

Loan To Value (LTV) Guidelines

Consolidated Bank Policies												
Loan term	Max loan term 30 years			Non FNB – Max loan 20 years FNB Clients – Max loan term 30 years			Max loan term 25 years			Max loan term 30 years		
Ordinary loans – SA Citizens living and working in SA – Full time employed	Purchase price	Non-ABSA clients	ABSA clients	Purchase price	Non-FNB clients	FNB clients	Purchase price			Purchase price	Non-SBSA clients	SBSA clients
	≤ R3m	Max 100%	Max 100%	≤ R2.5m	Max 100%	Max 100%	≤ R5m	Max 100%		≤ R3m	Max 100%	Max 100%
	> R3m - ≤ R5m	100% considered at Credit's discretion	100% considered at Credit's discretion	> R2.5m - ≤ R3m	Max 95%	Max 95%	> 5m	Bank to Assess		> R3m	Max 80%	Max 80%
Private Clients Full time employed	≤ R3m	Max 100%		RMB Criteria would apply			Same as Ordinary loans SA Citizens living and working in SA – Full time employed			Same as Ordinary loans SA Citizens living and working in SA – Full time employed		
Ordinary loans – SA Citizens living and working in SA – Self employed	Purchase price	Non-ABSA clients	ABSA clients	Purchase price	Non-FNB clients	FNB clients	Purchase price			Purchase price	Non-SBSA clients	SBSA clients
	≤ R2m	Max 90%	Max 90%	< R3m	Not considered	Max 95%	≤ R2.5m		Max 100%	≤ R3m	Max 100%	Max 100%
	> R2m - ≤ R3m	Max 85%	Max 85%	> R3m		Max 90%	R2.5m - R4m		Max 90%	> R3m	Max 80%	Max 80%
	> R3m	Max 75%	Max 75%				R4m - R6m		Max 70%			
Private Clients Self employed	≤ R3m	Max 95%		RMB Criteria would apply			Same as above			Same as Ordinary loans SA Citizens living and working in SA – Full time employed		
Legal entities or 3 participants or more	Purchase price	Non-ABSA clients	ABSA clients	Type & LTV Criteria Applied			Purchase price	Non-Nedbank clients	Nedbank clients	Purchase price	Non-SBSA clients	SBSA clients
	≤ R3m	Max 70%	Max 80%	PTY LTD with Shareholding less than 19% <i>(Full time employed LTV's apply)</i>			Must be self- employed and normal Self -employed criteria will apply. The Legal Entity's primary bank account must be with Nedbank.			≤ R3m	Not Considered	Max 100%
	> R3m	Max 65%	Max 75%	PTY LTD with Shareholding more than 19% <i>(Self employed LTV's apply)</i>						> R3m		Max 80%
				Closed Corporation <i>(Self employed LTV's apply)</i>								
				Trust <i>(Max 80% LTV if surety is Juristic Trustee)</i>								
Legal entities – less than 3 participants	Same as above			No lending to trading entities. Non trading entities will be considered.			Same as above			Same as above		

