

## CUSTOMER ANNOUNCEMENT

CA 2018-03 | June 26, 2018

### ► Fannie Mae Announcement SEL-2018-05—Selling Guide Updates, Including Project Standard Updates and MH Advantage

The following is the position of Arch Mortgage Insurance Company (Arch MI) on the topics covered in Fannie Mae Announcement SEL-2018-05.

#### **MH Advantage**

Fannie Mae has introduced a new MH Advantage™ initiative that expands underwriting requirements for specific styles of manufactured homes. The primary expansion is to allow manufactured homes that meet specific requirements to a maximum 97%/105% LTV/CLTV.

**Arch MI will not align with these changes.** All Arch MI manufactured home underwriting requirements will remain the same, including our maximum 95%/95% LTV/CLTV for EZ Decisioning<sup>SM</sup>/SwiftClose<sup>SM</sup> and 90%/90% LTV/CLTV for standard underwriting requirements.

#### **Inspection of Manufactured Homes with Structural Modifications**

Fannie Mae adjusted inspection requirements specific to manufactured homes with an addition or structural modification. Effective immediately, Arch MI **will align** with this change as outlined in SEL 2018-05.

#### **Project Standard Updates**

Fannie Mae has updated its requirements for project standards. Effective immediately, Arch MI **will align** with the changes as outlined in Fannie Mae SEL-2018-05 for loans saleable to the Agencies including:

- Single-entity ownership.
- Commercial space.
- Definition of an Established Project.
- Two- to four-unit condo requirements.
- Properties with legal non-conforming zoning.
- Definition of a Condotel.
- Live-work condo projects.
- All changes related to the method for Fannie Mae Project Approvals. As a reminder, projects that include manufactured homes remain ineligible under Arch MI Standard underwriting requirements and singlewide manufactured homes remain ineligible for both EZ Decisioning/SwiftClose and standard requirements.

#### **Arch MI Underwriting Manual Update**

No changes are required to the Arch MI **Underwriting Manual** as a result of the Fannie Mae announcement.

For more information, please contact your Arch MI **Account Manager**.