

CUSTOMER ANNOUNCEMENT

CUA 2024-01 | January 24, 2024

► Expanded Medical and Dental Professionals Program and Additional Underwriting Requirement Updates, Effective Immediately

The Arch MI Medical and Dental Professionals Program offers expanded underwriting requirements, including a 100% loan-to-value (LTV) option, for medical and dental professionals with high debt-to-income (DTI) ratios due to student loans and/or employment beginning post-closing when certain requirements are met.

Effective immediately, we have expanded our Medical and Dental Professionals Program to allow higher loan limits as well as other miscellaneous changes. A summary of these changes is listed below.

Reduced Coverage Medical and Dental Professionals Program:

- 90.01%–97% LTV loan limits have increased from a maximum loan amount of \$850,000 to \$1,000,000.
- 90.01%–95% LTV loan limits have increased from a maximum loan amount of \$1,000,000 to \$1,250,000.

Coverage for loans with 100% LTVs up to a maximum loan amount of \$850,000 continues to be available, and with this update Chiropractors and all registered Pharmacists (RPH) formerly limited to a maximum 97% LTV are now eligible for 100% LTVs.

Standard Medical and Dental Professionals Program:

- 97% LTV loan limits have increased from a maximum loan amount of \$850,000 to \$1,000,000.
- 95% LTV loan limits have increased from a maximum loan amount of \$1,000,000 to \$1,250,000.
- 90% LTV loan limits have increased from a maximum loan amount of \$1,500,000 to \$1,650,000 (non-delegated submission required).
- 85% LTVs are now permitted up to a maximum loan amount of \$2,000,000 (non-delegated submission required).

In addition, we have increased the maximum DTI from 41% to 43% for 90% LTV transactions up to a maximum loan amount of \$1,650,000 with a minimum of 9 months' principal, interest, taxes, insurance and association dues (PITIA) reserves.

See [Supplement 1](#) for the updated LTV/Loan Amount/Credit Score/DTI requirements for both the Reduced Coverage and Standard Medical and Dental Professionals Programs. The loan amount and DTI changes referenced in this announcement are bolded.

For complete underwriting requirements, refer to the [Arch MI Credit Union Underwriting Manual](#).

Additional Underwriting Updates

Arch MI Standard Underwriting Requirements — Reserves

Effective immediately, Arch MI Standard Underwriting monthly PITIA reserve requirements have been expanded as follows:

- Primary residence, 1-unit properties:
 - Loan amounts up to \$1,149,825 (formerly \$1,089,300) require no reserves.
 - Loan amounts \$1,149,826 to \$1,650,000 (formerly \$1,089,301 to \$1,500,000) require 9 months' PITIA reserves.
 - Loan amounts \$1,650,001 to \$2,000,000 (formerly \$1,500,001 to \$2,000,000) require 12 months' PITIA reserves.
- Primary residence, 2–4-unit properties for all eligible loan amounts continue to require 6 months' PITIA reserves.
- Second home and investment properties with loan amounts less than or equal to \$1,149,825 (formerly \$1,089,300) require 6 months' PITIA reserves.

For the complete requirements, refer to the [Arch MI Credit Union Underwriting Manual](#).

The above changes are effective immediately and all underwriting requirement system edits impacting the MI rate quote and application are in place. The Arch MI Credit Union Underwriting Manual and all supporting documents have also been updated.

In addition to these updates, the Manual was also updated with the EZ DecisioningSM and Standard Underwriting requirement loan limit changes communicated in Customer Announcement [CUA 2023-06](#) and with the information from Customer Announcement [CUA 2023-02](#) pertaining to Arch MI's support for participants in state-sponsored Address Confidentiality programs. References to COVID-19 temporary underwriting requirements have also been removed as they are no longer in place.

If you have any questions about this announcement, contact your [Arch MI Account Manager](#).

CUA 2024-01 — Supplement 1

Reduced Coverage Medical and Dental Professionals Program LTV/Loan Amount/Credit Score/DTI Requirements							
RateStar Pricing Only							
Occupancy	Transaction Type ¹	Property Type	LTV	Maximum Loan Amount	Minimum Credit Score ²	Maximum DTI ²	PITIA Reserves ³
Primary Residence (only)	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condos, Co-ops	97.01%–100% ⁴ Non-Delegated Only	\$650,000	720	43%	2 Months
				\$650,001–\$850,000	740		
			90.01%–97%	\$850,000	620	45%	2 Months
				\$850,001–\$1,000,000	680		
			90.01%–95%	\$1,000,001–\$1,250,000 ⁴	700	45%	6 Months

¹ Construction-to-permanent and renovation loans are also included.

² The 5% DTI variance and 10-point credit score variance as addressed in section 3.03 of the Underwriting Manual are allowed for LTVs ≤ 97% and loan amounts ≤ \$1,149,825 only.

³ When employment begins post-closing, additional reserves are required for each month after the Note date until employment begins.

⁴ Construction-to-permanent loans and renovation loans are ineligible for LTVs > 97% and loan amounts > \$1,149,825.

Standard Medical and Dental Professionals Program LTV/Loan Amount/Credit Score/DTI Requirements							
RateStar and Rate Card Pricing							
Occupancy	Transaction Type ¹	Property Type	Maximum LTV	Maximum Loan Amount	Minimum Credit Score ²	Maximum DTI ²	PITIA Reserves ³
Primary Residence (only)	Purchase and Rate/Term Refinance	1-Unit, SFD/SFA, Condos, Co-ops	97%	\$850,000	620	45%	2 Months
			90.01%–97%	\$850,001–\$1,000,000	680		
			80.01%–90%	\$850,001–\$1,000,000	620	45%	6 Months
			95%	\$1,000,001–\$1,250,000 ⁴	700		
			90% Non-Delegated Only	\$1,250,001–\$1,650,000 ⁴	720	43%	9 Months
			85% Non-Delegated Only	\$1,650,001–\$2,000,000 ⁴	740	43%	12 Months

¹ Construction-to-permanent and renovation loans are also included.

² The 5% DTI variance and 10-point credit score variance as addressed in section 3.03 of the Underwriting Manual are allowed for loan amounts ≤ \$1,149,825 only.

³ When employment begins post-closing, additional reserves are required for each month after the Note date until employment begins.

⁴ Construction-to-permanent loans and renovation loans are ineligible for loan amounts > \$1,149,825.