Correspondent Announcement

New Access Clean Slate DSCR Product & Clean Slate Full Doc/Alt Doc, Access DSCR, NJ Prepayment Penalty Eligibility, and Fannie Mae Updates

New Access Clean Slate DSCR Product

Arc Home is pleased to present the Access Clean Slate DSCR lending product. The product will be eligible for locks on or after **July 1, 2026,** and provides the convenience of DSCR financing with the following flexibilities:

- Maximum 80% LTV
- DSCR as low as 0.75
- Maximum Loan Amount of $2.5MM
- Expanded Housing Payment History Requirements:
  - 1x30x12: eligible with no restrictions
  - 2x30x12: permitted with max LTV 65% and maximum loan amount of $1.5MM
- Borrowers with a derogatory credit event may be eligible as follows:
  - Over 36 months: eligible with no restrictions
  - Within 24-36 Months: eligible with max LTV 65%
  - First Time Investor: 48 Months Seasoning
- Max Cash-Out
  - LTV/CLTV< 65%: Unlimited cash-in-hand
  - LTV/CLTV >65%: Maximum $750k cash-in-hand
- 5% Borrower contribution required when gift funds are used

Revised Access Clean Slate for Full Doc/Alt Doc

Arc Home is pleased to present the revised Access Clean Slate Lending product with the following enhancements, effective for registrations on or after **July 1, 2026.**

- Aligned more closely with Access Alt Doc Matrix
- Simplified FICO/Loan Amount/LTV Grid
- Covers both Full and Alt Doc
- Added CPA P&L, WVOE and Asset Qualifier income doc types
- Purchase and Rate/Term LTVs have been combined
- Specific LTV reductions/limitations are assessed based on the risk factor (credit history, doc type, property, etc.)
- Specific guideline updates to the existing Access Clean Slate guidelines are detailed below:

Topic	Previous Guideline	New Guideline
Condo LTV Limits	**Warrantable:** Max 85% LTV **Non-Warrantable Condos, including Condotels:** Max 75% LTV; 70% for Cash-Out	**Warrantable:** Maximum LTV Removed **Non-Warrantable Condos, including Condotels:** Max CLTV: 80% Purchase & 75% Refi For properties in Florida, reduce the max LTV by 5%
2-4 Unit	Max LTV 75%	Max LTV 80%
Max Cash-Out	LTV/CLTV</= 70%: $1MM LTV/CLTV >70%: Maximum $750k cash-in-hand	LTV/CLTV</= 65%: Unlimited cash-in-hand LTV/CLTV >65%: Maximum $750k cash-in-hand
Housing History	• 1x30x12 Housing payment history (Must be 0x30 most recent 6 months) is allowed with the following: o Min 680 FICO and > 24 months seasoning from derogatory credit. Rolling lates are counted as 1 30-day late.	• 1x30x12: Max 85% LTV • 2x30x12: permitted with max LTV 65% & maximum loan amount of 1.5MM • Consecutive/Rolling 30-day lates are counted as one 30-day late • FTHB: 0x30x12
Topic	**Previous Guideline**	**New Guideline**
Derogatory Seasoning	• Over 48 months: Eligible with no restrictions • >/= 12 months < 48 months: Eligibility is dependent loan amount & FICO score • Less than 12 months not permitted	Borrowers with a derogatory credit event may be eligible as follows: • Over 36 months: eligible with no restrictions • Within 24-36 Months: eligible with max LTV 70% • 12- 24 Months: Max 60% LTV • Less than 12 months not permitted • FTHB: 48 Months
Chapter 13 Bankruptcy	Seasoning calculated from discharge	• Seasoning is calculated based off the filing date • BK 13 must be discharged • Copy of the BK payment plan history with no delinquencies • Borrower must have reestablished credit since the bankruptcy was discharged (at least one unblemished account).
Minimum Reserves	• Loan Amount < $1.5MM: 6 months • Loan Amount > $1.5MM-2.5MM: 9 months • Loan Amount > $2.5MM: 12 months	• Loan Amount </= $1MM: 3 months • Loan Amount > $1MM </= $2.0MM: 6 months • Loan Amount > $2.0MM: 9 months
WVOE Only	• Part of 1-Yr Full Doc Income • Paystub is required with WVOE	• Added WVOE Only as separate doc type • Borrower must have a two (2) year history at the employer submitting the WVOE • Owner-occupied transactions only • Borrowers employed by family are ineligible • VVOE w/in 72 hours of funding • Max LTV: 75% • Max $1MM

Topic	Previous Guideline	New Guideline
NSF	• If 1 in the last 3 months, max 3 in the last 12 • If 0 in the last 6 months, max 5 in the last 12	• A Maximum of 12 NSFs may be permitted within the most recent 12 months • If there are more than 6 NSFs in the most recent 12 months approval by underwriting management is required.
CPA P&L	Not permitted on Clean Slate product	Added CPA P&L requirements from Access Alt Doc w/ following overlays: • Supporting bank statements not required • CPA must attest to having audited the business financials or reviewed working papers • Max LTV: 75% • Max $1MM Loan Amount • Min. 680 FICO
Asset Qualifier	Not permitted on Clean Slate product	Added Asset Qualifier requirements from Access Alt Doc • Minimum 660 FICO required • Maximum 80% LTV

Access DSCR Update

The maximum LTV limits for Rate/Term Refinance transactions have been revised to match that of the maximum LTV limits for Purchase transactions.

This will be effective for loans registered on or after **July 1, 2026.**

Clarification for Prepayment Eligibility in New Jersey

The Arc Underwriting Guide has been updated to specify that Prepayment Penalties are not permitted in New Jersey for loans in which the property is vested in an LLC.

Fannie Mae Update

The below update is effective for loan submitted or re-submitted to Desktop Underwriter on or after **June 26, 2026.**

Topic	Previous Guideline	New Guideline
Authorized User Tradelines for Loans Scored on DU	DU takes credit report tradelines designated as authorized user tradelines into consideration as part of the DU credit risk assessment. However, the lender must review credit report tradelines in which the applicant has been designated as an authorized user in orderto ensure the tradelines are an accurate reflection of the borrower's credit history. If the lender believes the authorized user tradelines are not an accurate reflection of the borrower's credit history, the lender should evaluate the borrower's credit history without the benefit of these tradelines and use prudent underwriting judgment when making its final underwriting decision. In order to assist the lender in its review of authorized user tradelines, DU issues a message providing the name of the creditor and account number for each authorized user tradeline identified.	DU takes credit report tradelines designated as authorized user tradelines into consideration as part of the DU credit risk assessment. No additional investigation of the borrower's credit history is required by the lender unless instructed by DU.

We appreciate your business!