

Series V: Foreign National

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	N/A	N/A
	Foreign Credit	≤ 1,000,000	65	60	60
		1,000,001 – 1,500,000	65	N/A	N/A
Housing History		Credit Event Seasoning		First Time Investor	
0x30x12, if documented		BK/FC/SS/DIL/Mod: ≥ 36 Mo		Allowed	
Declining Market and State/CBSA Restrictions					
Maximum eligible LTVs do not require a market adjustment for the Foreign National program.					
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands					
General Requirements					
Product Type	Fixed Rate Terms: 15, 30, 40-years; 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: 150,000 • Max: 2,000,000				
Loan Purpose	Purchase, Rate/Term, and Cash Out				
Occupancy	Second Home or Investment				
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries including Russia and Belarus are not eligible				
Property Type	<ul style="list-style-type: none"> • Single Family, Attached, Detached • 2-4 Units & Condos: Max LTV/CLTV – 65% • Condo Hotel: Max LTV/CLTV: 65% • Rural – Not eligible 		Florida Condominiums: <ul style="list-style-type: none"> • 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	Property up to 20-acres, not meeting the rural definition, eligible for Standard documentation and Asset Utilization. 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 50% • \$500,000 for LTV ≤ 50% Total equity withdrawn cannot exceed above limits				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	Long-Term Rental Documentation and DSCR Calculation <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 converted to month-to-month, then provide most recent two (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. ○ A vacant or unleased property is allowed, and the maximum LTV allowed is restricted by 5%. ○ DSCR Calculation: <ul style="list-style-type: none"> ▪ Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios. ▪ Gross rents divided by PITIA = DSCR 				
	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.				
<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 sub-1.00 DSCR Eligibility 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 Rents * .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. 					

Series V: Foreign National, continued

Income (continued)	<ul style="list-style-type: none"> ▪ A most recent 12-month rental history statement from the 3rd party rental/management service. 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 evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits. <ul style="list-style-type: none"> ▫ AIRDNA Rentalizer and Overview reports must meet the following requirements: <ul style="list-style-type: none"> ▪ Rentalizer <ul style="list-style-type: none"> ▫ Only allowed for purchase transaction ▫ Forecast period must cover 12 months from the Note date ▫ The occupancy rate must be > 65% ▫ Must have six (6) comparison properties ▫ Must be within two (2) miles of subject property. ▫ 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 <ul style="list-style-type: none"> ▫ Annual revenue / 12 		
Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> • If score is available, use the lowest decision score amongst all borrowers • Middle of 3 scores or lower of 2, if available 	DTI Requirements	DSCR – no DTI component
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
Tradelines	<ul style="list-style-type: none"> • 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 AK, KS, MI, MN, NM and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amounts less than \$301,022 in PA • Only declining prepayment penalty structures allowed in MS

State/CBSA Overlay Table

Statewide	
State Name	State
Arizona	AZ
Connecticut	CT
Idaho	ID
Illinois	IL
New Jersey	NJ
New York	NY
Oregon	OR

CBSA-Specific	
CBSA Name	CBSA Code
San Francisco-Oakland-Hayward, CA	41860
San Jose-Sunnyvale-Santa Clara, CA	41940
Santa Cruz-Watsonville, CA	42100
Boulder, CO	14500
Breckenridge, CO	14720
Cape Coral-Fort Myers, FL	15980
Naples-Immokalee-Marco Island, FL	34940
North Port-Sarasota-Bradenton, FL	35840
Punta Gorda, FL	39460
Reno, NV	39900
Boone, NC	14380
Sevierville, TN	42940
Austin-Round Rock, TX	12420
Heber, UT	25720
Aberdeen, WA	10140