

Foreign National DSCR



	Purchase		Maximum LTV/CLTVs		
	Min FICO	Maximum Loan Amount	Purchase	R/T Refinance	Cash-out Refinance
DSCR >= 1.0	680	\$1,000,000	75	65	65
		\$1,500,000	70	60	60
	No Credit Score	\$1,000,000	75	65	65
		\$1,500,000	70	60	60
DSCR < 1.0	680	\$1,000,000	65	60	60
		\$1,500,000	65	NA	NA
	No Credit Score	\$1,000,000	65	60	60
		\$1,500,000	65	NA	NA
2-4 Units and Condo					
Max LTV Purchase 70%, Refinance 65%					

Eligible State	NMLS license not required. AL, AR, CO, CT, DC, DE, HI, IL, IN, IA, KY, LA, ME, MD, MA, MS, MO, NE, NH, NM, NY, OH, OK, PA, RI, SC, TX, VT, WA, WV, WI, WY
Loan Terms	<ul style="list-style-type: none">Fixed: 40, 30 and 15 yearsARM: 5/6 and 7/6 (refer to the ratesheet for margin and caps)
Min loan amount	\$150,000
Occupancy	Investment Property
Loan Purpose	Purchase, Rate/term, and Cash-out
Age of Documents	120 days from closing
Eligible Borrowers	<ul style="list-style-type: none">Foreign National only.Borrowers must evidence their primary residence in foreign country with copy of valid and unexpired passport (including photograph) and foreign address on the loan application.OFAC SDN Screening is required. Borrowers from sanctioned countries are not eligible.
ACH Payment	<ul style="list-style-type: none">Automatic Payment Authorization (ACH) form is required. Funds must be from U.S. domiciled bank.The borrower contact consent form is required.
First Time Investor	Permitted
Housing History	Required for subject property refinance only, must be 0x30x12.
Credit/Tradeline	<ul style="list-style-type: none">Borrowers with <u>no Social Security Number or ITIN</u> are eligible without further documentation.When the borrower has a valid SSN or ITIN, credit report is required with minimum qualifying score of 680.Inquiries do not need to be explained.Credit refresh is not required.When U.S. Credit report has 3 credit scores, the minimum tradeline is not required.With less than 3 credit scores, borrower must meet the minimum tradeline requirements.Minimum tradeline requirements:<ul style="list-style-type: none">At least 3 tradelines reporting minimum 12-months history, with activity in the past 12-months, orAt least 2 tradelines reporting minimum 24-months, with activity in the past 12-months.Not acceptable as tradelines: Self-reported, accounts in deferment status, authorized user accounts, collection accounts, accounts discharged through bankruptcy.
For borrowers with U.S. Credit requirements	<ul style="list-style-type: none">All open judgements, garnishments, and all outstanding liens must be paid off prior to or at closing.Charge offs and collections can be ignored unless they are title impacted.BK/FC/SS/DIL must be seasoned at least 3 years (36 months).Pre-foreclosure sale, charge-off of a mortgage accounts are considered as the same as a foreclosure and subject to the same seasoning.Notice of default is considered 1x90x12 hence ineligible.Forbearance/modification/deferral completed or reinstated greater than 12-months from the Note date of the subject transaction and having a 0x30x12 Housing History are allowed.Forbearance/modification/deferral completed or reinstated within 12-months of the Note date of the subject transaction are not eligible.
Appraisal	<ul style="list-style-type: none">Age of report: 120 days from closing. 1004D is required between 120-365 days of appraisal completion.CDA is required for all loans.Transfer appraisal is acceptable.

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Properties	<ul style="list-style-type: none">• Eligible Property types: SFR, PUD, Condominium, 2-4 units• Acreage of 2 or less• Minimum square footage: SFR 700 sqft, Condo 500 sqft, Multi-family: 400 sqft per unit.• Ineligible: Rural, C5/C6 rating, Q6 rating, Agricultural features (vineyards, farms, ranches, orchards, etc.), Zoning violations or illegal use, Properties on Native American Land, Mixed use, Manufactured, Mobile, Co-op, Leasehold, Commercial, PACE properties, Dome or geodesic homes, Houseboats and etc.
Condominiums	<p>Regardless of Fannie Mae CPM status, below requirements apply.</p> <ul style="list-style-type: none">• Condo full review form is required, unless the project consists of entirely detached (site) units or 2-4 units.• Must have a minimum of 1 bedroom.• Investor concentration up to 60%.• Commercial space up to 50%.• Sing-entity ownership up to 20%.• No more than 20% of total units may be 60 days or more past due on the assessments.• Project documents not evidencing unit owner or any other party priority over the rights of the first mortgagee.• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.• Projects with significant deferred maintenance regarding safety are not eligible.• Must not be timeshare, houseboat, manufactured, assisted living facilities, multi-family unites where a single deed conveys ownership of more than one unit, project that requires private transfer fees as part of the transaction, or a fragmented ownership.
New or newly converted Condominiums	<ul style="list-style-type: none">• 50% of the total units in the project or subject’s phase must be sold and conveyed to the units’ owners AND at least 50% of the units must be owner occupied.• Project or subject’s legal phase must be complete.• All common elements in the project or legal phase must be 100% complete.
DSCR calculation	<ul style="list-style-type: none">• Monthly gross rent ÷ Subject PITIA• Monthly gross rent documentation for Purchase<ul style="list-style-type: none">- Currently vacant or seller occupied property: Appraisal rent schedule- Currently Tenant occupied property: Use lower of actual lease agreement or estimated market rent. If the actual rent is higher and needs to be used, evidence of 2 months of receipt is required and qualifying rent is capped at 120% of estimated market rent. If estimated market rent is higher and needs to be used, the cap is 120% of actual rent.- Property subject to rent control: Use current contractual rent.• Monthly gross rent for refinance<ul style="list-style-type: none">- Appraisal rent schedule, AND currently effective lease agreement.- When the lease converted to month-to-month, 2 months proof of receipt is required.- If the actual rent is higher and needs to be used, evidence of 2 months of receipt is required and qualifying rent is capped at 120% of estimated market rent.- If estimated market rent is higher and needs to be used, the cap is 120% of actual rent.• Short Term rent: Contact your Account Executive for details.
Assets	<ul style="list-style-type: none">• Most recent 1-month statement. Statement must be translated to English and verified in US Dollar Equivalency at the current exchange rate via www.xe.com or Wall Street Journal conversion table.• Gift not allowed.• Source of large deposit is not needed.• Assets held in foreign accounts can be used when<ul style="list-style-type: none">- Funds transferred to a U.S. account in borrower’s name at least 10 days prior to closing.- Funds directly wired to closing agent. Wire confirmation to include bank name, account holder name, and account number.
Reserves	<ul style="list-style-type: none">• 6 months PITIA• Cash out proceeds may be used to satisfy.• Gift cannot be used.• Waived for rate/term refinance when transaction results in P&I payment of 10% or greater.• Interest only loans uses interest only payment amount.• ARM loans use initial PITIA, not qualifying payment.• Proceeds from 1031 exchange cannot be used.

