Financing
is possible

BRUNO MIGUEL

CREDITS

About this edition

Financing Is Possible. American mortgage lending explained for people outside the business.
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Important notice

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Everything that appears here was gathered in **September 2026** and must be checked against the official source before any decision. The **Sources** section, at the end of the book, says where each number comes from and where to check the current version.

Tell **law** apart from **each lender's policy**: down payment, minimum score, reserves and terms of the alternative programs are each institution's own rule and appear here as a market range, not as a right. Each loan is decided by the *lender*, case by case.

Dollar amounts are calculation examples, with stated assumptions — they are not a quote or a promise.

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A letter to you, the one who wants to buy

If you opened this book, you have probably heard at least one of these lines: "foreigners can't get financing," "without an SSN there's no way," "you need twenty percent down," "American banks are endless red tape." I heard them all. I even believed some of them myself, at the beginning. **None of them is entirely true — and the parts that are true have a path.**

Financing is what scares the Brazilian buyer most, and for a good reason: nobody explains it. The *lender* speaks in acronyms, the rushed agent says "leave it to the bank," and you sign a thirty-year commitment understanding half of it. I have seen people give up on buying out of fear of the process. And I have seen people buy badly because they didn't know a better option was two questions away.

This book exists to take the fear away the only way that works: by understanding. It does three things. First, it tells you why American credit is the way it is — the 2008 crisis broke the system, and the government rebuilt it with rules that today protect buyers more than any Brazilian bank protects a customer. Second, it puts into plain language the numbers that decide a loan, from application to keys. And third, the most important: it shows you the paths. The government programs, down payment help and the alternative routes — ITIN, DSCR, *Bank Statement*, *Foreign National* — that exist precisely for those who don't fit the mold.

I won't promise approval. The *lender* approves, one case at a time. What I do promise is that, by the end, you

will know which question to ask, which document to gather and which door to knock on first. In Florida, that is half the battle.

Enjoy the read — and mark the pages. You will come back to them when you sit down with the bank.

Bruno Miguel
SEPTEMBER 2026

How to use this book

There are ten chapters, all with the same structure: **the text**, which explains; **the infographic**, a page that sums up the chapter visually — it is the one you will show to whoever decides with you; and **In summary**, the points to take away. If you only have ten minutes, read the opening of each chapter and that page.

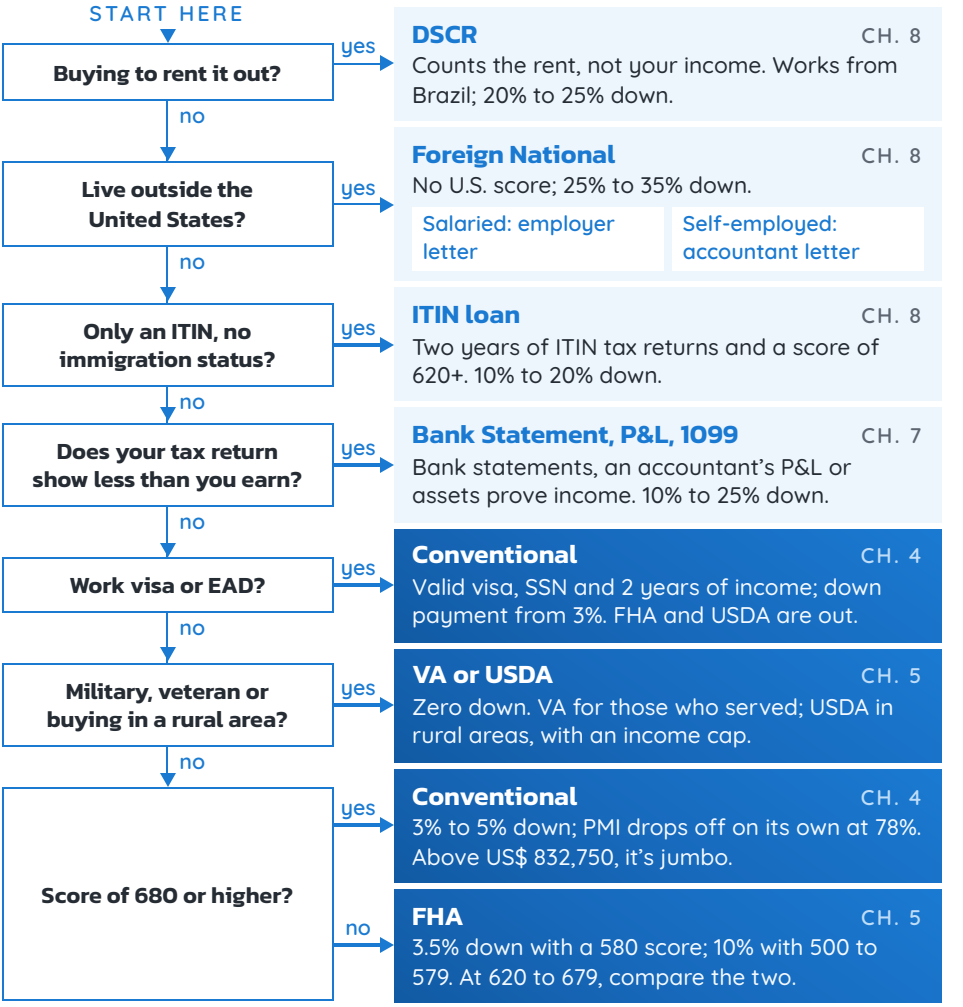
You don't have to read in order. Start with the flowchart on the next page, which takes your profile to the right mortgage. And a few shortcuts:

- **Live in the United States on a visa or green card** and want your first home: Chapters 2, 3, 4, 5, 6 and 10.
- **Live in Brazil** and want a vacation home or an investment: 2, 8, 9 and 10.
- **Self-employed, a business owner, or income that is hard to prove:** 7 and 8.
- **Want to know why banks ask for so much paper:** 1.

English terms appear in italics the first time, and the main ones are in the glossary: it is what the *lender* will call them. And every number has a year — when I write "in 2026," that value changes: check the version for the year you are reading. The Sources section says where.

From your profile to your mortgage

Work down the questions: the first yes shows your path.



Conventional and government: lower rates Non-QM: more down, higher rates

+ Down payment help: adds to the dark-blue paths (Chapter 6).

Later: with status and credit, non-QM becomes conventional (Chapters 8 and 9).

Other doors: hard money, seller financing and assumption (Chapter 9).

2026 RULES AND RANGES · ESTIMATE, NOT A QUOTE

CHAPTER ONE 01

Why there are *so many rules*

The 2008 crisis, the Dodd-Frank Act and a market worth one-sixth of the American economy

Almost every Brazilian buyer arrives with the same question: why does the American bank ask for so much paperwork? Pay stubs, tax returns, bank statements, a letter explaining a deposit. The answer fits in a single year: 2008. Every requirement you are going to run into was born to protect the buyer — you included.

What an American mortgage is

In the United States, credit to buy a home is public policy. The flagship product is the *30-year fixed*: a thirty-year term with the rate locked on the day you sign. The part of the payment that covers interest and principal paydown in 2026 is the same in 2056. In September 2026 that rate hovered around 7% (7.03% on September 24, according to Freddie Mac's weekly survey). Brazil has nothing like it. Here, the secret has a name: two companies you will never see.

FANNIE MAE AND FREDDIE MAC

They are *government-sponsored enterprises*. They do not lend to you: they buy from the bank the loans that follow their rules and resell them to investors in mortgage bundles. Because the bank gets its money back quickly, it lends again — and that is why 30-year fixed-rate credit exists at scale.

What was done before 2008

Between 2005 and 2007, lenders lent to almost anyone. There was *subprime*, high-interest credit for people with a weak history. There was the loan with no proof of income, nicknamed the *liar loan*, because income was stated, not proven.

There was the *option* ARM, an adjustable-rate loan with a teaser rate: low in the first years and then a jump. Worse: you could pay less than the month's interest, and the difference was added to the debt — negative amortization, where the balance goes up instead of down. And there was the *balloon*, the giant final payment.

Behind all this, two wrong incentives. The loan officer received from the bank the *yield spread premium*, a bigger commission for putting you into a pricier rate, almost never disclosed. And the bank sold the loan the same month and forgot about it. Nobody along the chain kept the risk, so nobody checked.

The bill came due

Home prices fell 27% on the national index and 35% in the twenty largest metro areas between 2006 and 2012. In 2010 alone, 2.87 million properties received a foreclosure notice — one in every 45 in the country — and delinquency hit 10.06% in the first quarter of that year. About 4 million families had lost their homes by early 2011. Between 2008 and 2013, 489 banks failed, and in September 2008 Fannie Mae and Freddie Mac were placed under federal conservatorship.

Why the government stepped in

Housing is not just any sector. Adding what is built and renovated to what is paid to live somewhere, it usually weighs between 15% and 18% of U.S. GDP, by the national homebuilders' association's count; in the second quarter of 2026 it stood at 15.8% — about one-sixth of the economy. Household mortgage debt totaled US$ 13.1 trillion in the same quarter. When this market gets sick, the whole country feels it.

The response: the Dodd-Frank Act

The *Dodd-Frank Act*, from 2010, did two things that matter to you. It created the CFPB (*Consumer Financial Protection Bureau*), the federal agency protecting financial consumers — I call it the Procon of credit (Brazil's consumer-protection agency). And, in its Title XIV, it turned four duties into law: the *lender* (the institution that lends) must **prove you can pay** before approving; nobody earns a bigger commission for selling a higher rate; the penalty for paying off early was capped; and the property appraiser became independent.

BEFORE 2008	TODAY'S RULE	WHAT CHANGES FOR YOU
Stated income, no proof	Verify the ability to repay (2014)	They only approve with documents: hence so much paper
Teaser rates, negative amortization, balloon	Definition of *qualified mortgage*	The standard loan is fixed, amortizes and runs up to 30 years
Commission for a pricier rate	Compensation does not vary with the rate (2011)	Whoever serves you does not earn more if you pay more

BEFORE 2008	TODAY'S RULE	WHAT CHANGES FOR YOU
Heavy penalty for paying off early	At most 2%, 2% and 1% in the first three years	After that, paying off or refinancing carries no penalty
Inflated appraisal under pressure	Appraiser independence	The property's value is not made to order
Four confusing forms	*Loan Estimate* and *Closing Disclosure* (2015)	You compare offers and check everything before signing

What this produced

The American loan of 2026 is safe by design. Today's buyer has a median credit *score* of 747 (May 2026), a documented down payment and income, and almost no risky product: adjustable rates are 8% to 10% of applications in September 2026. Delinquency is 4.37% in the second quarter of 2026, less than half the 2010 peak. The risk left the product and went into the price: today's problem is the 7% rate, not the trap in the contract.

What changes in 2025 and 2026

The CFPB shrank: it had 1,750 employees in February 2025 and 1,175 in July 2026, with its budget cut almost in half. But the rules are law, not an administrative order: they remain in force, and the lender is still required to verify income and deliver the forms. And three ideas you may have read about — a 50-year mortgage, a "portable" mortgage that follows the owner, and a tax credit for the first-time buyer — were under discussion in 2026 and are not law.

That is why I always say: the rules are not a wall, they are a handrail. They exist so you do not buy what you cannot pay for and so nobody profits from your mistake. And, for almost every profile — salaried, self-employed, newly arrived, still living in Brazil — there is a path designed within them. Chapters 4 to 10 show each one.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"So many rules are meant to make credit harder"	The 2010 rules were born to stop the loans that cost 4 million families their homes
"An American bank is the same as a Brazilian one"	The standard here: a fixed rate for 30 years, because Fannie and Freddie buy the loans
"The CFPB shrank, so the rules are gone"	The agency got smaller in 2025 and 2026; the Dodd-Frank Act remains in force

2008 × 2026: the market before and after the law

The numbers from the crisis that led to Dodd-Frank, side by side with the 2026 indicators — and housing's weight in the American economy.

IN THE CRISIS		TODAY	
Delinquency · Q1 2010	**10.06%**	Delinquency · Q2 2026	**4.37%**
Homes in foreclosure · Sept. 2010	**3.3%**	Homes in foreclosure · Q2 2026	**0.67%**
Properties with foreclosure notice · 2010	**2.87 million**	Homes with foreclosure notice · H1 2026	**1 in 632**
Price drop · 2006 to 2012	**27% to 35%**	Median score of buyers · May 2026	**747**
Banks failed · 2008 to 2013	**489**	30-year fixed rate · 09/24/2026	**7.03%**

2008
Crisis; Fannie and Freddie under conservatorship

2010
Dodd-Frank Act creates the CFPB

2014
Duty to verify income

2015
Loan Estimate and Closing Disclosure

2026
Rules in force; smaller CFPB

15.8% of GDP
Housing's weight in the American economy in Q2 2026

US$ 13.1 trillion
Household mortgage debt in Q2 2026

MBA, NATIONAL DELINQUENCY SURVEY · REALTYTRAC AND ATTOM · CORELOGIC · FRED, CASE-SHILLER · FDIC · NAHB AND NY FED, Q2 2026 · URBAN INSTITUTE, JULY 2026 · ESTIMATE, NOT A QUOTE

In *summary*

01 The flagship product is the ***30-year fixed***: **thirty years with the rate locked** on the day you sign; on 09/24/2026 the average rate was **7.03%**.

02 **Fannie Mae and Freddie Mac** do not lend to you: they buy loans from banks, and that is why long-term fixed-rate credit exists at scale.

03 Before 2008 there was ***subprime***, loans **with no proof of income**, ***option* ARM** with teaser rates and negative amortization, and a **balloon** at the end.

04 The loan officer earned the ***yield spread premium***: **a bigger commission for a pricier rate**. And the bank sold the loan and forgot about it.

05 The bill: prices **27% to 35%** lower between 2006 and 2012, **2.87 million** properties with foreclosure notices in 2010, **489 banks** failed through 2013.

06 About **4 million families** lost their homes by early 2011; Fannie and Freddie have been under federal conservatorship since September 2008.

07 Housing weighs **between 15% and 18% of GDP** (15.8% in Q2 2026) and mortgage debt totals **US$ 13.1 trillion**: that is why the government acted.

08 The ***Dodd-Frank Act*** (2010) created the **CFPB**, the "Procon of credit," and required the lender to **prove you can pay**.

