





















# LOAN TO VALUE (LTV) - GUIDELINES





												
Loan term	Max loan term 30 years			Max loan term 20 years			Max loan term 25 years			Max loan term 30 years		
Age Limit	Bond(s) must be repaid by <b>age 75</b>			Not older than <b>65</b> and Bond(s) must be repaid by <b>age 75</b>			Bond(s) must be repaid by <b>age 70</b>			Bond(s) must be repaid by <b>age 75</b>		
<b>Ordinary loans – SA Citizens living and working in SA – Full-time employed</b>	Purchase price	Non - ABSA clients	ABSA clients	Purchase price	Non - FNB clients	FNB clients	Purchase price	Non - Nedbank clients	Nedbank clients	Purchase price	SBSA & Non - SBSA clients	
	≤R3m	Max 100%	Max 100%	≤R2.5m	Max 100%	Max 100%	≤R5m	Max 100%	Max 100%	≤R3m	Max 100%	
	R3m to ≤R5m	100% considered at Credit's discretion	100% considered at Credit's discretion	R2.5m to ≤R3m	Max 95%	Max 95%	R5m	Bank to Assess	Bank to Assess	>R3m to ≤R5m	Max 100% (will be referred to credit for intuitive assessment)	
	>R5m	90%	90%	>R3m	Max 90%	Max 90%						
(Requests for 100% in the >R5m price range will be referred to credit for assessment)									If a First-Time Home Buyer - 105% may be considered. Purchase price & loan amount not to exceed R1.8m if 105% is required, i.e. if the purchase price is R1.8m, costs cannot be included.			
<b>Private Clients Full-time employed</b>	Purchase price	Non - ABSA clients	ABSA clients	RMB Criteria would apply.			Same as <b>Ordinary loans</b> – SA citizens living and working in SA and Full time employed.			Same as <b>Ordinary loans</b> – SA citizens living and working in SA and employed full-time.,		
	≤R3m	Max 100%	Max 100%									
<b>Ordinary loans – SA Citizens living and working in SA – Self-employed</b>	Purchase price	Non - ABSA clients	ABSA clients	Purchase price	Non - FNB clients	FNB clients	Purchase price	Non - Nedbank clients	Nedbank clients	Purchase price	SBSA & Non - SBSA clients	
	≤R2m	Max 90%	Max 90%	≤R3m	Not considered	Max 95%	≤R3m	Max 100%	Max 100%	≤R3m	Max 100%	
	R2m to ≤R3m	Max 85%	Max 85%	>R3m		Max 90%	>R3m to R5m	Between 90% - 100% Risk Rating Dependent	Between 90% - 100% Risk Rating Dependent	>R3m to ≤R5m	Max 100% (will be referred to credit for intuitive assessment)	
	>R3m	Max 80%	Max 80%			>R5m to R6m	Between 80% - 90% Risk Rating Dependent	Between 80% - 90% Risk Rating Dependent	105% costs inclusive not applicable.			
						>R6m to R10m	Max 70%	Max 70%				
					>R10m	Max 60%	Max 60%					
<b>Private Clients Self-employed</b>	Purchase price	Non - ABSA clients	ABSA clients	RMB Criteria would apply.			Same as <b>Ordinary loans</b> SA Citizens living and working in SA – Self-employed.			Same as <b>Ordinary loans</b> SA Citizens living and working in SA – Self-employed.		
	≥R2m	Max 90%	Max 90%									
	>R2m to ≤R3m	Max 85%	Max 85%									
<b>Legal Entities or 3 participants or more</b>	Purchase price	Non - ABSA clients	ABSA clients	Type and LTV Criteria Applied			Must be self-employed and normal self-employed criteria will apply. The Legal Entity's primary bank account must be with Nedbank.			Purchase price	Non - SBSA clients	Non - SBSA clients
	≥R3m	Max 70%	Max 80%	Pty (Ltd) with Shareholding <b>less than 19%</b> (Full-time employed LTV's apply)						≤R3m	Not Considered.	Max 100%
	>R3m	Max 65%	Max 75%	Pty (Ltd) with Shareholding <b>more than 19%</b> (Self-employed LTV's apply)						>R3m to ≤R5m		Max 100%
				Closed Corporation (Self-employed LTV's apply)						105% costs inclusive not applicable.		
			Trust (Max 80% LTV if surety is Juristic Trustee)									

