

Foreign National – Investment Property Only

Maximum LTV/CLTVs			DSCR (Investment Only)		
DSCR	Credit Score	Loan Amount	Purchase	R/T Refi	Cash-Out Refi
≥1.00	680+	≤ 1,000,000	75	65	65
		1,000,001 – 1,500,000	70	60	60
	Foreign Credit	≤ 1,000,000	75	65	65
		1,000,001 – 1,500,000	70	60	60
<1.00	680+	≤ 1,000,000	65	60	60
		1,000,001 – 1,500,000	65	NA	NA
	Foreign Credit	≤ 1,000,000	65	60	60
		1,000,001 – 1,500,000	65	NA	NA
Housing History		Credit Event Seasoning	First Time Investor		Unleased Properties
0x30x12, if documented		BK/FC/SS/DIL/Mod: ≥ 36 Mo	Allowed		Refinance: 5% LTV reduction if vacant
Declining Market Restrictions					
Maximum eligible LTVs do not require a market adjustment for the Foreign National program.					
General Requirements					
Product Type	40-Yr Fixed, 30-Yr Fixed, 15-Yr Fixed, 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)				
Interest Only	Eligible				
Loan Amounts	• Min: 200,000 • Max: 1,500,000				
Loan Purpose	Purchase, Rate/Term, and Cash Out				
Restrictions	Citizens & individuals from OFAC sanctioned counties including Russia and Belarus are not eligible.				
Property Type	Single Family, Attached, Detached. 2-4 Units, Condominium: Max LTV/CLTV 65% Condotels Max LTV/CLTV: 65% (Purchase) -- Max LTV/CLTV: 65% (R/T and Cash-out). Non-Warrantable Condo not eligible. Rural: Not eligible Florida Condominiums: A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast. Projects with an acceptable inspection, max LTV is reduced 5% Projects with an unacceptable or no inspection are not eligible.				
Acreage	DSCR maximum 2-acres.				
Cash-In-Hand	<ul style="list-style-type: none"> \$300,000 if LTV > 50% \$500,000 for LTV ≤ 50% Total equity withdrawn can't exceed above limits				
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2 nd appraisal obtained.				
Income Requirements					
Income	<p>Long-Term Rental Documentation and DSCR Calculation:</p> <ul style="list-style-type: none"> Purchase Transactions: <ul style="list-style-type: none"> Monthly Gross Rents are the monthly rents, established on FNMA Form 1007 or 1025 reflecting long term market rents. If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. A vacant or unleased property is allowed without LTV restriction. Refinance Transactions: <ul style="list-style-type: none"> Required Documentation: <ul style="list-style-type: none"> ✓ FNMA Form 1007 or 1025 reflecting long-term market rents, and lease agreement. ✓ If the lease has been converted month-to-month, then provide most recent 2 months proof of receipt to evidence continuance of lease. Monthly Gross Rents are determined by the higher of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. Debt Service Coverage Ratio (DSCR) Calculation: <ul style="list-style-type: none"> DSCR is the Monthly Gross Rent divided by the PITIA of the subject property. See this matrix for DSCR requirements. Gross rents divided by PITIA = DSCR <p>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation: Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> Short-Term Rental Income – Purchase and Refinance Transactions: <ul style="list-style-type: none"> A 5% LTV reduction applies to all transactions using short-term rental income when the DSCR is ≥ 1.00 (Excludes Condo Hotel projects). When the DSCR is < 1.00, the DSCR <1.00 matrix must be used. DSCR Calculation: <ul style="list-style-type: none"> ✓ Monthly gross rents based upon a 12-month average to account for seasonality required. ✓ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property. ✓ (Gross Rent*0.80) divided by PITIA = DSCR Any of the following methods may be used to determine gross monthly rental income: <ul style="list-style-type: none"> A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents. The most recent 12-month rental history statement from the 3rd party rental/management service. <ul style="list-style-type: none"> The statement must identify the subject property/unit, rents collected for the previous 12 months, and all vendor management fees. The rental income will exclude all vendor or management fees. The most recent 12-month bank statements from the borrower evidence short-term rental deposits. The borrower must provide rental records for the subject property to support monthly deposits. 				

Foreign National – Investment, continued

Income Requirements - Continued			
Income	<ul style="list-style-type: none"> ○ AIRDNA Rentalizer and Overview report must meet the following requirements: <ul style="list-style-type: none"> ○ Rentalizer <ul style="list-style-type: none"> ▪ Only allowed for purchase transaction ▪ The forecast period must cover 12 months from the Note Date. ▪ The occupancy rate must be > 60% ▪ Must have five (5) comparable properties, all within the same ZIP code. ▪ Must be similar in size, room count, amenities, availability, and occupancy. ○ Overview Report <ul style="list-style-type: none"> ▪ Market grade by zip code ▪ Must be B or greater. ▪ Income Calculation = Annual revenue / 12 		
Underwriting Requirements			
Credit Score	Use the lowest decision score amongst all borrowers. Middle of 3 scores or lower of 2, if available	DTI Requirements	Not Applicable
Assets	Min of 30-days asset verification required; any large deposit must be sourced.	Reserves	<ul style="list-style-type: none"> • 12-months of PITIA • 6-months with 5% LTV reduction and price adjustment • Cash out may be used to satisfy requirement
Gift Funds	Not allowed	Document Age	90-days (Credit Report and Assets)
Tradelines	US credit: Min 2 reporting 24-months or 3 reporting 12-months. For borrowers without U.S. credit two credit reference letters must be provided, see Guide for requirements	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet. • Penalties not allowed in KS, NM and OH. • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amount less than \$278,204 in PA