



## [Non-U.S. Citizen-Foreign Borrower Guidelines and General Information for Agency Products](#)

### Introduction

This topic contains information on non-U.S. citizen/foreign borrower guidelines and general information for Agency products.

**IMPORTANT:** This information is not intended to be all-inclusive and to cover every situation. Its purpose is to provide general information and guidance.

### Types of Non-U.S. Citizens

There are basically three categories of non-U.S. citizens:

- Permanent Resident Alien
- Non-Permanent Resident Alien
- Non-Resident Alien

### Definition of Permanent Resident Alien

A Permanent Resident Alien is an individual who is lawfully accorded the privilege of residing permanently in the U.S. via a "green card." This individual is given the right to permanently live and work in the U.S. One of the conditions for keeping a "green card" is that the holder must make the U.S. their permanent home. The INS categorizes these individuals as "immigrants" because they intend to stay in the U.S. permanently.

### Permanent Resident Alien Requirements

Permanent Resident Aliens are afforded basically the same privileges as a U.S. citizen, except they cannot vote and can lose the privileges if they commit a crime or stop making the U.S. their permanent home. Therefore Permanent Resident Aliens are

- underwritten under the same terms as U.S. citizens (LTVs, product, property type, occupancy type etc.),
- must meet all of the same requirements that a U.S. citizen is required to meet with regard to income, assets, employment, and credit etc, and
- must provide evidence, usually via copy of their "green card," of their permanent resident status.

## Additional Information on Permanent Resident Alien

Individuals who apply for a "green card outside of the U.S. do not receive their green cards immediately. They are first issued an "immigrant visa." The INS categorizes these individuals as immigrants because they intend to stay in the U.S. permanently. The individual must then use an "immigrant visa" within four months of its issue to enter the U.S. and claim their green card. If the visa is not used within four months, it will expire. So immigrant visas are just a means to enter the U.S. to obtain a green card already granted. Immigrant visas are not a means to stay in the U.S. permanently.

## Definition of Non-Permanent Resident Alien

A Non-Permanent Resident Alien is an individual who seeks temporary entry into the U.S. for a specific purpose. The INS categorizes these individuals as "non-immigrants" because they do not intend to stay in the U.S. permanently. Non-Permanent Resident Aliens are issued "non-immigrant visas." There are several classifications of non-immigrant visas and an individual's visa classification or visa type determines whether they may live in the U.S. on a temporary basis or whether they may live and work in the U.S. on a temporary basis. This is important for underwriting purposes.

## Non-Permanent Resident Alien Requirements

Fannie Mae and Freddie Mac allow Non-Permanent Resident Aliens to be underwritten under the same terms as U.S. citizens - (LTVs, product, property type, occupancy type, etc.) and they must meet all of the same requirements that a U.S. citizen is required to meet with regard to income, assets, employment, credit, etc.

Neither Agency dictates the types of visas that are eligible, but it is critical that the type of visa the individual holds corresponds with their purpose of being in the U.S. It is also critical that if income from the individual is being used to qualify for the mortgage that the visa type allows the borrower to live and work in the U.S.

## EXAMPLES:

- If you are using income from this individual to qualify for the mortgage, but the visa type they hold is a student visa (F-1) or tourist visa (B-2), there is a problem as the intended purpose of being in the U.S. is not for employment purposes.
- If you are using the income from this individual to qualify for the mortgage and the visa type they hold is for RN (H-1A) and they are presently employed by McDonalds, there is a problem.

## Definition of Non-Resident Alien

A Non-Resident Alien is an individual that lives and works outside the U.S. The individual is just visiting the U.S. on a temporary basis only.

