

Foreign National & Resident Aliens

Obtaining a loan for a FN, NPRA, or PRA is not much different than doing a loan for a U.S. citizen...we still require credible documentation for 2-yrs + YTD Income, a credit documentation to demonstrate credit worthiness, and seasoned funds in a known financial institution. Below are the particular issues to look out for to ensure a smooth loan process. The first thing you need to know is what your borrower is classified as:

Permanent Resident Alien: the borrower lives and works in the U.S. and has a **Green Card**. Permitted on our Portfolio Arms and our Meridian 30-Year Fixed Jumbo program.

Non-Permanent Resident Aliens: the borrower lives and works in the U.S. and is here on a **VISA**. Permitted on our Portfolio Arms only.

Foreign Nationals: The borrower has **no Green Card and no VISA**. Permitted on our Portfolio Arms only.

Foreign Nationals:

- Portfolio Arm programs only – not allowed on Meridian 30-year Fixed Jumbo program
- Borrower has **no Green Card and no VISA**.
- **Max 60% LTV**; we underwrite as Second Homes...if an investment property, underwriters will consider on a case by case basis.
- **Minimum loan amount of \$300,000.**
- Credit: **No Fico required**...four credit references required – alternate credit from country of origin is okay...international credit reports are also acceptable. If you need alternative forms of credit, then get what you can with the idea that your job is make the underwriter comfortable...that is, you could provide a letter from an employer, bank, or creditor, get utility bills, etc.

- Income:

- o We require 2-years income verification history. It is not necessary to have U.S. tax returns...tax documents from country of origin is okay. If the country of origin does not require the borrower to file the equivalent of tax returns, then we need paystubs, bank statements, an employment letter on company letter head explaining compensation, etc.

- Assets:

Must source seasoned assets in a known verifiable worldwide financial institution (i.e., Credit Suisse, HSBC, UBS, Bank of Tokyo)...the funds cannot be in an institution which cannot be verified. The main reason for sourcing the income and assets is for OFAC (Office of Foreign Assets Control) which monitors foreign countries, regimes, known terrorists, etc. In addition, the borrower's name, employer, and financial institution from the country of origin where the borrower has their funds will be run through an OFAC verification engine to ensure they do not show up...this is done by an underwriter but here is the [OFAC website](#) if you would like to check it out. Once the list downloads, search for your borrower's last name and any AKAs...if nothing comes up, you're good to go.

- Translator – Tax Preparer or Equivalent – Financial Analysis:

If the income and asset documentation is in a foreign language, I advise you get a translator. It might be wise to hire an Accountant/CPA (tax preparer or equivalent) to analyze, interpret, convert and present the information in such a way so the Underwriter can easily understand it. That is, have a comprehensive summary and accounting of the borrower's financial position. However, a language translator may suffice and would probably be less expensive.

Include a business card or letterhead of the translator, tax preparer or CPA so the underwriter can contact if needed.

All U.S. Embassies provide translation services.

- Foreign Countries with Credit Reports & Tax Filing Systems include Australia, Britain/UK, Canada, China, France, Iran, Israel, Mexico, Poland, Thailand, South Korea, Asia, Vietnam....

- Must have Social Security Number **or** Tax Identification Number (TIN) which can be easily be acquired through an Accountant/CPA or visit [the IRS website that explains what and how to get a TIN](#). As long as the **borrower has *applied* for the TIN, we can proceed...** (Please note when submitting, most systems require a social security number in order to proceed...in this case, enter 999-99-9999 in order to get the system to move forward).
- Will need a Passport and second form of ID.
- Power of Attorney is not permitted. The borrower will have to go to an American consulate to sign and have loan documents notarized.
- VOM/VOR is required for previous 12 months.
- Pledged Assets is permitted, however, the assets must be in a U.S. bank account.
- **Asset Depletion is not permitted.**
- Interest Only is optional.
- Reserves of 12-months full debt service (including all payments, cars, etc.).

Non-Permanent Resident Aliens:

- Portfolio Arm programs only – not allowed on Meridian 30-year Fixed Jumbo program
- Borrower lives and works in the U.S. and is here on a **VISA** (L1, H1, E3, B1, etc. – we don't accept all VISAs so check with me if not one of these).
- Regular LTV Matrix is available – no specific limitations. However, when income is foreign we typically restrict the LTV to 50% much like a Foreign National, unless the foreign income is reported on the U.S. tax returns. However, we might be able to raise the LTV slightly depending on the scenario.

- The VISA should be good for another 3 years and if it isn't then the employer company would need to verify that the VISA will be renewed.
- Link to the State Department's website information regarding VISAs: http://travel.state.gov/visa/temp/types/types_1271.html#1.
- The borrower must have a Social Security Number.
- The borrower hopefully has U.S. credit but if not, then we'll need alternative credit.
- Pledged Assets is permitted, however, the assets must be in a U.S. bank account
- Asset Depletion is permitted, however, the assets must be in a U.S. bank account.
- Minimum loan amount of \$300,000 up to \$10,000,000.
- Interest Only is optional.
- Reserves of 12-months full debt service (including all payments, cars, etc.).

Permanent Resident Alien:

- Permitted on Portfolio Arm programs and Meridian 30-year Fixed Jumbo program
- Borrower lives and works in the U.S. and has a **Green Card**.
- Regular LTV Matrix is available – no specific limitations. However, when income is foreign we typically restrict the LTV to 50% much like a Foreign National, unless the foreign income is reported on the U.S. tax returns. However, we might be able to raise the LTV slightly depending on the scenario.
- The borrower has U.S. credit and U.S. assets.
- The borrower must have a Social Security Number.

- Pledged Assets is permitted, however, the assets must be in a U.S. bank account
- Asset Depletion is permitted, however, the assets must be in a U.S. bank account.
- Minimum loan amount of \$300,000 up to \$10,000,000.
- Interest Only is optional.
- Reserves of 12-months full debt service (including all payments, cars, etc.).

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