

Arc Home Wholesale USDA Fixed Rate Standard & High Balance

Product Description	Product Description	Allowable Amortization Terms
	30 Year Fixed Rate USDA - Standard Balance	30 Years
	30 Year Fixed Rate USDA - High Balance	30 Years
General Guidelines	<ul style="list-style-type: none"> Loans are made available per the terms and guidelines detailed in the USDA HB-1-3555 Single Family Housing Guaranteed Loan Program Minimum FICO requirement of 620 Minimum loan amount is \$50,000 Non-traditional credit is acceptable per USDA guidelines Arc Home reserves the right for final decision on any guidelines not addressed 	
Standard & High Balance	USDA Standard: The base loan amount cannot exceed the FHFA baseline conforming limit . USDA HB: The base loan amount exceeds the FHFA baseline conforming limit by at least \$1.	
Qualifying Rate & Ratios	<ul style="list-style-type: none"> Qualify at Note Rate For GUS Accept loans, the DTI is deemed acceptable For manual underwrites, ratios of 29/41 apply unless requirements for debt ratio waivers and compensating factor requirements in USDA HB-1-3555 guide, Chapter 11 are met 	
Types of Financing	<ul style="list-style-type: none"> Purchase of a new or existing home Refinance of existing USDA loan "Take-Out" loans for construction and renovation are not permitted Transaction details are available in Chapter 6 of USDA HB-1-3555 Guide 	
Maximum Loan Amount	<ul style="list-style-type: none"> Maximum loan amount and LTV limits are determined by guidelines detailed in Chapter 7 of the USDA HB-1-3555 guide 	
Secondary Financing	<ul style="list-style-type: none"> Not permitted other than the subordination of subsidy recapture on refinance transactions. 	
Property Types	<p>In addition to the eligible property types below, all properties must meet guidelines in Chapters 12 and Chapter 13, of the USDA HB-1-3555 guide</p> <p>General Eligible Property Types</p> <ul style="list-style-type: none"> Single, One-Unit Dwelling Condominiums – Must meet Fannie Mae or Freddie Mac Project requirements or be on HUD or VA approved condo listing Modular Homes Leasehold properties meeting USDA guidelines <p>Ineligible Property Types</p> <ul style="list-style-type: none"> Manufactured Homes Community Land Trust Property primarily used for income producing purposes Properties in C5 or C6 condition <p>Property Eligibility may be determined with a property address by using the USDA Property Eligibility Tool</p>	
Occupancy	<ul style="list-style-type: none"> Primary Residency only 	
Geographic Locations	<ul style="list-style-type: none"> Arc Home cannot lend in Hawaii and Missouri 	
Prepayment Penalty	<ul style="list-style-type: none"> None 	
Underwriting	<ul style="list-style-type: none"> The loan must meet all of the requirements of the Single-Family Housing Guaranteed Loan Program (HB – 1- 3555). Loans must be scored on the Guaranteed Underwriting System (GUS). Manual Underwrites are acceptable per USDA Guidelines. 	

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	<ul style="list-style-type: none"> Federal law restricts marijuana related activities and therefore the income and assets from these sources are not allowed for qualifying. Related activities include: <ul style="list-style-type: none"> Possession of cannabis or cannabis seeds Processing Growing Harvesting/Cultivation Testing Packaging/Delivery Wholesale or Retail Sales
Borrower Eligibility	<ul style="list-style-type: none"> Borrower(s) must satisfy requirement from Chapter 8 of USDA HB-1-3555 guide
Income	<ul style="list-style-type: none"> Loan must meet all guidelines from Chapter 9 of the USDA HB-1-3555 guide Household income must meet eligibility requirements for Single Family Housing Guaranteed Loans as determined by the USDA Income Eligibility Tool A fully executed 4506-C is required for all loans Tax transcripts will be required when determined by the Underwriter Verbal Verification of Employment is required for all borrowers using salaried income to qualify and must be completed within 10 business days prior to the note date. Verbal Verification of Employment is required for all borrowers using self-employed income to qualify and must be completed within 30 calendar days prior to the note date.
Credit	<ul style="list-style-type: none"> All guidelines from USDA HB-1-3555, Chapter 10, must be met Non-traditional credit is permitted Borrowers currently in a forbearance plan, or pending acceptance of a forbearance plan, are ineligible for a new transaction. This would include any refinance of the loan in forbearance, regardless of payment history, any refinance of other loans not in forbearance, and new purchase transactions. Borrowers will need to resolve the current or pending forbearance prior to completing a new transaction. This guidance is applicable to any borrower in any type of forbearance plan on a residential mortgage, regardless if the borrower has been making their payment during the forbearance. Any loan that enters forbearance or for which forbearance has been requested after closing but prior to delivery to Arc Home, is not eligible for purchase by Arc Home.
Assets	<ul style="list-style-type: none"> Borrower(s) must meet asset requirements as defined in Attachment 9-A of Chapter 9 in Single-Family Housing Guaranteed Loan Program Handbook
Guarantee Fee	<ul style="list-style-type: none"> The Upfront Loan Guarantee Fee may be fully or partially financed into the loan amount. It may also be paid in full at closing from the Borrower's assets. The Annual Fee will be paid as part of the monthly mortgage payment. The Upfront and Annual Fees may be calculated with the Guarantee Fee Calculator.
Escrow Waiver	<ul style="list-style-type: none"> Taxes and Homeowners Insurance must be escrowed
Limitations on Other R.E Owned	<ul style="list-style-type: none"> Borrowers may own one single family housing unit other than the subject property, as well as meet requirements in Chapter 8 of the USDA HB-1-3555 guide
Appraiser Requirements	<ul style="list-style-type: none"> Appraisers and Appraisal Reports must meet guidelines in Chapter 12 of USDA HB-1-3555 guide
Internet Links	www.archomellc.com