

AS OF FEBRUARY 28, 2024

AMGC Community Heroes Program Quick Reference

LTV/Loan Amount/Credit Score/DTI Requirements — Fixed-Rate/Fixed-Payment and ARMs ≥ 5 Years

PROGRAM	OCCUPANCY	TRANSACTION TYPE	PROPERTY TYPE	LTV	MAXIMUM LOAN AMOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI
Community Heroes	Primary Residence	Purchase	1-Unit, Detached, Attached, Condos	97.01%–99%	\$766,550*	720	41%

* \$1,149,825 for properties located in AK or HI.

Exceptions are not allowed to any program underwriting requirements, including DTI and/or credit score.

Additional Requirements:

Underwriting Method:

- All Arch Mortgage Guaranty Company (AMGC) underwriting requirements apply unless additional requirements are outlined herein.
- Desktop Underwriter® (DU®) or Loan Product Advisor® (LPASM) recommendations are not applicable.

Submission Method:

- Non-delegated submission required.

Maximum Term:

- 30 years.

Pricing and MI Coverage Options:

- Rates are only available through the RateStar® pricing option.
- Single-premium plans are not available for this program.
- The correct program name, Community Heroes, must be selected in RateStar when requesting a rate quote.
- The following coverage options are available: 35%, 30%, 25%, 20% and 18%.

Maximum Risk In-Force:

- Loans insured under the Community Heroes Program will be capped at a maximum 25% of the new insurance written (NIW) annually per credit union, to be reviewed quarterly.

Documentation:

- All AMGC documentation requirements apply. DU or LPA documentation efficiencies may not be used.

Member:

- All members must occupy the property.
- All members must have a Social Security number.
- No other real estate may be owned by the member(s) at time of closing, including property retained for pending sale at a later date, regardless of equity in the current residence.
- **Community Heroes:** At least one member must be currently employed either full time or part time in one of the following eligible professions (see exception for military personnel) or employed within one of the named organizations:
 - Any employee of one of these organizations:
 - ♦ Public or private educational institution.
 - ♦ Fire department.
 - ♦ Federal, state or local government law enforcement agency.
 - ♦ Medical care provider, including, but not limited to:
 - ▶ Hospitals.
 - ▶ Physicians' offices and medical practices.
 - ▶ Inpatient and outpatient care centers and clinics.
 - ▶ Assisted living facilities.
 - ▶ Skilled nursing facilities.
 - ▶ Home health agencies.
 - Nurses (all designations, including Certified Nursing Assistant [CNA]).

Additional Requirements (Continued from previous page):

- Emergency Medical Technicians (EMTs) and Paramedics.
- Active or former military personnel will qualify when at least one member documents one of the following:
 - ♦ Current income derived from active duty or military retirement; or
 - ♦ Military service with DD Form 214 — Certificate of Release or Discharge from Active Duty (dishonorable discharge is ineligible); or
 - ♦ Eligibility for a Veterans Administration (VA) mortgage with a current VA Certificate of Eligibility.
- Employment documentation or other acceptable documentation is required verifying the member's position (see exception for military personnel). For example, the member's position/designation may be identified on the paystub or Verification of Employment (VOE). If not identified on these documents, then copies of diplomas, certifications, licenses, etc., should be obtained.
- Employment and/or income starting post-close is ineligible.
- Student loan debt will be included in the total monthly obligations for qualifying purposes.
- **Credit:**
 - Each member must have a valid credit score. A credit score is considered valid when a member has a minimum of 3 tradelines, each evaluated a minimum of 12 months, or 2 tradelines, each evaluated a minimum of 24 months. Tradelines may be open or closed.
 - A minimum of 2 credit scores are required for each member.
 - A member with 1 score is acceptable when the credit union has requested credit scores from all 3 credit repositories and only 1 credit score is available.
 - All bankruptcies, foreclosures, deed-in-lieu of foreclosures and short sales require 7 years' seasoning.
 - No judgments or charge-off accounts within the last 7 years.
- **Assets/Minimum Member Contribution:**
 - No minimum member contribution required. Down payment may be satisfied by a gift/grant from an eligible donor.
- Gift/grants allowed for down payment, closing costs and reserves. If any funds are secured by a recorded mortgage, they are considered subordinate financing and are ineligible.
- Maximum 3% interested-party contributions (IPCs) are allowed toward eligible closing costs, not to exceed actual costs.
- Lender credit allowed for MI premiums.
- IPCs, lender credits, gifts/grants and/or employer assistance cannot exceed cash required to close (no cash back to the member).
- IPCs and lender credits cannot satisfy the down payment requirement.
- Minimum 2 months' reserves required.
- **Ineligible:**
 - Interest-only, balloons, temporary buydowns, ARMs with less than a 5-year initial fixed-rate term.
 - Subordinate financing (including Community Seconds® and Affordable Seconds®).
 - Non-occupying co-borrowers.
 - Non-permanent residents.
 - Construction-to-permanent loans and renovation loans.
 - Second homes or investment properties.
 - 2–4 units, manufactured housing, co-ops, properties not located within the 50 states or the District of Columbia.
 - AMGC EqualAccess Homeownership Program Loans
 - Delegated submissions.

This document provides an overview of the underwriting requirements for the AMGC Community Heroes Program. Any underwriting requirement not mentioned within this document will defer to the Arch Mortgage Guaranty Underwriting Requirements. **See the AMGC Credit Union Underwriting Manual for details at archmicu.com/amgc.**