




MINNESOTA
HOMEOWNERSHIP
CENTER

INDIVIDUAL TAXPAYER
IDENTIFICATION NUMBER

Mortgages

in Minnesota
GUIDE

Introduction

A woman with dark, wavy hair, wearing a white short-sleeved top and a pearl necklace, stands outdoors. She is smiling and has her right hand on her hip and her left hand resting on the trunk of a tree. The background shows green foliage and a building with a white railing.

Anyone
can buy and own
property in the
United States
regardless of
citizenship or
residency status.

For example, millions of immigrants and other nonresidents own their homes. In other cases, investors living outside the US own property.

Challenges may arise, however, when individuals need to secure financing to purchase their homes. For most mortgages, individuals must have the most common taxpayer ID number: a Social Security Number. However, some people who live in the US are not eligible for SSNs for a variety of reasons.

For those not eligible for a SSN, the IRS may issue an Individual Taxpayer Identification Number (ITIN). Some lenders have created mortgage products that allow for the use of ITINs.

This guide provides basic information about ITIN mortgages in Minnesota—how they work, who can use them, and what products are currently available. It is intended to offer guidance for lenders, real estate professionals, homeownership advisors, and others as they support individuals with ITINs to achieve homeownership.

More Information About ITINs

ITINs are an alternative form of taxpayer ID issued to individuals who are not eligible for a SSN, but who are required to file taxes in the US. ITINs also allow access to some tax credits and may be used to open bank accounts. ITINs are not a designation of citizenship or residency status; they are used by immigrants and non-immigrants alike.

ITINs are not an indication of an individuals' authorization to work in the US and they cannot be used to enforce immigration regulations.

Useful Terms

You may come across the following terms when working with individuals who have ITINs and other non-citizens. These definitions are based on information published by the US Citizen and Immigration Services at: www.uscis.gov/tools/glossary.

Green Card:

The document that indicates someone born outside the US has the right to legally live and work in the US indefinitely. Green card holders are permanent residents.

Immigrant:

An individual living in the US without citizenship or naturalization.

Non-citizen:

An individual living in the US without citizenship or naturalization.

Non-immigrant:

An individual from another country living in the US for a specific period of time.

Non-resident:

An individual living in the US who is neither a US citizen nor a green card holder.

United States Citizen:

An individual born in the US or its territories, or a person born in another country who goes through the naturalization or citizenship process in the US.

Undocumented Immigrants:

Sometimes referred to as unauthorized immigrants or undocumented workers, are people born outside of the US who do not have a valid visa or other immigrant documentation. Undocumented immigrants may have an ITIN.

Lawful Permanent Resident:

An individual who has a green card and can legally live and work in the US. A permanent resident is a citizen of another country. Most permanent residents are eligible for a SSN.



A note about terminology

Historically, the term “alien” has been used by governments and others to refer to someone who is not a US citizen. Variations include non-resident alien or permanent resident alien. We find the use of this term inappropriate and insensitive and do not condone its use. Nevertheless, you may encounter it on forms, documentation, and other resources as you work with non-citizens.

ITIN Mortgages

Regardless of an individual's residency or immigration status, they may purchase and own property in the US. Historically, however, for those without a SSN, securing a mortgage was extremely difficult. Over time, lenders have developed mortgage products for those with ITINs.

Product Features and Underwriting

Underwriting:

ITIN mortgages may have more flexible underwriting criteria. For example, they may look at alternative income verification and permissible income.

Down Payment:

Alternative sources of down payment such as gift funds may be more readily accepted. Note, however, that required down payments tend to be higher for ITIN mortgages.

- Traditional credit may not be required for ITIN loans. Lenders use alternate forms of credit history and bill payment history.
- ITIN loans typically have higher interest rates and closing costs than traditional mortgages.
- Down payment assistance that requires the buyer to have a SSN or be a U.S. citizen means those with ITINs do not qualify.
- Most lenders do not allow ITIN mortgages for investment properties.
- Effective in May 2023 and retroactive to January 1, 2022, ITIN mortgage holders are now eligible to apply for the Minnesota Homeowner's Homestead Credit Refund.

Community & Government-Based Down Payment Assistance, Mortgages & ITINs

Unfortunately, some community or government based down payment assistance programs do not accept ITINs. Others may accept ITINs, but don't necessarily make this clear in their marketing or program materials. Contact the administrator of the DPA program to find out if ITINs are acceptable.

In addition, some community sponsored mortgages do not accept ITINs. For example, Minnesota Housing's first-mortgage (and down payment programs) do not accept ITINs (although their rehab and repair programs do).

Secondary Market

There is a secondary market for ITIN mortgages. However, guidance may be unclear or confusing to lenders. As a result, some lenders may choose to hold ITIN mortgages in portfolio.

Compare Products

The limited number of ITIN products available from reputable providers may leave ITIN buyers subject to predatory and exploitive entities. As with any home purchase, ITIN buyers should work with trusted advisors and consult representatives of more than one lender.



Products Available in Minnesota

Nationwide, the number of lenders with ITIN mortgage products is relatively small for a variety of reasons. For example, some cite the risk and cost of underwriting for ITIN applicants. Others point to the need to keep ITIN mortgages in their portfolio (which can be prohibitive).

The chart to the right highlights just some of the characteristics of several products we are aware of that are offered to Minnesota ITIN borrowers as of September, 2025.

First National Bank of America

[FNBA.com](https://www.fnba.com)

Minimum Down Payment:	15%
Origination Fee:	1%-4%
Gift Funds Allowed?	Yes
Interest Rate Fixed or Variable?	Fixed
Income Verification?	W2s; Tax Returns; Written Verification of Employment

Frandsen Bank and Trust

[FrandsenBank.com](https://www.frandsenbank.com)

Minimum Down Payment:	10%
Origination Fee:	1%
Gift Funds Allowed?	Yes
Interest Rate Fixed or Variable?	Fixed
Income Verification?	Tax Returns; Written Verification of Employment

Movement Mortgage

[Movement.com](https://www.movement.com)

Minimum Down Payment:	15%
Origination Fee:	2.0%-2.25%
Gift Funds Allowed?	Yes
Interest Rate Fixed or Variable?	Fixed
Income Verification?	Paystubs; W2s; Tax Returns

Royal Credit Union

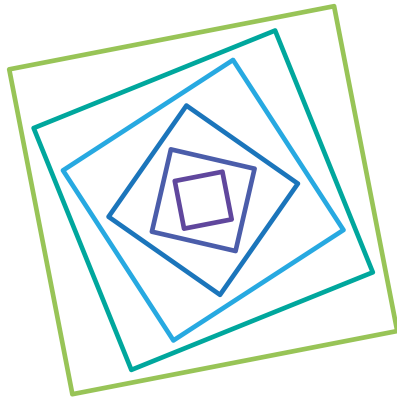
[RCU.org](https://www.rcu.org)

Minimum Down Payment:	10%
Origination Fee:	1%
Gift Funds Allowed?	Yes
Interest Rate Fixed or Variable?	Variable
Income Verification?	Paystubs; W2s; Tax Returns; Written Verification of Employment

Sunrise Banks

[SunriseBanks.com](https://www.sunrisebanks.com)

Minimum Down Payment:	10%
Origination Fee:	0.5%
Gift Funds Allowed?	Yes
Interest Rate Fixed or Variable?	Fixed
Income Verification?	Tax Returns; Written Verification of Employment



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