

Quality Control (QC) Second-Lien Checklist

Arch Mortgage Assurance Company | 230 North Elm Street | Greensboro NC 27401 | 888-844-6787

AMAC ID Number: _____

Borrower Name: _____

Lender Name: _____

REQUIRED LOAN DOCUMENTS

- Final signed loan application (Form 1003).**
- Documentation to support value of property:**
 - Appraisal Report (URAR) and all applicable exhibits.
 - AVM or Evidence of tax-assessed value, as applicable.
- Purchase Contract.**
- First-lien documentation to support the new PITI, along with terms of the new first lien/mortgage.**
- Tri-merged credit report and all credit history documentation:**
 - Debts not on credit report.
 - Previous derogatory credit.
 - Debts paid by others.
 - Divorce decree/separation agreement.
 - Letters of explanation.
 - Public Records.
 - Proof of any excluded debts from the debt ratio, if applicable.
 - Verification of housing payment history.
- Income/employment documentation:**
 - Recent pay stubs.
 - W-2s.
 - Request for Verification of Employment (VOE, Form 1005/1005(S)).
 - Tax returns with all schedules, tax transcripts.
 - Employment contracts and award letters.
 - Lease agreements for all other real estate owned by the borrower(s).
 - All self-employment income documentation, if applicable.
 - IRS Transcripts (if applicable).
- Asset documentation:**
 - Bank statements with large deposits documented.
 - Request for Verification of Deposit (Form 1006/1006(S)).
 - Proceeds from sale/refinance of Real Estate Owned documented by Closing Disclosure.
 - ALTA Settlement Statement or receipt from title company, etc.
- Final Closing Disclosure (subject transaction).**
- Second-Lien Promissory Note (signed).**
- Second-Lien Mortgage or Deed of Trust (signed).**
- Basic Title Search Report.**
- Homeowners Insurance Policy Declaration page (with lender as loss payee or additional interest as a second lien/mortgagor).**
- Signed borrower authorization.**
- Power of attorney (if applicable).**
- Permanent Resident Verification (if applicable).** For example, permanent resident card, work visa, etc.
- Final Closing Disclosure on sale of departure residence or other real estate owned (if applicable).**
- Miscellaneous (if applicable):**
 - Occupancy statements.
 - Documentation obtained after AMAC submission (updated credit, paystubs, etc.).
 - Verification of taxes, insurance, and HOA on all retained REO properties.
 - Borrower attestation signed at closing confirming no new debt and no change to employment and income.
 - Proof of controlled payoffs (if applicable).
 - Evidence of flood insurance (if applicable).
 - Copy of Inter Vivos Revocable Trust (if applicable).
 - Right to cancel (if applicable).
 - Documentation to support condominium warranty to the Agencies (if applicable).
 - Additional documentation to support the specific loan program or loan approval.

LOAN SUBMISSION

File Transfer Protocol (FTP):

Step 1: Obtain FTP user ID and password. (If you have credentials, go to Step 2.)

- Access request.archmi.com.
- Complete required fields and choose **QC/Investigations**.
Click **Submit**. (Note: FTP user ID and password information will be issued within one business day and, for security purposes, will be sent in separate emails.)

Step 2: Submit loan documents.

- Access [filetransfer.archmi.com/](http://filetransfer.archmi.com) and log in with provided ID and password.
- Save your file using the naming convention **AMAC ID number_ borrower last name_QC**.
- Click **Upload** next to the yellow folder icon and drag and drop saved file into the folder.
- Click **File Upload** in top ribbon.

AUDIT SAMPLING INFORMATION

Random Audit:

- Most objective type of review.
- Sampled from the entire book of business.
- Samples are selected monthly.

Discretionary Audit:

- Focus on higher-risk loans.
- Samples are selected monthly.
- Newly approved second-lien lenders.
- Delinquent.
- Self-reported.

For more information about Arch MI's Quality Control process, email us at QCSecondLien@archmi.com.