



DIAMOND • Foreign National

Maximum LTV/CLTV	DSCR – Single Investment Property ≥ 1.00			
DSCR ≥ 1.00	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
700	1,500,000	75	70	65
	2,500,000	70	70	65
	3,000,000	65	65	60
Foreign Credit	1,000,000	70	70	65
	1,500,000	70	70	60
	2,500,000	65	65	65
	3,000,000	60	60	55

First Time Investor / Unleased Properties

- Allowed / Refinance: LTV reduction not required

Geographic Restrictions

- Ineligible locations: Puerto Rico, Guam, & the U.S. Virgin Islands

General Requirements

ACH	<ul style="list-style-type: none"> • Automatic Payment Authorization (ACH) form is required for set-up along with a copy of a cancelled check prior to closing.
Appraisals	<ul style="list-style-type: none"> • FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained.
Appraisals – Declining Markets	<ul style="list-style-type: none"> • Max eligible LTVs do not require a market adjustment for Foreign National programs
Assets	<ul style="list-style-type: none"> • Assets held in foreign accounts must be seasoned 60 days and meet one of the following requirements: <ul style="list-style-type: none"> a) Must be seasoned in a U.S. depository institution for 10 days prior to closing unless funds are held in a foreign bank us U.S. Based FDIC insured branches; OR b) Wired directly to the closing agent. Note that Foreign Assets must be converted to U.S. dollars using the current exchange rate. • Assets held in a foreign account can be used for reserves. The most recent 30-day account statement is required, and funds are to be converted to U.S. dollars using the current exchange rate. A letter of reference on company letterhead from a verifiable banking institution may also be obtained. Contact information must be provided by the person signing the letter, and the letter must state the type of relationship, length of relationship, how accounts are held, and current balance. Any Translation must be signed and dated by a certified translator.
Asset – Gift Fund	<ul style="list-style-type: none"> • Gift funds are allowed on Foreign Nationals for countries that can be documented to have restrictions on funds leaving the country to a max of 70% LTV, must document 20% of borrowers own funds. Assets held in foreign accounts must be seasoned 60 days and meet one of the following requirements: <ul style="list-style-type: none"> a) Must be seasoned in a U.S. depository institution for 10 days prior to closing unless funds are held in a foreign bank with U.S. Based FDIC insured branches; OR b) Wired directly to the closing agent. Note that Foreign Assets must be converted to U.S. dollars using the current exchange rate.
Assets – Reserves	<ul style="list-style-type: none"> • 12 months • Cash out may be used to satisfy reserve requirements
Borrower Eligibility Restrictions	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ Conveyances to Foreign Entities – By Individual Buyer ○ Conveyances to Foreign Entities – By Entity Buyer
Cash-In-Hand	<ul style="list-style-type: none"> • 350,000 Total equity withdrawn cannot exceed the limit





