## Arc Home Wholesale Fannie Mae Conforming Fixed Rate

	Product Name		Amortization Terms		
	30 Year Fixed Rate FNMA Conven	tional	21-30 Years		
Product	20 Year Fixed Rate FNMA Conventional		16-20 Years		
Description	15 Year Fixed Rate FNMA Conven	itional	11-15 Years		
	10 Year Fixed Rate FNMA Conven	itional	10 Years		
Qualifying	Qualify at Note Rate				
Rate & Ratios	<ul> <li>Max DTI as determined by Desktop Underwriter and MI Partner's overlay</li> </ul>				
Types of Financing	<ul> <li>Max D Has determined by Desktop Onderwriter and Mit Partner's overlay</li> <li>Purchase Money</li> <li>Rate and Term Refi         <ul> <li>Cash Out Refi                 <ul></ul></li></ul></li></ul>				
	Maximum loan limits vary by county. The base loan amount cannot exceed the <u>FHFA baselin</u> <u>conforming limit</u> .				
Maximum Loan Amount	conforming limit.		nnot exceed the <u>FHFA baseline</u>		
	conforming limit. Prim	ary Residence			
	conforming limit.		nnot exceed the <u>FHFA baseline</u>		
	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out	ary Residence			
	conforming limit. Prim LTV Limitations	ary Residence # of Units	LTV/CLTV/HCLTV		
	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out         Refinance	ary Residence # of Units 1 2-4 1	LTV/CLTV/HCLTV 97%/97%/97% <sup>1</sup> <mark>95%/95%/95%</mark> 80%/80%/80%		
	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out Refinance       -         Cash Out Refinance       -	ary Residence # of Units 1 <mark>2-4</mark>	LTV/CLTV/HCLTV 97%/97%/97% <sup>1</sup> 95%/95%/95%		
Loan Amount	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out         Refinance         Cash Out Refinance <sup>1</sup> LTV's above 95%:         •       For purchase transactions, at least one Time Home Buyer         •       For limited cash-out refinances, Fannie	ary Residence # of Units 1 2-4 1 2-4 Borrower must meet Mae must be the ow	LTV/CLTV/HCLTV 97%/97%/97% <sup>1</sup> 95%/95%/95% 80%/80%/80% 75%/75%/75%		
Loan Amount	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out         Refinance         Cash Out Refinance <sup>1</sup> LTV's above 95%:         • For purchase transactions, at least one Time Home Buyer         • For limited cash-out refinances, Fannie	ary Residence # of Units 1 2-4 1 2-4 Borrower must meet Mae must be the ow	LTV/CLTV/HCLTV 97%/97%/97% <sup>1</sup> 95%/95%/95% 80%/80%/80% 75%/75%/75% Fannie Mae's definition of a 1 <sup>st</sup> ner of the existing mortgage		
Loan Amount	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out         Refinance         Cash Out Refinance <sup>1</sup> LTV's above 95%:         •       For purchase transactions, at least one Time Home Buyer         •       For limited cash-out refinances, Fannie	ary Residence # of Units 1 2-4 1 2-4 Borrower must meet Mae must be the ow cond Home # of	LTV/CLTV/HCLTV 97%/97%/97% <sup>1</sup> 95%/95%/95% 80%/80%/80% 75%/75%/75%		
	conforming limit.         Prim         LTV Limitations         Purchase and Limited Cash Out         Refinance         Cash Out Refinance <sup>1</sup> LTV's above 95%:         • For purchase transactions, at least one Time Home Buyer         • For limited cash-out refinances, Fannie	ary Residence # of Units 1 2-4 1 2-4 Borrower must meet Mae must be the ow	LTV/CLTV/HCLTV 97%/97%/97% <sup>1</sup> 95%/95%/95% 80%/80%/80% 75%/75%/75% Fannie Mae's definition of a 1 <sup>st</sup> ner of the existing mortgage		



## Arc Home Wholesale Fannie Mae Conforming Fixed Rate

LTV Limitations         # of Units         LTV/CLTV/HCLTV Units           Purchase         1         85%/85%/85%           Purchase         2-4         75%/75%/75%           Limited Cash-Out Refinance         1-4         75%/75%/75%           Cash Out Refinance         1         75%/75%/75%           Cash Out Refinance         2-4         70%70%70%           HPML/HPCT         HPML loans are eligible. Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.           Property         Fannie Mae warrantable condominiums Ineligible Property Types         1         1           PUDs         Fannie Mae warrantable condominiums Ineligible Property Types         Manufactured Homes         2           Co-op's         Condo Hotels         1         1         1           Timeshares         Property Types         Manufactured Homes         2         1           Co-op's         Condo Hotels         1         1         1         1           Timeshares         Properties in C-5 or C-6 condition         1         1         1         1           Occupancy         Second Home         1         1         1         1         1         1         1         1         1         1		Investment Property			
