

**Arc Home**  
**Wholesale Fannie Mae Conforming Fixed Rate**

Product Description	Product Name		Amortization Terms
	30 Year Fixed Rate FNMA Conventional		21-30 Years
	20 Year Fixed Rate FNMA Conventional		16-20 Years
	15 Year Fixed Rate FNMA Conventional		11-15 Years
	10 Year Fixed Rate FNMA Conventional		10 Years
Qualifying Rate & Ratios	<ul style="list-style-type: none"> <li>Qualify at Note Rate</li> <li>Max DTI as determined by Desktop Underwriter and MI Partner's overlay</li> </ul>		
Types of Financing	<ul style="list-style-type: none"> <li>Purchase Money</li> <li>Rate and Term Refi</li> <li>Cash Out Refi <ul style="list-style-type: none"> <li>Arc Home will permit a maximum of three (3) delayed financing transactions per Borrower</li> </ul> </li> <li>For Texas primary residences, cash-out refinances are permitted under the following terms: <ul style="list-style-type: none"> <li>Permitted for SFD, PUD or warrantable condo</li> <li>Maximum 80% LTV/CLTV</li> <li>ANY cash-back to Borrower is considered a Cash-Out Refinance</li> <li>All requirements in Texas 50(a)6 legislation will apply</li> <li>See Chapter <a href="#">B5-4 of Fannie Mae Selling Guide</a> for full requirements</li> </ul> </li> </ul>		
Maximum Loan Amount	Maximum loan limits vary by county. The base loan amount cannot exceed the <a href="#">FHFA baseline conforming limit</a> .		
LTV Limits	Primary Residence		
	LTV Limitations	# of Units	LTV/CLTV/HCLTV
	Purchase and Limited Cash Out Refinance	1	97%/97%/97% <sup>1</sup>
		2-4	95%/95%/95%
	Cash Out Refinance	1	80%/80%/80%
		2-4	75%/75%/75%
	<sup>1</sup> LTV's above 95%: <ul style="list-style-type: none"> <li>For purchase transactions, at least one Borrower must meet Fannie Mae's definition of a 1<sup>st</sup> Time Home Buyer</li> <li>For limited cash-out refinances, Fannie Mae must be the owner of the existing mortgage</li> </ul>		
	Second Home		
	LTV Limitations	# of Units	LTV/CLTV/HCLTV
	Purchase and Limited Cash Out Refinance	1	90%/90%/90%
	Cash Out Refinance	1	75%75%75%

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	Investment Property		
	LTV Limitations	# of Units	LTV/CLTV/HCLTV
	Purchase	1	85%/85%/85%
		2-4	75%/75%/75%
	Limited Cash-Out Refinance	1-4	75%/75%/75%
	Cash Out Refinance	1	75%/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 Types	<b>Eligible Property Types</b> <ul style="list-style-type: none"> <li>• 1-4 Unit Single Family Residences (SFR)</li> <li>• PUDs</li> <li>• Fannie Mae warrantable condominiums</li> </ul> <b>Ineligible Property Types</b> <ul style="list-style-type: none"> <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> </ul>		
Occupancy	<ul style="list-style-type: none"> <li>• Primary Residence</li> <li>• Second Home</li> <li>• Investment Property</li> </ul>		
Geographic Restrictions	<ul style="list-style-type: none"> <li>• Arc Home cannot lend in Hawaii and Missouri</li> </ul>		
Assumptions	<ul style="list-style-type: none"> <li>• NA</li> </ul>		
Escrow Waivers	<ul style="list-style-type: none"> <li>• Not permitted on loans with LTV's over 80%</li> <li>• In California, not permitted with LTV's over 90%</li> </ul>		
Prepayment Penalty	<ul style="list-style-type: none"> <li>• None</li> </ul>		
Underwriting	<ul style="list-style-type: none"> <li>• Desktop Underwriter with risk classification of Approve/Eligible is required</li> <li>• Manual Underwrites are not permitted</li> </ul>		
Borrower Eligibility	<ul style="list-style-type: none"> <li>• <a href="#">See Fannie Mae Selling Guide Chapter B2-2: Borrower Eligibility</a></li> </ul>		
Income	<ul style="list-style-type: none"> <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 <a href="#">Fannie Mae Selling Guide B3-3.1-09. Other Sources of Income; Employment Offers or Contracts; Option 2</a> must be followed. Loan must be delivered with Special Feature Code 707.</li> </ul>		
Credit	<ul style="list-style-type: none"> <li>• Non-Traditional Credit not permitted</li> <li>• <b>All Borrowers must have a FICO score</b></li> </ul>		
Assets	<ul style="list-style-type: none"> <li>• As determined by Desktop Underwriter</li> </ul>		

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Mortgage Insurance	<ul style="list-style-type: none"> <li>• Standard mortgage insurance coverage is required, follow Desktop Underwriter recommendation</li> <li>• In New York, for purposes of determining terms of mortgage insurance, Lenders are required to rely 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 style="list-style-type: none"> <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	<ul style="list-style-type: none"> <li>• <a href="#">Follow Fannie Mae Selling Guide Chapter B2-2-03</a></li> </ul>
Appraiser Requirements	<ul style="list-style-type: none"> <li>• Valid state license</li> <li>• Cannot be on the Freddie Mac Exclusionary List</li> </ul>
Appraisal Requirements	<ul style="list-style-type: none"> <li>• UAD Compliant</li> <li>• As determined by Desktop Underwriter</li> </ul>
Escrow Holdbacks	<ul style="list-style-type: none"> <li>• Approval is required for all repair escrows. See the <a href="#">Arc Home Escrow Holdback Policy</a> on the Arc Home website for details.</li> </ul>
Internet Links	<a href="http://www.archomellc.com">www.archomellc.com</a>