09 It also banned commission for a higher rate, capped the prepayment penalty at **2%, 2% and 1%**, and required an independent appraiser.

10 Result in 2026: median score of **747**, documented income and down payment, delinquency of **4.37%** versus **10.06%** in 2010.

11 The CFPB shrank in 2025 and 2026, but **the rules are law and remain in force**; the 50-year mortgage and first-time buyer credit were only proposals.

12 The rules are a **handrail, not a wall**: Chapters 4 to 10 show the path for each profile.

> *The rules of American credit were born from the 2008 crisis to protect buyers — and within them there is a path for almost every profile.*

CHAPTER TWO 02

The numbers that *decide*

Credit score, income, down payment and the full payment: what the lender looks at and why

When the *lender* — the bank or company that lends — reviews your application, it is not judging you. It is answering four questions: do you pay what you owe? Can your income handle the payment? How much of your own money goes into the purchase? And what does it truly cost to live in this house every month? Each question has a number, and each number has a way to improve.

The credit score

The *credit score* is the grade that sums up your payment history in the United States. The most-used model is **FICO**, from 300 to 850, calculated with five weights: on-time payments (35%), how much you owe relative to your limits (30%), length of history (15%), new credit (10%) and mix of accounts (10%). The national average was **713 in 2025**.

First surprise: the score in your bank's app is not what the lender sees. For a mortgage, it pulls the reports from the **three credit bureaus** — Equifax, Experian and TransUnion — in the classic FICO versions and uses **the middle score**. On loans sold to Fannie Mae and Freddie Mac, since September 9, 2026, it may use *VantageScore* 4.0 instead, a competing model. For a couple, conventional uses the average of

the two median scores; FHA uses the lower one. And the score does not just open the door: it changes the price, as Chapter 4 shows.

Two rules protect people who shop around. Mortgage inquiries made within **14 days** count as one in any version of FICO: get quotes from three lenders in the same two weeks. And if you froze your credit for security, unfreeze it at all three bureaus before applying.

Arriving with no history

Just arrived and have no score? That is the situation of almost every newcomer, and it has a deadline, not a wall. A FICO is born when there is **at least one account open for six months**. The paths: a *secured card* (with a deposit), becoming an authorized user on a relative's card — confirm the issuer reports to the bureaus — a small "credit builder" loan, and reported rent. The 680 to 740 range usually arrives in **12 to 24 months**, using less than 30% of the limit and with no late payments. To open these accounts you need an SSN or ITIN (Chapter 10).

And can you get a mortgage with no score? On conventional, yes, with **nontraditional credit**: 12 months of rent paid on time and other bills with a history. It is a tighter path — in manual underwriting, DTI of up to 36% and, with no housing history, 12 months of reserves.

Income and the DTI math

The *debt-to-income ratio* (DTI) divides what you pay each month by your gross monthly income. The "front-end" version looks only at housing; the "back-end" one adds up all debts — payments with more than ten months remaining, card minimums, leases, support payments. The caps vary by program: on conventional, **45% in**

manual underwriting and up to 50% with automated approval; on FHA, 31% and 43% manual, and more with the system; on USDA, 29% and 41%.

A COUPLE'S MATH, IN 2026

Couple's gross income: **US$ 9,000 per month**. Debts: car US$ 450, student loan US$ 250, card minimums US$ 150 — **US$ 850**. The house: US$ 450,000 in Orange County, 5% down, 7.03% interest. The full payment, with tax, insurance, estimated PMI and HOA, comes to about **US$ 3,956**.

1. Front-end: 3,956 ÷ 9,000 = **44%**.
2. Back-end: 4,806 ÷ 9,000 = **53%** — above the 50% automated-approval cap.
3. Paying off the car: 4,356 ÷ 9,000 = **48%** — it fits.

Same house, same couple: one debt changed. Other ways out: a bigger down payment, a slightly cheaper house or a co-borrower.

How does the lender count income? Only what is stable, documented and expected to continue. Salaried: **two years** of history, with W-2s and pay stubs. Overtime, bonus and commission: a two-year average. Self-employed, or owner of 25% or more of a company: **two years of tax returns**. Rent from a property you already own: 75% of the gross amount. And **income from abroad** only counts on conventional if it shows up on your American tax returns for the last two years, translated and in dollars. Those who arrived more recently have the paths in Chapter 7.

Down payment, LTV and reserves

The *loan-to-value* (LTV) is the share of the value the loan covers: the loan divided by the lower of price and appraisal. A 5% down payment is an LTV of 95%. And **20% is not required**: conventional accepts 3% on a first property and 5% on others; FHA, 3.5%; VA and USDA, zero. The 20% only waives the loan insurance. The median first-time buyer's down payment was **10%** in 2025.

Where the money comes from matters as much as the amount. The lender asks for **two months of statements** and wants the source of any deposit larger than **half your monthly income**; money with no source does not count, and cash does not work. A family gift is accepted on conventional with a gift letter and a traceable transfer — on an investment property, no. Reserves are months of the full payment left over after closing: none on a one-unit primary residence on conventional, 2 on a second home, **6 on an investment** and 12 on the loan for those who live abroad (Chapter 8).

The full payment in Florida

The lender adds tax, insurance and association fees to principal and interest — the *PITIA* — and that total is what goes into the DTI. In Florida, three of those items weigh heavily.

The **property tax** runs between **1% and 2% of the value per year**, and on purchase the property is reassessed at market value: you do not pay what the seller was paying. Whoever makes the house their permanent residence applies for the *homestead* exemption by March 1 — **US$ 51,411 in 2026** — and gets the 3%-a-year cap on increases. Without homestead (second home, investment or someone with no permanent residence), there is no exemption and the cap is 10%. In

Orange County, outside Orlando, a US$ 450,000 house without homestead pays about **US$ 7,290 per year**. Ask the loan officer to calculate the escrow with the county's estimate for the purchase price, never with the seller's tax bill.

Homeowners insurance is the item that varies most. The statewide average was around **US$ 3,815 per year in 2026**, about three times the national average; in Orange County, a house with US$ 300,000 of coverage ran about US$ 2,180, and in South Florida, several times that. Flood insurance is separate, and what the lender requires from the policy is in Chapter 4. And association fees — **HOA**, condo and the **CDD**, which pays for infrastructure in new neighborhoods and comes on the tax bill — also enter the math.

The property appraisal

The *appraisal* is the report of an independent appraiser, and the loan is made on **the lower of the price and the appraisal**. If the report comes in below the price, the so-called *appraisal gap*, you cover the difference in cash, renegotiate, request a review (on conventional, one per appraisal since October 2024) or walk away under the contingency clause.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"You need 20% down"	3% on conventional, 3.5% on FHA, 0% on VA and USDA
"The tax is what the seller was paying"	On a sale the property is reassessed at market value
"Family money doesn't work"	It does, with a gift letter and a traceable transfer
"No history, no chance"	A score is born in 6 months; on-time rent works as credit

The math that decides: a couple's DTI

A couple earning US$ 9,000, three debts and a US$ 450,000 house at 7.03% — and what the score does to the price.

Couple's gross monthly income	**US$ 9,000**
Full payment: US$ 2,853 principal + interest, 608 tax, 217 insurance, 178 PMI, 100 HOA	**US$ 3,956**
Car · student loan · cards	**US$ 850**
Front-end DTI · 3,956 ÷ 9,000	**44%**
Back-end DTI · 4,806 ÷ 9,000, above 50%	**53%**

Paying off the car (US$ 450): back-end DTI falls to 48%, inside the 50%.

780 or more
Lowest surcharge: the best conventional price since the 2023 grid

740 to 779
Small surcharge

680 to 739
Surcharge grows each tier; raise your score before applying

620 to 679
Costlier; below 680 FHA usually wins (Chapter 5)

Below 620
Out of conventional; FHA accepts 580 with 3.5% down

FANNIE MAE B3-6-02 AND B3-5.1-01 · FREDDIE MAC PMMS OF 09/24/2026 · ORANGE COUNTY 2026 MILLAGE · PMI AND HOA ESTIMATED · ESTIMATE, NOT A QUOTE

In *summary*

01 **FICO** runs from 300 to 850; on-time payments weigh 35% and how much you owe, 30%. The national average was **713 in 2025**.

02 For a mortgage, the **classic FICO versions at the three bureaus count, using the middle score**; since September 9, 2026, on conventional, VantageScore 4.0 counts too.

03 For a couple, conventional uses the **average of the median scores**; FHA uses the **lower** one.

04 Get quotes from three lenders within **14 days**: mortgage inquiries count as one.

05 With no history, a score is born with **an account open for 6 months**; the 680 to 740 range usually arrives in 12 to 24 months.

06 **DTI** divides monthly debts by gross income; conventional accepts up to **50% with automated approval** and 45% in manual underwriting.

07 In the 2026 example, a couple with **US$ 9,000** of income and a US$ 3,956 payment landed at 53%; paying off the car, it fell to 48% and fit.

08 Income counts with **two years of history**; income from abroad only after two years on American tax returns, translated and in dollars.

09 **20% down is not a rule**: 3% to 5% on conventional, 3.5% on FHA; the first-time buyer's median was 10% in 2025.

10 Two months of statements and an explained source for any **deposit above half the monthly income**; a family gift comes in with a gift letter.

11 The payment is **PITIA**: in Florida the tax runs between 1% and 2% a year and is reassessed on purchase; homestead is worth US$ 51,411 in 2026.

12 Average insurance of **US$ 3,815 per year in 2026** statewide, flood separate; the loan is figured on the lower of price and appraisal.

> *The lender answers four questions with numbers — score, income against debts, down payment and the full payment — and each of them has a way to improve.*

CHAPTER THREE 03

From pre-approval *to the keys*

The step-by-step, the timelines and the cash out of pocket to close a mortgage in Florida

A mortgage in Florida has a clearly marked beginning, middle and end, and in 2026 it moved faster than many people imagine: from offer acceptance to the keys, the national average was **36.8 days in March 2026**, the shortest since the series began in 2019. This chapter shows each step, what to do in it and how much money you need to bring on the day.

Prequalification or pre-approval

The two words sound the same and are not. **Prequalification** is an estimate made from what you *said* about income and debts. **Pre-approval** comes after the lender pulls your credit and looks at documents — and it is the letter the seller wants to see alongside the offer. Neither guarantees the loan, but in Florida an offer without pre-approval usually goes to the back of the line.

For pre-approval, gather: **30 days of pay stubs**, **W-2s or tax returns for the last two years**, **two months of statements** for every account, a photo ID and proof of your status in the U.S. Those who are self-employed, have an ITIN or live in Brazil gather the documents in Chapters 7, 8 and 10. While the process runs, do not open a card, change jobs or move money without leaving a trail: all of that is checked again before closing.

Compare three Loan Estimates

Request quotes from two or three lenders in the same two weeks — the inquiries count as one (Chapter 2). Each sends the *Loan Estimate* within 3 business days. The three pages read like this:

1. **Page 1:** rate, term, estimated payment with tax and insurance, and the total cash to close.
2. **Page 2:** origination costs (section A, the lender's alone), services you do not choose, services you can choose and prepaids.
3. **Page 3:** the APR, the total percentage of interest over the life of the loan and the NMLS number of the person serving you.

Compare rate, points, section A and APR side by side: that is where lenders differ most. Once you pick the lender, comes the *rate lock*, locking the rate for 30, 45 or 60 days. Extending the lock can be costly and the LE does not say how much — ask beforehand: "what if closing is delayed?"

Inspection, insurance and title

With the offer accepted, the property checks begin. The **general inspection** looks at the whole house; in Florida, they usually come with the ***4-point inspection*** — electrical, plumbing, air conditioning and roof, required by many insurers on houses over 20 years old — and the ***wind mitigation***, which documents wind protections and can lower the insurance. A termite inspection completes the package. The lender orders the appraisal (Chapter 2).

Quote the insurance early: with no policy, the lender will not close. If the property is in a flood zone, federal flood insurance was authorized by Congress only through **September 30, 2026**; in a lapse

in late 2025, about 1,300 sales a day stalled across the country. Check the status on your closing date.

The *title company* researches the property's history and issues the ***title insurance***. In Florida the price is **set by the state** — US$ 5.75 per thousand up to US$ 100,000 and US$ 5.00 per thousand from there to US$ 1 million — and it is the same at any company: the owner's policy on a US$ 400,000 property costs US$ 2,075. The lender's policy is mandatory and, issued together, comes to as little as US$ 25. Who pays for the owner's policy is a matter of custom: the seller in Central Florida, the buyer in Miami-Dade and Broward. What decides is the contract clause.

Underwriting and the day of the keys

Underwriting is the final review. Fannie Mae's or Freddie Mac's automated system gives the first opinion, and the underwriter returns a list of conditions: explain a deposit, send the most recent statement, sign a letter. Once the conditions are met, the *clear to close* is issued.

The *Closing Disclosure* arrives 3 business days before signing. Compare it line by line with the last Loan Estimate: term, rate, payment, costs and cash to close. On the day, you sign the note and the mortgage, the money arrives by wire transfer or cashier's check, the lender releases the funds and the deed is recorded in the county. If you are in Brazil, you sign by power of attorney or remote notarization (Chapter 10).

The cash to close

In Florida, the financed buyer always pays two state taxes on the loan: the ***doc stamps*** on the note, at **0.35%** of the amount financed, with no cap, and the ***intangible tax***, at **0.2%**. The tax on the deed (0.70%; in Miami-Dade, 0.60% plus a surtax that does not apply to a single-family home, including a condo unit) is, by custom, the seller's. Add the lender's fees, appraisal, credit, recording, *survey* and what is paid in advance: the first year of insurance, months of tax in *escrow* and interest to the end of the month. In total, the buyer's costs run between 2% and 5% of the price.

US$ 450,000 HOUSE IN ORANGE COUNTY	CONVENTIONAL, 5%	FHA, 3.5%
Down payment	US$ 22,500	US$ 15,750
Closing costs	US$ 7,579	US$ 7,730
Prepaids: insurance, escrow and interest	US$ 6,780	US$ 6,825
Cash to close	**US$ 36,859**	**US$ 30,305**
Full monthly payment	US$ 3,956	US$ 4,073

The assumptions, in September 2026: a 7.03% rate in both cases, closing on the 15th, insurance of US$ 2,600 a year, PMI estimated at 0.5% a year, an HOA of US$ 100 a month and the seller paying for the owner's title policy. It is an estimate, not a quote. FHA asks for US$ 6,554 less to close, but costs US$ 117 more per month, and its insurance does not drop (Chapter 5).

