



Arc Home Product Insight

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Arc Home Solutions



- **Conventional Investment Property**
 - Expansive loan limits
- **FNMA/FHLMC Second Home & Investment Property**
 - Prime Agency alternative
- **Arc Access Non-QM**
 - Full and Alternative Documentation options, including 12- and 24-month Bank Statements or 1099s, One Year Full Doc, Asset Utilization or No Ratio, Debt Service Coverage Ratio (DSCR)
- **Arc Elite QM**
 - Full and Alternative Documentation options, including 24-month Bank Statements or 1099s, One Year Full Doc, Asset Utilization





Conventional Investment Property

- Arc Home **EXCLUSIVE PROPRIETARY** program
- Max LTV
 - **Conforming Loan Amount:** Up to **85%** LTV – no MI
 - **Jumbo Loan Amount:** Up to **80%** LTV
- Minimum **640** FICO
- Loan amounts from \$100,000 to **\$2,000,000**





Overview – Conventional Investment

- **30-Year Fixed Rate** (Fully Amortized)
- HI eligible for Delegated Correspondent only
- **No** Prepayment Penalty
- **DU Approve OR LPA Accept** required
 - May be Ineligible due ONLY to Loan Amount and/or LTV when MI is required per AUS
- **NO EXCEPTIONS** considered





Eligibility – Conventional Investment

- **Full Documentation**
 - Must meet Fannie Mae/Freddie Mac guidelines, per applicable AUS
- **Borrower Eligibility**
 - Per Fannie Mae DU/Freddie Mac LPA AUS
- **Credit**
 - Max 1x30x12 mortgage/rental history
 - Bankruptcy and Foreclosure seasoning per applicable AUS
- **Debt-to-Income**
 - Per Fannie Mae DU/Freddie Mac LPA AUS
- **Eligible Properties**
 - 1-4 Unit allowed
 - Fannie Mae Warrantable Condos





FNMA/FHLMC Second Home & Investment

- Arc Home **EXCLUSIVE PROPRIETARY** program
- LTV up to **80%**
- Minimum FICO per **Fannie Mae DU/Freddie Mac LPA**
- Loan amounts from \$100,000 to **Conforming Loan Limit**





Overview – FNMA/FHLMC Second Home & Investment

- **30-Year Fixed Rate** (Fully Amortized)
- HI eligible for Delegated Correspondent only
- **No** Prepayment Penalty
- **DU Approve/Eligible OR LPA Accept/Eligible** required
- **NO EXCEPTIONS** considered





Eligibility – FNMA/FHLMC Second Home & Investment

- **Full Documentation**
 - Must meet Fannie Mae/Freddie Mac guidelines, per applicable AUS
- **Borrower Eligibility**
 - Per Fannie Mae DU/Freddie Mac LPA AUS
- **Credit**
 - Per Fannie Mae DU/Freddie Mac LPA AUS
- **Debt-to-Income**
 - Lesser of 50% or Fannie Mae DU/Freddie Mac LPA AUS
- **Eligible Properties**
 - 1-4 Unit allowed
 - Warrantable Condos per applicable AUS





Program Comparison

	Agency – Fannie Mae & Freddie Mac	Arc Home Conventional Investment	Arc Home FNMA/FHLMC Second Home & Investment
Occupancy	<ul style="list-style-type: none">• Primary Residence• Second Home• Investment	<ul style="list-style-type: none">• Investment	<ul style="list-style-type: none">• Second Home• Investment
Loan Amount Max	<ul style="list-style-type: none">• Conforming Loan Limit	<ul style="list-style-type: none">• \$2,000,000	<ul style="list-style-type: none">• Conforming Loan Limit
LTV Max	<ul style="list-style-type: none">• Second Home: 90% - with MI• Investment: 85% - with MI	<ul style="list-style-type: none">• Conforming: 85% - no MI• Jumbo: 80%	<ul style="list-style-type: none">• Second Home: 80%• Investment: 80%
DTI Max	<ul style="list-style-type: none">• Fannie Mae: 45%• Freddie Mac: Per AUS	<ul style="list-style-type: none">• Per AUS	<ul style="list-style-type: none">• Lesser of 50% or DU/LPA AUS
AUS Requirement	<ul style="list-style-type: none">• DU Approve/Eligible or LPA Accept/Eligible	<ul style="list-style-type: none">• DU Approve or LPA Accept; Ineligible allowed ONLY due to Loan Amount and/or LTV when MI required per AUS	<ul style="list-style-type: none">• DU Approve/Eligible or LPA Accept/Eligible



Program Comparison (continued)