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Further loan – Ordinary – Full time employed	Property Value	Non-ABSA clients	ABSA clients	Direct Channels only			Direct Channels only			Same as ordinary loan		
	≤ R2m > R2m - ≤ R3m > R3m	Max 95% Max 90% Max 85%	Max 95% Max 90% Max 85%									
Further loan – Ordinary – Self employed	Property Value	Non-ABSA clients	ABSA clients									
	≤ R2m > R2m - ≤ R3m > R3m	Max 85% Max 85% Max 75%	Max 85% Max 85% Max 75%	Direct Channels only			Direct Channels only			Same as ordinary loan		
Further loan – Legal entities/More than two applicants	Ordinary and Building loans. Excl Further advances	Non-ABSA clients	ABSA clients									
	≤ R2m > R2m - ≤ R3m > R3m	Max 70% Max 70% Max 65%	Max 80% Max 80% Max 75%									
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	Purchase Price	Non-SBSA Clients	SBSA Clients
	≤ R2m > R2m - ≤ R3m > R3m	Max 90% Max 75% Max 70%	Max 90% Max 75% Max 70%	< R3m > R3m	Max 90% Max 85%	Max 90% Max 85%	Same as Ordinary loans – SA Citizens living and working in SA – Full time employed			≤ R3m > R3m	Max 100% Max 80%	Max 100% Max 80%
Building Loans – Approved Developments	Approved Developments			Approved Developments			Approved Developments			Approved Developments		
	100% considered at credits discretion on all plot & plan building developments approved by ABSA. 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		
Further Building Loan / Legal entities	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	SBSA Clients
	≤ R2m > R2m - ≤ R3m > R3m	Max 80% Max 70% Max 65%	Max 80% Max 70% Max 65%	< R3m > R3m	Max 90% Max 85%	Max 90% Max 85%	Direct Channels Only			Same as building loan		
Buy to Let (Fully Completed Properties)	Ordinary and Building Loans. Excl Further advances	Non-ABSA clients	ABSA clients	Normal LTV's to apply based on client's risk and application score			Second Properties: 90% - if first property is bonded at Nedbank 80% - If first property is bonded at other banks			Normal LTV's to apply based on client's risk and application score		
	≤ R2m > R2m - ≤ R3m > R3m	Max 90% Max 85% Max 80%	Max 90% Max 85% Max 80%									
Buy to Let – Legal entities / More than two applicants	Purchase price / Property valuation	Non-ABSA clients	ABSA clients	No lending to trading entities. Non trading entities will be considered, normal LTV's to apply based on client's risk and application score			Second Properties: 90% - if first property is bonded at Nedbank 80% - If first property is bonded at other banks Must be self- employed			Normal LTV's to apply based on client's risk and application score		
	≤ R2m > R2m - ≤ R3m > R3m	Max 70% Max 70% Max 65%	Max 80% Max 80% Max 75%									

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Vacant Land	- Maximum LTV 60% - Minimum land size 150Sqm - Maximum land size 25 Hectares	- Maximum LTV 60% - Minimum land size 150Sqm - Maximum land size 8.5 Hectares	Lending on vacant land not considered	- LTV between 60% and 80% depending on scoring of application. - Minimum land size 120Sqm. - Maximum land size – not stipulated – assessor will confirm.
SA Citizens working abroad	Same as Ordinary loans – SA Citizens living and working in SA – Full time employed	Max LTV 50%. If FNB banked, might consider 85% LTV.	Non Nedbank clients – Maximum LTV 50%. Nedbank Clients – up to 80% LTV depending on client's risk profile.	Max LTV 70%
Temporary Residents with passport and Temporary residency permit, authorised to be in the country to either work, study, reside with the spouse be self employed	Same as Ordinary loans SA Citizens living and working in SA - Full time employed	- Max LTV 75% - Must be FNB primary banked for a minimum of a year - Temporary resident permit must have a remaining term of 3 years	<i>Max 80% LTV will apply in the following instances;</i> - The application is a joint application and the main income earner is a SA Citizen – the temporary resident must be the co-applicant and the lower income earner. - Proof must be supplied of the Temporary Resident having a bank account at any SA Bank. If the Temporary Resident is unemployed, no proof of listing with a bank is required. - If employed Valid work permit is required	Max LTV 50%. Where SA citizen and temp resident is applying jointly, may consider 75% LTV.
Foreign national (Individual with no permanent residence 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.	Not Considered	Max LTV 50%.
Permanent resident with permanent resident permit or green barcoded ID/smart ID card	Same as Ordinary loans SA Citizens living and working in SA - Full time employed	- 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 Smart ID must be provided prior to final grant. - Permanent residents with Green Bar Coded ID or Smart Id - Normal lending criteria to apply as per client or loan type.	Same as Ordinary loans SA Citizens living and working in SA - Full time employed	Same as Ordinary loans SA Citizens living and working in SA - Full time employed
Approved Collateral	- Cash deposited with the bank and ceded to the bank. - Investments at other banks and ceded to the bank. - Cession of a life insurance policy with a confirmed surrender value. - Collateral provided in terms of an approved group scheme (Pension backed/company guarantee) - The cession of tangible collateral security being accepted as an "equity/deposit" requirement in the Absa Home Loan process	Not considered	Not considered	Not considered
Life Cover	Life Cover compulsory at credits discretion	Life Cover compulsory 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 Compulsory on all loans up to R600 000.	Life Cover not compulsory on a Home Loan without an Access facility. Compulsory if there is an Access facility.

