

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
		1,500,000	70	60	60
	Foreign Credit	1,000,000	75	65	65
		1,500,000	70	60	60
<1.00	680+	1,000,000	65	60	60
		1,500,000	65	N/A	N/A
	Foreign Credit	1,000,000	65	60	60
		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	
Unleased Properties					
Refinance: LTV reduction not required					
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: 1,500,000				
Loan Purpose	Purchase, Rate/Term, and Cash Out				
Occupancy	• Investment Only. All eligible foreign citizens				
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries are not eligible • Florida Purchases: Loans secured by property located in the state of Florida made to foreign principals, persons, and entities are to include one of the following Affidavits published by the Florida Land Title Association: o Conveyances to Foreign Entities – By Individual Buyer o Conveyances to Foreign Entities – By Entity Buyer				
Property Type	<ul style="list-style-type: none"> • Single Family, Attached, Detached • 2-4 Units & Condos: Max LTV/CLTV: Purchase – 70%, Refinance – 65% • Condo Hotel: Max LTV/CLTV: Purchase – 70%, Refinance – 65% • Rural – Not eligible 	Florida Condominiums: • A structural inspection is required for projects o Greater than 5 years; and o Over 30 years old or 25 years old if within 3 miles of the coast. • 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 50% • \$500,000 for LTV ≤ 50% Total equity withdrawn cannot exceed above limits				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"> o Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. o If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. o A vacant or unleased property is allowed without LTV restriction. • Refinance Transactions: <ul style="list-style-type: none"> o 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. If unable to provide evidence of receipt, the unit will be treated as vacant. o Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025 as follows: <ul style="list-style-type: none"> ▪ If using the lower of the actual lease amount or estimated market rent, nothing further is required. ▪ If using a higher 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 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%. ▪ If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%. o A vacant or unleased property is allowed, LTV reduction not required. • DSCR Calculation: <ul style="list-style-type: none"> o 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. o Gross rents divided by PITIA = DSCR 				

Series V: Foreign National, continued

Income (continued)	<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"> ○ LTV is lesser of 70% for a purchase and 65% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance (Excludes Condo Hotel projects). ○ 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. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. ▪ $(\text{Gross Rents} * .80) \text{ divided by PITIA} = \text{DSCR}$ • When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating 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. <ul style="list-style-type: none"> ▪ If long-term rent is utilized, 20% expense factor is not to be applied ○ 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 evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits. ○ 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 • Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor • Forecast period must cover 12 months from the Note date • The occupancy rate must be > 60% <ul style="list-style-type: none"> i. Maximum occupancy limited to 2 individuals per bedroom • Must have five (5) comparable properties, all within the same ZIP code <ul style="list-style-type: none"> i. Must be similar in size, room count, amenities, availability, and occupancy ▪ Overview Report (Evaluate a Market) <ul style="list-style-type: none"> • Market score or Sub-Market score by zip code • Market score or Sub-Market score must be 60 or greater 		
	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"> • 6 months of PITIA • 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 	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 \$312,159 in PA • Only declining prepayment penalty structures allowed in MS

State/CBSA Overlay Table

Statewide	
State Name	State
Connecticut	CT
Idaho	ID
Illinois	IL
Louisiana	LA
New Jersey	NJ
New York	NY

CBSA-Specific	
CBSA Name	CBSA Code
Phoenix-Mesa-Scottsdale, AZ	38060
Sacramento-Roseville, CA	40900
San Francisco-Oakland-Hayward, CA	41860
San Jose-Sunnyvale-Santa Clara, CA	41940
Santa Cruz-Watsonville, CA	42100
Boulder, CO	14500
Breckenridge, CO	14720
Sevierville, TN	42940
Austin-Round Rock, TX	12420