The seller can pay part of your costs. On conventional, up to **3%** of the price when you finance more than 90%, 6% between 75% and 90% and 9% below that — 2% on an investment property. On FHA, up to 6%; on VA, 4%. Since the NAR settlement in August 2024, you sign a written agreement with your agent before the showings; if the

seller pays the agent's commission, that does not count toward the concessions limit. They are two different negotiations.

THE WIRE TRANSFER SCAM

In 2025, the FBI recorded **12,368 complaints and US$ 275.1 million lost** to real estate fraud. The classic scam: someone breaks into the agent's or title company's email and sends "new instructions" for the closing wire. A bank wire has no refund guaranteed by law. In the first week, write down the phone number of the person in charge of closing and of the loan officer. Treat any change of account as a scam until proven otherwise and confirm by calling the number you wrote down, never the one in the email. Afterward, confirm by phone that the money arrived.

Other warning signs: pressure to sign before the 3 days of the Closing Disclosure, blank spaces in the contract, fees on the CD that were not on the LE, a request for money before the LE beyond the credit report and an originator with no NMLS number. Faced with any of them, stop and ask in writing.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"Pre-approved means approved"	Pre-approval is not a guarantee; underwriting checks everything again
"Title insurance costs whatever the company wants"	In Florida the price is set by the state
"Transfer tax is only the seller's"	The financed buyer pays 0.35% on the note and 0.2% intangible tax
"A title company email with a new account is trustworthy"	A change of account is a scam until proven otherwise: confirm by phone

From pre-approval to the keys in 37 days

A typical financed purchase in Florida, with the timeline of each step counted from the accepted offer.

1. **Pre-approval** — BEFORE THE OFFER
   Credit, documents and the lender's letter
2. **Offer accepted** — DAY 0
   Signed contract and earnest money deposit
3. **Application and Loan Estimate** — DAYS 0 TO 3
   Six pieces of info; estimate in 3 business days
4. **Compare and lock the rate** — DAYS 1 TO 10
   Three quotes; 30 to 45-day lock
5. **Inspections and appraisal** — DAYS 3 TO 14
   General, 4-point, wind mitigation and termite
6. **Title, survey and insurance** — DAYS 7 TO 21
   Title search and policy in hand
7. **Underwriting** — DAYS 14 TO 30
   Conditions met and clear to close
8. **Closing Disclosure and keys** — DAYS 33 TO 37
   CD 3 business days before; signing, wire and recording

Before wiring, confirm the account by phone.

ICE, MARCH 2026 ORIGINATION REPORT · 12 CFR 1026.19 · FLORIDA STATUTES 201.08 AND 199.133 · FLA. ADMIN. CODE 69O-186.003 · FBI IC3 2025 · TYPICAL TIMELINES, NOT GUARANTEED

In *summary*

01	**Pre-approval** reviews documents and credit; prequalification does not. Neither guarantees the loan.
02	Gather **30 days of pay stubs**, **2 years of W-2s or returns**, **2 months of statements**, ID and proof of status.
03	During the process, **do not open credit, do not change jobs** and do not move money without a trail.
04	Compare **three Loan Estimates** by rate, points, section A and APR.
05	The **rate lock** lasts 30, 45 or 60 days; ask beforehand how much it costs to extend.
06	In Florida: general inspection, ***4-point*** on a house over 20 years old, ***wind mitigation*** and termite.
07	**Title insurance is set** by the state; who pays the owner's policy depends on county custom and the contract.
08	The financed buyer pays **0.35% doc stamps** on the note and **0.2% intangible tax**.
09	On the US$ 450,000 house: **US$ 36,859** to close on conventional with 5% and **US$ 30,305** on FHA with 3.5%.
10	The seller can pay costs: **3%, 6% or 9%** on conventional, depending on the down payment; **6%** on FHA; **4%** on VA.
11	The average time to the keys was **36.8 days** in March 2026.
12	**Wire transfer scam:** US$ 275.1 million lost in 2025. Confirm the account by phone.

> *Closing a mortgage is a sequence with deadlines: whoever knows the order reaches the day of the keys with no surprise in the amount or the account.*

CHAPTER FOUR 04

Conventional *and jumbo*

Fannie Mae, Freddie Mac, 3% down, PMI and what your score does to the price

When someone talks about a "regular mortgage" in the United States, they mean conventional. The bank lends, but does not keep the loan: it sells it to Fannie Mae or Freddie Mac (Chapter 1), which only buy what "conforms" to their rules and to the year's limit — hence the name *conforming*. It is the cheapest path on the market, and it works for you if you have documented income, American credit and legal presence in the country.

2026 limits and requirements

The 2026 limit for 1 unit is **US$ 832,750** (it was US$ 806,500 in 2025); for 2, 3 and 4 units, US$ 1,066,250, US$ 1,288,800 and US$ 1,601,750. In Florida, only Monroe County, in the Keys, has a higher limit: **US$ 990,150**. A house of up to about US$ 1.04 million with 20% down still fits conventional. Above that, it is jumbo.

What the *lender* asks for, under the 2026 rules: a score of **620** or higher; DTI of up to 45% in manual underwriting and up to **50%** with Fannie Mae's automated approval; two years of income history; and a down payment starting at 3%. The 3% — or 97% *loan-to-value* (LTV), the fraction financed — exists only for 1 unit that you will live in; ordinary conventional works with 5%.

Who can apply: citizens, permanent residents and residents with valid authorization — a work visa or a current EAD. Fannie requires

an SSN **or** ITIN and proven legal presence, but leaves the documents to the lender's discretion, since the lender bears the risk. That is why many require an SSN and some refuse specific categories. Ask for the policy in writing; the matrix by status is in Chapter 10.

HOMEREADY AND HOME POSSIBLE

They are Fannie's and Freddie's "entry" versions, for those with income up to **80% of the area median income**, looked up by address. They allow 3% down, which can come entirely from a family gift; cheaper loan insurance; and a **US$ 2,500** credit for income up to 50% of the median, valid through 02/28/2027. A two-income couple in Orlando or Miami usually goes over the cap; then it is *Standard* 97, for the first-time buyer, or the 5%.

PMI comes in and goes out

With less than 20% down, Fannie requires *private mortgage insurance* (PMI): insurance that protects the lender, not you. The price depends more on the score than on the down payment. 2026 market guides ranged from about **0.1% a year** (score 760 or higher, 15% down) to **1.1% to 1.65%** (score 620 to 639, 3% to 5%). On a US$ 400,000 house with 5% down, that came to about US$ 177 a month with a score of 680 to 699 and US$ 355 with 620 to 639. These are ranges: the real number comes on the Loan Estimate.

The good news is that it goes away. Under the 1998 federal law, you request cancellation when the balance reaches **80% of the original value**, and the lender must cancel on its own at **78%**, as long as you are current. That is the big difference from FHA insurance, which with 3.5% down lasts for life (Chapter 5).

What the score does to the price

Two buyers with the same "list" rate pay different final rates because of *Loan-Level Price Adjustments* (LLPAs): surcharges that Fannie and Freddie charge by score, down payment, property type and occupancy, and that the lender builds into the interest. Since 2023, the best price goes to **780 points** or more. In the most-cited market example, someone with 750 pays about 0.25 point of surcharge; someone with 690, 2 points or more. Since each point of surcharge turns into about 0.25 point of interest, going from 690 to 740 before applying can be worth **US$ 110 a month** on a US$ 427,500 loan. DTI does not enter this math; condo, second home and investment do.

You can also move the price. *Points* are money paid at closing to lower the rate: 1 point is 1% of the loan. The *lender credit* does the opposite. The 2-1 *buydown* lowers the rate by 2 points in the first year and 1 in the second, paid by the seller or the builder — but you qualify at the full rate.

Fixed or adjustable

The standard is the **30-year fixed**, at 7.03% on 09/24/2026; the **15-year fixed** was at 6.42%, with a higher payment and far less interest overall. The *adjustable-rate mortgage* (ARM) fixes the rate for 5, 7 or 10 years and then adjusts it periodically, with caps: in a common design, 2 points at the first adjustment, 1 at the following ones and 5 over the whole contract. A 5-year ARM was at 6.10% in September 2026 — and could reach 11.10%. It works if you will sell or refinance within the fixed period and if the worst-case payment fits the budget.

Above the limit: jumbo

Jumbo is any loan above the county limit. Fannie and Freddie do not buy it, so each lender makes its own rules. In 2026 the guides converged on a score of **680 to 700**, **10% to 20%** down, **6 to 12 months** of reserves, DTI of 43% to 45% and two appraisals above about US$ 1.5 million. The surprise of 2026: the jumbo rate came out almost equal to conforming — **7.03% versus 6.97%** in the week of 09/11/2026. Near the limit, get quotes on both.

Condo, insurance and appraisal

To finance an apartment on conventional, the whole building must be approved — be *warrantable*. Out go buildings with critical repairs above US$ 10,000 per unit, a lawsuit over the structure, hotel operation, more than 15% of units delinquent or Fannie's "unavailable" stamp. In March 2025, **1,438 Florida condos** were on that list, 28% of the country. In 2026 Fannie tightened again: a building insurance deductible of at most **US$ 50,000 per unit** and a minimum reserve of **15%** of revenue starting in 2027. Add the state's post-Surfside rules: a *milestone inspection* at **30 years** in buildings of 3 stories or more and the structural reserve study, the SIRS. A building that does not pass can only be financed as portfolio or non-QM.

> **BEFORE OFFERING ON A CONDO**
>
> Ask: was the milestone inspection done and what did it find? Is a special assessment approved or on the way? Is the building on Fannie's unavailable list? The answers change the whole mortgage. A house and a *townhouse* with no condo association escape almost all of this.

The insurance the lender requires: a policy at **replacement cost**, a deductible of at most **5%** of the coverage for each peril, hurricane included — the 10% option that state law offers does not pass — and flood insurance in a risk zone. And the loan is made on the lower of the price and the appraisal (Chapter 2).

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"You need 20% down"	3% to 5% on conventional; 20% only waives PMI
"Foreigners can't get a mortgage"	A resident with a valid visa or EAD qualifies for conventional (Chapter 10)
"PMI is forever"	It drops on request at 80% of the original value and on its own at 78%
"The advertised rate is my rate"	Score, down payment and property type change the rate
"Jumbo is much more expensive"	In September 2026: 7.03% versus conforming's 6.97%
"An apartment is financed like a house"	Only if the whole building passes Fannie's review

Conventional in numbers, and the weight of the score

The 2026 limits and rules of the country's most common mortgage, and how the score range changes the surcharge and the loan insurance.

US$ 832,750
2026 limit for 1 unit; US$ 990,150 in Monroe

3%
Minimum down payment on a first property or with income up to 80% of median

620 · 50%
Minimum score and maximum DTI with automated approval

80% · 78%
Balance at which PMI drops on request and on its own

780 or more
Best tier of the surcharge grid since 2023

740 to 779
In the market example, 750 pays about 0.25 point of surcharge

680 to 739
690 pays 2 points or more; PMI near US$ 177 a month (US$ 400K, 5%, score 680 to 699)

620 to 679
Conventional floor; PMI up to 1.65% a year — compare with FHA (Chapter 5)

Each point of surcharge turns into about 0.25 point of interest. Market ranges; the real figure comes on the Loan Estimate.

FHFA, 2026 LIMITS · FANNIE MAE SELLING GUIDE B3-5.1-01, B3-6-02, B7-1-01 AND B7-1-02 · HOMEOWNERS PROTECTION ACT · 2026 MARKET GUIDES ON PMI AND LLPAS · ESTIMATE, NOT A QUOTE

In *summary*

01 Conventional is the loan the bank sells to **Fannie Mae or Freddie Mac**; that is why it follows national rules and limits.

02 2026 limit: **US$ 832,750** for 1 unit; in Florida only Monroe is higher (US$ 990,150). Above that it is jumbo.

03 Requirements: score **620**, DTI up to 45% in manual underwriting and **50%** with automated approval, 2 years of income, down payment from 3%.

04 Who can apply: citizens, green card holders and residents with a valid visa or EAD; Fannie accepts **SSN or ITIN** with legal presence. The lender decides the documents.

05 **HomeReady and Home Possible**: 3% down for income up to 80% of the area median, cheaper insurance and US$ 2,500 through 02/28/2027.

06 **PMI** comes in with less than 20% down and costs from about 0.1% to 1.65% a year in 2026 market guides, depending on score and down payment.

07 PMI drops on request at **80%** of the original value and on its own at **78%** — FHA's MIP does not.

08 **LLPAs**: score and down payment change the rate; DTI does not. Going from 690 to 740 is worth close to 0.4 point of interest.

09 **Points** lower the rate, the **lender credit** does the opposite, and with the seller-paid **2-1 buydown** you qualify at the full rate.

10 **30-year fixed at 7.03%** and 15-year at 6.42% on 09/24/2026; 5/1 ARM at 6.10%, with a worst case of 11.10% under the caps.

11 **Jumbo**: score of 680 to 700, 10% to 20% down, 6 to 12 months of reserves — and a rate almost equal to conforming in 2026.

12 Condos in Florida: **1,438 buildings** on the unavailable list in 2025 and a 15% reserve starting in 2027; ask before offering.

> *Conventional is the cheapest path for those with American status, income and credit — and the score decides how much it costs.*

CHAPTER FIVE 05

FHA, VA *and USDA*

Government programs: who can use them, what they cost and what changed in 2025

In all three programs in this chapter, the lender is still a bank or a private company; the government insures or guarantees the loan and, in exchange, charges a fee and sets rules. That is why mortgages with 3.5% down or nothing down exist. But watch your status: in 2025, two of them closed their doors to anyone who is not a citizen or a green card holder.

FHA: 3.5% down

The *Federal Housing Administration* (FHA), part of HUD, the federal housing department, insures the most widely used low-down-payment mortgage in the country. It works for you if you have a modest credit score, little down payment and are a citizen or permanent resident. And it is not only for a first home: in May 2026, one in five FHA purchase loans went to someone who had owned a home before.

