

TOWNE MORTGAGE COMPANY
FANNIE STANDARD CONVENTIONAL PROGRAM MATRIX
Maximum Allowable LTV Ratios (1)
DU Version 9.2

Transaction Type (1)(2)	Occupancy	#Units	Amortization & Property Restrictions	Maximum (3) LTV/CLTV/HCLTV
Standard Eligibility Requirements				
Purchase or Limited Cash-Out Refinance (LCOR)	Principal	1	Fully amortizing	FRM 95/95/95 ARM 90/90/90
		2	Fully amortizing	FRM 85/85/85 ARM 75/75/75
		3-4	All	FRM 75/75/75 ARM 65/65/65
	Second Home (5)	1	All	FRM 90/90/90 ARM 80/80/80
	Investment (2)(4)(5)	1	Purchase, All	FRM 85/85/85 ARM 75/75/75
			LCOR, All	FRM 75/75/75 ARM 65/65/65
		2-4	Fully amortizing	FRM 75/75/75 ARM 65/65/65
Cash-Out Refinance (1)	Principal	1	All	FRM 80/80/80 ARM 75/75/75
		2-4	All	FRM 75/75/75 ARM 65/65/65
	Second Home (4)	1	Fully amortizing	FRM 75/75/75 ARM 65/65/65
	Investment (4)(5)	1	Fully amortizing	FRM 75/75/75 ARM 65/65/65
		2-4	Fully amortizing	FRM 70/70/70 ARM 60/60/60

- 1) Cash-out refinances: If the property was purchased within the prior six months, the borrower is ineligible for a cash-out transaction unless the loan meets the delayed financing exception in the Selling Guide (B2-1.2-03, Cash-Out Refinance Transactions). If the property was listed for sale in the past six months, the LTV/CLTV/HCLTV ratios for a cash-out transaction are limited to the lower 70% or the maximum allowed per the matrices.
- 2) FL condos: Lower LTV/CLTV/HCLTV ratios may be required for certain mortgage loans depending on the type of project review the lender performs for properties in condo projects in Florida. See B4-2.2-12, Geographic-Specific Condo Project Considerations.
- 3) The CLTV ratio may be up to 105% only if the mortgage is part of a Community Second transaction – only applies to fixed rate programs. ARMs not allowed.

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- 4) Multiple financed properties: Borrowers of second homes or investment properties who own five to ten financed properties are subject to lower LTV/CLTV/HLTV ratio limits, other eligibility exceptions, and additional reserve requirements. See B2-2-03, Multiple Financed Properties for the same borrower.
- 5) Units in cooperative project are not permitted as investment properties.

Max Mortgage Limits
1 Unit = \$ 417,000
2 Unit = \$ 533,850
3 Unit = \$ 645,300
4 Unit = \$ 801,950

***All LTVs > 80 % are subject to mortgage insurance availability.**

ALL ARM LOANS

- 1) POA – at least one borrower must be present at close
- 2) ALTA 6 or 6.1 endorsement required on title commitment
- 3) 3 and 5 year – must qualify at greater of fully indexed or 2% above rate
- 4) 7 and 10 year ARMs – must qualify at greater of fully indexed or note rate

IMPORTANT:

If using DU as underwriting engine for Conventional ARMs, the following is required:

- ✓ Minimum 680 credit score
- ✓ Max Debt Ratio of 50%
- ✓ NO PIW
- ✓ No more than 4 financed properties