Purchase         2-4         75%/75%/75%           Limited Cash-Out Refinance         1-4         75%/75%/75%           Cash Out Refinance         1         75%/75%/75%           Cash Out Refinance         2-4         70%70%70%           HPML/HPCT         HPML loans are eligible. Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.           Property         HPML base variantable condominiums Ineligible Property Types         1.4 Unit Single Family Residences (SFR)           PUDS         Fannie Mae warrantable condominiums Ineligible Property Types         Manufactured Homes           Co-op's         Condo Hotels         Timeshares           Timeshares         Properties in C-5 or C-6 condition           Primary Residence         Second Home           Investment Property         Second Home           Investment Property         Arc Home cannot lend in Hawaii and Missouri           Assumptions         NA           Escrow         Not permitted on loans with LTV's over 80%           Waivers         In California, not permitted with LTV's over 90%           Prepayment Penalty         None           Underwriting         Desktop Underwriter with risk classification of Approve/Eligible is required Manual Underwrites are not permitted		LTV Limitations		LTV/CLTV/HCLTV	
Limited Cash-Out Refinance     1-4     75%/75%/75%       Limited Cash-Out Refinance     1-4     75%/75%/75%       Cash Out Refinance     2-4     70%70%70%       HPML/HPCT     HPML loans are eligible. Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.     1       Property     HPML bit Single Family Residences (SFR)     9005       • 1-4 Unit Single Family Residences (SFR)     9005       • PUDs     • Famile Mae warrantable condominiums Ineligible Property Types       • Co-op's     • Condo Hotels       • Timeshares     • Properties in C-5 or C-6 condition       • Property     • Primary Residence       • Occupancy     • Second Home       • Investment Property     • Arc Home cannot lend in Hawaii and Missouri       Assumptions     • NA       Escrow     • Not permitted on loans with LTV's over 80%       Waivers     • In California, not permitted with LTV's over 90%       Prepantent     • None       • Desktop Underwriter with risk classification of Approve/Eligible is required       • Manual Underwrites are not permitted		Burchasa		85%/85%/85%	
Cash Out Refinance         1         75%/75%           2-4         70%70%70%           HPML/HPCT         HPML loans are eligible. Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.           Property         1-4 Unit Single Family Residences (SFR)           PUDs         • 1-4 Unit Single Family Residences (SFR)           • PUDs         • Fannie Mae warrantable condominiums Ineligible Property Types           • Manufactured Homes         • Co-op's           • Condo Hotels         • Timeshares           • Properties in C-5 or C-6 condition         • Primary Residence           Occupancy         • Second Home           • Investment Property         • Arc Home cannot lend in Hawaii and Missouri           Assumptions         • NA           Escrow         • Not permitted on loans with LTV's over 80%           Waivers         • In California, not permitted with LTV's over 90%           Prepayment Penalty         • Desktop Underwriter with risk classification of Approve/Eligible is required           Manual Underwrites are not permitted         Sancrower Eligible is required					