												
	Property Value	Non - ABSA clients	ABSA clients									
<b>Further loan – Ordinary – Full-time employed</b>	≤R2m	Max 100%	Max 100%	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Same as <b>ordinary loan</b> 105% costs inclusive not applicable	
	>R2m to ≤R3m	Max 90%	Max 90%									
	>R3m	Max 85%	Max 85%									
<b>Further loan – Ordinary – Self employed</b>	≤R2m	Max 90%	Max 90%	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Same as <b>ordinary loan</b> 105% costs inclusive not applicable	
	>R2m to ≤R3m	Max 85%	Max 85%									
	>R3m	Max 75%	Max 75%									
<b>Further loan – Legal entities/ More than two applicants</b>	≤R2m	Max 70%	Max 80%	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Same as <b>ordinary loan</b> 105% costs inclusive not applicable	
	>R2m to ≤R3m	Max 70%	Max 80%									
	>R3m	Max 65%	Max 75%									
<b>Further Building Loan or Legal entities</b>	≤R2m	Max 80%	Max 90%	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Direct Channels only.	Same as <b>building loan</b>	
	>R2m to ≤R3m	Max 70%	Max 85%									
	>R3m	Max 65%	Max 80%									
<b>Building Loans – Non Developments</b>	Purchase Price	Non - ABSA clients	ABSA clients	Purchase price	Non - FNB clients	FNB clients	Purchase price	Non - Nedbank clients	Nedbank clients	Purchase price	Non - SBSA clients	Non - SBSA clients
	≤R2m	Max 90%	Max 90%	<R3m	Max 90%	Max 90%	Same as <b>Ordinary loans – SA Citizens living and working in SA – Full time employed</b>	Non - Nedbank clients	Nedbank clients	≤R3m	Max 100%	Max 100%
	R2m to ≤R3m	Max 85%	Max 85%	>R3m	Max 85%	Max 85%				>R2m to ≤R3m	Max 100% (will be referred to credit for intuitive assessment)	
>R3m	Max 80%	Max 80%				105% cost inclusive not applicable.						
<b>Building Loans – Approved Developments</b>	Approved Developments			Approved Developments			Approved Developments			Approved Developments		
	100% considered at credits discretion on all plot & plan building developments approved by <b>ABSA</b> . Development approval package letter must accompany the application.			Same as Building Loans – Non-Development			Same as Building Loans – Non-Development			Same as Building Loans – Non-Development		

												
	Purchase Price	Non - ABSA clients	ABSA clients	Purchase price	Non - FNB clients	FNB clients	Purchase price	Non - Nedbank clients	Nedbank clients	Property Value	Non - SBSA clients	Non - SBSA clients
<b>Buy to Let</b> (Fully Completed Properties)	≤R2m	Max 90%	Max 90%	<b>Normal LTV's to apply</b> based on client's risk and application score.			<b>Second Properties:</b> 90% - if first property is bonded at <b>Nedbank</b> 80% - if first property is bonded at other banks			<b>Normal LTV's</b> to apply based on client's risk and application score. 105% Costs inclusive <b>not applicable.</b>		
	>R2m to ≤R3m	Max 85%	Max 85%									
	>R3m	Max 80%	Max 80%									
<b>Buy to Let –</b> Legal entities or More than two applicants	≤R2m	Max 70%	Max 80%	<b>Normal LTV's to apply</b> based on client's risk and application score. <b>Non-trading</b> entities will be considered. <b>No lending</b> to trading entities.			<b>Second Properties:</b> 90% - if first property is bonded at <b>Nedbank</b> 80% - if first property is bonded at other banks Must be self-employed.			<b>Normal LTV's</b> to apply based on client's risk and application score. 105% Costs inclusive <b>not applicable.</b>		
	>R2m to ≤R3m	Max 70%	Max 80%									
	>R3m	Max 65%	Max 75%									
<b>Vacant Land</b>	<ul style="list-style-type: none"> <li>• Maximum LTV 60%</li> <li>• Minimum land size 150m<sup>2</sup></li> <li>• Maximum land size 25 Hectares</li> </ul>			<ul style="list-style-type: none"> <li>• Maximum LTV 60%</li> <li>• Minimum land size 150m<sup>2</sup></li> <li>• Maximum land size 8.5 Hectares</li> </ul>			Lending on vacant land <b>not considered.</b>			<ul style="list-style-type: none"> <li>• LTV 60%.</li> <li>• Minimum land size 120m<sup>2</sup></li> <li>• Maximum land size – not stipulated assessor will confirm.</li> <li>• 105% costs included not applicable</li> </ul>		
	<b>Purchase Price</b>	<b>Non - ABSA clients</b>	<b>ABSA clients</b>	<b>Purchase price</b>	<b>Non - FNB clients</b>	<b>FNB clients</b>	<b>Purchase price</b>	<b>Non - Nedbank clients</b>	<b>Nedbank clients</b>	<b>Property Value</b>	<b>Non - SBSA clients</b>	<b>Non - SBSA clients</b>
<b>SA Citizens working abroad</b>	<b>Same as Ordinary loans</b> SA Citizens living and working in SA – Full time employed			All Purchase Prices	Max LTV 50%	Max 85% considered	All Purchase Prices	Max LTV 50%	Up to 80% dependent on applicant risk profile.	All Purchase Prices	Max LTV 70%	Max LTV 70%
<b>Temporary Residents</b> with passport and Temporary residency permit, authorised to be in the country to either work, study, reside with the spouse be self employed	<b>Same as Ordinary loans</b> SA Citizens living and working in SA - Full-time employed.			<ul style="list-style-type: none"> <li>• Max LTV 75%</li> <li>• Must be <b>FNB primary banked</b> for a minimum period of a year.</li> <li>• Temporary resident permit must have a remaining term of 3 years.</li> </ul>			<b>Max 80% LTV</b> will apply in the following instances: 1. Where the application is a <b>joint application</b> and the main applicant is the higher income earner and a SA Citizen or Permanent Resident with a SA ID and the Temporary Resident is the co-applicant with the lower income. 2. Proof must be supplied of the Temporary Resident having a <b>bank account at any SA Bank</b> . If the Temporary Resident is unemployed, no proof of listing with a bank is required. 3. If employed <b>valid work permit</b> is required.			Max LTV 50%. Where SA citizen and Temporary Resident is applying jointly, bank may consider 75% LTV.		
<b>Refugee</b> with Maroon ID	<b>Same as Ordinary loans</b> SA Citizens living and working in SA - Full-time employed			<b>Not considered</b>			<b>Not considered</b>			<b>Not considered</b>		
<b>Foreign National</b> (Individual with no Temporary or Permanent residence status in SA, no work permit)	Max LTV 50%			Max LTV 50% It is not a requirement to bank with FNB as long as the debit order can be serviced monthly through a SA banking account, it is acceptable.			<b>Not considered</b>			Max LTV 50%		

