



Fha Loans To Non-Permanent Resident Aliens

FHA rules allow lawful resident aliens to apply for FHA home loans. There are two types of Permanent and non-permanent resident aliens. Regardless of which status an applicant falls in, the FHA does have procedures to document and verify status so the loan application may proceed. For permanent resident aliens, FHA loans are provided under the same terms as those for U.S. citizens.

The FHA rules state, “The lender must document the mortgage file with evidence of permanent residency and indicate on the Uniform Residential Loan Application (URLA) that the borrower is a lawful permanent resident alien. Evidence of lawful permanent residency is issued by the Bureau of Citizenship and Immigration Services (BCIS) (formerly the Immigration and Naturalization Service) within the Department of Homeland Security.”

For non-permanent resident aliens there are some additional requirements. The FHA will only insure a mortgage to a non-permanent resident alien if the property purchased with the FHA loan is to be the borrower’s principal residence. The FHA loan applicant must have a valid social security number and be eligible to work in the USA. The borrower will need a BCIS Employment Authorization Document as part of the loan application package.

When it comes to that document, the FHA rulebook for lenders states, “If the authorization for temporary residency status will expire within one year and a prior history of residency status renewals exists, the lender may assume continuation will be granted. If there are no prior renewals, the lender must determine the likelihood of renewal, based on information from the BCIS.”

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2. Eligibility for FHA Insured Financing, Continued 4155.1 4.A.3.c Non-Permanent Resident Aliens. FHA insures mortgages made to non-permanent resident aliens provided that the property will be the borrower’s principal residence borrower has a valid Social Security Number (SSN), and borrower is eligible to work in the United States, as evidenced by an Employment Authorization Document (EAD) issued by the USCIS.

Note: The Social Security card cannot be used as evidence of work status. Reference: For more information on the requirement to use the EAD as evidence of work status, see HUD 4155.1 4.A.3.d. & 4155.1.4.A.3.d EAD Required as Evidence of Work Status. Although Social Security cards may indicate work status, such as “not valid for work purposes,” an individual’s work status may change without the change being reflected on the actual Social Security card. For this reason, the Social Security card must not be used as evidence of work status, and the EAD must be used instead. If the EAD will expire within one year and a prior history of residency status renewals exists, the lender may assume that continuation will be granted. If there are no prior renewals, the lender must determine the likelihood of renewal, based on information from the USCIS.