## Non-U.S. Citizens Married to U.S. Citizens

- A loan, where at least one borrower is a U.S. Citizen,

- can be underwritten under the same terms as U.S. citizens (LTVs, products, property type, occupancy type, etc.), and
- all borrowers must meet all of the same requirements that a U.S. citizen is required to meet with regard to income, assets, employment, credit etc.
- The Non-U.S. Citizen must provide evidence of their residency status, (that they are living here and working here, if applicable, legally. This can be in the form of a "green card" or visa depending upon their status, (Resident Alien or Non-Permanent Resident.) It is also critical that if income from an individual is being used to qualify for the mortgage that the visa type allows the borrower to live and work in the U.S.
- Marrying a U.S. Citizen does not automatically entitle the spouse to a "green card." The Non-U.S. Citizen must have first entered the U.S. under a "non-immigrant visa," as a Non-Permanent Resident Alien. There is a visa category for this specific purpose (K1: fiancé (e) of the U.S. Citizen coming to the U.S. for the purpose of getting married). The non-U.S. Citizen may then apply for a "green card"; however, until they have been married to the U.S. Citizen for at least two years, they are only issued a restricted "green card." This is similar to a restricted driver's license. Once the two years of marriage has been completed, they can apply for a non-restricted "green card."

#### Canadian and Mexican Citizen Non-Resident Aliens

Canadian Citizens and Mexican Citizens entering the U.S. as visitors or tourists are Non-Resident Aliens. They live and work outside the U.S. and are here on a temporary basis only. The only financing options available to them are those noted above for Non-Resident Aliens.

#### Canadian and Mexican Citizens Entering the U.S.

Refer to the table below to determine the documentation required for Canadian and Mexican Citizens to entering the U.S.

Canadian Citizen	Mexican Citizen
No visa required	Must have a border crossing card (BCC) BCC's are applied for like visas
Must evidence Canadian citizenship at border (via birth certificate or passport.	Must evidence Mexican citizenship and residence.

#### Canadian and Mexican Citizens Entering the U.S. Under NAFTA

Canadian Citizens and Mexican Citizens entering the U.S. under Professionals under the North American Free Trade Agreement (NAFTA) are Non-Permanent Resident Aliens. They are seeking temporary entry into the U.S. for employment. The INS categorizes these individuals as "non immigrants" because they are not intended to stay in the U.S. permanently. The only financing options available to them are those noted above for Non-Permanent Resident Aliens.

Refer to the table below to review the NAFTA requirements for Canadian Citizens and Mexican Citizens.

Canadian Citizen	Mexican Citizen
<ul style="list-style-type: none"> <li>• Must make a request for 'TN" status</li> <li>• Must evidence Canadian citizenship</li> <li>• Must provide a copy college degree and employment records which establish qualification for the prospective job</li> <li>• Must provide a letter from the prospective U.S. based employer offering him or her a job in the U.S. which is included on the professional job series (NAFTA list)</li> </ul> <p>NOTE: "Non-immigrant visa," prior petition, labor certification, or prior approval is not required. Canadian Citizens are not required to obtain a visa but instead receive "TN" status with the INS at the port of entry. The "TN" status will only be granted if the period of stay is temporary.</p>	<ul style="list-style-type: none"> <li>• Must evidence Mexican citizenship</li> <li>• The prospective employer must file a labor condition application.</li> <li>• The prospective employer must file an I-129 "Petition For Non-immigrant Workers with the INS</li> <li>• Department of Labor attestation is required</li> <li>• Professional engagement in one of the occupations on the NAFTA list</li> <li>• After the petition has been approved the alien must apply for a "non-immigrant visa at a U.S. Embassy or Consulate in Mexico</li> </ul>

NOTE: NAFTA only applies to certain professions. It helps expedite or streamline the process for individuals in the professions noted on the NAFTA lists.

#### Canadian and Mexican Citizens not working in NAFTA Professions

All other Canadian and Mexican Citizens not working in professions noted on the NAFTA list seeking temporary entry into the U.S. for the purpose of employment must follow standard procedures to obtain "non-immigrant visas." The INS categorizes these individuals as "non-immigrants" because they do not intend to stay in the U.S. permanently. They are Non-Permanent Resident Aliens. The only financing options available to them are those noted above for Non- Permanent Resident Aliens.

#### Canadian and Mexican Citizens Who Possess Green Cards

Canadian and Mexican Citizens who possess "green cards" are Permanent Resident Aliens. They have lawfully been afforded the privilege of residing permanently in the U.S. These individuals have been given the right to permanently live and work in the U.S. The INS categorizes these individuals as "immigrants" because they intend to stay in the U.S. permanently. The only financing options available to them are those noted above for Permanent Resident Aliens.