

CUSTOMER ANNOUNCEMENT

CUA 2024-02-AMGC | February 28, 2024

► Expanded Loan Limits and Additional Underwriting Updates, Effective Immediately

Arch Mortgage Guaranty Company (AMGC) offers credit loss protection on a unique suite of non-conforming lending products designed to support our customers' portfolio lending needs. With the recent increase in conforming loan limits, AMGC has expanded loan limits for several products and updated and clarified certain underwriting requirements. The AMGC Professional, Non-Medical Experts program has also been expanded to allow additional eligible professions. All updates are effective immediately. The AMGC Credit Union Underwriting Manual and supporting documents have been updated on our website. A summary of these updates is provided below.

AMGC Portfolio Program Expanded Loan Limits

Purchase and Rate-Term Refinance

- Primary residence:
 - 97% loan-to-value (LTV) maximum loan limit has increased from \$1,100,000 to \$1,150,000.
- Second home:
 - 90% LTV maximum loan limit has increased from \$1,100,000 to \$1,150,000.

Construction-to-Permanent and Renovation Loans

- Primary residence:
 - 97% LTV maximum loan limit has increased from \$850,000 to \$1,000,000.
 - 95% LTV maximum loan limit has increased from \$1,100,000 to \$1,250,000.
- Second home:
 - 90% LTV maximum loan limit has increased from \$1,100,000 to \$1,150,000.

All other Portfolio Program loan limits remain the same. See [Supplement 1](#) for the complete LTV/Loan Amount/Credit Score/DTI requirements and eligible property types. All loan amount updates have been bolded.

AMGC Professional, Non-Medical Experts Program Expansion

The AMGC Professional, Non-Medical Experts program continues to provide lending options up to 100% LTV for degreed professionals with valuable expertise in specific fields. Effective immediately, the list of eligible professions has been expanded to include attorneys and engineers with a Professional Engineer (PE) license or Engineer-in-Training (EIT) certification. In addition, the maximum loan amount has increased from \$726,200 to \$766,550. For complete program details, refer to the [AMGC Underwriting Credit Union Manual](#).

Additional Underwriting Updates and Clarifications

Occupancy	Guideline Topic	Underwriting Requirement Update and/or Clarification
3.1.2	Additional Underwriting Requirements for Loan Amounts Higher than \$1,150,000 (formerly \$1,100,000)	The additional underwriting requirements for loan amounts higher than \$1,100,000 have been updated to apply to loan amounts higher than \$1,150,000.

Occupancy	Guideline Topic	Underwriting Requirement Update and/or Clarification
3.3	Medical and Dental Professionals Program	The Credit Union Underwriting Manual has been updated with the expanded Medical and Dental loan limits and program updates announced in Customer Announcement CUA 2024-01-AMGC.
3.5	AMGC Community Heroes	The maximum loan amount has increased from \$726,200 to \$766,550.
3.6	AMGC EqualAccess Homeownership Program	The maximum loan amount has increased from \$726,200 to \$766,550.
3.8.2	Adjustable-Rate Mortgages (ARMs)	The maximum loan amount for an ARM with an initial fixed-rate period less than 5 years has increased from \$1,100,000 to \$1,150,000.
3.8.3	Balloon Payment Mortgages	The maximum loan amount for a balloon payment mortgage has increased from \$1,100,000 to \$1,150,000.
3.8.4	Temporary Buydowns	The maximum loan amount for a loan with a temporary buydown has increased from \$1,100,000 to \$1,150,000.
4.2.6	Non-Occupant Borrowers	The maximum loan amount has increased from \$1,100,000 to \$1,150,000 for loans with a non-occupant borrower.
5.8.6	Commission Income	The requirement for tax returns to support commission income has been removed.
5.8.28	Deductions Reported on IRS Form 2106	The reference to deductions reported on IRS Form 2106 has been removed and the remaining sections have been renumbered.
5.8.30	Post-Close Employment	Post-Close employment, formerly Section 5.8.31, is ineligible for loan amounts greater than \$1,150,000 (formerly \$1,100,000).
5.9.1	Minimum Member Contribution	The Portfolio Program 3% minimum member contribution requirement for primary residence transactions has been adjusted to apply to loan amounts \leq \$1,150,000 (formerly \$1,100,000). The Portfolio Program 5% minimum member contribution requirement for primary residence transactions has been adjusted to apply to loan amounts \$1,150,001–\$1,500,000 (formerly \$1,100,001–\$1,500,000).
5.9.5	Reserves	The Portfolio Program primary residence minimum reserves requirement has been updated as follows: <ul style="list-style-type: none"> ▪ 2 months' reserves are required for loan amounts \leq \$1,150,000 (formerly \$1,100,000). ▪ 9 months' reserves are required for loan amounts \$1,150,001–\$1,650,000 (formerly \$1,100,001–\$1,500,000). ▪ 12 months' reserves are required for loan amounts greater than \$1,650,000 (formerly \$1,500,000).