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Purchase	<ul style="list-style-type: none">• Assignment of contract or finder’s fee is eligible, subject to IPC limit.• Non-arm’s length transaction is not permitted.
Interested Party Contribution (IPC)	3%
R/T Refinance	<ul style="list-style-type: none">• Cash back not to exceed the lesser of 2% of the new loan amount or \$5,000.• Payoff subordinate loan not used as purchase money is allowed for<ul style="list-style-type: none">- Closed-end loan, at least 12-motnhs seasoned.- HELOC, at least 12-months seasoned, total draws in the past 12-motnhs are < \$2,000.• Refinance of a previous loan that provided cash out, as measured from the previous note date to the new note date, and is seasoned less than 12-months, is considered a cash out.• Buy out a co-owner pursuant to an agreement.• Paying off delinquent property taxes (60 days or more past due) is considered cash out.• If the subject property was acquired less than or equal to six (6) months, as measured from the property acquisition date (Note date) to the subject transaction Note date, the lesser of the current appraisal value or previous purchase price plus documented improvements (if any) will be used to determine LTV/CLTV. The purchase settlement statement and any invoices for materials/labor will be required.• Continuity of ownership is required<ul style="list-style-type: none">- At least one borrower on the new loan must be listed as owner on title; or- At least one borrower on the new loan must have inherited the property or legally awarded the property through divorce, separation, or dissolution of a domestic partnership
Cash-out	<ul style="list-style-type: none">• Max cash-in-hand (not applicable to delayed financing)<ul style="list-style-type: none">- LTV > 50%: \$300,000- LTV ≤ 50%: \$500,000• Proceeds must be used solely for business purposes. Paying off personal debt including personal tax, or line of credit secured by the subject property is NOT allowed.• Title seasoning of 6 months is required with the following exception:<ul style="list-style-type: none">- Borrower acquired the subject property through an inheritance, or- Subject property was legally awarded the property through divorce, separation, or dissolution of a domestic partnership• Properties listed for sale in the past 6 months (measured from the listing expiration date to the loan application date) requires a minimum 3-year prepayment penalty.• Value used for LTV<ul style="list-style-type: none">- Owned 12-months or longer: Appraised Value.- Owned greater than 6 months but less than 12-months: Lower of the current appraised value or the purchase price plus documented improvements.- Property listed for sale in the past 6 months: lower of the current appraised value or list price.
Delayed Financing	<ul style="list-style-type: none">• The original purchase transaction was an arms-length transaction.• The source of funds for the purchase transaction are documented.• LTV/CLTV is based upon the lower of the current appraised value or the purchase price plus documented improvements.• The preliminary title report must confirm no existing liens.• Loan amount cannot be more than the borrower’s initial investment subject to matrix.
Impound Accounts	Required unless borrower has U.S. credit score and 12 months reserves are documented.
Title Vesting and Ownership	<ul style="list-style-type: none">• Individuals, joint tenants, tenants in common, inter vivos revocable trust• The trustee must have the power to hold the title and mortgage the security property for the purpose of securing a loan to the individual(s) who are the borrower(s).
Power of Attorney	<ul style="list-style-type: none">• Not permitted.• Documents signed by borrower outside of U.S. must be notarized by a U.S. embassy or consular official; or a notary accompanied with apostille in a Hague Convention country. https://travel.state.gov/content/travel/en/records-and-authentications/authenticate-your-document/apostille-requirements.html
Secondary Financing	<ul style="list-style-type: none">• Private-party secondary financing not allowed.• Must be subordinated and included in CLTV.• For HELOC, CLTV is calculated at the max available line amount unless the borrower provides documentation showing the line is past its draw period.
Prepayment Penalty	<ul style="list-style-type: none">• 3 years, 2 years, 1 year or no PPP options available.• The charge is equal to 6-months of interest on the amount of the prepayment that exceeds 20% of the original loan amount in a given 12-month time period.• PPP not allowed in IL, NM and RI.

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Prepayment Penalty (Continued)	<ul style="list-style-type: none">• PPP not allowed for loan amount < \$312,159 in PA• Different PPP structure applies in MS (declining structure).
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