

Foreign National - 2nd Home and Investment

Effective 7.1.2023

Maximum LTV/CLTVs			24 Month Standard Doc/Asset Depletion - 2nd Home (Investment Full Doc Reduce 5% LTV)		
Credit Score	Loan Amount		Purchase	R/T Refinance	Cash-Out Refinance
700+	≥ 1,500,000		75	70	65
	1,500,001 - 2,500,000		70	70	65
	2,500,001 – 3,000,000		65	65	60
Foreign Credit	≥ 1,000,000		75	70	65
	1,000,001 - 1,500,000		70	70	65
	1,500,001 – 2,500,000		65	65	60
	2,500,001 – 3,000,000		60	60	55
Housing History			First Time Investor	Unleased Properties	
0x30x12			Allowed	Not allowed on Refinances	
Housing Event Seasoning			Property Restrictions		State Restrictions
BK/FC/SS/DIL/Mod: ≥ 48 Months			Condo and 2-4 Units - Max 70% LTV		FN from China ineligible, Fla
Maximum LTV/CLTVs			DSCR (Investment Only)		
DSCR	Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
≥ 1.00	700+	≤ 2,000,000	70	70	65
		2,000,001 - 2,500,000	65	65	60
		2,500,001 – 3,000,000	60	60	55
	Foreign Credit	≤ 2,000,000	70	70	65
		2,000,001 - 2,500,000	65	65	60
		2,500,001 – 3,000,000	55	55	50
.75 - .99	700+	≤ 2,000,000	65	65	60
		2,000,001 - 2,500,000	60	60	55
	Foreign Credit	≤ 2,000,000	65	65	60
		2,000,001 - 2,500,000	60	60	55
Housing History			First Time Investor	Unleased Properties	
0x30x12			Allowed	Not allowed on Refinances	
Housing Event Seasoning			State Restrictions		
BK/FC/SS/DIL/Mod: ≥ 36 Months			LTVs reduced by 5% in MS. Second homes not permitted in following IL counties: Kane, Peoria		

Foreign National Credit Matrix - Full Doc, Asset Depletion, and DSCR

General Requirements	
Product Types	<ul style="list-style-type: none"> 30-Year Fixed, 15-Yr Fixed, 30-yr Fixed I/O
Interest Only	<ul style="list-style-type: none"> 120 Month I/O Period Qualify with Interest Only Pymt Maximum 80% LTV with 30 yr I/O
Loan Amounts	<ul style="list-style-type: none"> Min: 150,000 Max: 3,000,000
Occupancy	<ul style="list-style-type: none"> Full Doc/Asset Depletion - 2nd Home and Investment DSCR - Investment Properties Only
Loan Purpose	Purchase, Rate/Term, and Cash Out
Cash Out	<ul style="list-style-type: none"> If LTV ≤ 50% - Unlimited Cash-in-Hand If LTV > 50% - Maximum \$750K
Property Type	<ul style="list-style-type: none"> Single Family, Attached, Detached, Condominiums, 2-4 Unit Condotels Rural Properties not Eligible C4 Condition rating or better. Condo & 2-4 Units: Max LTV/CLTV - Purchase & R/T 70% Cash-Out 65%
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection 2nd Full Appraisal Required for loans > \$2,000,000 Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.
Condotel	<p><u>Full Doc NOO Purchase or Rate/Term:</u></p> <ul style="list-style-type: none"> Maximum Loan Amount: \$750K Minimum 500 Square Feet Max 70% LTV Maximum Cash Out: \$250K Must have a kitchen and 1 full separate bedroom <p><u>DSCR Purchase or Rate/Term:</u></p> <ul style="list-style-type: none"> If Free & Clear: Max 50% LTV Must be in a resort area or affiliated with a national hotel chain Max 65 % LTV 6 Months Reserves Required <p><u>Full Doc or DSCR NOO Cash-Out:</u></p> <ul style="list-style-type: none"> Max 70% LTV
Declining Markets	<ul style="list-style-type: none"> Declining markets, as identified by the appraiser, require a 5% LTV reduction
Rural Property	<ul style="list-style-type: none"> Rural properties (as defined in the Guides) NOT permitted
Income Guidelines	
Standard (Full) Doc Salary/Wage	<ul style="list-style-type: none"> Paystubs covering a minimum of 30-days (which include YTD income) and ONE of the following: <ul style="list-style-type: none"> W-2 equivalent; OR Two (2) years tax returns from borrower country of origin; OR A letter from employer on company letter head providing current monthly salary, YTD earnings and total earnings for the past 2-years. Letter from employer must be on company letterhead, including address and company web address, Employer to be independently verified (LexisNexis, D&B, Google, other). All docs must be translated by an independent certified translator.
Standard (Full) Doc Self Employed	<ul style="list-style-type: none"> Must be self-employed for a minimum of 2 years evidenced by a letter from the borrower's CPA or local equivalent (the "Accountant") on Accountant letterhead. The letter must include income figures for each of the last 2 years and YTD income. A business license (where required) and organization documents should be provided; and A copy of the Accountant's current license is required. The Business & Accountant must be independently verified; and All documents must be translated by an independent certified translator.
Asset Depletion	<ul style="list-style-type: none"> Eligible assets divided by 60 to determine a monthly income stream
DSCR Income	<ul style="list-style-type: none"> Use lower of Estimated market rent from 1007/1025 or lease agreement Two months proof of receipt of existing lease amount required only when using higher amount of rental income from lease to qualify. All refinance transactions require the property to be leased. Vacant property not eligible unless history of Air BNB Minimum >= 75 DSCR required

Foreign National Credit Matrix - Full Doc, Asset Depletion, and DSCR

Underwriting Guidelines	
Credit Score	<ul style="list-style-type: none"> Lowest Middle of 3 scores or lower of 2 for all borrowers
Tradelines	<ul style="list-style-type: none"> Min: 2 open and reporting 24-months or 3 open and reporting 12-months
Investor Experience	<ul style="list-style-type: none"> Not Required
DTI Requirements	<ul style="list-style-type: none"> Standard Max 50% (does not apply to DSCR)
Assets	<ul style="list-style-type: none"> 30-days asset verification required for US Based Accounts; 60-days for Foreign Assets Deposits > 50% of gross income must be documented on purchases
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 the requirement
Gift Funds	<ul style="list-style-type: none"> Allowed after min 10% borrower contribution Gift funds not permitted to be used towards reserves
ACH	<ul style="list-style-type: none"> Automatic Payment Authorization (ACH) Form is required to be executed at closing.
Document Age	<ul style="list-style-type: none"> 90-Days
Prepayment Penalty (PPP) - Investment Property Only	<ul style="list-style-type: none"> PPP periods up to 5-Years eligible, see rate sheet PPP not allowed in AK, DE, KS, MI, MN, NM, OH, and RI PPP not allowed on loans vested to individuals in MD and NJ IL, Cook County. Permitted when vested in an entity and rate is < 8% AND loan amount > \$250K. All other counties permitted when vested in an entity and rate is < 8%. PA: Allowed regardless of loan size when closing in the name of an entity/LLC. When closing in the borrower's name: Penalties not allowed on loan amounts less than \$301,022 declining prepayment penalty structures not allowed

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Product Description	Product Code
Foreign National 30 Year Fixed Rate Alternative Documentation	FN30
Foreign National 15 Year Fixed Rate Alternative Documentation	FN15
Foreign National 40 Year Fixed Rate Alternative Documentation	FN40
Foreign National 40 Interest Only Alternative Documentation	FN40IO