

ARCH MORTGAGE GUARANTY COMPANY

Underwriting Requirements Quick Reference for RateStar Pricing



With Arch Mortgage Guaranty Company (AMGC), the industry's most innovative MI solution for portfolio lending, you have expanded origination opportunities. AMGC provides coverage for jumbo loan amounts that exceed GSE loan limits, interest-only loans and loans submitted through our AMGC Community Program. Under AMGC's Master Policy, you receive true Day One rescission relief. Contact your Arch MI Account Manager today for more information on AMGC.

Portfolio Program — LTV/Loan Amount/Credit Score/DTI Requirements for RateStar Pricing

Occupancy	Loan Purpose	Property Type	Maximum LTV/CLTV	Maximum Loan Amount	Minimum Credit Score	Maximum DTI
Primary Residence	Purchase or Rate/Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	97%/97%	\$850,000	620	50%
			95%/95%	\$850,001–\$1,000,000	660	45%
			90%/90%	\$1,000,001–\$1,500,000	660	45%
			85%/85%	\$1,500,001–\$2,500,000	660	45%
		Manufactured Homes	95%/95%	\$700,000	660	45%
		2 Units	95%/95%	\$750,000	620	50%
				\$750,001–\$1,000,000	660	45%
	3 Units	90%/90%	\$1,000,000	660	45%	
	4 Units	90%/90%	\$1,000,000	660	45%	
	Cash-Out Refinance (Max. \$250,000)	1-Unit SFD/SFA, Condos, Co-ops ¹	95%/95%	\$750,000	620	50%
			\$750,001–\$850,000	660	45%	
85%/85%		\$850,001–\$1,000,000	680	41%		
2 Units		90%/90%	\$650,000	620	45%	
Second Home	Purchase or Rate/Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	90%/90%	\$850,000	660	50%
			85%/85%	\$850,001–\$1,000,000	700	45%
		Manufactured Homes	90%/90%	\$550,000	680	45%
	Cash-Out Refinance (Max. \$200,000)	1-Unit SFD/SFA, Condos, Co-ops ¹	85%/85%	\$650,000	700	45%
Investment	Purchase or Rate/Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	85.01-90%/85.01-90%	\$750,000	680	45%
			85%/85%	\$850,000	680	45%
Construction-to-Permanent Loans						
Primary Residence	Purchase or Rate/Term Refinance	1-Unit SFD/SFA, Detached Condos	97%/97%	\$500,000	680	45%
			95%/95%	\$850,000	620	45%
			90%/90%	\$850,001–\$1,000,000	660	45%
		Manufactured Homes	95%/95%	\$700,000	660	45%
		2 Units	95%/95%	\$750,000	680	45%

Second Home	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Detached Condos	90%/90%	\$850,000	660	45%
		Manufactured Homes	90%/90%	\$550,000	680	45%
Renovation Loans						
Primary Residence	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	97%/97%	\$500,000	680	45%
			95%/95%	\$850,000	620	45%
			90%/90%	\$850,001–\$1,000,000	660	45%
		2 Units	95%/95%	\$1,000,000	660	45%
Second Home	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	90%/90%	\$850,000	660	45%

¹ Co-op eligibility limited to the states of CA, CT, DC, IL, MA, MD, NH, NJ, NY, VA and WA.

Additional Portfolio Program Underwriting Requirements

Valid Credit Score Requirements

All borrowers must have a valid credit score.

For a credit score to be considered valid, each borrower must have a minimum of 3 trade lines each evaluated a minimum 12 months or 2 trade lines each evaluated a minimum 24 months. Trade lines may be open or closed.

Derogatory credit and public records (collections, judgments, charge-offs, repossessions, foreclosures, trade lines included in a bankruptcy and credit counseling) and disputed accounts are not acceptable as valid trade lines.

Minimum Borrower Contribution Requirements

AMGC requires a minimum contribution from the borrower's own funds for a purchase transaction. For certain transactions, once the minimum borrower contribution has been met, the remainder of the funds can come from other acceptable sources, such as gift funds, grants, etc.

- 1-unit primary residence (\leq \$1,000,000) — 3%.
- 1-unit primary residence ($>$ \$1,000,000) — All funds must come from the borrower.
- 2–4 unit primary residence — 3%.
- Second homes — 5%.
- Investment properties — All funds must come from the borrower.

Reserve Requirements

Occupancy	Property Type	Loan Amount	Reserves
Primary Residence	1-Unit, SFD/SFA, Condos, Co-ops, Manufactured Homes	\leq \$850,000	2 months
	1-Unit, SFD/SFA, Condos, Co-ops	\$850,001–\$1,000,000	6 months
		\$1,000,001–\$1,500,000	12 months
		\$1,500,001–\$2,500,000	18 months
	2–4 Units	All Eligible Loan Amounts	6 months
Second Home	1-Unit, SFD/SFA, Condos, Co-ops	\leq \$850,000	6 months (subject property only)
		\$850,001–\$1,000,000	9 months (subject property only)
Investment	1-Unit, SFD/SFA, Condos, Co-ops	All Eligible Loan Amounts	6 months (subject property only)

Ineligible for AMGC (not all-inclusive):

- LTVs > 97% (see the AMGC Community Program in AMGC UW Manual for LTVs up to 100%).
- LTVs ≤ 80% for Borrower-Paid Mortgage Insurance (BPMI).
- Loan amounts > \$2,500,000.
- Credit scores < 620.
- Debt-to-income ratios > 50%.
- Loans featuring negative amortization (potential or scheduled).
- Loans with a prepayment penalty feature.
- Construction-only loans.
- Limited documentation loans.
- Borrowers without a Social Security Number.
- A borrower who was a debtor on a loan for which AMGC (or one of its affiliates) paid a claim.
- Single-wide manufactured homes.
- Properties located outside the 50 states and the District of Columbia (including Puerto Rico, Guam and the Virgin Islands).
- Properties that include more than 4 residential units.
- Non-residential use of property, including vacant land, commercial or business activity on premises (except for incidental business use).

Other AMGC Programs Available (see the AMGC Underwriting Manual for complete details):

- Interest-Only Program.
- Medical and Dental Professionals Program.
- AMGC Community Program.

Other Loans Eligible for Insurance with AMGC

AMGC is an affiliate of Arch Mortgage Insurance Company (Arch MI). It is important to note that any loan that meets the published Arch MI underwriting requirements is eligible for insurance by AMGC when submitted non-delegated (full-file), provided the lender has an AMGC Master Policy and understands AMGC-insured loans are not saleable to Fannie Mae, Freddie Mac or the Federal Home Loan Bank system. AMGC loans that meet the Arch MI published requirements are not subject to additional requirements or restrictions contained within the AMGC UW Manual (with the exception of co-op property state eligibility). Commingling of Arch MI and AMGC underwriting requirements is not allowed — the submitted loan must meet one or the other entirely.