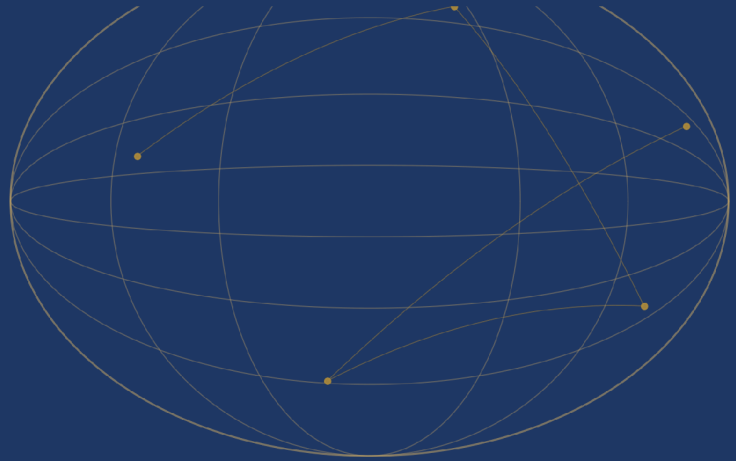




THE ULTIMATE GUIDE

Foreign National Mortgages for U.S. Real Estate

*How non-U.S. citizens, expats, and international investors finance property
in the United States*

About the Author

[Robert Chadwick](#) is the CEO of America Mortgages and founder of Global Mortgage Group (GMG), a cross-border mortgage and private credit platform operating across more than 23 jurisdictions. His work focuses specifically on the financing gap facing foreign nationals, U.S. expats, and international investors seeking to buy, refinance, or build a portfolio of U.S. real estate.

“The biggest myth in this business is that foreign nationals can't get financed. They can — the programs exist. The real obstacle is finding a lender who actually knows how to use them.”

— **Robert Chadwick**



Who This Guide Is For

Investments in U.S. real estate are possible even for non-citizens and non-permanent residents of the U.S. This guide is targeted towards [foreign nationals](#) looking to invest in American real estate. The guide targets foreign individuals based in Singapore, Dubai, London, São Paulo, or other nations. It is also relevant to U.S. ex-patriots and domestic investors.

This myth has spread among many individuals who think they have to pay in cash. This is not the case. There are financing programs specifically designed for non-residents. Such programs have existed for decades. This manual discusses how they work. The necessary paperwork, down payments, credit checks, and procedures are included. Common errors by new foreign homebuyers are also identified. The case studies discussed herein are purely fictitious examples. They do not represent any actual clients. Figures are industry averages.

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1. What Is a Foreign National Mortgage?

Foreign national mortgages are loans aimed at borrowers who are not U.S. citizens or permanent residents. Normally, such individuals do not live in or work within the country. In most cases, they keep their bank accounts abroad. Most of them do not even have a U.S. Social Security number or any credit history. This type of mortgage is intended as a special class of loan for this kind of borrowers. Conventional mortgages normally adhere to the guidelines of Fannie Mae and Freddie Mac.

This is facilitated by the lenders who specialize in providing such loan products to the foreign nationals applying for loans. This includes the usage of other documents apart from the usual domestic documents. The required documents may be a passport, international credit referrals, and foreign bank statements.

The headline fact most foreign buyers don't know:

You do not need to be a U.S. citizen, a Green Card holder, or even a visa holder to finance U.S. real estate. You don't need a U.S. credit score, a U.S. Social Security number, or a U.S. address. You do need documented income or assets, a down payment, and a lender that specializes in this exact borrower profile.

2. Why Foreign Nationals Get Declined by Conventional Banks

A foreign national might encounter difficulties in getting an application approved by an American traditional bank. They might not possess a social security number to conduct a credit check. The individual might also lack a tax record or an American employer. Traditional applications are generally tailored for different types of borrowers. Thus, the application could be rejected despite financial qualifications of the borrower.

- No Social Security number: conventional underwriting systems are built around it as a primary identifier.
- No U.S. credit history: there's nothing for a domestic credit bureau to report on.
- Foreign income and foreign bank accounts: unfamiliar documentation that a generalist underwriter isn't trained to evaluate.
- No U.S. tax returns: conventional loans lean heavily on IRS transcripts that a foreign national, with no U.S. filing obligation, simply doesn't have.

It does not imply that the borrower is a credit risk; it implies that the application does not meet the traditional standards of lending. Programs for foreign nationals were designed to bridge this gap.