	Agency – Fannie Mae & Freddie Mac	Arc Home Conventional Investment	Arc Home FNMA/FHLMC Second Home & Investment
Credit Score Minimum	<ul style="list-style-type: none">• Per AUS	<ul style="list-style-type: none">• Per AUS	<ul style="list-style-type: none">• Per AUS
Credit Requirements	<ul style="list-style-type: none">• Per AUS• Non-traditional credit not permitted	<ul style="list-style-type: none">• Minimum two (2) FICO scores per borrower• Housing History: 1x30x12• Foreclosure and Bankruptcy: Per AUS• Non-traditional credit not permitted	<ul style="list-style-type: none">• Per AUS• Non-traditional credit not permitted
Reserves	<ul style="list-style-type: none">• Per AUS	<ul style="list-style-type: none">• \leq Conforming Loan Limit: Per AUS• $>$ Conforming Loan Limit: Greater of AUS or 6 months PITIA	<ul style="list-style-type: none">• Per AUS



Arc Elite QM

- Max LTV
 - **Agency Plus:** Up to **89.99%** LTV – no MI
 - **Alt Income:** Up to **80%** LTV
- Minimum Credit Score
 - **Agency Plus:** 640
 - **Alt Income:** 680
- Loan amount to **\$3MM**
- Available for Primary Residence and Second Home





Overview – Arc Elite QM

- **30-Year Fixed Rate** (Fully Amortized)
- **Income Documentation**
 - **Agency Plus:** Per [Fannie Mae guidelines](#); follow Desktop Underwriter (DU)
 - **Alt Income:** 24-Months Bank Statements, 24-Months 1099s, One Year Full Doc, Asset Utilization
- HI eligible for Delegated Correspondent only
- **DU Approve** required
 - May be Ineligible due ONLY to Loan Amount and/or LTV when MI is required per AUS
- **NO EXCEPTIONS** considered





Eligibility – Arc Elite QM

- **Borrower Eligibility**

- Per Fannie Mae DU AUS

- **Credit**

- Minimum tradelines per Fannie Mae DU AUS
- Max 0x30x12 mortgage/rental history
- Bankruptcy and Foreclosure seasoning per Fannie Mae DU AUS

- **Debt-to-Income**

- Lesser of 50% or Fannie Mae DU AUS

- **Eligible Properties**

- 1-4 Unit allowed
- Fannie Mae Warrantable Condos





Income – Arc Elite QM

- **Agency Plus**

- Full Documentation
- Asset Utilization may *supplement* qualifying Full Doc income

- **Alt Income**

- 24-Month Bank Statements
- 24-Month 1099s
- One Year Full Doc (wage earner or self-employed)
- Asset Utilization
 - Use as sole source OR to *supplement* qualifying Alt Doc income





Arc Access NQM

Agency Plus

- Up to **90%** LTV – no MI
- Minimum **660** FICO
- Loan amount to **\$3.5mm**

Alt Income

(One Year Full Doc, Bank Statements, 1099s)

- Up to **90%** LTV – no MI
- Minimum **660** FICO
- Loan amount to **\$3.0mm**

Clean Slate

- Up to **85%** LTV – no MI
- Minimum **620** FICO
- Loan amount to **\$3.0mm**

Alt Income

(Asset Utilization)

- Up to **80%** LTV
- Minimum **660** FICO
- Loan amount to **\$3.0mm**

DSCR

- Up to **75%** LTV
- Minimum **680** FICO
- Loan amount to **\$2.5mm**

Alt Income

(No Ratio)

- Up to **70%** LTV
- Minimum **640** FICO
- Loan amount to **\$2.5mm**



Overview – Arc Access NQM

- Available Programs
 - **15- and 30-Year Fixed Rate**
 - **5/6 and 7/6 SOFR ARM**
 - **Interest Only** options available
- HI eligible for Delegated Correspondent only
- AUS **NOT** required
- Exceptions **MAY** be considered





Eligibility – Arc Access NQM

- **Borrower Eligibility**
 - Per Arc Selling Guide and applicable matrix
- **Credit**
 - Minimum tradelines per manual review
 - Max 0x30x12 mortgage/rental history; Clean Slate allows 1x30x12
 - Derogatory credit seasoned > 48 months; Clean Slate allows > 12 months
- **Debt-to-Income / Debt Service Coverage Ratio**
 - Lesser of 50% or as indicated on applicable matrix
 - Minimum .75 DSCR; Interest Only requires 1.0
- **Eligible Properties**
 - 1-4 Unit allowed
 - Fannie Mae Warrantable Condos
 - Non-Warrantable Condos