The 2026 rules: **3.5% down with a credit score of 580 or higher**, 10% between 500 and 579. The insurance is called MIP: **1.75%** of the loan at closing, which can be financed, and **0.55% a year** with less than 5% down. With less than 10% down, it lasts **the whole life** of the loan; with 10% or more, it drops off after 11 years. The benchmark DTI is 31% for housing and 43% for all debts, and it goes higher with compensating factors and automated approval.

The 2026 limit is **US$ 541,287** across the Orlando and Tampa region, **US$ 667,000** in Miami-Dade, Broward and Palm Beach, and US$ 990,150 in Monroe. Because the median Orlando home cost US$ 400,676 in August 2026, almost every typical home in the region fits the program.

Details that help: the seller can pay up to 6% of the price in costs, but not the down payment; a relative can join as a co-borrower without living in the property; the condo must be on HUD's approved list or go through single-unit approval; the 203(k) option finances renovation together with the purchase — in the simple version, up to US$ 75,000.

The 2025 change

In March 2025, HUD published *Mortgagee Letter* 2025-09. For applications opened from **May 25, 2025** on, the "non-permanent resident" category no longer exists at the FHA. The program can be used by U.S. citizens, permanent residents with proof from the immigration service — the Social Security card is not enough — and citizens of three Pacific countries with a special agreement with the U.S.

Left out are those with a work visa (H-1B, L-1, E-2, O-1), students, tourists, DACA, TPS and anyone with a pending asylum application. Asylees and refugees probably too, because the whole section was deleted — confirm with the lender. The rule also applies to the streamlined refinance and to anyone assuming someone else's FHA loan, and nothing in 2026 has reversed it. For someone with a valid visa, the path becomes the conventional loan (Chapter 4) or non-QM (Chapters 7 and 8).

FHA or conventional?

For anyone who can choose, the credit score decides. In July 2026, the Urban Institute compared the two on a US$ 400,000 home with a US$ 386,000 loan: the FHA cost **US$ 2,654 a month at any score**; the conventional with PMI, from US$ 3,003 (score 620 to 639) to US$ 2,668 (760 or higher). The rule of thumb: **below about 680 points, the FHA is usually cheaper**; above that, the conventional ties or wins — and its PMI drops off, while the FHA's MIP stays. In the first quarter of fiscal year 2026, the average score of FHA buyers was 685. On the median Orlando home, with 3.5% down at 7.03%, principal, interest and MIP came to about **US$ 2,806 a month**, before tax and insurance.

VA: for those who served

The VA loan, from the *Department of Veterans Affairs*, is the best product on the market: **zero down**, no monthly insurance, lower costs and, for those with full entitlement, **no loan limit**. In place of insurance there is a one-time fee, the *funding fee*: 2.15% on first use with less than 5% down and 3.3% on later uses; anyone receiving service-connected disability compensation is exempt.

But it is exclusive to those who served in the U.S. Armed Forces, and to eligible surviving spouses, with the certificate of eligibility.

USDA: zero down, away from the center

The guaranteed program of the U.S. *Department of Agriculture* (USDA) finances a primary residence in an area considered rural with **no down payment**. The guarantee fee is **1%** of the amount,

which can be financed, plus **0.35% a year**: on a US$ 250,000 loan, US$ 2,500 upfront and about US$ 73 a month in the first year.

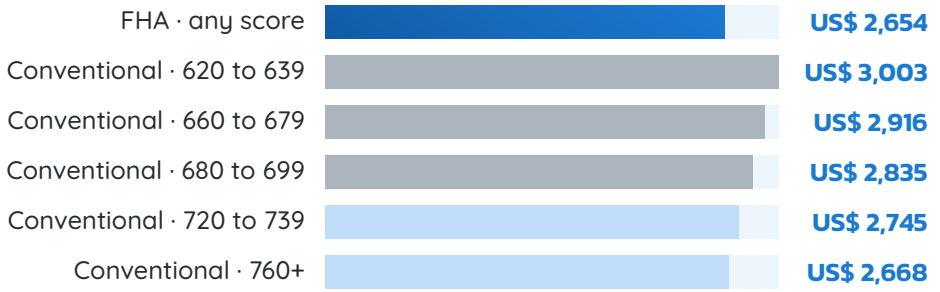
Two conditions. The income of all adults in the household cannot exceed **US$ 132,100** (up to 4 people) or US$ 174,400 (5 to 8) in the Orlando region in 2026. And the property must be in an eligible area on the official map, checked address by address: downtown Orlando is out, but parts of Clermont, Groveland and Minneola, of Davenport, Haines City and Lakeland, of St. Cloud and Harmony and of rural Deltona and DeLand qualify. Lenders ask for a score of 640, and the benchmark DTI is 29% and 41%.

Since March 18, 2025, the USDA requires a U.S. citizen or *qualified alien*, a federal category that includes the green card holder, the asylee and the refugee, but not those on a temporary visa. During the October 2025 government shutdown, guarantees stopped: check the program's status close to closing.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"FHA is only for first-time buyers"	There is no such requirement; 1 in 5 FHA purchases in 2026 went to someone who had owned a home
"With a work visa I can use the FHA"	Since 05/25/2025, only citizens and green card holders
"FHA insurance goes away at 80%"	With less than 10% down, the MIP lasts for life

FHA or conventional: who pays less

Monthly payment on a US$ 400,000 home with a US$ 386,000 loan, by credit score range, in July 2026 — and what VA and USDA offer those who qualify.



With less than 10% down, the FHA's MIP lasts for life; the conventional loan's PMI drops off at 78%.

VA	USDA
DOWN PAYMENT Zero	**DOWN PAYMENT** Zero
GOVERNMENT COST One-time 2.15% fee on 1st use; no monthly insurance	**GOVERNMENT COST** 1% upfront and 0.35% a year
LIMIT No loan limit with full entitlement	**LIMIT** Income up to US$ 132,100 in Orlando; eligible rural area
WHO QUALIFIES Those who served in the U.S. Armed Forces	**WHO QUALIFIES** Citizen, green card, asylee and refugee

URBAN INSTITUTE, HOUSING FINANCE AT A GLANCE (JULY 2026) · HUD MORTGAGEE LETTERS 2023-05, 2025-09 AND 2025-23 · VA, 2026 FEES · USDA, 2026 INCOME LIMITS · ESTIMATE, NOT A QUOTE

In *summary*

01 In all three programs the government **guarantees or insures** a private lender's loan; that is why the down payment is low or zero.

02 **FHA:** 3.5% down with a score of **580**; 10% between 500 and 579. It is not only for a first home.

03 The **MIP** costs **1.75%** at closing and **0.55% a year**; with less than 10% down, it lasts for life.

04 2026 FHA limits: **US$ 541,287** in Orlando and Tampa, **US$ 667,000** in Miami-Dade, Broward and Palm Beach.

05 Since **05/25/2025** the FHA accepts only **citizens and green card holders**; work visas, DACA and students were left out.

06 For anyone who can choose: **below about 680 points, the FHA is usually cheaper**; above that, the conventional ties or wins.

07 Median Orlando home with an FHA loan: about **US$ 2,806 a month** in principal, interest and MIP, before tax and insurance.

08 **VA:** zero down, no monthly insurance and no limit — only for those who **served in the U.S. Armed Forces**.

09 The VA *funding fee* is **2.15%** on first use with no down payment and **0.5%** for those who assume a VA loan.

10 **USDA:** zero down, **1% + 0.35% a year**, income up to **US$ 132,100** in the Orlando region in 2026.

11 The USDA applies only in an **eligible rural area** — check the address on the official map — and requires a citizen or *qualified alien*.

12 With a temporary visa, the path is the **conventional loan** (Chapter 4) or **non-QM** (Chapters 7 and 8).

> *Government programs open up credit with little or no down payment — for those with the right status, military service or address.*

CHAPTER SIX 06

Help with *the down payment*

Florida Housing, Hometown Heroes, counties, banks and builders: money that exists and few people ask for

The down payment scares people more than the interest: it means gathering US$ 20,000 or US$ 30,000 all at once. What almost nobody asks me is whether help exists. It does — from the state, from counties, from banks and even from builders. But it changes all the time, runs out fast and comes with rules. Here is what was available in September 2026 and how to check whether it still is.

How down payment help works

A *down payment assistance* program, or DPA, is money for the down payment or closing costs that arrives together with the main mortgage. Almost always it is a **second mortgage**: a small loan, recorded behind the first, at zero interest and with no payment, which you repay when you sell, refinance or leave the property. Some are *forgivable*: for each year you live there, a slice is erased. A few are *grants*, gifts that never come back.

Every DPA asks for the same list: a participating *lender* (only accredited banks can use them), a homebuyer course, income and price limits by county and, almost always, being a *first-time homebuyer* — which in Florida does not mean "never owned a home" but **3 years** without owning one and living in a primary residence. The first mortgage is still a conventional, an FHA, a VA or a USDA loan (Chapters 4 and 5).

Florida Housing and Hometown Heroes

Florida Housing is the state program: it pairs a first mortgage — FHA, VA, USDA or the program's own conventional — with a second assistance mortgage. In 2026, **Florida Assist** lent up to **US$ 10,000** at 0%, with no payment, deferred until sale; the **FL HLP**, US$ 12,500 at 3% over 30 years — this one has a payment; and the **PLUS**, 3% to 5% of the loan, forgivable over 5 years. Minimum score of **640**.

The most generous is **Hometown Heroes**: up to **5% of the first mortgage, between US$ 10,000 and US$ 35,000**, at 0%, no payment, deferred for 30 years and **not forgivable** — you repay it at sale or refinance. In 2026 it went back to being profession-based: health care, schools, first responders, public safety, courts, child care, the military and veterans, in a full-time job with a Florida-based employer. The test is the employer, not the job title: someone who cleans a hospital qualifies. The "any worker" version of 2023 and 2024 is over.

Income can go up to **US$ 172,350** in Orange, Osceola, Seminole and Lake, and US$ 204,300 in Miami-Dade (2026). The problem is that the money runs out: the 2025 funding ran out in February 2026; **US$ 50 million** in new funds came in on July 13, 2026 and, on September 21, more than US$ 25 million was left. At that pace, it should run out between November and December. If you qualify, reserve through a participating lender now — and check that it is still open.

Counties and cities: almost all closed

Municipal programs are the largest, and in September 2026 almost all of them in Central Florida were closed. **Orange County** pays up to

US$ 70,000, US$ 40,000 or US$ 10,000 depending on income, but suspended applications from September 6 to November 15, 2026 — and requires the "legal right to reside permanently" in the U.S. The city of **Orlando** (up to US$ 45,000) was not accepting applications; **Osceola** (up to US$ 80,000) and **Seminole** (up to US$ 145,000) were closed or had closed their waiting lists; **Polk** opened in July 2026, with US$ 4.7 million.

In the rest of the state, in 2026: **Hillsborough** up to US$ 25,000 at 0%; **Miami-Dade** up to US$ 35,000, interest-free, deferred for up to 30 years; **Broward** up to US$ 80,000, forgivable over 15 years, open to permanent residents and asylees with a 2-year history; **Palm Beach** (up to US$ 50,000) closed in April. Rule of thumb: at the county level, the *green card* is the key. At Florida Housing, the official page does not mention citizenship — what the first mortgage requires is what applies (Chapter 10).

Banks and builders

Big banks have their own subsidies, and those are grants. Among those announced in 2026 were Bank of America (up to US$ 10,000 toward the down payment and US$ 7,500 in costs), Wells Fargo (US$ 10,000 plus up to US$ 5,000 for income up to 80% of the area median), TD Bank (up to US$ 10,000) and Chase (US$ 2,500 or US$ 5,000 by area). A federal rule from April 2026 removed race, color, national origin and sex from the criteria; income, location and first-time buyer status remain — and several programs changed. Ask what applies today.

Builders also have their own finance arm and use the rate as bait. A real example in Orlando, the week of September 21, 2026: Lennar advertised an FHA 5/1 ARM at **4.25%**, plus up to US$ 5,000 in costs

and US$ 25,000 off, only if you finance with the home's own finance company. The fine print: it is an ARM, fixed for 5 years and then adjusting annually, and the APR was **7.439%**.

> **THE BUILDER RATE TRAP**
>
> The cost usually goes into the list price: the appraisal may come in short, and a December 2025 investigation estimated that 21% to 31% of FHA loans from large builders owed more than the home was worth. Compare the net price with that of a resale home. And the FHA requires citizenship or a green card (Chapter 5); without one, negotiate the discount and finance through Chapter 8.

Stacking the help

The layers add up. Take the US$ 450,000 home from Chapter 3, conventional with 5% down: a US$ 22,500 down payment plus US$ 14,359 in costs and prepaids, **US$ 36,859** to close. Layer 1: Florida Assist covers US$ 10,000 of the down payment. Layer 2: the seller can pay up to 3% of the price in costs when the loan is over 90% of the value — US$ 13,500; in Orlando, with 4.9 months of supply in August 2026, that is negotiable. Layer 3: a US$ 10,000 bank subsidy toward the down payment, if the participating lender has one. That leaves about **US$ 3,400** out of your pocket.

The three don't always fit together: each program has its own combination rules, and the seller can say no. But the logic holds with just one layer. The right question for the lender, before you look at a home: "which assistance programs are you accredited to use, and which are open today?"

What the federal government does not have

In 2026 there is **no** tax credit or federal check for first-time buyers: the proposals (a US$ 15,000 credit, one of up to US$ 50,000, US$ 20,000 in assistance) were stalled in Congress in September 2026 — proposals, not law. What exists is small: the Good Neighbor Next Door (50% off HUD homes for teachers, police officers, firefighters and paramedics, by lottery) and HomePath (3% of costs on properties Fannie took back).

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"Down payment help is free money"	Almost always a 0% second mortgage, repaid at sale or refinance
"It is only for low earners"	Hometown Heroes accepts income up to US$ 172,350 in Orlando in 2026
"With a work visa I qualify"	Counties require permanent residency; Florida Housing follows the 1st mortgage
"The builder gives 4.25% for 30 years"	It is a 5-year ARM with a 7.439% APR; it goes up later
"There is a federal check for 1st-time buyers"	Not in 2026; the proposals did not become law

Where each down payment dollar comes from

A US$ 450,000 home in Orange County with 5% down: what comes out of your pocket without help and what is left once the layers kick in.