Affordable housing guidelines

Consolidated Bank Policies				
Loan term	Maximum 30 years	Minimum 5 years, Maximum 20 years	Maximum 25 years recommended	Maximum 30 years
Product	My Home	Smartbond	No specific product	Dream Start/Jumpstart
Minimum employment period	12 Months – Not limited to current employer	6 Months – no probation period	Not applicable as long as applicant is permanently employed	12 Months – Not limited to current employer
Ordinary loans	- Income - Maximum R23 300 - joint income - Fulltime employed - Max LTV 100% - Self employed - Max LTV 70% * Effective 2018/03/16	- Maximum income per individual R25 000, not to exceed a maximum of R50 000 on joint income - Maximum purchase price R650 000 - Developments approved by FNB Housing Finance maximum purchase price R750 000 105% may be considered - Vacant land, self employed, multiple applicant, non-resident applications, Juristic entities and contract workers must be routed to FNB Home loans	- Maximum income R23 300 – Joint income - Maximum Purchase Price R760 000 - LTV 90% - 100%	- Income - Between R3 500 and R23 300 - Joint income - Maximum Purchase Price R1m - If a FTHB - 104% may be considered
Building loans	- Income - Maximum R23 300 - Fulltime Employed Max - LTV 90% - Self Employed - Max LTV 70%	- FNB Housing Finance. Maximum income per individual R25 000, not to exceed a max of R50 000 on joint income - Maximum LTV 100%. No costs may be included - Vacant land, self employed, multiple applicant, non-resident applications, Juristic entities and contract workers must be routed to FNB Home loans	"Maximum loan amount based on salary - LTV 90% - 100%	"Income - Between R3 500 and R23 300 - Maximum Purchase price R1m if costs to be included - If a FTHB - 104% may be considered
Further loans	- Income - Maximum R23 300 "Fulltime employed Further Advance Ordinary Max LTV 95%" "Self employed Further Advance Ordinary Max LTV 70%" "Fulltime employed Further Advance Building Max LTV 80%" "Self employed Further Advance Building Max LTV 70%"	- Further Advances payable through Housing Finance Minimum loan amount of R20 000. - Required Documents: latest rates & taxes account, payslip, 3 months bank statement, application form.	Direct Channels Only	Income - Between R3 500 and R23 300
Maximum and minimum loan amount	Maximum loan amount based on salary. Minimum Loan Amount 50K.	Minimum Loan amount R20 000. Maximum Loan amount R650 000.	Minimum Loan amount R100 000. Maximum loan amount based on affordability.	Maximum loan amount based on salary. Minimum Loan Amount 100K.

Affordable housing guidelines

Consolidated Bank Policies				
Limitations	Only residential property finance.	Vacant Land, Self Employed, Multiple applications, Non-resident/temporary resident applications, Juristic entities and contract workers to be referred to FNB Home loans.	Not Considered.	Must be FTHB and purchase price not to exceed R1m
Termination age of bond	65 years next birthday	65 years next birthday	75 years next birthday	65 years next birthday
Pricing	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.
Borrowers Education	Compulsory for all customers with bonds in excess of 80% of the property valuation.	Compulsory for all First Time Home Buyers.	Compulsory.	Compulsory.
Home Owners cover	Compulsory.	Compulsory. (Customer can provide own cover provided it meets the terms and conditions of the bank).	Compulsory.	Compulsory.
Life Cover	"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.
Loan Cover	Refer collateral - CRIS	Cover 35 – 60% of property value. Free 6 month retrenchment benefit – limited to 2 claims over bond term.		
Approved Collateral	FLISP accepted.	FLISP accepted.	FLISP and AFD accepted.	FLISP accepted.