3. The Documentation That Actually Matters

Instead of relying on the domestic documents packet, specialists make use of another set, which consists of:

Category	Typical Documentation
Identification	Valid passport; in some cases a second form of government ID
Income	Employer letter, foreign payslips, business registration and financials for self-employed borrowers, or asset-based qualification
Credit	International credit report or reference letters from foreign banks, in lieu of a U.S. credit score
Assets	Foreign bank and brokerage statements, showing funds for down payment, closing costs, and reserves
Entity (if applicable)	Formation documents if purchasing through an LLC or foreign entity

ILLUSTRATIVE EXAMPLE**Amara Okonkwo — Lagos, Nigeria**

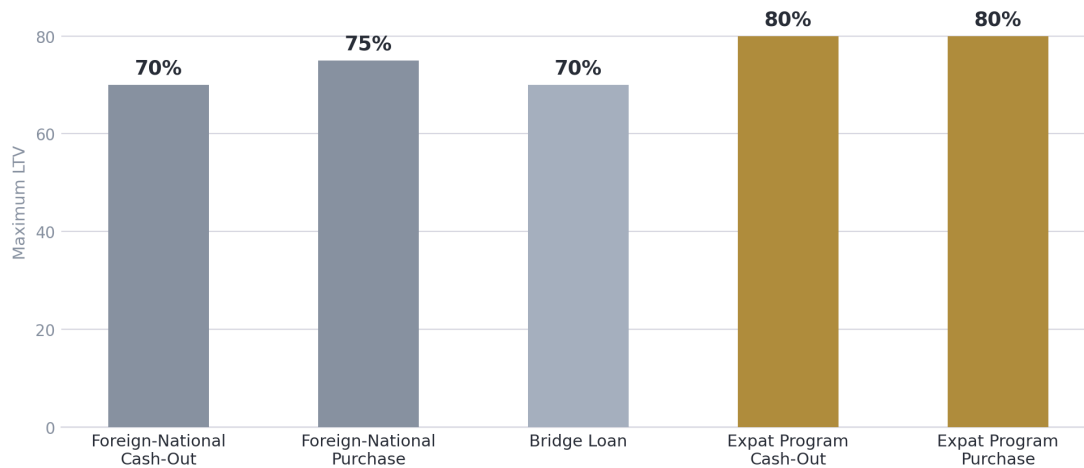
Amara, a business owner in Lagos with no U.S. credit history and no SSN, wanted to purchase a rental property in Houston. Three conventional banks declined her within days, citing an inability to run a credit check.

A foreign national program qualified her instead using two years of business financials, a reference letter from her Nigerian bank, and a passport, closing the purchase at 70% LTV without a single U.S. credit inquiry.

4. Down Payment and Maximum Loan-to-Value

Foreign nationality programs usually entail higher initial down payment requirements. This is due to the lack of credit history for the borrower within the United States.

Maximum Loan-to-Value by Program Type



Illustrative maximum LTV by program type. Actual terms vary by borrower, property, and lender.

Loans taken by foreign nationals are normally 70 to 75% LTV. This typically translates into a down payment of 25 to 30%. Cash-out refinance is capped at a lower level. It normally stops at 70% LTV. This is not to be seen as an absolute figure. It can vary according to the borrower and type of loan being offered.

5. How Credit Is Evaluated Without a U.S. Credit Score

A lack of an American credit score simply means that the lender has to create a credit history out of other sources, such as the following:

- An international credit history in case one is available in the country of origin of the borrower.
- Letters of recommendation by the borrower's main bank regarding his or her standing there.
- Evidence of timely payment of debts, either foreign or domestic.
- An increased down payment and reserves, used as an alternative to the lack of a credit history in America.

A borrower without a negative credit history and good banking connections in his or her country of origin has a lot going for him or her.

6. Source of Funds, Wire Transfers, and AML Requirements

A US real estate transaction with a foreign buyer will involve AML and KYC screenings. They are common practices in the industry and do not point to any suspiciousness about specific borrowers. Prepare to prove the origin of your down payment and closing costs. They can be sourced from business earnings, investments, inheritance, or savings. The lenders normally want a paper trail showing money going from a foreign bank to US escrow.

Plan the wire transfer well before closing, not the week of.

International wires can take several business days to clear, and title companies generally won't release closing until funds are confirmed. Talk to your lender and title company early about timing, and about FX exposure if your funds are sitting in a foreign currency — exchange rate movement in the days before closing can change how much you actually have available.

7. DSCR Loans: The Foreign National's Fast Path to Investment Property

For foreign nationals who are investing in properties for business purposes, the [DSCR loan](#) is one of the most effective ways to fund the purchase. DSCR is not meant for owner-occupants. DSCR analyzes the rental income generated by the property and not the income of the individual. This may also eliminate the need for employment and credit history in the United States.

$\text{DSCR} = \text{Monthly Rental Income} \div \text{Monthly Debt Service}$. Ratios close to 1.00–1.25 are more favorable and would help achieve better loan pricing. Some programs might even accept lower ratios with certain adjustments. DSCR focuses on the property and not on the individual.

ILLUSTRATIVE EXAMPLE**Wei Zhang — Shanghai, China**

Wei wanted to build a small portfolio of Texas rentals but had no interest in navigating U.S. personal income documentation from Shanghai. DSCR financing let him qualify each property purely on its own projected rent, closing three properties within eighteen months without a single personal tax return entering underwriting.

