

CUSTOMER ANNOUNCEMENT

CA 2025-01 | January 17, 2025

▶ Arch MI Expands Underwriting Requirements, Effective Immediately

Arch MI provides mortgage insurance for a variety of loan programs, including Agency loans up to the FHFA high-balance limits, jumbo loans up to \$2,000,000 and our unique Medical and Dental Professionals program with a reduced coverage option. With this announcement, Arch MI announces expansions to several of our programs as follows:

SUMMARY OF ARCH MI EXPANSIONS, EFFECTIVE JANUARY 17, 2025

Loan Amounts \$1,209,751–\$2,000,000 for 1-Unit Properties — Additional Underwriting Requirements

Minimum Contribution from Borrower's Own Funds

- After a minimum 10% contribution from the borrower's own funds, gifts/grants, employer assistance and trade equity are eligible sources for the remaining funds needed to close the transaction. Prior to this update, all funds for the transaction were required to come from the borrower's own funds.

Appraisal Requirements

- For 1-unit properties, a second full Uniform Residential Appraisal Report (URAR) or a third-party field review is required for loan amounts greater than \$1,500,000 (formerly \$1,250,000).

See section 3.03.01.01 of the [Arch MI Underwriting Manual](#) for the complete additional underwriting requirements for loan amounts \$1,209,751–\$2,000,000 for 1-unit properties.

Arch MI Medical and Dental Professionals Program

Eligible Professions

- A Certified Registered Nurse Anesthetist (CRNA) is now an eligible profession under the Arch MI Medical and Dental Professionals Program.

For the complete Medical and Dental Professionals Program requirements, see section 3.06.02 of the [Arch MI Underwriting Manual](#).

EZ Decisioning Underwriting Requirements

Eligible Assets — Sweat Equity

- For loans underwritten to our EZ DecisioningSM underwriting requirements, sweat equity is now an eligible source of funds provided all Agency requirements are met. The prior Arch MI overlays no longer apply.
- As required by the Agencies, loans utilizing sweat equity must continue to meet Freddie Mac Home Possible[®]/HeritageOneSM or Fannie Mae HomeReady[®] requirements. For complete sweat equity guidelines, refer to the Freddie Mac Seller/Servicer Guide (sections 4501.7(c)(ii) and 4504.7 (c)(ii)) and the Fannie Mae Selling Guide (chapter B5-6).
- Sweat equity continues to be an ineligible asset source for loans underwritten to our Standard Underwriting program.

For the complete EZ Decisioning program requirements, see section 2.0 of the [Arch MI Underwriting Manual](#).

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