

WIN DSCR (FOREIGN NATIONAL)

Maximum LTV/CLTV			DSCR (INVESTMENT ONLY)		
DSCR	Min FICO	Max Loan Amount	Purchase	Rate / Term	Cash Out
>= 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	NA	NA
	Foreign Credit	\$1,000,000	65	60	60
		\$1,500,000	65	NA	NA

Housing History	
0x30x12, if determined	
Credit Event Seasoning	
BK/FC/SS/DIL/Mod: >= 36 Months	
First Time Investor	
Allowed	
Unleased Properties	
Refinance: LTV reduction not required	
Declining Market	
Maximum eligible LTVs do not require a market adjustment for the Foreign National program	
General Requirements	
Product Type	Fixed Rate Terms: 15, 30, 40 years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40 yr ARM available when combined with I/O feature)
Interest Only	Eligible
Loan Amounts	Min: \$150,000 Max: \$1.5 Million
Loan Purpose	Purchase, Rate/Term, and Cash Out
Occupancy	Investment for all eligible foreign citizens
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries are not eligible
Property Type	Single Family: Attached, Detached 2 -4 Units and Condominiums: Max LTV/CLTV o Purchase - 70%, Refinance - 65% Condo Hotel: Max LTV/CLTV o Purchase - 70%, Refinance - 65% Rural: Not Eligible
Acreage	DSCR maximum 2 acres

Cash in Hand	\$300,000 if LTV > 50% \$500,000 if LTV ≤ 50% Total equity withdrawn cannot exceed above limits
Appraisals	FNMA Form, 1004, 1025, 1073 w/ interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained
Income Requirements	
Income	<p>Long-Term Rental Documentation and DSCR Calculation</p> <p>Purchase Transactions:</p> <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 <p>Refinance Transactions:</p> <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 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 and subject to the following: <ul style="list-style-type: none"> LTV/CLTV limits: Less of 70% or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix o Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025 as follow: <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 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 subject to the following: <ul style="list-style-type: none"> LTV/CLTV limits: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix <p>DSCR Calculation:</p> <ul style="list-style-type: none"> o Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. o See this matrix for required Debt Service Coverage Ratios o Gross rents divided by PITIA = DSCR <p>Short Term Rental (e.g. AirBNB, VRBO, FlipKey) Documentation and DSCR Calculation</p> <p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasoned basis</p> <p>Short Term Rental Income - Purchase and Refinance Transactions:</p> <ul style="list-style-type: none"> o LTV is lesser of 75% for a purchase and 70% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance (Excludes Condo Hotel projects) o DSCR Calculation: <ul style="list-style-type: none"> Monthly gross rent 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 (Gross Rents x .80) divided by PITIA = DSCR <p>When short term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR</p> <p>Any of the following methods may be used to determine gross monthly rental income:</p> <ul style="list-style-type: none"> o 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 o 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 o The most recent 12 months bank statements from the borrower/guarantor evidencing short term rental

	<p>deposits</p> <p>Borrower/guarantor must provide rental records for the subject property to support monthly deposits</p> <p>o AIRDNA Rentalizer and Overview reports, accessed using the Explore Short Term Rental data, must meet the following requirements:</p> <p>Rentalizer (Property Earning Potential)</p> <p>Only allowed for purchase transaction</p> <p>Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor</p> <p>Forecast period must cover 12 months from the Note date</p> <p>The occupancy rate must be > 60%</p> <p>Maximum occupancy limited to 2 individuals per bedroom</p> <p>Must have five (5) comparable properties, all within the same Zip code</p> <p>Must be similar in size, room count, amenities, availability, and occupancy</p> <p>Overview Report (Evaluate a Market)</p> <p>Market score or Sub Market score by zip code</p> <p>Market score or Sub Market score must be 60 or greater</p>
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Underwriting Requirements	
Credit Score	If score available, use highest decision score amongst all borrower/guarantors Middle of 3 scores or lower of 2
Reserves	6 months of PITIA Cash out may be used to satisfy requirement
Gift Funds	Not allowed
Tradelines	Tradelines not required, if borrower has U.S. credit score see section 2.5.12 of the Non Agency Seller Guide
Escrows	Escrows for hazard insurance and taxes are required See Section 2.4.5 - Escrow - Impounds for additional requirements
DTI Requirements	DSCR - no DTI component
Assets	Minimum of 30 days asset verification required; any large deposit must be sourced
Document Age	90 days
Prepayment Penalty - Investment Property Only	Prepayment periods up to 5 years eligible, see rate sheet Only declining prepayment penalty structures allowed in MS