5% down payment	**US$ 22,500**
Closing costs and prepaids	**US$ 14,359**
Cash to close without help	**US$ 36,859**
Florida Assist · 0% 2nd mortgage, toward down payment	**– US$ 10,000**
Seller concession · 3% of price, toward costs	**– US$ 13,500**
Bank subsidy · example, toward down payment	**– US$ 10,000**
What comes out of your pocket	**≈ US$ 3,400**

US$ 35,000
Hometown Heroes cap in 2026: 5% of the 1st mortgage, at 0%, not forgivable

US$ 10,000
Florida Assist: 0% 2nd mortgage, no payment, repaid at sale

3 years
Without owning and living in a primary residence: Florida's "first-time buyer"

640
Minimum score in Florida Housing programs in 2026

Each program has its own combination rules and may be closed: check with the participating lender before counting on the amount.

FLORIDA HOUSING (FLORIDA ASSIST AND HOMETOWN HEROES, 2026) · FANNIE MAE B3-4.1-02 (CONCESSIONS) · CHAPTER 3 EXAMPLE · ESTIMATE, NOT A QUOTE

In *summary*

01 A DPA is almost always a **0% second mortgage with no payment**, repaid at sale or refinance; few are grants.

02 Every program asks for a **participating lender, a homebuyer course and income and price limits**; the first mortgage is still conventional, FHA, VA or USDA.

03 "First-time buyer" in Florida means **3 years without owning and living** in a primary residence — not "never owned a home".

04 Florida Housing in 2026: **Florida Assist of US$ 10,000 at 0%**, FL HLP of US$ 12,500 at 3% and PLUS of 3% to 5% forgivable; score 640.

05 **Hometown Heroes**: up to 5% of the first mortgage, **US$ 35,000 cap**, at 0%, deferred and not forgivable; only Florida professions and employers.

06 Hometown Heroes funding runs out: **US$ 50 million in July 2026**, more than US$ 25 million on September 21 — reserve early and check.

07 In September 2026, **Orange, Orlando, Osceola and Seminole were closed**; Orange (up to US$ 70,000) reopens around November 16.

08 In county programs, **the green card is the key**; Florida Housing follows what the first mortgage requires.

09 Banks give grants of **US$ 2,500 to US$ 10,000**; the April 2026 rule removed race and origin from the criteria, and several programs changed.

10 A builder's rate can be an **ARM, temporary or built into the price**: 4.25% in Orlando in 2026 was a 5/1 ARM with a 7.439% APR.

11 Stacking DPA, seller concession and bank subsidy, the US$ 450,000 home drops from **US$ 36,859 to about US$ 3,400** out of pocket.

12 In 2026 there is **no federal tax credit** for first-time buyers; everything circulating is a proposal.

> *Down payment help exists — from the state, the county, the bank and the builder —, but it changes, runs out and has rules: ask the lender what is open today.*

CHAPTER SEVEN 07

When the bank *says no*

The non-QM world: Bank Statement, P&L, 1099, Asset Depletion and other ways to prove income

You have income, you have a down payment and you pay everything on time. Even so, the bank said no. Most of the time there is one reason: the income on your tax return is lower than the income landing in your account. Self-employed people, business owners and professionals deduct expenses, and the return shrinks. The conventional loan in Chapter 4 only sees the paper. This chapter is about the loans that see the rest.

What non-QM is

Non-QM means *non-qualified mortgage*: a loan that does not fit the legal mold of the *qualified mortgage* introduced in Chapter 1. The mold requires income proven with a W-2 (the employer's annual statement) and a tax return, a term of up to 30 years, no interest-only period and origination costs of up to 3%. Lenders who stay inside the mold get legal protection; that is why almost every bank prefers to stay in it.

Outside the mold is not outside the law. Every loan on your home is still subject to the duty to verify that you can repay it, the *ability-to-repay* rule from Chapter 1. What changes is the proof: instead of the tax return, the *lender* uses bank statements, an accountant's statement,

the 1099 form or your assets. If someone offers credit without verifying anything, be suspicious: that has been illegal since 2014.

This is not 2008

The fear makes sense. In 2005 and 2006, loans with no proof of income fueled the bubble (Chapter 1). The 2026 numbers tell a different story: whoever takes a non-QM loan today has an average score of **737 to 746** and finances, on average, only 60% to 70% of the property value. The market totaled **US$ 100 to 108 billion** in 2025, and the 2026 forecast was **US$ 175 billion**, driven by investor loans.

The price changed along with it. On 09/24/2026 the 30-year conventional was at **7.03%**. For a strong profile (score 740, 25% down), the non-QM rates advertised on 09/21/2026 ran from 6.25% to 7.875%: almost the same. For average profiles the premium shows up, and in 2026 it ran between **1.25 and 3 points** above the conventional, depending on score and down payment. The real cost tends to hide in the points and the APR (the total annual cost, which appears on the Loan Estimate, Chapter 3), not in the rate.

The paths, one by one

Bank Statement. It works for you if you are self-employed or have owned a business for at least 2 years and the money passes through your account. The lender reads 12 or 24 months of statements, personal or business. On business statements it applies an *expense factor*: only half of the deposits count as income. Down payment of 10% to 20% (10% usually requires a score of 680 or higher); minimum score of 620 to 640; 3 months of reserves. Statements from a Brazilian bank are accepted, translated. What to watch: if you

hand over the tax return, the loan stops being Bank Statement and the lender will use the return.

THE ACCOUNTANT'S LETTER

The 50% expense factor is where the self-employed lose the most credit. The way out is a CPA letter, from a licensed U.S. accountant: he or she, who cannot be your employee or relative, attests to the business's real expenses. If it drops from 50% to 20% or 30%, qualifying income can double. Some lenders accepted as low as 10% in 2026; restaurants tend to be rated at 70%. Ask for the letter before applying for the loan, not after.

P&L only. It works for you if you have an accountant and do not want to open up statements. A 12-month *profit and loss* statement, signed by a CPA or *enrolled agent* (an accountant licensed by the IRS, the U.S. tax agency), replaces the tax return. The lender usually checks it against 2 or 3 months of statements, and deposits must match 75% to 90% of revenue. In 2026: 20% down and a score of 640.

1099 only. It works for you if you are an independent contractor paid on a 1099 form. It counts 100% of last year's 1099, with 2 years in the activity and a 10% expense discount. Score 640; some lenders accepted 10% down in 2026.

WVOE. It works for you if you are salaried and your pay stubs do not tell the whole story. The employer fills out the *written verification of employment*, with 2 years at the same company; no pay stub or W-2. Score of 660 or higher and 20% down. It does not count if the boss is your relative.

Asset Depletion. It works for you if you have assets and little income on paper: retiree, investor, someone who sold a business. The lender divides your liquid assets by a number of months and calls the result income. The divisor changes everything: 60, 84 or

120 months depending on the lender, 360 at the agencies. With US$ 1 million at 60 months, qualifying income is about US$ 16.7 thousand a month. Cash and stocks count 100%; retirement, 70%; foreign accounts count with translation. Down payment of 25% and a score of 660 to 700 in 2026.

Interest-only and 40 years. The *interest-only* loan and the 40-year term are never QM, but they exist. They suit those who want a lower payment at the start and accept that the balance will not fall. In 2026 interest-only added about 0.25 point to the rate and, after 10 years, the payment rises to amortize over 20 or 30. For income that comes in waves, it can fit; for those who count every penny, it does not.

Recent credit stumble. Bankruptcy or foreclosure shuts the conventional door for years. In non-QM, some programs accepted 1 to 2 years after the event in 2026; others ask for 4. Those advertising "one day after bankruptcy" exist at niche lenders, with a much larger down payment and rate; confirm the waiting period and LTV (the financed share) in writing.

Jumbo alt-doc. Above the 2026 limit of US$ 832,750 (Chapter 4), alternative documentation exists too: in 2026, one lender went up to US$ 3.5 million with 10% down and a score of 660.

Prepayment penalty

Always ask: "is there a penalty if I pay off or refinance early?" On a loan for your home or vacation home, it is prohibited in non-QM; the law allows it only in fixed-rate QM, and limited. It survives only on business loans, the rental property, the subject of Chapter 8.

Broker or direct lender

Many non-QM lenders work wholesale and only serve you through a *mortgage broker*, the loan broker. The broker shops several lenders for you; the direct lender offers its own shelf. Neither is better by definition. Check the registration of both on *NMLS Consumer Access*, the free public lookup of the national originator registry; ask the same of three of them and compare the *Loan Estimate* line by line (Chapter 3).

> **THE RISKS, WITHOUT SUGARCOATING**
>
> You already know the higher rate and cost. Also watch for: a product that resets, because many non-QM loans are ARMs (adjustable-rate) or interest-only, with the payment recalculated after 5 to 10 years, so simulate the worst case; *servicing* sold, because non-QM lenders close or sell portfolios and the service changes (the loan does not go away; you get a notice and have a 60-day grace period, Chapter 9); a more conservative appraisal on condotels and vacation homes. Buy what your real income pays for, not what your best month's statement suggests.

Plan B that becomes plan A

Non-QM is usually a bridge, not a destination. When the documentation allows, 2 years of tax returns and U.S. credit (for a business owner on an E-2 visa, the 2 years of the company's income), you refinance into the conventional. The typical savings on leaving non-QM were 0.5 to 1.5 points in 2026: US$ 2,000 to 6,000 a year on a US$ 400,000 loan. Chapter 9 works out the break-even point.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
“Non-QM is subprime all over again”	Average score of 737 to 746 and 60% to 70% financed in 2025-2026
“If you can’t prove income you can’t get a loan”	Prove it with statements, P&L, 1099 or assets; the duty to verify remains
“The rate is always much higher”	Strong profile: almost the same in 2026; average profile: 1.25 to 3 points above
“There is a penalty if I pay off early”	Prohibited in non-QM for your home; only on business loans
“It is forever”	Refinance into the conventional when the documentation allows

Which document proves your income

Each way of documenting income leads to a different path, and the lender's duty to verify remains in all of them.

Pay stub, W-2 and 2 years of tax returns	**Conventional**
12 or 24 months of statements	**Bank Statement**
12-month statement from your accountant	**P&L only**
Last year's 1099 form	**1099 only**
Employer letter, 2 years at the company	**WVOE**
Net assets ÷ 60 to 120 months	**Asset Depletion**
Rent from the property itself	**DSCR · Chapter 8**

737 to 746
Average score of non-QM borrowers in 2025-2026

+1.25 to 3 pts
Premium over the conventional for average profiles in 2026

US$ 175 bn
Forecast of non-QM originations in 2026

50%
Standard expense factor on business statements

Rule of thumb: non-QM changes how you prove income, not the duty to prove it.

12 CFR 1026.43 · HOUSINGWIRE AND AMERICAN BANKER, SEPT. 2026 · DEFY MORTGAGE AND MBANC, 2026 · NON-QM LENDER GUIDES · ESTIMATE, NOT A QUOTE

In *summary*

01	**Non-QM** is a loan outside the *qualified mortgage* mold but inside the law: the duty to verify that you can pay remains.
02	In 2025-2026 the typical borrower had a **score of 737 to 746** and financed 60% to 70% of the property: nothing like 2006.
03	The segment totaled **US$ 100 to 108 billion** in 2025, with a forecast of **US$ 175 billion** for 2026.
04	A strong profile paid almost the same as the conventional (7.03% on 09/24/2026); an average profile, **1.25 to 3 points** more.
05	**Bank Statement**: 12 or 24 months of statements, 50% expense factor on the business account, 10% to 20% down.
06	The **accountant's letter** attesting to real expenses can double qualifying income. Ask for it before you apply.
07	**P&L only** uses the accountant's 12-month statement; **1099 only** counts 100% of the 1099 with 10% in expenses.
08	**WVOE**: just the employer's letter, with 2 years at the same company. **Asset Depletion**: assets divided by 60 to 120 months.
09	**Interest-only and 40 years** are never QM; the lower payment at the start bills you later. Credit stumble: a 1 to 4 year wait.
10	A **prepayment penalty** is prohibited in non-QM for your home; it exists only on business loans (Chapter 8).
11	Compare **three Loan Estimates**, check the NMLS of broker and lender and simulate the worst case of an ARM.
12	Non-QM is a bridge: refinancing into the conventional saved **0.5 to 1.5 points** in 2026 (Chapter 9).

> *Non-QM is not lawless credit or subprime all over again: it is another way of proving income, with a higher cost and an expiration date.*

CHAPTER EIGHT 08

ITIN, Foreign National *and DSCR*

The three paths that open the most doors for Brazilians, with and without an SSN

If you got to this chapter through the shortcut in the opening, you probably live in Brazil, have an ITIN instead of an SSN, or want to buy to rent. The three paths in this chapter — ITIN loan, Foreign National and DSCR — are non-QM (Chapter 7): costlier than a conventional loan, with a bigger down payment, and perfectly real in 2026. What decides among them is where you live and what the property is for.

ITIN loan: for those who live here without an SSN

The *ITIN loan* is for you if you live in the United States, work, pay taxes with an ITIN (Chapter 10 explains the number and how to apply) and want to buy the home you will live in. Typical 2026 requirements: **two years of work and two years of tax returns filed with the ITIN** — or, for the self-employed, 12 to 24 months of bank statements —, a credit score of about 620 or higher or alternative credit, with 12 months of on-time payments on three or four accounts (rent, electricity, phone, insurance), DTI up to 45% to 50% and 2 to 6 months of reserves.

The down payment follows the score: about 10% with 720 or more, 10% to 15% between 680 and 719, 15% to 20% between 640 and 679 — and many lenders simply ask for 20%. Loan amounts run from US$ 150 thousand to over US$ 1 million, usually at a 30-year

fixed rate. In August 2026, ITIN rates ran from **6.87% to 8.50%**, against 6.37% to 6.50% for conventional: 0.5 to 2 points higher for good profiles and 3 to 4 for scores under 620. Among those offering the product in Florida were A&D Mortgage (up to 80% financed and US$ 1.5 million) and Angel Oak (from a 640 score, up to US$ 750 thousand, primary residence only).

