

Medical and Dental Professionals Program

Effective May 5, 2020



Arch Mortgage Guaranty Company (AMGC) is pleased to offer expanded underwriting requirements for medical and dental professionals with high debt-to-income (DTI) ratios due to student loans and/or employment beginning post-closing when the following requirements are met.

90.01–100% LTV, LPMI Singles Reduced Coverage Program

MI Pricing and Coverages Available

- RateStarSM pricing Lender-Paid MI (LPMI) Singles only.
 - Available Coverage:
 - 97.01–100% LTV – 12%.
 - 95.01–97% LTV – 8%.
 - 90.01–95% LTV – 6%.
 - MI coverage will be terminated by AMGC upon the

earlier of the scheduled or actual amortization of the loan amount down to an LTV less than 90%.

- Prior to participation in the program, the lender must execute an acknowledgement form directing AMGC to cancel coverage at the designated LTV level. Please contact your **Account Manager** to obtain the form.

- This program has not been approved for lenders with home offices in the following states: AK, HI, NY, OH and WA.

General Information

- When submitting a loan for MI or requesting a rate you must enter the program name: **Arch LPMI Medical Down to 90%**.
- **No exceptions** to the following requirements are allowed.

LTV/Loan Amount/Credit Score/DTI Requirements

Eligible Loan Types – Fixed-Rate/Fixed Payment and ARMs

RateStar Pricing Only

OCCUPANCY	TRANSACTION TYPE ¹	PROPERTY TYPE	LTV	MAXIMUM LOAN AMOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI	PITIA RESERVES ²
Primary Residence (only)	Purchase or Rate/Term Refinance	1-Unit, SFD/SFA, Condos, Co-ops ⁵	97.01–100% ^{3,4}	\$500,000	720	43%	2 Months
				\$500,001–\$750,000	740	43%	2 Months
			90.01–97%	\$500,000	660	45%	2 Months
				\$500,001–\$750,000	680	45%	2 Months
			90.01–95%	\$750,001–\$850,000	700	45%	4 Months

¹ Construction-to-permanent loans and renovation loans are also included.

² See "Additional Reserves" below.

³ Pharmacists without a Pharm D and Chiropractors are ineligible for LTVs > 97%.

⁴ Construction-to-permanent loans and renovation loans are ineligible for LTVs > 97%.

⁵ Co-op eligibility is limited to CA, CT, DC, IL, MA, MD, NH, NJ, NY, VA and WA.

This document provides an overview of the underwriting requirements for the Medical and Dental Professionals Program. Any underwriting requirement not mentioned within this document will defer to the AMGC underwriting requirements.

See the AMGC Underwriting Manual for details at archmi.com/amgc.

Standard Program

General Information

- Both RateStar and Rate Card pricing are available for this program including:
 - Borrower-Paid MI (BPMI) and LPMI.
 - All coverage levels offered by AMGC.
 - All plans offered by AMGC, for example – monthly, annual, singles.
 - Available in all 50 states and the District of Columbia.
- When submitting a loan for MI or requesting a rate you must enter the program name: **Arch Medical Program**.
- **No exceptions** to the following requirements are allowed.

LTV/Loan Amount/Credit Score/DTI Requirements

Eligible Loan Types – Fixed-Rate/Fixed Payment and ARMs

RateStar and Rate Card Pricing

OCCUPANCY	TRANSACTION TYPE ¹	PROPERTY TYPE	MAXIMUM LTV	MAXIMUM LOAN AMOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI	PITIA RESERVES ²
Primary Residence (only)	Purchase or Rate/Term Refinance	1-Unit, SFD/SFA, Condos, Co-ops ³	97%	\$500,000	620	45%	2 Months
			90.01%–97%	\$500,001–\$750,000	680	45%	2 Months
			80.01–90%	\$500,001–\$750,000	620	45%	2 Months
			95%	\$750,001–\$850,000	700	45%	4 Months
			90%	\$850,001–\$1,000,000	720	41%	6 Months
			85%	\$1,000,001–\$1,500,000 ⁴	720	41%	6 Months

¹ Construction-to-permanent loans and renovation loans are also included.

² See "Additional Reserves" below.

³ Co-op eligibility is limited to CA, CT, DC, IL, MA, MD, NH, NJ, NY, VA and WA.

⁴ Construction-to-permanent loans and renovation loans are **ineligible** for loan amounts greater than \$1,000,000.

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Additional Underwriting Requirements

ELIGIBLE PROFESSIONS

Borrowers who are currently practicing (or who will begin practicing within 90 days of closing) one of the eligible professions below and meet all program requirements are eligible for the exclusion of deferred student loan payments from the DTI ratio calculation and/or employment to begin post-closing.

- Medical resident.
- Medical fellow.
- Medical doctor (MD).
- Doctor of Dental Surgery (DDS).
- Doctor of Dental Medicine (DMD).
- Doctor of Optometry (OD).
- Doctor of Ophthalmology (MD).
- Doctor of Podiatric Medicine (DPM).
- Doctor of Osteopathy (DO).
- Pharmacist (RPh).*
- Chiropractor (DC).**
- Doctor of Veterinary Medicine (DVM).

* A pharmacist must have a PharmD to be eligible for LTVs > 97%.

** Chiropractors are ineligible for LTVs > 97%.

STUDENT LOAN DEBT

- Student loan debt belonging to the borrower with the eligible profession may be excluded from the DTI calculation with documentation to evidence deferment or forbearance for at least 12 months after the MI application date. Student loan debt for all other borrowers must be included in the DTI.
- **Medical resident only:** Medical residents with a minimum of 6 months' residency remaining may use the alternative documentation listed below as evidence the student loan will be in deferment for at least 12 months:
 - Letter from employer verifying the medical resident's start date, or
 - Letter from the employer verifying at least 6 months' residency remaining.

POST-CLOSING EMPLOYMENT START DATE

- Employment for the borrower with the eligible profession may begin up to 90 days after loan closing when:
 - There is a non-contingent, fully executed (accepted) employment contract or offer letter documented in the loan file.
 - There is a verbal Verification of Employment (VOE) conducted to confirm authenticity of the employment documentation prior to closing.

MINIMUM BORROWER CONTRIBUTION

- 3% for loans up to \$750,000. Not applicable for loans with an LTV 97.01–100%.
- 5% for loan amounts greater than \$750,000.
- Gifts/grants may be used to satisfy the minimum borrower contribution when all of the following are met:

- Maximum \$750,000 loan amount.
- Minimum 740 credit score.
- Maximum 41% DTI.
- Fixed-rate/fixed-payment or ARMs greater than 5 years only.

ADDITIONAL RESERVES

- When employment begins **post-closing**, the following additional reserve requirement applies:
 - Reserves are required for each month after the Note date until employment begins.

OTHER REQUIREMENTS

- All borrowers must have a credit score.
- Construction-to-permanent loans and renovation loans:
 - Maximum 97% LTV.
 - Maximum \$1,000,000 loan amount.
- **Ineligible:**
 - Desktop Underwriter® and Loan Product Advisor® documentation efficiencies.
 - Non-occupant borrowers.
 - Subordinate financing.
 - Interest-Only Program Loans.
 - AMGC Community Program Loans.
 - Manufactured homes.

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