

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"> • Qualify at Note Rate • Max DTI as determined by Desktop Underwriter and MI Partner's overlay 		
Types of Financing	<ul style="list-style-type: none"> • Purchase Money • Rate and Term Refi • Cash Out Refi <ul style="list-style-type: none"> ○ Arc Home will permit a maximum of three (3) delayed financing transactions per Borrower • For Texas primary residences, cash-out refinances are permitted under the following terms: <ul style="list-style-type: none"> ○ Permitted for SFD, PUD or warrantable condo ○ Maximum 80% LTV/CLTV ○ ANY cash-back to Borrower is considered a Cash-Out Refinance ○ All requirements in Texas 50(a)6 legislation will apply ○ See Chapter B5-4 of Fannie Mae Selling Guide for full requirements 		
Maximum Loan Amount	Maximum loan limits vary by county. The base loan amount cannot exceed the FHFA baseline conforming limit .		
LTV Limits	Primary Residence		
	LTV Limitations	# of Units	LTV/CLTV/HCLTV
	Purchase and Limited Cash Out Refinance	1	97%/97%/97% ¹
		2-4	95%/95%/95%
	Cash Out Refinance	1	80%/80%/80%
		2-4	75%/75%/75%
	¹ LTV's above 95%: <ul style="list-style-type: none"> • For purchase transactions, at least one Borrower must meet Fannie Mae's definition of a 1st Time Home Buyer • For limited cash-out refinances, Fannie Mae must be the owner of the existing mortgage 		
	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	Eligible Property Types <ul style="list-style-type: none"> • 1-4 Unit Single Family Residences (SFR) • PUDs • Fannie Mae warrantable condominiums Ineligible Property Types <ul style="list-style-type: none"> • Manufactured Homes • Co-op's • Condo Hotels • Timeshares • Properties in C-5 or C-6 condition 		
Occupancy	<ul style="list-style-type: none"> • Primary Residence • Second Home • Investment Property 		
Geographic Restrictions	<ul style="list-style-type: none"> • Arc Home cannot lend in Missouri 		
Assumptions	<ul style="list-style-type: none"> • NA 		
Escrow Waivers	<ul style="list-style-type: none"> • Not permitted on loans with LTV's over 80% • In California, not permitted with LTV's over 90% 		
Prepayment Penalty	<ul style="list-style-type: none"> • None 		
Underwriting	<ul style="list-style-type: none"> • Desktop Underwriter with risk classification of Approve/Eligible is required • Manual Underwrites are not permitted 		
Borrower Eligibility	<ul style="list-style-type: none"> • See Fannie Mae Selling Guide Chapter B2-2: Borrower Eligibility 		
Income	<ul style="list-style-type: none"> • As determined by Desktop Underwriter • 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 Fannie Mae Selling Guide B3-3.1-09. Other Sources of Income; Employment Offers or Contracts; Option 2 must be followed. Loan must be delivered with Special Feature Code 707. 		
Credit	<ul style="list-style-type: none"> • Non-Traditional Credit not permitted • All Borrowers must have a FICO score 		
Assets	<ul style="list-style-type: none"> • As determined by Desktop Underwriter 		

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Mortgage Insurance	<ul style="list-style-type: none"> • Standard mortgage insurance coverage is required, follow Desktop Underwriter recommendation • In New York, for purposes of determining terms of mortgage insurance, Lenders are required to rely solely on the appraised value of the property. • Borrower Paid MI permitted • Lender Paid MI permitted • MI Providers: <ul style="list-style-type: none"> ○ Essent ○ Enact ○ MGIC ○ National MI ○ Radian
Limitations on Other R.E Owned	<ul style="list-style-type: none"> • Follow Fannie Mae Selling Guide Chapter B2-2-03
Appraiser Requirements	<ul style="list-style-type: none"> • Valid state license • Cannot be on the Freddie Mac Exclusionary List
Appraisal Requirements	<ul style="list-style-type: none"> • UAD Compliant • As determined by Desktop Underwriter
Escrow Holdbacks	<ul style="list-style-type: none"> • Approval is required for all repair escrows. See the Arc Home Escrow Holdback Policy on the Arc Home website for details.
Internet Links	www.archomellc.com