One nuance: Fannie Mae accepts an ITIN in place of an SSN, as long as the lender confirms legal presence. Someone with an ITIN **and** lawful status — the spouse of a visa holder without work authorization, for example — can, in theory, qualify for conventional. Without lawful status, the path is the ITIN loan. And if you live in Brazil and got the ITIN only to report rental income, you want Foreign National, not this product.

Foreign National: for those who live in Brazil

The *Foreign National loan* is built for people who live outside the United States, have no SSN or American credit, and are buying a vacation home or a rental property. Nobody will look at an American score you don't have: the loan is priced as "no score." In its place, the lender asks for:

- **A valid passport and visa** — or ESTA, for those who travel on a passport from a visa-waiver country, like many Brazilians with European citizenship.
- **A reference letter from your bank**, issued within the last 90 days, showing an account open and active for two years, with no restrictions.
- **Proof of income:** an employer letter on letterhead or, for the self-employed with two years in business, an accountant's letter — all with certified translation.

- **12 months of payments in reserves.** Accounts abroad count for reserves and for closing; some lenders let the reserves stay in Brazil.
- **A U.S. bank account**, from which the payment is debited, and funds with 60 days of statements (Chapter 10).

The down payment runs **25% to 35%** — 30% is the most common —, the maximum DTI is usually 43% and loan amounts run from about US$ 100 thousand to US$ 3 million or more. The purchase can be made in the name of an American LLC. In September 2026, rates ran from 6.75% for the strongest profile, with 30% down, to 7.5%; other lenders charged 1.5 to 3 points above conventional. In Florida, every foreign buyer also signs a statement required by the 2023 state law on buyers from countries considered a risk — a list that does not include Brazil.

BRAZILIAN BANKS IN FLORIDA

In 2026, only two Brazilian-owned banks described mortgages for non-residents in Florida. **BB Americas**, from Banco do Brasil, financed up to **75%** of the value in South and Central Florida, for a primary residence, second home or investment, at a 3/1 or 5/1 adjustable rate with 30-year amortization; it has a branch in Orlando, on International Drive. **Bradesco Bank**, in Coral Gables, had programs for foreigners, with service in Portuguese. Neither published a rate or a minimum amount: ask for the product sheet. Inter, Itaú, Santander, Nomad and Avenue offered dollar accounts and investing, but no mortgages of their own.

Local rules exist: in 2026, at least one major lender excluded Osceola County from its foreign-buyer program. Ask before choosing the house.

DSCR: the property pays the bill

The *DSCR loan* is for you if you are buying to rent — with or without an SSN, living here or in Brazil. The name comes from *Debt Service Coverage Ratio*, and the math is simple: **gross rent divided by the full payment** (PITIA). The lender asks for no pay stub, no tax return and no DTI: the property has to pay for itself. Long-term rent counts 100%, by lease or by the appraiser's estimate; short-term rent, generally 75% of the projection or history.

THE MATH OF A DSCR

A **US$ 400,000** house in Orange County, 25% down, a US$ 300,000 loan at 7.75% (September 2026 assumption). Full payment: US$ 2,149 principal and interest + US$ 540 property tax + US$ 200 insurance + US$ 100 HOA = **US$ 2,989**.

1. Rent of US$ 2,989: DSCR of **1.0**, the common minimum.
2. Rent of US$ 3,736: DSCR of **1.25**, which gets the best price.
3. Typical 3-bedroom rent in Orlando, US$ 2,100 to US$ 2,400: DSCR below 1.0.

To close: about **US$ 113,719**, plus reserves. With long-term rent, the numbers for a median house don't work without a bigger down payment. That is why, in the region, DSCR usually goes with short-term rental.

The 2026 terms: a DSCR of 1.0 as the common minimum (some accept 0.75 with a bigger down payment, and there are "no-ratio" programs), a 620 to 680 score, 20% to 25% down (15% with 740 or more), about 6 months of reserves, loans from US$ 100 thousand to US$ 4.5 million, 30- or 40-year terms, an interest-only period and closing in an LLC, with your personal guarantee. Rates

started at 6.25% for a strong profile and ran up to 7.875% — close to conventional for investors, which was between 7.17% and 7.67%.

Two legal consequences. DSCR is a **business** loan: it sits outside the federal consumer-credit rules (Chapter 1). That is what allows an LLC and a faster closing, but you lose the Loan Estimate, the cap on costs rising before closing and the *servicer* handling rules — ask for all costs in writing. And the **prepayment penalty**, banned in residential non-QM, is common and legal here: in Florida, the penalty written in the note stands, usually for 1 to 5 years, such as 5%, 4%, 3%, 2% and 1% over five years. You can trade it for a higher rate. If you plan to sell or refinance within 3 years, run both scenarios.

Vacation home in Kissimmee

For those buying a vacation home to rent near the parks, short-term DSCR is the natural product. In September 2026, the most financed areas were the Kissimmee and Davenport communities, such as ChampionsGate, Reunion Resort, Storey Lake and Windsor Hills, with houses of 4 to 14 bedrooms. The income documented by the appraiser ran **US$ 4,500 to 8,000 a month** on 4- to 6-bedroom houses, with a typical DSCR of **1.15 to 1.60**, up to 80% to 85% financed, a 620 to 680 score and 6 months of reserves.

Three precautions. Before the offer, confirm that the HOA documents allow short-term rental. Where it is required, the short-term rental registration must be active. And hurricane insurance goes into the payment and weighs on the ratio: get quotes early.

Two steps: get in now, refinance later

None of these three has to be forever. The strategy that works best for Brazilians is in two steps: **get in** through the path your status allows today and, when the SSN or green card arrives, with two years of American tax returns and 12 to 24 months of credit, **refinance** into conventional (Chapter 4). In 2026, the typical savings from leaving non-QM ran from 0.5 to 1.5 points of interest — US$ 2,000 to US$ 6,000 a year on a US$ 400,000 loan —, plus swapping an adjustable rate for a fixed one.

The math includes the cost of refinancing, 3% to 6% of the balance (Chapter 9), and the DSCR penalty, if still in force. If the property is in an LLC, it goes back into your own name before the conventional loan. Those who bought with cash have a shortcut, *delayed financing* (Chapter 9).

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"Without an SSN there is no mortgage"	ITIN loan, Foreign National and DSCR don't require an SSN
"A Brazilian bank finances easily over there"	In 2026, only BB Americas and Bradesco Bank had a product in Florida
"With DSCR the bank looks at my income"	It looks at the property's rent divided by the full payment
"A prepayment penalty is illegal"	With DSCR, a business loan, the penalty written in the note stands
"I'll pay this rate forever"	With status and two years of credit, you can refinance into conventional

Three doors: ITIN, Foreign National and DSCR

Who each path is for, what the lender asks and what it cost in 2026, compared with the 30-year conventional at 7.03%.

	ITIN LOAN	FOREIGN NATIONAL	DSCR
Who it's for	Lives in the U.S., files with an ITIN	Lives in Brazil	Buys to rent
Documents	2 years of returns with ITIN	Bank and income letters, translated	Rent ÷ full payment
Down payment	10% to 20%	25% to 35%	20% to 25%
Score	620 or alternative credit	No U.S. score	620 to 680
Reserves	2 to 6 months	12 months	About 6 months
Use and LLC	Own residence; no LLC	Vacation or rental; LLC accepted	Rental only; LLC common
Rate in 2026	6.87% to 8.50%	6.75% to 7.5%	6.25% to 7.875%

Full payment on the US$ 400,000 house with 25% down	**US$ 2,989**
Rent for DSCR 1.0	**US$ 2,989**
Rent for DSCR 1.25	**US$ 3,736**
Short-term rental in Kissimmee, 4- to 6-bedroom houses	**US$ 4,500 to 8,000**

NON-QM LENDER GUIDES (A&D MORTGAGE, ANGEL OAK, GRIFFIN FUNDING) · ITIN LENDING, AUGUST 2026 · DEFY MORTGAGE AND HOMEABROAD, SEPTEMBER 2026 · FLORIDA STATUTES 697.06 · 12 CFR 1026.3 · MARKET RANGES, NOT A QUOTE

In *summary*

01	The **ITIN loan** is for those who live in the U.S. and have **two years of returns with the ITIN**; 10% to 20% down.
02	ITIN rates in August 2026: **6.87% to 8.50%**, against 6.37% to 6.50% for conventional.
03	An ITIN with lawful status can reach **conventional**; without status, the path is the ITIN loan.
04	**Foreign National** is for those who live abroad: passport, visa, bank letter, translated proof of income and **12 months of reserves**.
05	**25% to 35%** down, no American score, LLC accepted; rates of 6.75% to 7.5% in September 2026.
06	**BB Americas** financed up to 75% in 3/1 and 5/1 ARMs; **Bradesco Bank** had a program for foreigners. Ask for the product sheet.
07	**DSCR** divides rent by the full payment; the lender doesn't ask for personal income. The common minimum is **1.0**.
08	The US$ 400,000 house with 25% down needs **US$ 2,989 in rent** for DSCR 1.0 — more than typical long-term rent.
09	DSCR is a **business loan**: it sits outside consumer-credit rules, accepts an LLC and may carry a **prepayment penalty**, legal in Florida.
10	Short-term rental in Kissimmee: **US$ 4,500 to 8,000 a month** on 4- to 6-bedroom houses and a typical DSCR of 1.15 to 1.60.
11	Confirm the HOA **allows short-term rental** and that the registration is active.
12	The strategy is in **two steps**: get in through non-QM and refinance into conventional with status and two years of credit.

> *With no SSN, no green card or living in Brazil, there is a door: it costs more down and more interest, and can be swapped for a conventional loan later.*

CHAPTER NINE 09

Creative paths and *the after*

Hard money, seller financing, assumption, portfolio banks — and what happens over the next 30 years

This chapter has two halves: the lesser-known ways to buy — some great, others dangerous, all legal if done the right way — and what happens to your mortgage over the following thirty years, including if the payment gets tight.

Fast money: hard money and construction

Hard money is a private, short-term loan secured by the property. It is used to buy at auction, renovate before financing, or bridge until another house sells. In Florida, it averaged **10.45% a year plus 2.1 points** in the first quarter of 2026, financing about 62% of the value, almost always for 12 months. Go in only with a defined exit: the sale, a DSCR refinance or *delayed financing*, later on.

Those who are going to build usually use the *construction-to-permanent* loan: a single closing, interest-only during the build, draws in stages after each inspection and automatic conversion into a 30-year mortgage when the house is finished. In 2026 it asked for about 20% down, a 680 score and a rate near 1 point above the 30-year fixed. Builders' in-house lenders are in Chapter 6.

When the seller finances

In *seller financing*, the seller plays the bank: you pay the seller, with a note and mortgage recorded in the county. It is the only financing that looks at no SSN, no ITIN and no score. Federal law lets an individual finance without a license **one property every 12 months**, with a fixed rate, or adjustable only after 5 years, and a balloon payment allowed; or **up to three properties in 12 months**, with no balloon and a good-faith check that you can pay. Beyond that, the seller needs a licensed originator. In Florida, you pay the 0.35% doc stamps and the 0.2% intangible tax on the seller's note.

> **A HANDSHAKE DEAL HAS ANOTHER NAME HERE**
>
> In a *contract for deed*, the seller keeps the deed until the last payment. In 2024 the CFPB warned that they fail far more often than ordinary mortgages: one late payment can cost you the house and everything already paid. In a *wraparound* and in "*subject-to*," the seller's mortgage stays in the seller's name — and the *due-on-sale* clause lets the bank demand everything when the property changes hands. If the seller stops paying, you are the one who loses the house. Demand a recorded mortgage; the rest, only with an attorney.

Assuming someone else's mortgage

FHA, VA and USDA loans can be assumed: the buyer inherits the seller's rate and term. A conventional loan cannot — page 4 of the Closing Disclosure says which case applies. With 72% of VA borrowers paying under 5% interest in 2026, it is a valuable path.

With VA, any qualified buyer can assume, even without ever having served: the fee is **0.5% of the balance**, plus up to US$ 300 in

processing, and the servicer decides in about 45 days. With FHA, the assumption fee is usually between US$ 500 and US$ 1,500, you have to live in the property and, since 05/25/2025, be a citizen or permanent resident; the loan's insurance comes along. The obstacle is almost always the gap between the price and the loan balance, paid in cash or with a second mortgage.

Family, portfolio banks and cash purchases

Money lent by a relative needs a signed note and interest at or above the IRS minimum rate to avoid becoming a tax problem: in October 2026, **4.25%** up to 3 years, **4.61%** from 3 to 9 years and **5.22%** above 9. With conventional, though, family money counts only as a gift, with a letter (Chapter 2), not as a loan.

Portfolio loans are mortgages the bank keeps on its books instead of selling to Fannie and Freddie, and so they follow their own rules: irregular income, a nonstandard building, sometimes no PMI, at a higher cost. Banks that work with foreigners — BB Americas, Bradesco Bank, HSBC, Amerant, City National and Ocean — operate this way: bring your account and history and ask for the house product. No American lender accepted property in Brazil as collateral.

Those who buy with cash have a shortcut: Fannie Mae's ***delayed financing***. If you bought in the last six months, without financing and with the source of funds documented, you can refinance and recover up to the amount invested plus costs, without waiting for the normal six-month ownership period. A purchase made through an LLC that is 100% yours also qualifies. But the refinance is conventional: it requires legal presence and an SSN or ITIN.

After the keys

Whoever collects your payments is the *servicer*, which can change during the loan — you are notified in writing and get a 60-day grace period. It holds in *escrow* the part that pays property tax and insurance and redoes the math every year. That is why the payment changes even with a fixed rate.

PMI drops off on its own, but slowly. On the US$ 450,000 house from Chapter 3, with 5% down at 7.03%, the balance reaches 80% of the original value through payments alone in about **130 months, nearly 11 years**, and 78% in about 142. Paying extra principal or getting a new appraisal speeds that up. FHA's MIP with 3.5% down never drops: the way out is to refinance into conventional when the debt reaches 80% of the value.

IS REFINANCING WORTH IT?