Credit	<ul style="list-style-type: none"> • If score available, use highest decision score amongst all borrower(s)/guarantor(s) U.S. credit if applicable: Min 2 reporting 24-months or 3 reporting 12-months • Middle of 3 scores or lower of 2, if available, if only 1 score, see below or no score: Foreign National borrowers who do not have a SSN or ITIN may still proceed under the Foreign National Program. The URLA should be updated with 999-99-9999 in the SSN field. All other program requirements still apply. • Alternative tradelines consisting of two of the following: <ol style="list-style-type: none"> 1. Two Credit reference letter(s) from the borrower's country of origin with the following info: State the type and length of the relationship, how the accounts are held, and status of the account. Contact information must be provided for the person signing the letter, and any Translation must be signed and dated by a certified translator. 2. A 2-year housing history can be used as tradeline (if a primary residence is owned free and clear but taxes and insurance is paid for 12 months or more this can be used for one of the 2 tradelines).
Credit – Event Seasoning	<ul style="list-style-type: none"> • BK/FC/SS/DIL/Mod: ≥ 36 mo.
Credit – Housing History	<ul style="list-style-type: none"> • 0x30x12 on subject property or primary
Document Age	<ul style="list-style-type: none"> • 90-days
Documentation Requirements	<ul style="list-style-type: none"> • Provide borrower's valid and unexpired passport and documentation the borrower is legally present: <ul style="list-style-type: none"> ○ Copy of borrower's unexpired visa OR an I-797 with valid extension dates and I-94 ○ Borrowers from countries participating in the visa waiver program are not required to provide a visa ○ Citizens of Canada traveling to the U.S. do not require nonimmigrant visa
Escrows	<ul style="list-style-type: none"> • Escrows for hazard insurance and taxes are required for HPML loans.
Interest Only	<ul style="list-style-type: none"> • Eligible
Loan Amounts	<ul style="list-style-type: none"> • Min: \$150,000 • Max: \$3.0 MM
Loan Purpose	<ul style="list-style-type: none"> • Purchase, Rate/Term, and Cash-Out
Occupancy	<ul style="list-style-type: none"> • Investment Properties (Business Purpose) • For All Foreign Citizens
Prepayment Penalty	<ul style="list-style-type: none"> • Declining structures that do not exceed 5% and do not drop below 3% in the first three (3) years: <i>Refer to Prepayment Penalty Matrices for all details.</i> • Fixed percentage of no less than 3% • For all state restrictions, <i>refer to Prepayment Penalty Matrices.</i>
Product Type	<ul style="list-style-type: none"> • 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)
Property – Eligible Types	<ul style="list-style-type: none"> • Single Family: Attached, Detached • 2-4 Units and Condominiums: Max LTV/CLTV Purchase – 70%; Refinance – 65% • Rural: Not Eligible <p><u>Florida Condominiums:</u></p> <ul style="list-style-type: none"> • A structural inspection is required for projects greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) • Projects with unacceptable or no inspection are ineligible
Property – Acreage	<ul style="list-style-type: none"> • DSCR maximum 2-acres

Income Requirements

Long-Term Rental Documentation and DSCR Calculation

Income	<p>Purchase Transactions:</p> <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 restrictions.
---------------	--



	<p>Refinance Transactions: Required documentation:</p> <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 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. • 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 required ○ If using the higher actual lease amount, evidence of 3-months of receipts 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 least amount. If the estimated market rent exceeds the lease amount by more than 20%, the estimated market rent is capped at 120%. • A vacant or unleased property is allowed, no reduction to LTV <p>DSCR Calculation:</p> <ul style="list-style-type: none"> • Debt Service Coverage Ratio (DSCR) is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios <p>Gross rents divided by PITIA = DSCR</p>
--	--

Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation

Income	<p>Short-term rental are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <p>Short-Term Rental Income – Purchase and Refinance Transactions:</p> <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. <p>DSCR Calculation:</p> <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 (e.g., 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 of 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. • (Gross Rents .80) divided by PITIA = DSCR. • When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR. <p>Any of the following methods may be used to determine gross monthly income:</p> <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. ○ If long-term rent is utilized, 20% expense factor is not to be applied. ○ An Alternative market rent analysis similar to FNMA Form 1007/1025 is allowed, subject to the following: <ul style="list-style-type: none"> ▪ Analysis must be completed pursuant to the lender’s appraisal management process. ○ Must be completed by a licensed appraiser. ○ Must include daily rental rate and occupancy percentage. ○ 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 qualifying income must be net of all vendor or management fees. ○ The most recent 12-months bank statements from the borrower/guarantor evidencing short-term rental deposits. ○ Borrower/guarantor must provide rental records for the subject property to support monthly deposits. ○ AIRDNA Rentalizer/Property Earning Potential Report accessed using the Explore Short-Term Rental data, must meet the following: Rentalizer (Property Earning Potential Report): ○ Only allowed for Purchases. ○ Gross rents equal the revenue projection from the Property Earning Report, less the 20% extraordinary expenses factor. ○ Forecast period must cover 12-months and dated within 90-days of the Note date. ○ Maximum occupancy limited to two (2) individuals per bedroom.
--------	---



	<ul style="list-style-type: none">o Must have three (3) comparable properties similar to size, room count, amenities, availability, and occupancy. Market score must be 60 or greater as reflected on the Property Earning Potential Report.
--	--

