

EFFECTIVE JAN. 22, 2026

# Credit Union Standard Underwriting Requirements Quick Reference and Overlays

For loans not qualifying under our EZ Decisioning<sup>SM</sup> (Desktop Underwriter<sup>®</sup>/DU<sup>®</sup>, Loan Product Advisor<sup>®</sup>/LPA<sup>®</sup>) requirements.

Arch MI's Credit Union Standard Credit Union Underwriting Requirements Quick Reference provides an overview of general eligibility limits for loans and overlays with Agency requirements.

## LTV, Loan Amount, Credit Score and DTI Requirements

The requirements below for LTV, loan amount, credit score and DTI apply to both delegated and non-delegated submissions.

Occupancy	Transaction Type	Property Type	Maximum		Maximum Loan Amount	Minimum Credit Score	Maximum DTI
			LTV	CLTV <sup>1</sup>			
Primary Residence	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo, Co-op	97% <sup>2</sup>	105% <sup>3</sup>	\$832,750 <sup>4</sup>	620	45%
			95.01%–97% <sup>2</sup>	97% <sup>5</sup>	\$832,751–\$1,249,125	620	
			95%	100% <sup>3</sup>	\$832,751–\$1,249,125	620	
		Manufactured Home <sup>6</sup>	90%	90%	\$832,750 <sup>4</sup>	680	
		2-Unit	95%	100% <sup>3</sup>	\$1,599,375	660	
		3-Unit	90%	90% <sup>5</sup>	\$1,288,800	660	
	4-Unit	90%	90% <sup>5</sup>	\$1,601,750	660		
	Cash-Out Refinance	1-Unit, SFD/SFA, Condo, Co-op	95%	95% <sup>5</sup>	\$1,249,125	660	
Second Home	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo, Co-op	90%	90% <sup>5</sup>	\$1,249,125	660	
		Manufactured Home <sup>6</sup>	90%	90% <sup>5</sup>	\$832,750 <sup>4</sup>	700	
Investment	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo, Co-op	85%	85% <sup>5</sup>	\$1,249,125	680	
<b>Construction-to-Permanent Loans</b>							
Primary Residence	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Detached Condo	95%	95% <sup>5</sup>	\$1,249,125	620	45%
		Manufactured Home <sup>6</sup>	90%	90% <sup>5</sup>	\$832,750 <sup>4</sup>	680	
Second Home	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Detached Condo	90%	90% <sup>5</sup>	\$1,249,125	660	
		Manufactured Home <sup>6</sup>	90%	90% <sup>5</sup>	\$832,750 <sup>4</sup>	700	

EFFECTIVE JAN. 22, 2026

Occupancy	Transaction Type	Property Type	Maximum		Maximum Loan Amount	Minimum Credit Score	Maximum DTI
			LTV	CLTV <sup>1</sup>			
<b>Renovation Loans</b>							
Primary Residence	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo, Co-op	95%	105% <sup>3</sup>	\$832,750 <sup>4</sup>	620	45%
			95%	100% <sup>3</sup>	\$832,751-\$1,249,125		
		2-Unit	95%	100% <sup>3</sup>	\$1,599,375	660	
Second Home	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo, Co-op	90%	90% <sup>5</sup>	\$1,249,125	660	
<b>Loan Amounts \$1,249,126-\$2,000,000 for 1-Unit Properties<sup>7</sup></b>							
Primary Residence (Delegated)	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo	85%	85% <sup>5</sup>	\$1,249,126-\$1,500,000	740	41%
Primary Residence (Non-Delegated)	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condo	90%	90% <sup>5</sup>	\$1,249,126-\$1,500,000	720	43%
			85%	85% <sup>5</sup>	\$1,500,001-\$2,000,000	740	43%

<sup>1</sup> Subordinate financing requirements in section 3.03.03 of our Credit Union Underwriting Manual (the Manual) must be met.

<sup>2</sup> Balloon mortgages are ineligible for LTVs > 95%.

<sup>3</sup> When the CLTV is greater than the maximum LTV, the subordinate financing must meet Fannie Mae's Community Seconds<sup>®</sup> or Freddie Mac's Affordable Seconds<sup>®</sup> requirements. The loan must be identified as an Affordable Housing loan within the MI submission.

<sup>4</sup> \$1,249,125 for properties located in Alaska or Hawaii.

<sup>5</sup> New subordinate financing is ineligible.

<sup>6</sup> The following are ineligible for manufactured homes:

- Single-wide and 2-4-unit manufactured homes.
- Renovation loans.
- Investment properties.

See section 3.14.04 of the Manual for specific requirements for manufactured home eligibility.

<sup>7</sup> See section 3.03.01.01 of the Manual for additional underwriting requirements for these loan amounts.

These underwriting requirements are not all-inclusive; see [Arch MI's Credit Union Underwriting Manual](#) for additional information. A list of common overlays to the Agencies can be found on the next page.

