

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

Product Description	<b>Product Name</b>			<b>Amortization Term</b>
	30 Year Fixed Rate FHLMC Home Possible			21-30 Years
	20 Year Fixed Rate FHLMC Home Possible			16-20 Years
	15 Year Fixed Rate FHLMC Home Possible			10-15 Years
	10 Year Fixed Rate FHLMC Home Possible			10 Years
	30 Year Fixed Rate FHLMC Home Possible Super Conforming			16-30 Years
	15 Year Fixed Rate FHLMC Home Possible Super Conforming			11-15 Years
Qualifying Rate & Ratios	<ul style="list-style-type: none"> <li>Qualify at the Note Rate</li> <li>As determined by LPA</li> </ul>			
Types of Financing	<ul style="list-style-type: none"> <li>Purchase Money</li> <li>Rate and Term Refi</li> </ul>			
Maximum Loan Amount	Maximum loan limits vary by county. The base loan amount cannot exceed the <a href="#">FHFA conforming limit</a>			
LTV Limitations	<b>Primary Residence</b>			
	<b>LTV Limitations</b>	<b># of Units</b>	<b>LTV/TLTV/HTLTV Standard Balance</b>	<b>LTV/TLTV/HTLTV Super Conforming</b>
	Purchase and Limited Cash-Out Refinance	1	97%/97%/97%*	95%/ 95%/95%*
		2	95%/95%/95%*	85%/85%/85%
		3-4	95%/95%/95%*	80%/80%/80%
	*A TLTV exceeding 97% and up to 105% is permitted when secondary financing is an Affordable Second			
Property Types	Eligible Property Types <ul style="list-style-type: none"> <li>1-4 Unit Single Family Residence (SFR)</li> <li>Condos</li> <li>PUDs</li> </ul> Ineligible Property Types <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 Only</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>Not permitted</li> </ul>			
Escrow Waivers	<ul style="list-style-type: none"> <li>Not permitted on LTV's over 80%</li> </ul>			

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	<ul style="list-style-type: none"> <li>In California, not permitted on LTV's over 90%</li> </ul>
Prepayment Penalty	<ul style="list-style-type: none"> <li>None</li> </ul>
HPML/HPCT	<ul style="list-style-type: none"> <li>HPML loans are eligible.</li> <li>Loans must be originated to meet definition of a Safe Harbor or Rebuttable Presumption Mortgage Loan under the Qualified Mortgage Rule.</li> </ul>
Underwriting	<ul style="list-style-type: none"> <li>LPA risk classification of Accept. LPA must confirm Home Possible eligibility.</li> <li>Refer to <a href="#">Freddie Mac Seller Guide Section 4501.8</a> for underwriting requirements</li> <li>Manual Underwriting is not permitted.</li> </ul>
Borrower Eligibility	<ul style="list-style-type: none"> <li>Refer to <a href="#">Freddie Mac Seller Guide Section 4501.7</a> for Borrower Eligibility</li> </ul>
Homeownership Education	<ul style="list-style-type: none"> <li>Homeownership education is required; refer to <a href="#">Freddie Mac Seller Guide Section 4501.12</a></li> </ul>
Income/ Employment	<ul style="list-style-type: none"> <li>Borrower must meet <a href="#">area median income requirements on Freddie Mac's website</a> and satisfy Loan Product Advisor requirements</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</a> must be utilized.</li> </ul>
Qualifying Credit Score	<ul style="list-style-type: none"> <li>Credit acceptability is determined by Loan Product Advisor</li> <li><b>Non-traditional credit is not permitted</b></li> <li><b>All Borrowers must have a FICO score</b></li> </ul>
Assets	<ul style="list-style-type: none"> <li>Determined by AUS</li> <li>Refer to Chapter <a href="#">4501.10 for Freddie Mac Selling Guide</a> Borrower contribution requirements, reserves and sources of funds for Home Possible Mortgages</li> <li>Sweat equity and cash on hand are not permitted</li> </ul>
Mortgage Insurance	<ul style="list-style-type: none"> <li>Per <a href="#">Chapter 4701.1 of Freddie Mac Single Family Seller Guide</a></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>
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>
Delivery	<ul style="list-style-type: none"> <li>Refer to <a href="#">Freddie Mac Seller Guide Section 4501.13</a></li> </ul>
Internet Links	<a href="http://www.archomellc.com">www.archomellc.com</a>