

Marquee Jumbo Updates

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The below updates are effective for locks on or after August 8, 2025

Marquee Jumbo		
Topic	Previous Guideline	New Guideline
Declining Markets	For properties located within a declining market, the maximum LTV/CLTV will be reduced by 10%	For properties located within a declining market, the maximum LTV/CLTV will be reduced by 10% 5% for LTV/CLTV > 65% . For LTV/CLTV <= 65%, no reduction required.
Delayed Financing	Delayed financing transactions in which the borrower purchased the subject property for cash within 6 months from the date of the application are eligible for purchase. Requirements: <ul style="list-style-type: none"> Delayed financing transactions are underwritten and priced as rate and term refinances and are not subject to cash out refinance program limitations Incidental cash back limits apply for cash more than the original purchase price or appraised value (Not to exceed 2% or \$2,000, whichever is less) 	Delayed financing transactions in which the borrower purchased the subject property for cash within 6 months from the date of the application are eligible for purchase. Requirements: <ul style="list-style-type: none"> The original purchase transaction was an arm's length transaction The Borrower initially purchased the property as one of the following: <ul style="list-style-type: none"> A natural person or an eligible inter-vivos revocable trust where the borrower is both the individual establishing the trust and the beneficiary of the trust

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	<ul style="list-style-type: none"> The original purchase transaction must be documented by a Closing Disclosure confirming that no mortgage financing was used to obtain the subject property Properties located in the state of Texas are not allowed due to Texas Constitution requirements for equity refinance transactions Property must have been purchased using the borrower's own funds If funds to purchase property came from the borrower's self-employed business, see Business Funds section for additional requirements Settlement Statement/Closing Disclosure from the original purchase and documentation to show the down payment and closing costs used for the purchase were from the borrower's own funds (no borrowed, gift or shared funds) 	<ul style="list-style-type: none"> ○ An LLC or partnership in which the borrower(s) have an individual or joint ownership of 100% Delayed financing transactions are underwritten and priced as rate and term refinances and are not subject to cash out refinance program limitations Incidental cash back limits apply for cash more than the original purchase price or appraised value (Not to exceed 2% or \$2,000, whichever is less) The original purchase transaction must be documented by a Closing Disclosure confirming that no mortgage financing was used to obtain the subject property Properties located in the state of Texas are not allowed due to Texas Constitution requirements for equity refinance transactions Property must have been purchased using the borrower's own funds If funds to purchase property came from the borrower's self-employed business, see <u>Business Funds</u> section for additional requirements

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		<ul style="list-style-type: none"> Settlement Statement/Closing Disclosure from the original purchase and documentation to show the down payment and closing costs used for the purchase were from the borrower's own funds (no borrowed, gift or shared funds) The new loan amount can be no more than the actual documented amount of the borrower's initial investment in purchasing the property plus the financing of closing costs, prepaid fees, and points on the new mortgage loan, subject to the maximum LTV/CLTV ratios for the transaction based on the current appraised value
<u>General Requirements – 45406-C Alternative</u>	4506-C must be signed and completed for all borrowers	4506-C/8821 must be signed and completed for all borrowers
<u>Number of Appraisals</u>	<ul style="list-style-type: none"> Loan amounts ≤ \$1,500,000 – 1 appraisal required Loan amounts > \$1,500,000 – 2 appraisals required 	<ul style="list-style-type: none"> Purchase and Rate & Term Refinance: <ul style="list-style-type: none"> <u>Loan amounts ≤ \$2,000,000 – 1 appraisal required</u> <u>Loan amounts > \$2,000,000 – 2 appraisals required</u> Cash Out Refinance:

