number of financed properties which includes any properties held by the co-borrower or guarantor. This limitation is waived if secured by the borrower's principal residence and meets all other FNMA standard requirements.

The following table describes how to apply the limitations based on the type of property ownership:

Type of Property Ownership	Property Subject to Limitations?
Ownership of a manufactured home on a leasehold estate not titled as real property (chattel lien on the home)	No
Joint ownership of residential real estate. (This is considered to be the same as total ownership of an individual property) Note: Other properties owned or financed jointly by the borrower and co-borrower are only counted once.	Yes
Ownership of commercial real estate	No
Ownership of a manufactured home and the land on which it is situated is titled as real property	Yes
Joint or total ownership of a property that is held in the name of a corporation or S-corporation, even if the borrower is the owner of the corporation or S-corporation	No
Joint or total ownership of a property that is held in the name of a corporation or S-corporation, even if the borrower is the owner of the corporation or S-corporation: however, the financing is in the name of the borrower.	Yes
Ownership in a timeshare	No
Obligation of a mortgage debt for a residential property (regardless of whether or not the borrower is an owner of the property)	Yes
Ownership of a residential vacant lot	No
Ownership of property that is held in the name of a limited liability company (LLC) or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of 25% or more, regardless of the entity (or borrower) that is the obligor on the mortgage.	Yes
Ownership of property that is held in the name of a limited liability company (LLC) or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of less than 25% and the financing is in the name of the LLC or partnership	No
Ownership of property that is held in the name of a limited liability company (LLC) or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of less than 25% and the financing is in the name of the borrower	Yes
Ownership of a multifamily property consisting of more than four dwelling units	No



GENERAL REQUIREMENTS

Eligibility	All HPML loans must pass Safe Harbor in order to be eligible for LHFS purchasing.
Gift Funds	Gift donors cannot be on title or purchase contract
Reserves	<u>FANNIE MAE:</u> Additional reserves must be calculated and documented for financed properties other than the subject property and the borrower's principal residence. The other financed properties reserves amount must be determined by applying a specific percentage to the aggregate of the outstanding unpaid principal balance (UPB) for mortgages and HELOCs on these other financed properties. The percentages are based on the number of financed properties: • 2% of the aggregate UPB if the borrower has one to four financed properties, • 4% of the aggregate UPB if the borrower has five to six financed properties, or • 6% of the aggregate UPB if the borrower has seven to ten financed properties. The aggregate UPB calculation does not include the mortgages and HELOCs that are on • the subject property, • the borrower's principal residence, • properties that are sold or pending sale, and • accounts that will be paid by closing (or omitted in DU on the online loan application). Note: DU will also include in the UPB calculation open mortgages and HELOCs on the credit report that are not disclosed on the online loan application. <i>Example – see Exhibit 2 – “Reserves Calculations”</i> <u>FREDDIE MAC:</u> • 2ND Home – 2 months for the subject property • Investment Property – 6 months for the subject property <i>Additional required reserves:</i> 2ND Home & Investment property mortgages require reserves in addition to the required reserves above: • 2 months for each additional second home and/or 1-4- unit Investment property: ○ In which the borrower has an ownership interest or on which the borrower is obligated, and ○ That is financed
Simultaneous Second Home or Investment Property Transactions	If processing multiple transactions (second home or investment property) simultaneously, the same assets may be used to satisfy the reserve requirements for both mortgage applications. Reserves are not cumulative for multiple applications. Example: Two refinance applications for two investment properties owned by the borrower. The application for property A requires reserves of \$5,000. The application for property B requires reserves of \$10,000. Because the reserves are covering the same properties, the lender does not have to verify \$15,000 in reserves, but only those required per each application.

Each loan files layers of risk (i.e., payment shock; gift funds; assets/reserves not verified; multiple layers of risk, etc.) may require additional documentation or explanations above and beyond the AUS requirements (i.e., rental history; budget letters; excessive commute detail, etc.).

Any item not covered in the Matrices can be accessed by searching the [Fannie Mae Selling Guide](#) or the [Freddie Mac Selling Guide](#).