Cash Out Refinance       2-4       70%70%70%         HPML/HPCT       HPML loans are eligible. Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.         Property       1-4 Unit Single Family Residences (SFR)         PUDs       • 1-4 Unit Single Family Residences (SFR)         • PUDs       • Fannie Mae warrantable condominiums Ineligible Property Types         • Manufactured Homes       • Co-op's         • Condo Hotels       • Timeshares         • Properties in C-5 or C-6 condition       • Primary Residence         Occupancy       • Second Home         • Investment Property       • Arc Home cannot lend in Hawaii and Missouri         Assumptions       • NA         Escrow       • Not permitted on loans with LTV's over 80%         Waivers       • In California, not permitted with LTV's over 90%         Prepayment Penalty       • Desktop Underwriter with risk classification of Approve/Eligible is required         Manual Underwrites are not permitted       Borrower		Limited Cash-Out Refinance			
HPML/HPCT     HPML loans are eligible. Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.       Property     1-4 Unit Single Family Residences (SFR)       PUDS     Fannie Mae warrantable condominiums Ineligible Property Types       •     Fannie Mae warrantable condominiums Ineligible Property Types       •     Manufactured Homes       •     Co-op's       •     Condo Hotels       •     Timeshares       •     Property       •     Primary Residence       Occupancy     •       Second Home     Investment Property       •     Investment Property       Geographic     •       Assumptions     •       •     NA       Escrow     •       None     •       Underwriting     •       •     Desktop Underwriter with risk classification of Approve/Eligible is required       •     Manual Underwrites are not permitted		Cash Out Refinance			
HPML/HPCT       Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.         Property       Eligible Property Types         •       1-4 Unit Single Family Residences (SFR)         •       PUDs         •       Fannie Mae warrantable condominiums         Ineligible Property Types       •         •       Fannie Mae warrantable condominiums         Ineligible Property Types       •         •       Co-op's         •       Condo Hotels         •       Timeshares         •       Properties in C-5 or C-6 condition         •       Primary Residence         •       Second Home         •       Investment Property         Geographic       •         Restrictions       •         •       Not permitted on loans with LTV's over 80%         Waivers       •         •       None         Underwriting       •         •       Desktop Underwriter with risk classification of Approve/Eligible is required         Manual Underwrites are not permitted       •         Borrower       •			2-4	70%70%70%	
<ul> <li>1-4 Unit Single Family Residences (SFR)</li> <li>PUDs</li> <li>Fannie Mae warrantable condominiums Ineligible Property Types</li> <li>Manufactured Homes</li> <li>Co-op's</li> <li>Condo Hotels</li> <li>Timeshares</li> <li>Properties in C-5 or C-6 condition</li> <li>Primary Residence</li> <li>Second Home</li> <li>Investment Property</li> <li>Geographic Restrictions</li> <li>Arc Home cannot lend in Hawaii and Missouri</li> <li>Assumptions</li> <li>NA</li> <li>Escrow</li> <li>Not permitted on loans with LTV's over 80%</li> <li>Waivers</li> <li>In California, not permitted with LTV's over 90%</li> <li>Prepayment Penalty</li> <li>Desktop Underwriter with risk classification of Approve/Eligible is required</li> <li>Manual Underwrites are not permitted</li> </ul>	HPML/HPCT	Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption			
•       Primary Residence         •       Second Home         •       Investment Property         Geographic       •         Restrictions       •         Arc Home cannot lend in Hawaii and Missouri         Assumptions       •         Second       •         Assumptions       •         NA         Escrow       •         •       Not permitted on loans with LTV's over 80%         Waivers       •         •       In California, not permitted with LTV's over 90%         Prepayment       •         Penalty       •         Underwriting       •         Desktop Underwriter with risk classification of Approve/Eligible is required         •       Manual Underwrites are not permitted         Borrower       •		<ul> <li>1-4 Unit Single Family Residences (SFR</li> <li>PUDs</li> <li>Fannie Mae warrantable condominiums</li> <li>Ineligible Property Types</li> <li>Manufactured Homes</li> <li>Co-op's</li> <li>Condo Hotels</li> <li>Timeshares</li> </ul>			