				
<b>Permanent resident</b> with permanent resident permit or green barcoded ID/ smart ID card	<b>Same as Ordinary loans</b> SA Citizens living and working in SA - Full-time employed.	<ol style="list-style-type: none"> <li>Applicants with a permanent residence certificate and no green bar coded ID or Smart ID card, 50% LTV will apply. FNB primary banked customers only and SAID must be provided prior to final grant.</li> <li>Permanent residents with a SA ID. Normal lending criteria to apply as per client or loan type.</li> </ol>	<b>Same as Ordinary loans</b> SA Citizens living and working in SA - Full-time employed.	<b>Same as Ordinary loans</b> SA Citizens living and working in SA - Full-time employed.
<b>Approved Collateral</b>	<ul style="list-style-type: none"> <li>Cash deposited with the bank and ceded to the bank.</li> <li>Investments at other banks and ceded to the bank.</li> <li>Cession of a life insurance policy with a confirmed surrender value.</li> <li>Collateral provided in terms of an approved group scheme (Pension backed company guarantee).</li> <li>The cession of tangible collateral security being accepted as an "equity/deposit" requirement in the <b>Absa Home Loan</b> process.</li> </ul>	<b>Not considered</b>	<b>Not considered</b>	<b>Not considered</b>
<b>Life Cover</b>	<b>Optional</b>	Life Cover <b>compulsory</b> on all Joint and Individual Home Loans with a principle loan amount up to and including R1m (excluding One Accounts). Life Cover compulsory for all applicants on a joint Home Loan for the principle loan amount.	Life Cover <b>Compulsory</b> on all loans up to R600 000.	Life Cover <b>not compulsory</b> on a Home Loan without an Access facility. <b>Compulsory</b> if there is an Access facility.

