

# AMGC Community Program Underwriting Requirements Document

## LTV/Loan Amount/Credit Score/DTI Requirements – Fixed-Rate/Fixed-Payment and ARMs ≥ 5 Years

PROGRAM	OCCUPANCY	TRANSACTION TYPE	PROPERTY TYPE	LTV	MAX. LOAN AMOUNT	MINIMUM CREDIT SCORE	MAX. DTI
Community Experts	Primary Residence	Purchase	1-Unit, Detached, Attached, Condos	97.01%–100%	Agency Loan Limit (see below)*	740	41%
Community Heroes				97.01%–99%			

Exceptions are not allowed to any program underwriting requirements, including DTI and/or credit score.

### Additional Requirements:

- **\*Maximum Loan Amount:**
  - Properties located in the contiguous states and the District of Columbia: The maximum loan amount is the loan limit for 1-unit properties, based on property location, as outlined on the FHFA website: <https://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx>.
  - Properties located in Alaska and Hawaii: The maximum loan amount is the Agencies' base conforming loan limit for 1-unit properties located in these states.
- **Underwriting Method:**
  - All Arch Mortgage Guaranty Company (AMGC) underwriting requirements apply unless additional requirements are outlined herein.
  - Desktop Underwriter® (DU®) or Loan Product Advisor® (LPA) recommendations are not applicable. The lender may run the loan through either of those systems but the results will not apply.
- **Submission Method:**
  - Non-delegated submission required.
- **Maximum Term:**
  - 30 years.
- **Pricing and MI Coverage Options:**
  - Rates are only available through the RateStar<sup>SM</sup> pricing option.
  - Single premium plans are not available for this program.
  - The correct program name, Community Experts or Community Heroes, must be selected in RateStar when requesting a rate quote.
  - The following coverage options are available: 35%, 30%, 25%, 20% and 18%.
- **Maximum Risk In-Force:**
  - Loans insured under the Community Program will be capped at a maximum 25% of the new insurance written (NIW) annually per lender, to be reviewed quarterly.
- **Documentation:**
  - All AMGC documentation requirements apply. DU or LPA documentation efficiencies may not be used.
- **Borrower:**
  - All borrowers must occupy the property.
  - All borrowers must have a Social Security Number.
  - No other real estate may be owned by the borrower(s) at time of closing, including property retained for pending sale at a later date, regardless of equity in the current residence.
  - **Community Experts professions:** At least one borrower must be currently employed full-time in one of the following eligible professions:
    - Certified Public Accountants (CPAs).
    - Chartered Financial Analysts (CFAs).
    - Ph.D.s.
    - Architects.
    - Certified Mortgage Bankers (CMBs).
    - Actuaries with the following designations:
      - ♦ Associate of the Casualty Actuarial Society (ACAS).
      - ♦ Fellow of the Casualty Actuarial Society (FCAS).
      - ♦ Associate of the Society of Actuaries (ASA).
      - ♦ Fellow of the Society of Actuaries (FSA).
      - ♦ Member of the American Academy of Actuaries (MAAA).

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## Additional Requirements (Continued from previous page):

- ◆ Member, Society of Pension Actuaries (MSPA).
- ◆ Fellow, Society of Pension Actuaries (FSPA).
- **Community Heroes:** At least one borrower must be currently employed either full-time or part-time in one of the following eligible professions (see exception for military personnel) or employed within one of the named organizations:
  - Any employee of one of these organizations:
    - ◆ Public or private educational institution.
    - ◆ Fire Department.
    - ◆ Federal, state or local government law enforcement agency.
    - ◆ Medical care provider, including, but not limited to:
      - ▶ Hospitals.
      - ▶ Physicians' offices and medical practices.
      - ▶ Inpatient and outpatient care centers and clinics.
      - ▶ Assisted living facilities.
      - ▶ Skilled nursing facilities.
      - ▶ Home health agencies.
  - Nurses (all designations, including a Certified Nursing Assistant [CNA]).
  - Emergency Medical Technicians (EMTs) and Paramedics.
  - Active or former military personnel will qualify when at least one borrower documents one of the following:
    - ◆ Current income derived from active duty or military retirement; or
    - ◆ Military service with DD Form 214 – Certificate of Release or Discharge from Active Duty (dishonorable discharge is ineligible); or
    - ◆ Eligibility for a Veterans Administration (VA) mortgage with a current VA Certificate of Eligibility.
- Employment documentation or other acceptable documentation is required verifying the borrower's position (see exception for military personnel). For example, the borrower's position/designation may be identified on the paystub or VOE. If not identified on these documents, then copies of diplomas, certifications, licenses, etc. should be obtained.
- Employment and/or income starting post-close is ineligible.
- Student loan debt will be included in the total monthly obligations for qualifying purposes.
- **Credit:**
  - Each borrower must have a valid credit score. A credit score is considered valid when a borrower has a minimum of 3 trade lines, each evaluated a minimum of 12 months, or 2 trade lines, each evaluated a minimum of 24 months. Trade lines may be open or closed.
  - A minimum of 2 credit scores are required for each borrower:
    - A borrower with 1 score is acceptable when the lender has requested credit scores from all 3 credit repositories and only 1 credit score is available.
  - All bankruptcies, foreclosures, deed-in-lieu of foreclosures and short sales require 7 years' seasoning.
  - No judgments or charge-off accounts within the last 7 years.
- **Assets/Minimum Borrower Contribution:**
  - No minimum borrower contribution required. Down payment may be satisfied by a gift/grant from an eligible donor.
  - Gift/grants allowed for down payment, closing costs and reserves. If any funds are secured by a recorded mortgage, they are considered subordinate financing and are ineligible.
  - Maximum 3% interested-party contributions (IPCs) are allowed toward eligible closing costs, not to exceed actual costs.
  - Lender credit allowed for MI premiums.
  - IPCs, lender credits, gifts/grants and/or employer assistance cannot exceed cash required to close (no cash back to the borrower).
  - IPCs and lender credits cannot satisfy the down payment requirement.
  - Minimum 2 months' reserves required.
- **Ineligible:**
  - Interest-only, balloons, temporary buydowns, ARMs with less than a 5-year initial fixed-rate term.
  - Subordinate financing (including Community Seconds® and Affordable Seconds®).
  - Non-occupying co-borrowers.
  - Non-permanent resident aliens.
  - Construction-to-permanent loans and renovation loans.
  - Second homes or investment properties.
  - 2–4 units, manufactured housing, co-ops, properties not located within the 50 states or the District of Columbia.
  - Delegated submissions.