

## CUSTOMER ANNOUNCEMENT

CUA 2022-04 | December 6, 2022

### ► Conforming and Jumbo Loan Limits Increase, Effective Immediately

On November 29, 2022, the Federal Housing Finance Agency (FHFA) announced that the baseline conforming and high-cost loan limits for Fannie Mae and Freddie Mac will increase for loans delivered on or after January 1, 2023.

Arch MI will support the new loan limits as detailed below.

#### **1-Unit Properties (SFA, SFD, Condos, Co-ops and Manufactured Housing) — All Occupancy Types**

##### **EZ Decisioning Underwriting Requirements:**

- Wherever our current maximum loan amount is \$647,200, the amount will increase to \$726,200.
- Wherever our current maximum loan amount is \$970,800, the amount will increase to \$1,089,300.

##### **Standard Underwriting Requirements:**

- Wherever our current maximum loan amount is \$647,200, the amount will increase to \$726,200.
- Wherever our current maximum loan amount is \$970,800, the amount will increase to \$1,089,300.
- Our jumbo loan amount range of \$970,801–\$1,500,000 will increase to \$1,089,301–\$2,000,000.
- A new tier will be added for loan amounts \$1,500,001–\$2,000,000, subject to the following:
  - Maximum 85% LTV.
  - Minimum 740 representative credit score.
  - Maximum 43% DTI.
  - 12 months' PITIA reserves required.
  - Non-delegated submissions only.

#### **2–4 Unit Primary Residences**

##### **EZ Decisioning and Standard Underwriting Requirements:**

- Wherever our current maximum loan amount for a 2-unit primary residence is \$1,243,050, the amount will increase to \$1,394,775, which is the high-cost maximum for a 2-unit property.
- Wherever our current maximum loan amount for a 3-unit primary residence is \$1,001,650, the amount will increase to \$1,123,900, which is the baseline conforming maximum for a 3-unit property.
- Wherever our current maximum loan amount for a 4-unit primary residence is \$1,244,850, the amount will increase to \$1,396,800, which is the baseline conforming maximum for a 4-unit property.

##### **Updates to Arch MI Credit Union Underwriting Manuals and Supporting Documents**

The Credit Union Underwriting Manuals and all supporting documents will be updated by mid-January 2023. However, as stated earlier, the new loan limits and additional requirement changes are effective immediately.

## **DU Approve/Ineligible or LPA Accept/Ineligible (For Loan Amount Only)**

Loans receiving a Desktop Underwriter® (DU) Approve/Ineligible or a Loan Product Advisor® (LPA<sup>SM</sup>) Accept/Ineligible (for loan amount only) that were underwritten with DU or LPA prior to their system updates and are within Arch MI's new maximum loan amounts stated above will be eligible for insurance under Arch MI's EZ Decisioning<sup>SM</sup> program when all other underwriting requirements are met.

## **Arch MI Underwriting System Edits**

All underwriting requirement system edits impacting the MI rate quote and application were updated on December 6, 2022. If you encounter an issue with receiving a rate quote or have other questions about this announcement, contact your [Arch MI Account Manager](#).