

CUSTOMER ANNOUNCEMENT

CUA 2021-01-AMGC | March 1, 2021

► Arch Mortgage Guaranty Company Underwriting Requirement Changes, Effective Immediately

Effective immediately, the Arch Mortgage Guaranty Company (AMGC) Credit Union [Underwriting Manual](#) has been updated with the following underwriting requirement changes:

- **Section 3.1.1, Portfolio Program — LTV/Loan Amount/Credit Score/DTI Requirements**, will be updated as follows:
 - Various changes have been made throughout the table in this section (see Supplement 1 below). All changes have been bolded within the table in the supplement.
 - Increases to maximum LTVs.
 - Increases to maximum loan amounts.
 - Decreases to minimum credit scores.
 - Increases to maximum debt-to-income (DTI) ratios.
 - Manufactured homes are now eligible as second homes.
 - Manufactured home eligibility has been added to construction-to-permanent loans section of the table (it had previously been announced that they were eligible).
 - Detached condominiums are now eligible for construction-to-permanent loans.
 - The construction-to-permanent loan and renovation loan eligibility rows have been separated since different property types are eligible for each.
- All references to Forms 4506 and 4506T were removed from the AMGC Underwriting Manuals as the forms are being discontinued.
- **Section 3.6.2, Adjustable-Rate Mortgages (ARMs)**, has been updated to remove examples of eligible ARM indexes. Instead, this section will describe the type of ARM indexes allowed.
- **Section 4.6.2.1, Rate/Term Refinance**, has been updated to allow the payoff of an unseasoned, non-purchase money subordinate lien documented to be used entirely for home improvements. The applicable LTV/Loan Amount/Credit Score/DTI requirements for a renovation rate/terms refinance loan in section 3.1.1 must be met.
 - All improvement costs must be documented.
 - The appraisal must confirm that the improvements documented by the member have been completed.
- **Section 4.6.4, Construction-to-Permanent Financing**, has been updated to clarify that only attached condominiums are ineligible. Detached condominiums are eligible for construction-to-permanent loans.
- **Section 5.9.5, Reserves — Portfolio Program**, has been updated to allow 2 months' reserves for loan amounts up to \$850,000 for a 1-unit primary residence.

If you have questions about these changes, please contact your [Arch MI Account Manager](#).

CUA 2021-01-AMGC – Supplement 1

Portfolio Program

Portfolio Program — LTV/Loan Amount/Credit Score/DTI Requirements

OCCUPANCY	LOAN PURPOSE	PROPERTY TYPE	MAXIMUM LTV/CLTV	RATESTAR PRICING			RATE CARD PRICING		
				MAXIMUM LOAN MOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI	MAXIMUM LOAN MOUNT	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%	\$850,000	620	45%
			95%/95%	\$850,001 –\$1,000,000	660	45%	\$850,001 –\$1,000,000	720	43%
			90%/90%	\$1,000,001 –\$1,500,000	660	45%	\$1,000,001 –\$1,500,000	720	43%
			85%/85%	\$1,500,001 –\$2,500,000	660	45%	\$1,500,001 –\$2,000,000	720	43%
		Manufactured Homes	95%/95%	\$700,000	660	45%	\$700,000	720	45%
			90%/90%				\$550,000	680	45%
		2 Units	95%/95%	\$750,000	620	50%	\$750,000	660	45%
				\$750,001 –\$1,000,000	660	45%	\$750,001 –\$1,000,000	660	45%
		3 Units	90%/90%	\$1,000,000	660	45%	\$1,000,000	660	45%
		4 Units	90%/90%	\$1,000,000	660	45%	\$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%	\$850,000	660	45%
				\$750,000 –\$1,000,000	660	45%			
		85%/85%	\$850,001 –\$1,000,000	680	41%	\$850,001 –\$1,000,000	740	45%	
		2 Units	90%/90%	\$650,000	680	45%	\$650,000	660	45%
Second Home	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	90%/90%	\$850,000	660	50%	\$850,000	660	45%
			85%/85%	\$850,001 –\$1,000,000	700	45%	\$850,001 –\$1,000,000	740	45%
		Manufactured Homes	90%/90%	\$550,000	680	45%	\$550,000	700	45%
	Cash-Out Refinance (Max \$200,000)	1-Unit SFD/SFA, Condos, Co-ops ¹	85%/85%	\$650,000	700	45%	\$650,000	740	45%
Investment	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	85–90%/ 85–90%	\$750,000	680	45%	\$750,000	700	43%
			85%/85%	\$850,000	680	45%	\$850,000	700	45%

Construction-to-Permanent Loans

Primary Residence	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Detached Condos	97%/97%	\$500,000	680	45	\$500,000	680	45%
			95%/95%	\$850,000	620	45	\$850,000	620	45%
			90%/90%	\$850,001 –\$1,000,000	660	45	\$850,001 –\$1,000,000	720	45%
		Manufactured Homes	95%/95%	\$700,000	660	45%	\$700,000	720	45%
			90%/90%				\$550,000	680	45%
		2 Units	95%/95%	\$750,000	680	45	\$750,000	720	45%

Construction-to-Permanent Loans (cont.)

OCCUPANCY	LOAN PURPOSE	PROPERTY TYPE	MAXIMUM LTV/CLTV	RATESTAR PRICING			RATE CARD PRICING		
				MAXIMUM LOAN MOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI	MAXIMUM LOAN MOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI
Second Home	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Detached Condos	90%/90%	\$850,000	660	45	\$850,000	660	45%
		Manufactured Homes	90%/90%	\$550,000	680	45%	\$550,000	700	45%

Renovation Loans

Primary Residence	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Condos, and Co-ops ¹	97%/97%	\$500,000	680	45	\$500,000	680	45%
			95%/95%	\$850,000	620	45	\$850,000	620	45%
			90%/90%	\$850,001 –\$1,000,000	660	45	\$850,001 –\$1,000,000	720	45%
		2 Units	95%/95%	\$1,000,000	660	45	\$1,000,000	660	45%
Second Home	Purchase or Rate/ Term Refinance	1-Unit SFD/SFA, Condos, and Co-ops ¹	90%/90%	\$850,000	660	45	\$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.