

Arc Guideline Update Summary



This summary provides a side-by-side comparison of the recent Arc Underwriting Guide and/or program matrix revisions, which are effective as noted below. This is intended to highlight the updates only – refer to the Arc Underwriting Guide and applicable product matrices for the complete guidelines and eligibility by program for Access Non-QM, Edge Non-QM, Foreign National, and Elite QM. **Important Note:** The most recent updates supersede any changes previously announced.

**** Effective for ALL loans ****

Guideline Updates – Access & Edge

| Arc Underwriting Guide | | |
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| ** Changes apply to Access, Edge, and Elite, unless guidelines indicate otherwise ** | | |
| Topic | Previous Guideline | New Guideline – 05/28/24 |
| Vesting in the Name of an Entity (Access, Edge) | <p><u>Limited Liability Company (LLC)</u></p> <ul style="list-style-type: none"> A certified copy of the LLC Formation Documents (and all amendments) is required. Certificate of Good Standing issued by the Secretary of State from the LLC's home state issued not less than 45 days prior to the date of closing is required. <p><u>Corporation (including S Corp)</u></p> <ul style="list-style-type: none"> Business entity must be registered to do business in the state where the property is located. Certificate of Good Standing issued by the Secretary of State from the LLC's home state issued not less than 45 days prior to the date of closing is required. | <p><u>Limited Liability Company (LLC)</u></p> <ul style="list-style-type: none"> A certified copy of the LLC Formation Documents (and all amendments) is required. Certificate of Good Standing showing the company's status as "Active" (such as, but not limited to documentation from the Secretary of State, OpenCorporates.com, or LexisNexis) is required. <p><u>Corporation (including S Corp)</u></p> <ul style="list-style-type: none"> Business entity must be registered to do business in the state where the property is located. Certificate of Good Standing showing the company's status as "Active" (such as, but not limited to documentation from the Secretary of State, OpenCorporates.com, or LexisNexis) is required. |



**** Effective for loans REGISTERED on or after May 28, 2024 ****

Guideline Updates – Access & Elite

| Access Non-QM & Elite QM – Alt Income ** Changes apply to Access and Elite, unless guidelines indicate otherwise ** | | |
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| Topic | Previous Guideline | New Guideline – 05/28/24 |
| One Year Full Doc <i>(Access, Elite)</i> | Users must select the “1 Yr. Tax Returns” <u>Doc Type</u> within the SPARC portal for the following income sources: <ul style="list-style-type: none"> • 1-Year Tax Returns and Profit & Loss • 1-Year W-2 and Paystub • Written VOE (WVOE) and Paystub | Users must select the “1 Yr. Tax Returns” <u>Doc Type</u> within the SPARC portal for the following income sources: <ul style="list-style-type: none"> • 1-Year Tax Returns and Profit & Loss • 1-Year W-2 and Paystub • Written VOE (WVOE) and Paystub Users must select the “VOE” <u>Doc Type</u> within the SPARC portal for the following income source: <ul style="list-style-type: none"> • Written VOE (WVOE) and Paystub |