Income – Arc Access NQM

- **Agency Plus**

- Full Documentation
- Asset Utilization may *supplement* qualifying Full Doc income

- **Clean Slate**

- Full Documentation
- 12- and 24-Month Bank Statements
- 12- and 24-Month 1099s
- One Year Full Doc (wage earner or self-employed)
- Asset Utilization
 - Use as sole source OR to *supplement* qualifying income

- **Alt Income**

- 12- and 24-Month Bank Statements
- 12- and 24-Month 1099s
- One Year Full Doc (wage earner or self-employed)
- Asset Utilization
 - Use as sole source OR to *supplement* qualifying Alt Doc income
- No Ratio

- **Debt Service Coverage Ratio (DSCR)**

- Subject property gross rental income divided by PITIA/ITIA





Program Comparison

	Arc Elite QM	Arc Access NQM
Occupancy	<ul style="list-style-type: none">• Primary Residence• Second Home	<ul style="list-style-type: none">• Primary Residence• Second Home• Investment
Loan Amount Max	<ul style="list-style-type: none">• \$3,000,000	<ul style="list-style-type: none">• Agency Plus: \$3,500,000• Alt Income: \$3,000,000; No Ratio \$2,500,000• Clean Slate: \$3,000,000• DSCR: \$2,500,000
LTV Max	<ul style="list-style-type: none">• Agency Plus: 89.99%• Alt Income: 80%	<ul style="list-style-type: none">• Agency Plus: 90%• Alt Income: 90%; Asset Utilization 80%; No Ratio 70%• Clean Slate: 85%• DSCR: 75%
DTI Max / DSCR Min	<ul style="list-style-type: none">• Lesser of 50% or DU AUS	<ul style="list-style-type: none">• Agency Plus: 50%• Alt Income: 50%; Asset Utilization 40%• Clean Slate: 50%; Asset Utilization 40%• DSCR: .75; 1.0 for I/O
AUS Requirement	<ul style="list-style-type: none">• DU Approve; Ineligible allowed ONLY due to Loan Amount and/or LTV when MI required per AUS	<ul style="list-style-type: none">• N/A – manual underwriting



Program Comparison (continued)

	Arc Elite QM	Arc Access NQM
Credit Score Minimum	<ul style="list-style-type: none"> Agency Plus: 640 Alt Income: 680 	<ul style="list-style-type: none"> Agency Plus: 660 Alt Income: 660; No Ratio 640 Clean Slate: 620 DSCR: 680
Credit Requirements	<ul style="list-style-type: none"> Minimum two (2) FICO scores per borrower Housing History: 0x30x12 Foreclosure and Bankruptcy: Per AUS Non-traditional credit not permitted 	<ul style="list-style-type: none"> Manual tradeline review Minimum two (2) FICO scores per borrower Housing History: 0x30x12; Clean Slate allows 1x30x12 Derogatory Credit: > 48 months; Clean Slate allows >= 12 months Non-traditional credit not permitted
Reserves	<p>Greater of DU AUS OR:</p> <ul style="list-style-type: none"> Loan Amount <= \$750,000: 3 months PITIA Loan Amount > \$750,000 to <= \$1,500,000: <ul style="list-style-type: none"> LTV <= 85%: 6 months PITIA LTV > 85%: 12 months PITIA Loan Amount > \$1,500,000 to <= \$2,500,000: 9 months PITIA Loan Amount > \$2,500,000: 12 months PITIA 	<ul style="list-style-type: none"> Loan Amount <= \$1,500,000 <ul style="list-style-type: none"> LTV <= 85%: 6 months PITIA LTV > 85%: 12 months PITIA Loan Amount > \$1,500,000 to <= \$2,500,000: 9 months PITIA Loan Amount > \$2,500,000: 12 months PITIA

Arc Home Quick Pricer



Conventional Investment, FNMA/FHLMC Second Home & Investment, Arc Elite QM, Arc Access NQM

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Income Doc	Full Doc	FICO	FICO ex. 350-850. 0 for no FICO.
Purpose	Purchase	Bankruptcy	None
Occupancy	Primary	Credit Events	None
Property Type	SFR	Mortgage Lates	0X30X12
State	Please Select	DTI/DSCR	ex. DTI: 43 / DSCR: 1.50 %
County	Please Select	Citizenship	US Citizen
Loan Amount	\$ Loan Amount	ITIN	No
LTV	LTV ex. 80 %		

[See Results](#)

Arc Home – Deal Desk



Visit business.archomellc.com to submit an Income Analysis Request, guideline question, or Exception Request today!





QUESTIONS & ANSWERS



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