After 24 months, the same house has a balance of about US$ 418,550. Refinancing at 1 point lower, from 7.03% to 6.03%, saves about **US$ 335 a month**. Refinancing costs 3% to 6% of the balance — US$ 12,560 to US$ 25,110 —, and in Florida the new note pays doc stamps and intangible tax again, US$ 2,302 here. Cost divided by savings: **37 to 75 months** to break even. It only pays if you stay in the property longer than that; half a point lower, at full cost, usually doesn't pay.

FHA has a streamlined refinance, after 6 payments and 210 days; VA has its own, with a 0.5% fee. When you refinance with another lender you have 3 business days to change your mind after signing — on a purchase, you don't.

When the payment gets tight

Talk to the servicer **before** the first late payment: counseling from HUD-approved agencies is free. After the due date, there is generally a 15-day grace period and a 4% to 5% late fee. The servicer must reach out to you by the 36th day of delinquency and send the options in writing by the 45th. No foreclosure starts before **120 days**, and a complete request for help made more than 37 days before the sale is reviewed within 30 days. The options range from a temporary pause (*forbearance*) to a repayment plan, a loan modification, a sale for less than the debt (*short sale*) and handing the property to the bank (*deed in lieu*).

In Florida, foreclosure is **judicial**: it takes **8 to 14 months** if uncontested and 14 to 36 or more if contested. The balance left after the auction, on the home where you live, is limited by the difference from market value and can be collected only up to **1 year** later. Beware of a "consultant" who promises to save the house: under Florida law, they cannot charge up front, and you have 3 business days to cancel the contract. A single 30-day late payment can drop a 793 score to the 710 to 730 range, and a foreclosure stays on your report for 7 years.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
"Any mortgage can be assumed"	FHA, VA and USDA yes; conventional has due-on-sale
"Fixed rate, fixed payment"	Tax and insurance change; escrow recalculates the payment every year

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
“If rates fall, refinancing always pays”	Only if you stay past the break-even point: 3 to 6 years in the example
“Miss a payment, lose the house”	No foreclosure before 120 days; in Florida, the process is judicial

Is refinancing worth it? And if the payment gets tight?

The break-even math on the US$ 450,000 house from Chapter 3 and the sequence the law guarantees to those who fall behind, in 2026.

Balance after 24 months	**US$ 418,550**
Savings at 1 point lower, from 7.03% to 6.03%	**US$ 335 a month**
Cost of refinancing, 3% to 6% of the balance	**US$ 12,560 to 25,110**
Months to break even	**37 to 75**

1. **Before falling behind**
   Talk to the servicer; HUD-approved counseling is free
   DAY 0
2. **The servicer reaches out**
   Contact by day 36 and options in writing by day 45
   DAYS 36 TO 45
3. **Request for help**
   Pause, repayment plan or modification, reviewed in 30 days
   30 DAYS
4. **Protection**
   No foreclosure before 120 days of delinquency
   120 DAYS
5. **Judicial foreclosure**
   In Florida, 8 to 14 months if uncontested
   8 TO 14 MONTHS

FREDDIE MAC, REFINANCE COSTS · FREDDIE MAC PMMS OF 09/24/2026 · 12 CFR 1024.41 · FLORIDA STATUTES 95.11, 501.1377 AND 702.06 · ESTIMATE, NOT A QUOTE

In *summary*

01 **Hard money** cost **10.45% + 2.1 points** in Florida in early 2026: it only works with the exit defined.

02 **Construction** in one closing: about 20% down, a 680 score and 1 point above the fixed rate.

03 **Seller financing** without a license: **1 property every 12 months**, balloon allowed; up to 3, no balloon and verifying income.

04 Avoid **contract for deed**, **wraparound** and "subject-to": the deed or the debt stays in the seller's name.

05 **FHA, VA and USDA can be assumed**; with VA, any qualified buyer, with a **0.5%** fee.

06 Family loan: signed note and interest of at least **4.25%, 4.61% or 5.22%** (October 2026), depending on the term.

07 **Portfolio banks** keep the loan and make their own rules; banks that work with foreigners operate this way.

08 **Delayed financing:** bought with cash within the last 6 months? You recover the amount invested in a conventional refinance.

09 **Escrow** is recalculated every year: the payment changes even with a fixed rate.

10 **PMI** drops off on its own in about 11 years in the example; FHA's MIP with 3.5% down does not.

11 **Refinancing** at 1 point lower takes **37 to 75 months** to repay its costs in the example.

12 **No foreclosure before 120 days**; in Florida the process is judicial and takes **8 to 14 months**.

> *Creative paths exist and work with the right rules — and the mortgage keeps asking for decisions after the keys.*

CHAPTER TEN 10

The *Brazilian* buyer

Immigration status, money from Brazil, LLCs and the taxes that go into the math

Everything we have seen so far applies to any buyer. For Brazilians, one question comes before score, income and down payment: what is your status in the United States today? The law forbids the *lender* from weighing your national origin, but allows it to consider immigration status. That is why one lender requires a green card and another accepts a work visa. Ask in writing, before sending any document.

What your status opens

In 2026 the dividing line is the green card. Conventional accepts permanent residents and non-permanent residents with valid authorization, an SSN or ITIN and proven legal presence (Chapter 4). FHA closed to anyone who is not a citizen or permanent resident on May 25, 2025, and USDA requires a citizen, green card holder or *qualified alien*, a category that includes asylees and refugees but not a temporary visa (Chapter 5). County down payment assistance usually asks for permanent residency (Chapter 6).

The visa must be valid: many lenders ask for remaining validity or proof of a renewal filing, each with its own yardstick. And “opens” is not “approves”: credit, income and down payment still count.

YOUR STATUS	WHAT IT USUALLY OPENS	WHAT IT CLOSES
Citizen or green card	Conventional, FHA, USDA, down payment assistance, non-QM, homestead	Nothing by status
Work visa or EAD (H-1B, L-1, E-2, O-1, TN)	Conventional with a valid visa and SSN; non-QM	FHA, USDA, county assistance, homestead
DACA	Non-QM; conventional varies by lender	FHA, USDA
Tourist or ESTA, living in Brazil	Foreign National and DSCR, 25% to 35% down	Conventional and government programs
ITIN only, no lawful status	ITIN loan, 10% to 20% down	Conventional and government programs

ITIN and SSN

The *Social Security Number* (SSN) generally comes with work authorization or a green card, and usually arrives within the first weeks for those who come on a work visa. Those not entitled to it apply for the ITIN (*Individual Taxpayer Identification Number*), a nine-digit tax number from the IRS, the U.S. tax authority. The application is Form W-7, by mail, at an IRS office or through a *Certifying Acceptance Agent*, who authenticates the passport on the spot. In 2026 the IRS took about 7 weeks — 9 to 11 during tax season or for those applying from abroad. Start three to four months before you need it.

The ITIN opens a bank account, lets you start building credit (Chapter 2) and is accepted by Fannie Mae in place of an SSN, as long as legal presence is proven. It gives no work authorization, no

immigration status and no Social Security benefit. For those who live in Brazil and will rent out the property, it is indispensable: without it, you can't report the rent on a net basis. Your Serasa (Brazil's credit bureau) history can be used through Nova Credit, but only with partner lenders.

Income and assets from Brazil

Income from a Brazilian employer only counts toward conventional after it appears on two American tax returns (Chapter 2). Until then, the bridge is non-QM, where an accountant's letter covering two years of income usually works (Chapters 7 and 8). Brazilian documents help, translated: pay stubs and the carteira de trabalho (work card) serve as employment verification; the income tax return with its filing receipt shows the history; DECORE (an accountant's income statement) and the accountant's letter become the foreign CPA letter. Assets in Brazil only count as down payment or reserves after being exchanged into dollars and deposited in the U.S. — some foreign-buyer programs accept reserves that stay in Brazil.

Bringing the money

The currency exchange is done at a bank or brokerage authorized by Brazil's Central Bank, with a contract and a declared purpose. In 2026, a remittance to your own account abroad or to buy property paid **3.5% IOF**, Brazil's tax on foreign exchange — on a US$ 150,000 down payment, about US$ 5,250, besides the spread. The 1.1% rate applies to financial investments, not property; confirm at the time. The institution asks for the source of the money: the last two income tax returns, contract and statements.

On the American side, the lender wants the money in an account in your name, with two statements — the famous 60 days — and an explanation for any deposit above half of your monthly income. Keep the exchange contract and the transfer receipt: it is the source trail. Cash is no good, and help from family counts as a gift, with a letter. In Brazil, the property goes on your income tax return, under Bens e Direitos (Assets and Rights), at its cost in reais; assets abroad of US$ 1 million or more also require a declaration to Brazil's Central Bank, the DCBE.

> **THE ANTI-MONEY-LAUNDERING RULES AREN'T AIMED AT YOU**
>
> Orders from FinCEN, the Treasury's anti-money-laundering unit, targeted all-cash purchases made by a company above US$ 300,000 in Miami-Dade, Broward and Palm Beach; the federal rule that would extend this nationwide was suspended by a court on March 19, 2026. A financed purchase by an individual was never in the crosshairs. The *title company* still checks who you are, and cash above US$ 10,000 triggers a report to the tax authorities.

LLC or individual

The *LLC* (*Limited Liability Company*) is every investor's question. The rule: conventional, FHA, VA and USDA require an individual on the title and the debt. An LLC fits DSCR, Foreign National and portfolio loans, generally with your personal guarantee (Chapter 8). In Florida, forming one costs US$ 125 and keeping it, US$ 138.75 a year in 2026; since August 2026, American companies are exempt from FinCEN's beneficial ownership report.

Financed as an individual and want to move it into the LLC later? Read the *due-on-sale* clause, which lets the bank demand everything

if the property changes hands: federal law protects transfers to a spouse, children and your own trust, not an LLC. Fannie Mae authorizes the *servicer* to process a transfer to an LLC you control, on loans purchased since June 2016 — ask in writing. Transferring without telling risks the debt and the insurance.

The taxes that go into the math

This is the map for the conversation with your accountant, not the conversation. **Property tax:** without permanent residency there is no homestead, so you pay in full, with a 10% annual cap on increases (Chapter 2). **Nonresident rental income:** 30% withheld at the source on the gross — or, with the election attached to Form 1040-NR and the W-8ECI given to the property manager, tax on the net, filing every year. **Sale:** *FIRPTA* has the buyer withhold 15% of the gross price when the seller is foreign; zero if the buyer will live in it and the price doesn't exceed US$ 300,000, and 10% up to US$ 1 million in that case.

Inheritance is the best-hidden risk: the nonresident's *estate tax* exempts only **US$ 60,000**, against US$ 15 million for citizens and residents in 2026, with a rate that reaches 40%. A mandatory conversation with an attorney. In Brazil, rental income goes to the carnê-leão (monthly income-tax payment) month by month, with credit for the American federal tax; county tax doesn't offset. And Law 14.754/2023 reaches the LLC: a company controlled abroad with more than 40% passive income — rent counts — pays 15% a year on profit, even without distribution, unless it makes the irrevocable election for transparency.

A roadmap for each profile

Four paths I see every month, remembering that each lender has its own yardstick:

- **Arrived with an H-1B or L-1.** SSN and bank account in the first weeks, secured card in month zero, score at 6 months and conventional in 12 to 24 months, with a valid visa. FHA, no.
- **Business owner with an E-2.** Same credit track, but income from your own company requires two years of returns; the bridge is Bank Statement, then the refinance (Chapter 7).
- **Lives in Brazil.** Foreign National or DSCR now, with 25% to 35% down and an ITIN for the rent; on becoming a resident, refinance into conventional (Chapter 8).
- **Green card.** Full access: conventional, FHA, down payment assistance and homestead. Only credit limits the timeline.

From scratch, a financed purchase from Brazil usually takes 3 to 4 months — 5 to 6 if the ITIN has to come first. It isn't fast; it is a sequence, and a sequence gets done.

BEFORE SIGNING, FROM AFAR

A U.S. bank account in your name, opened before the exchange. A U.S. address for mail, which lenders and banks usually ask for. Remote signing: a power of attorney made in Brazil, with apostille and translation, or remote online notarization (RON) with a Florida notary, if the lender and title company accept it. And second-home or landlord insurance, with flood separate: get quotes before offering.

WHAT MANY PEOPLE THINK	HOW IT REALLY WORKS
“Brazilians can’t get a mortgage in the U.S.”	Nationality isn’t a criterion; status is — and there is a path for almost everyone
“Without an SSN there’s no way”	An ITIN opens an account and credit; Foreign National and DSCR don’t require an SSN
“I’ll send the money the day before”	60 days in your account, with the exchange trail and 3.5% IOF
“I’ll buy through the LLC and finance conventional”	LLC only with non-QM; conventional requires an individual
“Inheritance isn’t a problem”	The nonresident’s estate tax exempts only US$ 60,000

What each status opens in 2026

What each status usually opens in American credit, and four numbers to know before sending the money.

CONVENTIONAL AND GOVERNMENT	NON-QM
CITIZEN OR GREEN CARD Conventional, FHA, USDA, down payment assistance and homestead	**CITIZEN OR GREEN CARD** Available, but rarely needed
WORK VISA OR EAD Conventional only, with a valid visa	**WORK VISA OR EAD** Bank Statement (Chapter 7) and DSCR (Chapter 8)
LIVING IN BRAZIL None	**LIVING IN BRAZIL** Foreign National and DSCR, 25% to 35% down
ITIN ONLY, NO STATUS None	**ITIN ONLY, NO STATUS** ITIN loan, 10% to 20% down

3.5%
IOF on the remittance to buy the property, in 2026

7 to 11 weeks
IRS time to issue the ITIN; start 3 to 4 months ahead

60 days
Time the money sits in your American account before applying

US$ 60,000
Nonresident estate tax exemption, against US$ 15 million for residents

FANNIE MAE B2-2-01 AND B2-2-02 · HUD MORTGAGEE LETTER 2025-09 · USDA RD, 03/18/2025 · 12 CFR 1002.6 · IRS (ITIN, FORM 706-NA) · 2025 IOF DECREES · ESTIMATE, NOT A QUOTE

In *summary*

01 The law forbids weighing **national origin** but allows considering **immigration status**: that is why each lender has its own yardstick; ask for the policy in writing.