## How Arch MI's Credit Union Standard Underwriting and Agency Requirements Differ:

This summary provides some common differences between Arch MI's Standard Underwriting Requirements and Agency requirements. **This list is not all-inclusive** and is subject to change based on announcements from Fannie Mae, Freddie Mac or Arch MI.

Overlays to Agency Requirements			
Acreage	Maximum 15 acres.		
Construction-to-Permanent	<ul style="list-style-type: none"> <li>■ 1-unit primary residence (maximum 95% LTV), second home (maximum 90% LTV), manufactured home (maximum 90% LTV) only.</li> <li>■ Ineligible:               <ul style="list-style-type: none"> <li>- Non-traditional credit.</li> <li>- New subordinate financing.</li> <li>- 2-4-unit property.</li> <li>- Investment property.</li> <li>- Attached condo.</li> <li>- Co-op.</li> <li>- Cash-out refinance.</li> </ul> </li> </ul>		
Credit	<ul style="list-style-type: none"> <li>■ A member who was a debtor on a loan for which Arch MI paid a claim will be considered for insurance on an exception basis upon review of a non-delegated submission.</li> </ul>		
Documentation	<ul style="list-style-type: none"> <li>■ Agency AUS underwritten loans with a finalized Approve/Eligible or Accept/Eligible recommendation may follow the AUS alternative documentation.</li> <li>■ Manually underwritten loans follow Agency manual documentation requirements.</li> </ul>		
Minimum Member Contribution (from own funds)	<ul style="list-style-type: none"> <li>■ 1-unit primary residence:               <ul style="list-style-type: none"> <li>- Loan amounts up to \$1,249,125: 3%. Gifts/Grants may be used to satisfy the minimum member contribution for the following:                   <ul style="list-style-type: none"> <li>▪ Maximum 97% LTV for loan amounts up to \$832,750*.</li> <li>▪ Maximum 95% LTV for loan amounts up to \$1,249,125.</li> </ul> </li> <li>■ Manufactured home: 3%.</li> <li>■ Members using non-traditional credit: 3%.</li> <li>■ 2-unit primary residence:                   <ul style="list-style-type: none"> <li>- 80.01%–85% LTV: 3%.</li> <li>- 85.01%–95% LTV: 5%.</li> </ul> </li> </ul> </li> <li>■ Second home: 5%.</li> <li>■ 1-unit primary residence with loan amounts \$1,249,126–\$2,000,000: 10%.</li> <li>■ All contributions (with the exception of allowable seller/interested-party contributions) must come from the member's own funds for the following:               <ul style="list-style-type: none"> <li>- 3-4-unit primary residence.</li> <li>- Investment property.</li> </ul> </li> </ul>		
Property	<ul style="list-style-type: none"> <li>■ Single-wide and 2-4-unit manufactured homes are ineligible.</li> </ul>		
Reserves	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">           Loans with a DU Approve/Eligible or LPA Accept/Eligible recommendation may align with the DU or LPA reserve requirements except as follows:           <ul style="list-style-type: none"> <li>■ 3-4-unit property: 6 months' PITIA reserves.</li> </ul> </td> <td style="width: 50%; vertical-align: top;">           Loans without a DU Approve/Eligible or LPA Accept/Eligible recommendation as follows:           <ul style="list-style-type: none"> <li>■ Primary residence:               <ul style="list-style-type: none"> <li>- ≤ \$1,249,125: None.</li> <li>- \$1,249,126–\$1,650,000: 9 months' PITIA.</li> <li>- \$1,650,001–\$2,000,000: 12 months' PITIA.</li> </ul> </li> <li>■ Second home, investment property, 2-4-unit property:               <ul style="list-style-type: none"> <li>- 6 months' PITIA.</li> </ul> </li> </ul> </td> </tr> </table>	Loans with a DU Approve/Eligible or LPA Accept/Eligible recommendation may align with the DU or LPA reserve requirements except as follows: <ul style="list-style-type: none"> <li>■ 3-4-unit property: 6 months' PITIA reserves.</li> </ul>	Loans without a DU Approve/Eligible or LPA Accept/Eligible recommendation as follows: <ul style="list-style-type: none"> <li>■ Primary residence:               <ul style="list-style-type: none"> <li>- ≤ \$1,249,125: None.</li> <li>- \$1,249,126–\$1,650,000: 9 months' PITIA.</li> <li>- \$1,650,001–\$2,000,000: 12 months' PITIA.</li> </ul> </li> <li>■ Second home, investment property, 2-4-unit property:               <ul style="list-style-type: none"> <li>- 6 months' PITIA.</li> </ul> </li> </ul>
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\*\$1,249,125 for properties located in Alaska or Hawaii.

**Complete underwriting requirements and loan submission procedures are available on our website, [archmicu.com/guidelines](https://archmicu.com/guidelines).**