Occupancy	Guideline Topic	Underwriting Requirement Update and/or Clarification
6.1	Appraisal Requirements	Clarified that in addition to appraisal waivers and desktop appraisals, property data reports and hybrid appraisals are also ineligible as a substitute for a Uniform Residential Appraisal Report.
6.14	Properties with Resale Restrictions	Properties with resale restrictions are ineligible for loan amounts greater than \$1,150,000 (formerly \$1,100,000).

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

CUA 2024-02-AMGC — Supplement 1

AMGC Portfolio Program						
Occupancy	Loan Purpose	Property Type	Maximum LTV/CLTV	Maximum Loan Amount	Minimum Credit Score	Maximum DTI
Primary Residence	Purchase and Rate/ Term Refinance	1-Unit, SFD/SFA, Condos, Co-ops ¹	97%/97%	\$1,150,000	620	50%
			95%/95%	\$1,150,001– \$1,500,000 ²	660	45%
			90%/90%	\$1,500,001– \$2,000,000 ²	660	45%
			85%/85%	\$2,000,001– \$2,500,000 ²	660	45%
		Manufactured Homes	95%/95%	\$850,000	660	45%
		2 Units	95%/95%	\$1,500,000 ²	620	50%
		3–4 Units	90%/90%	\$1,500,000 ²	660	45%
	Cash-Out Refinance (Max \$250,000)	1-Unit, SFD/SFA, Condos, Co-ops ¹	95%/95%	\$850,000	620	50%
				\$850,001– \$1,100,000	660	45%
		2 Units	90%/90%	\$850,000	620	45%
Second Home	Purchase and Rate/ Term Finance	1-Unit SFD/SFA, Condos, Co-ops ¹	90%/90%	\$1,150,000	660	50%
		Manufactured Homes	90%/90%	\$750,000	680	45%
	Cash-Out Refinance (Max \$200,000)	1-Unit SFD/SFA, Condos, Co-ops ¹	85%/85%	\$850,000	700	45%

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AMGC Portfolio Program						
Occupancy	Loan Purpose	Property Type	Maximum LTV/CLTV	Maximum Loan Amount	Minimum Credit Score	Maximim DTI
Investment	Purchase and Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	90%/90%	\$1,100,000	680	45%
Construction-to-Permanent Loans						
Primary Residence	Purchase and Rate/ Term Refinance	1-Unit SFD/SFA, Detached Condos	97%/97%	\$1,000,000	680	45%
			95%/95%	\$1,250,000 ²	620	45%
			90%/90%	\$1,250,001– \$1,500,000 ²	660	45%
		Manufactured Homes	95%/95%	\$850,000	660	45%
		2 Units	95%/95%	\$1,500,000 ²	680	45%
Second Home	Purchase and Rate/ Term Refinance	1-Unit SFD/SFA, Detached Condos	90%/90%	\$1,150,000	660	45%
		Manufactured Homes	90%/90%	\$750,000	680	45%
Renovation Loans						
Primary Residence	Purchase and Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	97%/97%	\$1,000,000	680	45%
			95%/95%	\$1,250,000 ²	620	45%
			90%/90%	\$1,250,001– \$1,500,000 ²	660	45%
		2 Units	95%/95%	\$1,500,000 ²	660	45%
Second Home	Purchase and Rate/ Term Refinance	1-Unit SFD/SFA, Condos, Co-ops ¹	90%/90%	\$1,150,000	660	45%

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

² See section 3.1.2 for additional underwriting requirements for these loan amounts.