02 In 2026 the divider is the **green card**: FHA closed to non-permanent residents on **05/25/2025**; USDA requires a citizen or *qualified alien*.

03 A valid work visa (H-1B, L-1, E-2, O-1, TN) still opens **conventional**, with an SSN and legal presence; DACA varies by lender.

04 The **ITIN** is only a tax number: Form W-7, **7 to 11 weeks** in 2026, no work authorization; it opens an account and credit.

05 Credit from zero: **6 months** for the first score, **12 to 24 months** for 680 to 740; Nova Credit imports Serasa only via partner lenders.

06 Income from Brazil only counts toward conventional with **2 years filed on American returns**; with non-QM, an accountant's letter covering 2 years.

07 A 2026 remittance pays **3.5% IOF**, with the source proven; in the U.S., money in your name, **60 days** on statements, nothing in cash.

08 A purchase **financed by an individual** was never in the FinCEN orders; the March 2026 federal rule was suspended by a court.

09 **LLC** only with DSCR, Foreign National and portfolio; costs US$ 125 to form and **US$ 138.75 a year** in Florida; BOI exempt since 2026.

10 Transferring to the LLC later: Fannie allows it for an **LLC you control** (loans since 2016), but read the *due-on-sale* clause.

11 Without homestead the tax comes in full; nonresident rental income pays **30% of the gross** or the net by election; **FIRPTA** withholds 15% on sale.

12 Nonresident **estate tax** exempts only **US$ 60,000**; in Brazil, carnê-leão, capital gains and **Law 14.754/2023** for the LLC — with your CPA.

> *What decides your mortgage is not being Brazilian, it is today's status — and for almost every status there is a path, in the right order.*

The next step is a conversation, not a guess

If I did my job, you finish this book with a different feeling from the one you had on the first page. Financing in the United States is not easy, but it **is knowable**: every rule has a reason, every number has a calculation, and every buyer profile has at least one door.

The whole map fits in one paragraph. With an SSN, documented income and credit, the path is conventional or FHA, with down payment help if your income fits the limits. With real income that doesn't show on a pay stub, there is the *Bank Statement* loan and the others in Chapter 7. With an ITIN, the ITIN loan. Living in Brazil, the *Foreign National* loan and DSCR. And almost all of them lead, over time, to the cheapest of all: refinancing into a conventional loan once the documentation allows it.

Your next ninety days

1. **Week 1 — pull your credit** at all three bureaus and fix whatever is wrong. No history? Open a secured card today: the six-month clock starts now.
2. **Weeks 1 and 2 — gather the documents** from Chapter 3. If you live in Brazil: bank letter, translations and the money already in your American account.
3. **Week 2 — set your number:** the full payment, with tax, insurance and HOA, that fits your month without strain (Chapter 2).
4. **Weeks 3 and 4 — talk to two or three lenders,** one of them a non-QM lender if that is your case. Check the NMLS and compare the Loan Estimates.
5. **Weeks 4 to 6 — get the pre-approval in hand.** Only then start visiting homes.
6. **Weeks 6 to 12 — from contract to keys:** lock the rate, do the inspections, read the Closing Disclosure and confirm by phone any wiring instructions.

And one lesson to keep: when a lender says no, ask for the reason in writing — the law gives them thirty days for that. A no for DTI has one way out, a no for documentation has another, a no for status has a third. None of them is giving up.

Bruno Miguel
REAL ESTATE INVESTOR

QUICK MAP

Which path *is yours?*

Every buyer profile has at least one door. Find yours and go straight to the chapter.

Citizen or green card Conventional, FHA, VA, USDA and down-payment help CHAPTERS 4 TO 6	**Work visa or EAD** Conventional with a valid visa, or non-QM CHAPTERS 4 AND 7
Self-employed **or owner** Bank Statement, P&L, 1099 or assets CHAPTER 7	**Works with an ITIN** ITIN loan, with 10% to 20% down CHAPTER 8
Living in Brazil Foreign National or DSCR, with 25% to 35% down CHAPTER 8	**Already own property** Refinance, remove PMI or recoup an all-cash purchase CHAPTER 9

Bruno Miguel · Real estate investor

From jargon to *your decision*

30-year fixed
30-year mortgage with a fixed rate from the first month to the last; the American standard.

Adjustable-rate mortgage (ARM)
Fixed rate for 3 to 10 years, then adjusted, with caps per adjustment and over the loan.

Appraisal
Independent appraiser's report; the loan is based on the lower of price and appraised value.

Appraisal gap
Difference between the agreed price and a lower appraisal; paid out of pocket or renegotiated.

APR
Total annual cost of credit, with interest, points and fees; the yardstick for comparing offers.

Asset depletion
Net assets divided by 60 to 360 months to become qualifying income.

Assumable mortgage
Mortgage the buyer takes over from the seller, with original rate and term; FHA and VA allow it.

Bank statement loan
Non-QM loan that calculates income from 12 or 24 months of bank deposits.

Buydown
Temporary rate reduction paid by the seller or builder; you qualify at the full rate.

Cash to close
All the money brought to closing: down payment, costs and prepaids, minus credits received.

CFPB
Consumer Financial Protection Bureau: the federal agency that writes and enforces lending rules.

Closing Disclosure
Final form with all costs, received 3 business days before signing.

Conforming loan
Loan within the rules and annual limit of the FHFA: US$ 832,750 in 2026.

Contract for deed
Sale in which the seller keeps the deed until payoff; risky for the buyer.

Delayed financing
Fannie Mae rule that lets you finance a cash purchase within 6 months.

Doc stamps
Florida state tax: 0.70% on the deed and 0.35% on the mortgage note.

Dodd-Frank Act
2010 law that created the CFPB and required lenders to verify ability to repay.

Down payment assistance (DPA)

Help with the down payment, almost always a zero-interest second mortgage.

DSCR

Rent divided by the full payment; qualifies the investment property, not personal income.

DTI

Monthly debts divided by gross monthly income; the ceiling varies by program.

Due-on-sale

Clause that lets the bank demand the full balance if the property changes owners.

Escrow account

Servicer's account that holds the part of the payment set aside for tax and insurance.

Estate tax

Federal tax on inheritance; nonresidents get an exemption of only US$ 60,000.

Fannie Mae / Freddie Mac

Companies under federal conservatorship that buy mortgages from banks and resell them to investors.

FHA loan

Mortgage with federal insurance and 3.5% down; only citizens and green card holders since 2025.

FICO Score

Credit score from 300 to 850; on a mortgage, the middle score of three bureaus counts.

FIRPTA

Law requiring 15% of the price to be withheld when the property's seller is foreign.

Forbearance

Temporary pause or reduction of the payment, arranged with the servicer during hardship.

Foreign National loan

Non-QM loan for people living outside the U.S., with no SSN or American credit.

Gift letter

Letter from the donor relative stating the down payment money doesn't have to be repaid.

Hard money

Short-term private loan secured by the property, expensive and always with a planned exit.

HELOC

Credit line secured by your home, drawn on as needed.

Homestead exemption

Property tax exemption on a permanent residence in Florida: US$ 51,411 in 2026.

ITIN

IRS tax number for those who can't get an SSN; gives no status or work authorization.

ITIN loan

Non-QM loan for people living in the U.S. who have filed taxes with an ITIN for two years.

Jumbo loan

Loan above the conforming limit; each lender sets its own rules.

LLC

Limited liability company; accepted as buyer in DSCR, Foreign National and portfolio loans.

LLPA

Fannie Mae and Freddie Mac surcharge by score and down payment, built into the rate.

Loan Estimate

Standardized 3-page offer, delivered within 3 business days of the application.

LTV
Share financed: loan divided by the lower of price and appraised value.

MIP
FHA insurance: 1.75% at signing and 0.55% a year; with under 10% down, it lasts the life of the loan.

NMLS
National registry of loan originators; every loan officer has a number you can look up.

Non-QM
Financing outside the QM mold; legal, costlier, and still required to verify income.

P&L loan
Non-QM loan that uses an accountant-signed profit-and-loss statement as proof of income.

PITIA
Principal, interest, taxes, insurance and association dues: the full payment.

PMI
Insurance on conventional loans with under 20% down; drops off at 80% and at 78%.

Pre-approval
Lender's letter after reviewing documents and credit; the one that goes with the offer.

Prepayment penalty
Fee for paying off early; banned on residential non-QM, common on DSCR.

Qualified Mortgage (QM)
Loan without traps, defined by law, that gives the lender legal protection.

Rate lock
Locks the rate for 30, 45 or 60 days until closing.

Refinance
Replace the mortgage with another, to lower the rate or cash out some of your equity.

Reserves
Months of full payment left in your account after closing.

Seasoning
How long money must sit in your account, about 60 days, to count.

Seller financing
The seller finances the purchase, with a recorded note and mortgage.

Servicer
Whoever collects the payments and manages the loan; can change over the life of the contract.

Title insurance
Insurance against defects in the property's title, with a state-set price in Florida.

Underwriting
Lender's final review of income, credit, property and documents.

USDA loan
Federal no-down-payment loan for eligible rural areas and limited income.

VA loan
No-down-payment loan for those who served in the U.S. armed forces.

Wind mitigation
Report on the home's wind protections, which lowers insurance in Florida.

Where every *number in this book* comes from

Everything here was checked against the official source in **September 2026**. The structure of the laws barely changes; loan limits, income limits and exemptions change every year; rates, insurance and the availability of assistance programs change every week. The book always separates **law**, **program rules** and **each lender's policy**: the first two appear with numbers; the third, as a market range.

Where to check

CFPB
Lending rules and the Loan Estimate explained — consumerfinance.gov

NMLS Consumer Access
Any originator's license — nmlsconsumeraccess.org

Fannie Mae and FHFA
Conventional loan rules and the year's limits — selling-guide.fanniemae.com and fhfa.gov

HUD, VA and USDA
FHA, VA and USDA: limits, fees and eligibility — hud.gov, va.gov and rd.usda.gov

Florida Housing
Down payment help and Hometown Heroes — floridahousing.org

State of Florida
Laws, taxes and lender licenses — leg.state.fl.us, floridarevenue.com and flofr.gov

IRS
ITIN, FIRPTA, nonresident rental income and inheritance — irs.gov

Banco Central and Receita
Exchange rates, IOF and assets abroad — bcb.gov.br and gov.br/receitafederal

Chapter by chapter

1 · Why there are so many rules. FCIC, final report (January 2011) · FRED, Case-Shiller indices · RealtyTrac, 2010 · MBA, National Delinquency Survey (2010 and Q2 2026) · FDIC, Crisis and Response · NAHB and NY Fed, Q2 2026 · Dodd-Frank Act (Pub. L. 111-203), Titles X and XIV · 15 U.S.C. 1639b and 1639c · Urban Institute, July 2026 · Freddie Mac PMMS of 09/24/2026 · American Banker, 07/10/2026

2 · The numbers that decide. Fannie Mae Selling Guide B3-3, B3-4, B3-5 and B3-6 · FHFA, score models (2026) · myFICO and Experian · NAR, Profile of Home Buyers and Sellers 2025 · Florida Statutes 193.155, 193.1554 and 196.031 · Florida OIR and county insurance guides (2026) · Fannie Mae, reconsideration of value · Freddie Mac PMMS of 09/24/2026

3 · From pre-approval to the keys. CFPB, Loan Estimate and Closing Disclosure explainers · 12 CFR 1026.19 · ICE, Origination Insight Report of March 2026 · FEMA, NFIP · Florida Statutes 199.133 and 201.08 · Fla. Admin. Code 69O-186.003 · Fannie Mae B3-4.1-02 · HUD Handbook 4000.1 · NAR, 2024 settlement · FBI IC3, 2025 report

4 · Conventional and jumbo. FHFA, 2026 limits · Fannie Mae Selling Guide B2-2, B3-5.1, B3-6, B5-6, B7-1, B7-3 and B4-2 · Fannie Mae Lender Letters LL-2026-03 and LL-2026-06 · Freddie Mac, Home Possible · Homeowners Protection Act · Freddie Mac PMMS and MBA, September 2026 · Florida Statutes 553.899 and 718.112 · 2026 market guides on PMI, LLPAs and jumbo

5 · FHA, VA and USDA. HUD Handbook 4000.1 · HUD Mortgagee Letters 2023-05, 2024-13, 2025-09 and 2025-23 · Urban Institute, July 2026 · ORRA, August 2026 · VA, funding fee and limits · USDA Rural Development, 03/18/2025 bulletin, 2026 map and limits · 8 U.S.C. 1641

6 · Help with the down payment. Florida Housing Finance Corporation, 2026 programs and limits · Orange County, City of Orlando, Osceola, Seminole, Polk, Hillsborough, Miami-Dade, Broward and Palm Beach · Bank of America, Wells Fargo, TD Bank and Chase (2026) · Regulation B, 04/22/2026 rule · Lennar, offer of 09/21 to 09/27/2026 · Bankrate and CUNY on builder incentives · Congress.gov · HUD, Good Neighbor Next Door

7 · When the bank says no. 12 CFR 1026.3 and 1026.43 · HousingWire, 09/16/2026 · American Banker, 08/31/2026 · Defy Mortgage, 09/21/2026,

and Mbanc, 04/17/2026 · Griffin Funding, Bank Statement · A&D Mortgage, non-QM guide · Angel Oak and Deephaven, 2026 programs · JVM Lending, asset depletion · NMLS Consumer Access

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>
> The official source always wins. Found a discrepancy? Let the author know: the correction goes into the next edition.

Bruno Miguel

- **Real estate investor**
- **Former licensed Mortgage Loan Originator in Florida**
- **Contracts specialist, Harvard University**

He knows American mortgage lending from both sides of the table: investing, and putting the loan together, a role he held as a licensed originator in Florida.

He wrote this book for the Brazilian who arrives at American credit hearing that "foreigners can't get financing" and that "without an SSN there's no way." The answer is in the title. Almost always, the difference between the "no" and the "yes" is information: knowing which program fits your profile, which document to gather and which question to ask the bank.

His training in contracts helps him read what almost no one reads before signing: the note, the mortgage and the clauses that decide the real cost of a thirty-year loan.

Content gathered in September 2026. Laws, rates and amounts change: confirm with the official source before deciding. See the Sources section.

Financing
is possible

BRUNO MIGUEL