

# ITIN MORTGAGE LOAN

# What is an ITIN and who might have one?

- Many people use the catch-all term of a TIN, which refers to a Taxpayer Identification Number. There are three different types of numbers the IRS uses for tax purposes: Social Security Number (SSN), individual taxpayer identification number (ITIN), and an employer identification number (EIN). If you're wondering about the differences between a TIN and an EIN, SSNs and ITINs are tax IDs for individuals, while EINs are used for businesses.

## **Who Needs an ITIN?**

- If you don't meet the requirements to obtain an SSN, you may have a TIN assigned to you. This is simply a personal tax ID number with nine digits. You may have a TIN if you are:
  - A non-resident alien.
  - A U.S. resident alien.
  - A spouse or dependent of a non-resident visa holder.
  - A spouse or dependent of a resident alien or U.S. citizen

# ITIN Loan Program

- LTV 75%-85% max
- New Purchase or Refinance
- Second homes or Investment property allowed
- 6 months seasoning for cash out refinance (max 75% LTV)
- DTI's up to 55% with compensating factors
- 12 months income history
- No seasoning requirement for derogatory credit events
- Most property types are ok
- Min loan amount \$75,000
- Fixed rates. 15, 20, 25 or 30 year terms available
- Some LTV restrictions based on state
- Gift funds are allowed
- Interest rates are 2-5% higher than national average
- 2.5% origination charge

# Credit Qualification

- Credit is pulled with 9-digit ITIN number
- No scores and no tradelines are acceptable with 25% down
- Minimum credit score 600
- LTV is determined by credit score and number of tradelines
- Deceased alerts on credit must be removed
- Verification of Rent and non-traditional tradelines may be required
- Some investors will repull their own credit

# Income Requirements

- 12 months income required
- W-2 borrower's must work in their own name
- W-2 SS# will not match ITIN number- this is ok
- Written VOE not always required if not using bonus, overtime etc.
- Self Employed Borrowers (1 year is ok)
  - Full Doc- most recent filed tax return
  - Alt Doc Types

Bank statement program

Profit and loss only

Asset Depletion

# Assets

- 2 months bank statements required
- Business Assets allowed
- Gift funds are allowed but can reduce LTV to 80%
- Sourcing of deposits can be required
- Reserves can be used as compensating factor up to 55% DTI

# Property Types

- SFOO/2nd Home
- 1-4 Units
- Mobile/Manufactured
- Vacant Land
- Non-Warrantable Condos
- Most other property types will be considered
- Excluding Commercial and Agricultural Properties

# Required documents

- A copy of most recent Federal Tax Returns filed with ITIN (Non expired)
- One year of income documentation (Self-employed borrowers must have operated their business for at least one year)
  - W-2
  - 2 Current paystubs
- A copy of IRS ITIN Letter (page 1 and 2)
- A valid, government-issued photo ID (passport, driver's license, matrícula consular, etc.)
  - Non expired (if ID was not issued in US then format will read (date/month/year))
- Proof of 6 months housing payment
- Proof of cash to close using copies of accounts covering the most recent 60 days.