

**Arc Home**  
**Wholesale Fannie Mae High Balance Fixed Rate**

Product Description	<b>Product Name</b>		<b>Amortization Terms</b>		
	30 Year Fixed Rate FNMA Conventional High Balance		16-30 Years		
	15 Year Fixed Rate FNMA Conventional High Balance		10-15 Years		
Qualifying Rate & Ratios	<ul style="list-style-type: none"> <li>• Qualify at the Note Rate</li> <li>• Max DTI as determined by DU 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 High-Cost Area limit</a> .				
LTV Limits	<b>Primary Residence</b>				
	<b>LTV Limitations</b>		<b># of Units</b>	<b>LTV/CLTV/HCLTV</b>	
	Purchase and Limited Cash-Out Refinance		1	95%/95%/95%	
			2	85%/85%/85%	
			3-4	75%/75%/75%	
	Cash-Out Refi		1	80%/80%/80%	
			2-4	75%/75%/75%	
	<b>Second Home</b>				
	<b>LTV Limitations</b>		<b># of Units</b>	<b>LTV/CLTV/HCLTV</b>	
	Purchase and Limited Cash Out Refinance		1	90/90%/90%	
	Cash Out Refinance		1	75%75%75%	
	<b>Investment Property</b>				
	<b>LTV Limitations</b>		<b># of Units</b>	<b>LTV/CLTV/HCLTV</b>	
	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%		



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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	<p><b>Eligible Property Types</b></p> <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> <p><b>Ineligible Property Types</b></p> <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 Locations	<ul style="list-style-type: none"> <li>• Arc Home cannot lend in Hawaii and <b>Missouri</b></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 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>
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> </ul>

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	<ul style="list-style-type: none"> <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>