Restrictions       • Arc Home cannot lend in Hawall and Missouri         Assumptions       • NA         Escrow       • Not permitted on loans with LTV's over 80%         Waivers       • In California, not permitted with LTV's over 90%         Prepayment Penalty       • None         Underwriting       • Desktop Underwriter with risk classification of Approve/Eligible is required         Borrower       • See Eappie Mae Selling Guide Chapter B2-2: Borrower Eligibility	Occupancy	<ul><li>Primary Residence</li><li>Second Home</li></ul>			
Escrow       • Not permitted on loans with LTV's over 80%         Waivers       • In California, not permitted with LTV's over 90%         Prepayment       • None         Underwriting       • Desktop Underwriter with risk classification of Approve/Eligible is required         Borrower       • See Eappie Mae Selling Guide Chapter B2-2: Borrower Eligibility					
Waivers       In California, not permitted with LTV's over 90%         Prepayment Penalty       None         Underwriting       Desktop Underwriter with risk classification of Approve/Eligible is required         Borrower       See Eappie Mae Selling Guide Chapter B2-2: Borrower Eligibility	Assumptions	• NA			
Prepayment Penalty       • None         Underwriting       • Desktop Underwriter with risk classification of Approve/Eligible is required         • Manual Underwrites are not permitted         Borrower       • See Eappie Mae Selling Guide Chapter B2-2: Borrower Eligibility		•			
<ul> <li>Penalty</li> <li>None</li> <li>Underwriting</li> <li>Desktop Underwriter with risk classification of Approve/Eligible is required</li> <li>Manual Underwrites are not permitted</li> <li>Borrower</li> <li>See Eappie Mae Selling Guide Chapter B2-2: Borrower Eligibility</li> </ul>		In California, not permitted with LTV's of the second	over 90%		
Onderwriting     Manual Underwrites are not permitted     Borrower     See Eappie Mae Selling Guide Chapter B2-2: Borrower Eligibility		None			
Borrower See Eannie Mae Selling Guide Chapter B2-2: Borrower Eligibility	Underwriting				
				bility	
<ul> <li>As determined by Desktop Underwriter</li> <li>If a Borrower is being qualified with income from new employment or a pay increase, and the new income will not start prior to closing, the guidelines from <u>Fannie Mae Selling</u>. <u>Guide B3-3.1-09. Other Sources of Income; Employment Offers or Contracts; Option 2</u> must be followed. Loan must be delivered with Special Feature Code 707.</li> </ul>	Income	• If a Borrower is being qualified with income from new employment or a pay increase, and the new income will not start prior to closing, the guidelines from <u>Fannie Mae Selling</u> <u>Guide B3-3.1-09, Other Sources of Income; Employment Offers or Contracts; Option 2</u>			
Credit    Non-Traditional Credit not permitted  All Borrowers must have a FICO score	Credit				
Assets  • As determined by Desktop Underwriter	Assets	As determined by Desktop Underwrite	r		



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Wholesale Fannie Mae Conforming Fixed Rate

Mortgage Insurance	<ul> <li>Standard mortgage insurance coverage is required, follow Desktop Underwriterrecommendation</li> <li>In New York, for purposes of determining terms of mortgage insurance, Lenders are required torely solely on the appraised value of the property.</li> <li>Borrower Paid MI permitted</li> <li>Lender Paid MI permitted</li> <li>MI Providers:         <ul> <li>Essent</li> <li>Enact</li> <li>MGIC</li> <li>National MI</li> <li>Radian</li> </ul> </li> </ul>
Limitations on Other R.E Owned	Follow Fannie Mae Selling Guide Chapter B2-2-03
Appraiser	Valid state license
Requirements	Cannot be on the Freddie Mac Exclusionary List
Appraisal	UAD Compliant
Requirements	As determined by Desktop Underwriter
Escrow	• Approval is required for all repair escrows. See the <u>Arc Home Escrow Holdback Policy</u>
Holdbacks	on the Arc Home website for details.
Internet Links	