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		<ul style="list-style-type: none"> ○ <u>Loan amounts ≤ \$1,500,000 – 1 appraisal required</u> ○ <u>Loan amounts > \$1,500,000 – 2 appraisals required</u>
<u>Non-Warrantable Condominiums</u>	<p>General Requirements</p> <ul style="list-style-type: none"> • Maximum LTV/CLTV is 10% below program maximum. <ul style="list-style-type: none"> ○ Example: Program max LTV/CLTV for a \$1,000,000 loan amount is 80%. If condo is non-warrantable, maximum LTV/CLTV is 70% • Limited to primary residence and second homes • 30 Year Fixed Rate Only • Loans must be locked as a non-warrantable condo with the applicable pricing adjustments applied • Full project review required • Only one non-warrantable feature permitted • All other Fannie Mae condo requirements must be met 	<p>General Requirements</p> <ul style="list-style-type: none"> • Maximum LTV/CLTV is 10% below program maximum. <ul style="list-style-type: none"> ○ Example: Program max LTV/CLTV for a \$1,000,000 loan amount is 80%. If condo is non-warrantable, maximum LTV/CLTV is 70% • Limited to primary residence and second homes. • 30 Year Fixed Rate Only. • Loans must be locked as a non-warrantable condo with the applicable pricing adjustments applied. • Full project review required. • Only one non-warrantable feature permitted. • All other Fannie Mae condo requirements must be met. • Condo project's legal phase, including common elements of the project is substantially complete. <p>Non-Warrantable Features Commercial Space:</p> <ul style="list-style-type: none"> • Commercial space greater than 35% but less than or equal to 50% owned and controlled by the HOA must be separate and distinct from the condo project HOA. • Commercial space must be compatible with residential use (such as stores, offices, restaurants, or bars, among other commercial spaces), and must

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	<ul style="list-style-type: none"> Condo project's legal phase, including common elements of the project is substantially complete <p>Non-Warrantable Features Commercial Space:</p> <ul style="list-style-type: none"> Commercial space greater than 35% but less than or equal to 50% owned and controlled by the HOA must be separate and distinct from the condo project HOA Commercial space must be compatible with residential use (such as stores, offices, restaurants, or bars, among other commercial spaces), and must compliment the neighborhood. The commercial space shall be deemed to include eligible spaces above and below grade, excluding parking <p>Presale:</p> <ul style="list-style-type: none"> Condo projects (new or converted) must have at least 30% of the condo units sold or under a pending sales contract (common areas must be complete). For a specific legal phase or phases, at least 30% of the total units in the subject legal phase(s), considered together with all prior legal phases, must have been conveyed or be under contract for sale to 	<p>compliment the neighborhood. The commercial space shall be deemed to include eligible spaces above and below grade, excluding parking.</p> <p>Presale:</p> <ul style="list-style-type: none"> Condo projects (new or converted) must have at least 30% of the condo units sold or under a pending sales contract (common areas must be complete). For a specific legal phase or phases, at least 30% of the total units in the subject legal phase(s), considered together with all prior legal phases, must have been conveyed or be under contract for sale to principal residence or second home purchasers. <p>Budget:</p> <ul style="list-style-type: none"> For condo projects where replacement reserves are less than 10%, the following conditions must be met: <ul style="list-style-type: none"> Less than 10% but no less than 7% replacement reserves are permitted if the current reserve balance exceeds 10% of the operating expense for such project. Less than 7% replacement reserves are permitted if the current reserve balance exceeds 20% of the operating expenses. Regardless of the replacement reserves percentage amount, the balance sheet must be provided, and the date of the balance sheet must be within 120 days of the Note date. <p>Maximum Ownership by One Entity:</p> <ul style="list-style-type: none"> Maximum ownership by one entity is 25% for projects with more than 10 units. Units owned by the developer, sponsor, or succeeding

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	<p>principal residence or second home purchasers</p> <p>Budget:</p> <ul style="list-style-type: none"> For condo projects where replacement reserves are less than 10%, the following conditions must be met: <ul style="list-style-type: none"> Less than 10% but no less than 7% replacement reserves are permitted if the current reserve balance exceeds 10% of the operating expense for such project Less than 7% replacement reserves are permitted if the current reserve balance exceeds 20% of the operating expenses Regardless of the replacement reserves percentage amount, the balance sheet must be provided, and the date of the balance sheet must be within 120 days of the Note date. <p>Maximum Ownership by One Entity:</p> <ul style="list-style-type: none"> Maximum ownership by one entity is 25% for projects with more than 10 units Units owned by the developer, sponsor, or succeeding developer that are vacant 	<p>developer that are vacant and being actively marketed for sale are not included in the calculation.</p> <ul style="list-style-type: none"> Units currently leased, including units owned by the developer, sponsor, or succeeding developer, must be included in the calculation. For projects with 10 units or less, follow Fannie Mae Selling Guide. <p>Investor Concentration:</p> <ul style="list-style-type: none"> For investment property transactions in established projects at least 40% of the total units in the project must be conveyed to primary residence or second home purchasers. This requirement does not apply if the subject mortgage is for a principal residence or second home. <p>Mandatory Memberships:</p> <ul style="list-style-type: none"> Mandatory memberships/recreational leases are eligible if there are no joining and/or annual membership fees, and the monthly fee is not greater than 25% of monthly HOA dues. Membership fees must be included in the DTI.

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