

TLS Worldwide - Foreign National

Maximum LTV/CLTVs

DSCR	Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	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	Credit Event Seasoning	First Time Investor	Unleased Properties
0x30x12, if documented	BK/FC/SS/DIL/Mod: ≥ 36 Mo	Allowed	Refinance: LTV reduction not required

Eligible States

AL, AR, CA, CO, CT, DE, DC, FL, GA, HI, IN, KY, LA, MA, MI, MO, MT, NE, NH,
OK, RI, SC, TN, TX, VA, WA, WV, WI, WY

Vesting in an Entity required in FL & VA - All documents required

Declining Market & State/CBSA Restrictions 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-year term ARMs available when combined with interest only feature)	Interest Only	• Eligible
Loan Amounts	Min: 150,000 Max: 1,500,000	Cash-In-Hand	\$300,000 if LTV > 50% \$500,000 for LTV ≤ 50% Total equity withdrawn cannot exceed above limits
Loan Purpose	Purchase, Rate/Term, and Cash Out		
ACH	Required for all loans		

Ineligible for Cashout	<ul style="list-style-type: none"> Investment properties listed for sale in the past six (6) months, unless a three (3) year prepay penalty. There has been a prior cash-out transaction within the past six (6) months Payoff of a Land Contract/Contract for Deed
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Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries including Russia and Belarus 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
Ineligible Borrower	• Irrevocable Trust • Land Trust • Blind Trust • Diplomatic Immunity • Non-Profit Entity

Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV Purchase – 70%, Refinance – 65% Condo Hotel: Max LTV/CLTV: Purchase – 70%, Refinance – 65% Rural: Not Eligible 	Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 yrs old (or 25 yrs if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible
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Listed Property Seasoning	A listing expiration of less than six (6) months is permitted with a prepayment penalty. If a property is listed for sale, the listing must be cancelled prior to the note date. The value will be based on the lesser of the lowest list price or appraised value
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Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2 nd appraisal obtained.	Acreage	Maximum 2-acres.
		Min Square Feet	SFR 700 sf Condo 500 sf

Escrow Waiver	Must meet all of the requirements & LLPA adjustments apply <ul style="list-style-type: none"> Both taxes and insurance are not escrowed LTV less than or equal to 80% Minimum decision credit score of 720 Minimum 12-months of reserves
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Underwriting Requirements

Credit Score	If score available, use the highest decision score amongst all borrower(s)/guarantor(s) Middle of 3 scores or lower of 2, if available		
Assets	Min of 30-days asset verification	Reserves	6-months of PITIA Cash out may be used to satisfy requirement
Gift Funds	Not allowed		
Tradelines	US credit: Min 2 reporting 24-months or 3 reporting 12-months, for borrowers	Document Age	90-days
		Prepayment Penalty -	Prepayment periods up to 5-yrs eligible

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Income Requirements

DSCR Calculation:

- DSCR is the Monthly Gross Rents divided by the PITIA of the subject property.
- Short Term Rental based on 12 month average to account for seasonality. Gross rents reduced by 20% to reflect costs associated with operating short term rentals. If actual rent expenses exceed 20%, the actual expense factor will be used.

Long-Term Rental

Purchase Transactions:

- 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:

- FNMA Form 1007 or 1025 reflecting long-term market rents, & lease agreement.
- If the lease has converted to month-to-month, 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 & subject to: Max LTV : 75% Purchase and 70% Refinance.
- Monthly Gross Rents are determined by the higher of the actual lease amount or market rent from 1007/1025:
- If using the lower of the actual lease amount or estimated rent, nothing further is required.
- If using a higher actual lease amount, evidence of 2-months of receipt is required, & the lease amount is capped at 120%.
- If using a higher estimated market rent from 1007/1025, it is capped at 120% of the lease amount.
- If the estimated market rent exceeds the lease amount it is capped at 120%.
- A vacant or unleased property is allowed: Max 75% Purchase and 70% Refinance

Short-Term Rental (e.g., Airbnb, VRBO, FlipKey)

Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.

When using multiple sources, the lowest source will be utilized to calculate DSCR.

Any of the following methods may be used to determine gross monthly rental income:

- A 1007 or 1025 Comparable Rent Schedule reflecting long-term or short-term market rents.
- The 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, & all vendor mgmt fees. The rental income will exclude all vendor or mgmt 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 & Overview reports, accessed using the Explore Short-Term Rental data, must meet the following:

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%
- Maximum occupancy limited to 2 individuals per bedroom
- Must have five (5) comparable properties, all within the same ZIP code

Overview Report (Evaluate a Market)

- Market score or Sub-market by zip code. The score must be 60 or greater.