

**Arc Home**  
**Wholesale Freddie Mac Conforming Fixed Rate**

Product Description	Product Name		Amortization Terms	
	30 Year Fixed Rate FHLMC Conventional		21-30 Years	
	20 Year Fixed Rate FHLMC Conventional		16-20 Years	
	15 Year Fixed Rate FHLMC Conventional		11-15 Years	
	10 Year Fixed Rate FHLMC Conventional		10 Years	
Qualifying Rate & Ratios	<ul style="list-style-type: none"><li>Qualify at Note Rate</li><li>Max DTI as determined by Loan Product Advisor</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</li><li>Arc Home will permit a maximum of three (3) delayed financing transactions per Borrower</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 <a href="#">Freddie Mac Selling Guide, Chapter 4301.7</a> for full details</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 Limitations	Primary Residence			
	LTV Limitations		# of Units	LTV/CLTV/HCLTV
	Purchase and Limited Cash Out Refinance	1		95%/95%/95%
		2		85%/85%85%
		3-4		80%/80%/80%
	Cash Out Refinance	1		80%/80%/80%
		2-4		75%/75%/75%
	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%
	Investment Property			
	LTV Limitations	# of Units	LTV/CLTV/HCLTV	
	Purchase and Limited Cash Out Refinance	1	85%85%/85%	
		2-4	75%/75%/75%	
Cash Out Refinance	1	75%/75%/75%		
	2-4	70%/70%70%		
HPML/HPCT	HPML loans are eligible.			

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	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>• Freddie Mac 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>• 2<sup>nd</sup> 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>• All loans must score Accept on Loan Product Advisor</li> <li>• Manual underwrites are not permitted</li> </ul>
Borrower Eligibility	<ul style="list-style-type: none"> <li>• <a href="#">See Freddie Mac Seller Guide Topic 5100</a></li> </ul>
Income	<ul style="list-style-type: none"> <li>• As determined by Loan Product Advisor</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="#">Freddie Mac Seller/Service Guide Chapter 5303.2(e), Option 1 must be utilized.</a></li> </ul>
Credit	<ul style="list-style-type: none"> <li>• Non-traditional credit is 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 Loan Product Advisor</li> </ul>
Mortgage Insurance	<ul style="list-style-type: none"> <li>• Standard mortgage insurance coverage is required, follow AUS 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>

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Limitations on Other R.E Owned	<ul style="list-style-type: none"><li>• <a href="#">See Freddie Mac Seller Guide Topic 4201.14, 4201.15 and 4201.16</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 Loan Product Advisor</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>