8. Which Markets and Property Types Work Best

Florida, Texas, California, and Arizona draw many foreign buyers. There are various reasons for this apart from the climate. This is because of the lack of state income tax in certain locations. The other reason is favorable laws for landlords and good rental market that attract many investors. Lenders and title firms with experience are able to make foreign investments easy.

- Warrantable condominiums and houses are typically the easiest properties to fund. Non-warrantable condos, condotels, and new constructions are sometimes fundable too. However, this kind of funding requires specialized loans. Make sure that your property is eligible before making an offer.
- Short-term rentals can be funded by most DSCR programs. It is possible for such programs to consider estimated rental income without long-term comparables. However, there are different requirements for each lender when it comes to these programs.

9. The Foreign National Purchase Process, Step by Step

- Get pre-approved initially so that your budget is known up front before your search begins.
- Use an agent and attorney familiar with foreign national purchasers.
- Start the paper trail on your funds right away not at the last minute during the closing week.
- Go through underwriting using your alternate set of documents.
- Make your wire transfer well in advance with an eye towards currency fluctuation.
- Close remotely when possible as most foreign national sales are done with Power of Attorney or Remote Online Notarization.

10. Foreign National vs. Expat vs. DSCR: Which Program Fits You

Profile	Likely Starting Point
Non-U.S. citizen, living abroad, no U.S. ties	Foreign national program
U.S. citizen or Green Card holder living abroad	Expat / foreign-income program
Any of the above, buying purely as a rental	DSCR investment loan
U.S. citizen/expat who's lost their U.S. credit footprint	Foreign-national-style terms as a bridge back to expat terms

There are overlaps between these categories. The specialist lender identifies which is more appropriate for you. They do not just assume the category.

11. Common Myths About Foreign National Financing

- "You have to be a U.S. resident." Wrong; there are foreign national programs that target non-residents.
- "You have to put 50% down or higher." False; most programs stop at a maximum of 70-75% LTV, not 50%.
- "Foreign nationals cannot get financing and have to buy in cash." You can and should finance, and buying in cash is a choice, not an absolute.
- "You need to have a U.S. visa in order to buy real estate." It doesn't matter in terms of owning the real estate it's all about the visa itself.
- "Forming an LLC will allow you to avoid estate tax in the U.S. on the property." Not necessarily; the structure has everything to do with it and LLCs are not necessarily an effective tool. See the companion tax guide for more information.

12. Frequently Asked Questions

Can a foreign national get a mortgage in the United States?

Yes, there are specialist lenders who provide mortgages to non-citizens and non-residents. They provide mortgages using documents other than those that are required by U.S. mortgage companies. Some of the documents include foreign credit records, bank statements, and income verification.

How much down payment does a foreign national need?

Generally in the 25-30% range for purchases but may vary depending on program, type of property, and amount of mortgage. Cash out refinance is normally limited to slightly less leverage.

Do I need a U.S. visa to buy property in the U.S.?

No, being a property owner in America does not require any specific visa or immigration status.

Can I get a mortgage without a U.S. credit score?

Yes, foreign nationals can have their creditworthiness checked without a U.S. credit score. Lenders may check international credit reports or a letter of reference from banks. They can also look at payment history from their home countries.

What is a DSCR loan and how does it help foreign nationals?

A DSCR loan qualifies an investment property based on its own rental income rather than the borrower's personal income or U.S. credit history, which removes most of the documentation obstacles a foreign buyer would otherwise face.

Can I buy U.S. property through an LLC as a foreign national?

Yes, that is true and fairly simple to do a non-US citizen does not have to be a US resident nor hold a U.S. Social Security Number in order to establish or own an LLC in the U.S.

How long does a foreign national mortgage take to close?

Depending on the loan program and documentation efficiency, timelines will differ. The use of international wire transfers will also have an impact on the timeline. Well-prepared documentation will ensure timely handling of all the necessary tasks. Early movement of funds may prevent any delays.

Which U.S. states are most popular with foreign buyers?

Popular states for foreign homebuyers include Florida, California, Texas, New Jersey, and Georgia. The National Association of REALTORS® repeatedly cites these states as leaders.

13. About This Guide

The guide is an independent educational resource intended for foreign nationals, Americans living abroad and international investors. This guide provides information on how to arrange mortgages in the USA. It uses the

expertise of the underwriters from [America Mortgages](#), the U.S. subsidiary of [Global Mortgage Group](#), that is an international mortgage company specializing in providing financing for foreign nationals and Americans residing abroad in over 50 countries worldwide.

All numbers and details about the programs presented in the guide are the general industry norms at the time of its publication. The information is provided for educational purposes only and does not constitute any legal, tax, investment or financial advice. The Guide does not constitute any offer or promise to finance or arrange mortgage. Availability and other details of financing, rates and terms vary by programs, properties and borrowers states.