

Foreign National - 2nd Home and Investment

Effective 1.26.2023

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		Reduce LTV in MS by 5%	
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	65	65	60
		2,000,001 - 2,500,000	60	60	55
		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		Reduce LTV in MS by 5%			

LTV must be reduced by 5% for loans in MS

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 Fully Amortized Pymt
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 • C4 Condition rating or better • Condotels • Rural Properties not Eligible
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: \$1.5M • 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 <p><u>Full Doc or DSCR NOO Cash-Out:</u></p> <ul style="list-style-type: none"> • Max 70% LTV • 6 Months Reserves Required
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"> o W-2 equivalent; OR o Two (2) years tax returns from borrower country of origin; OR o 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 1.00 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 MS: Only declining prepayment penalty structures allowed