Guidelines are for use by mortgage professionals only and subject to change without notice.



Exhibit 1: Examples of Counting Financed Properties

- The borrower is personally obligated on mortgages securing two investment properties and the co-borrower is personally obligated on mortgages securing three other investment properties, and they are jointly obligated on their principal residence mortgage. The borrower is refinancing the mortgage on one of the two investment properties. Thus, the borrowers have six financed properties.
- The borrower and co-borrower are purchasing an investment property and they are already jointly obligated on the mortgages securing five other investment properties. In addition, they each own their own principal residence and are personally obligated on the mortgages. The new property being purchased is considered the borrowers' eighth financed property.
- The borrower is purchasing a second home and is personally obligated on his or her principal residence mortgage. Additionally, the borrower owns four two-unit investment properties that are financed in the name of a limited liability company (LLC) of which he or she has a 50% ownership. Because the borrower is not personally obligated on the mortgages securing the investment properties, they would not be included in the property count and the result is only two financed properties.
- The borrower is purchasing and financing two investment properties simultaneously. The borrower does not have a mortgage lien against his or her principal residence but does have a financed second home and is personally obligated on the mortgage, two existing financed investment properties and is personally obligated on both mortgages, and a financed building lot. In this instance, the borrower will have five financed properties because the financed building lot does not need to be included in the property count.

Exhibit 2: Examples of Reserves Calculations (Fannie Mae)

The following tables contain examples of reserves calculations for borrowers with multiple financed properties.

Example 1: Three Financed Properties

Occupancy	Outstanding UPB	Monthly PITIA	Reserves Calculations	
Subject: Second Home	\$78,750	\$776	2 Months PITIA =	\$1,552
Principal	\$0	\$179	N/A	\$0
Investor	\$87,550	\$787	\$230,050 X 2%	\$4,601
Investor	\$142,500	\$905		
	\$230,050		Total =	\$6,153

Example 2: Six Financed Properties

Occupancy	Outstanding UPB	Monthly PITIA	Reserves Calculations	
Subject: Investor	\$78,750	\$776	6 Months PITIA =	\$4,656
Principal	\$133,000	\$946	N/A	\$0
Investor	\$87,550	\$787	\$345,030 X 4%	\$13,801
Investor	\$142,500	\$905		
Investor	\$84,950	\$722		
Investor	\$30,030	\$412		
	\$345,030		Total =	\$18,457

Example 3: Eight Financed Properties

Occupancy	Outstanding UPB	Monthly PITIA	Reserves Calculations	
Subject: Investor	\$78,750	\$776	6 Months PITIA =	\$4,656
Principal	\$133,000	\$946	N/A	\$0
Investor	\$87,550	\$787	\$639,530 X 6%	\$37,772
Investor	\$142,500	\$905		
Investor	\$84,950	\$722		
Investor	\$30,030	\$412		
Investor	\$124,500	\$837		
Investor	\$160,000	\$1283		
	\$629,530		Total =	\$42,427

Additional reserves must be calculated and documented for financed properties other than the subject property and the borrower's principal residence. The other financed properties reserves amount must be determined by applying a specific percentage to the aggregate of the outstanding unpaid principal balance (UPB) for mortgages and HELOCs on these other financed properties. The percentages are based on the number of financed properties:

- 2% of the aggregate UPB if the borrower has one to four financed properties, 4% of the aggregate UPB if the borrower has five to six financed properties, or 6% of the aggregate UPB if the borrower has seven to ten financed properties.

The aggregate UPB calculation does not include the mortgages and HELOCs that are on:

- the subject property, the borrower's principal residence, properties that are sold or pending sale, and accounts that will be paid by closing (or omitted in DU on the online loan application).

Note: DU will also include in the UPB calculation open mortgages and HELOCs on the credit report that are not disclosed on the online loan application.



REVISION HISTORY:

<u>DATE</u>	<u>TOPIC / UPDATE</u>
12/02/2024	Added new 2025 loan limits
10/13/2025	Updated LTV amounts
04/07/2026	Updated loan limits