				
<b>Loan term</b>	<b>Max loan term 30 years</b>	<b>Minimum 5 years, Maximum 20 years</b>	<b>Maximum 25 years recommended</b>	<b>Max loan term 30 years</b>
<b>Product</b>	<b>My Home</b>	<b>Smartbond</b>	<b>No specific product.</b>	<b>Dream Start or Jumpstart</b>
<b>Limitations</b>	<b>Only residential property finance.</b>	<b>Limitations on all loan types</b> Vacant land, Self-employed, Multiple applicants, Non-resident or Temporary resident applicants, Juristic Entities and Contract workers to be referred to FNB Home Loans.	Vacant Land <b>not considered.</b>	For costs to be included, applicant must be a <b>first time home buyer</b> and the purchase price and <b>loan amount cannot exceed R1.8m.</b>  If the purchase price is R1.8m, costs cannot be included. Applicable to ordinary loans only.
<b>Income</b>	Maximum income <b>R25 000</b> gross Individual or joint income.	Maximum income per individual <b>R25 000</b> gross, not to exceed R50 000 gross joint income.	Maximum income <b>R24 300</b> gross individual or joint income.	Income between <b>R3 500 and R24300</b> (gross single or joint income).
<b>Minimum employment period</b>	<b>12 Months –</b> Not limited to current employer.	<b>6 Months –</b> no probation period	<b>Not applicable</b> as long as applicant is permanently employed.	<b>12 Months –</b> not limited to current employer
<b>Minimum and maximum loan amount</b>	Minimum Loan Amount <b>R50 000.</b> Maximum loan amount based on affordability.	Minimum loan amount <b>R20 000.</b> Maximum loan amount <b>R650 000</b>	Minimum loan amount <b>R100 000.</b> Maximum loan amount based on affordability.	Minimum loan amount <b>R100 000.</b> Maximum loan amount based on affordability.
<b>Ordinary loans</b>	<ul style="list-style-type: none"> <li>Full-time employed: Max LTV 100%</li> <li>Self employed: Max LTV 80%</li> </ul>	<ul style="list-style-type: none"> <li>Maximum purchase price R650 000.</li> <li>Developments approved by FNB Housing Finance maximum purchase price R750 000.</li> <li>110% may be considered for applicants earning between R12 000 &amp; R299 999 PA.</li> </ul> <p>Also applicable to <b>Young Professionals</b> in this income bracket under the age of 35 in the following professions: Actuary, Advocate, Architect, Attorney Chartered Accountant, Engineer, Medical Doctor.</p>	<ul style="list-style-type: none"> <li>Maximum purchase price R780 000</li> <li>LTV 90% -100%.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 100% LTV considered</li> <li>If a First Time Home Buyer - 105% may be considered.</li> <li>Purchase price &amp; loan amount not to exceed R1.8m if 105% is required. For instance, if the purchase price is R1.8m, costs cannot be included.</li> </ul>
<b>Building loans</b>	<ul style="list-style-type: none"> <li>Full-time employed: Max LTV 90%</li> <li>Self employed: Max LTV 80%</li> </ul>	<ul style="list-style-type: none"> <li>Maximum LTV 100%.</li> <li>110% not applicable on building loans.</li> </ul>	<ul style="list-style-type: none"> <li>Maximum purchase price R780 000</li> <li>LTV 90% -100%</li> </ul>	<ul style="list-style-type: none"> <li>Up to 100% LTV considered</li> <li>105% costs inclusive not applicable on building loans.</li> </ul>

				
<b>Further loans</b>	<ul style="list-style-type: none"> <li>• <b>Full -time employed</b> Further advance ordinary: Max LTV 100%</li> <li>• <b>Self employed</b> Further advance ordinary: Max LTV 80%</li> <li>• <b>Full-time employed</b> Further advance Building: Max LTV 90%</li> <li>• <b>Self employed</b> Further advance Building: Max LTV 80%</li> </ul>	<ul style="list-style-type: none"> <li>• Further advances payable through Housing Finance Minimum loan amount of R20 000.</li> <li>• Required Documents: latest rates &amp; taxes account, payslip, 3 months bank statement, application form.</li> </ul>	<b>Direct Channels Only.</b>	<ul style="list-style-type: none"> <li>• Up to 100% considered.</li> <li>• 105% costs inclusive not applicable on further loans.</li> </ul>
<b>Termination age of bond</b>	Bond must be settled by age 75.	65 years next birthday	75 years next birthday.	65 years next birthday.
<b>Pricing</b>	Variable rate offered. Fixed rate to be applied for at branch after registration.	Variable rate or 3 year fixed rate option.	Variable rate offered. Fixed rate to be applied for at branch after registration.	Variable rate offered. Fixed rate to be applied for at branch after registration.
<b>Borrowers Education</b>	Compulsory for all customers with bonds in excess of 80% of the property valuation.	Compulsory for all First Time Home Buyers.	Compulsory.	Compulsory.
<b>Home Owners over</b>	Compulsory.	Compulsory. (Customer can provide own cover provided it meets the terms and conditions of the bank).	Compulsory.	Compulsory.
<b>Life Cover</b>	"Home Loan Protector Plan" compulsory with an option for Permanent Disability.	Compulsory. (Customer can provide own cover provided it meets the terms and conditions of the bank).	Compulsory for all loans up to R600 000.	Compulsory.
<b>Loan Cover</b>	Refer collateral - CRIS.	Cover 35 –60% of property value. Free 6 month retrenchment benefit – limited to 2 claims over bond term.		
<b>Approved Collateral</b>	FLISP accepted.	FLISP accepted.	FLISP and AFD accepted.	FLISP accepted.