

CUSTOMER ANNOUNCEMENT

CUA 2020-04 | April 14, 2020

► COVID-19 — Additional Temporary Underwriting Requirements

Fannie Mae and Freddie Mac have announced additional COVID-19-related temporary requirements and have clarified several that were previously announced. Fannie Mae has added these additions to Lender Letter LL-2020-04, and Freddie Mac has announced the additions in Bulletin 2020-11. See the links below for the Agencies' communications.

Arch MI **will align** with all newly announced and clarified temporary requirements addressed in the above-referenced communications.

The following temporary flexibilities will be allowed for all loans eligible for insurance up to the **FHFA maximum loan amount for the geographical area** (including loans not eligible for sale to the Agencies). These flexibilities are effective for loan applications dated on or before May 17, 2020.

- Condominium project flexibilities.
 - Extending project review waiver flexibilities for loans with LTV ratios greater than 80% up to 90%.
 - Flexibilities for project documents used in the review.
- Use of virtual inspection methods to augment the data and imagery used for either a desktop appraisal or an exterior-only appraisal.
- Clarification that when a desktop appraisal is used for a new construction loan, credit unions must adhere to LTV ratio requirements previously announced, including the maximum 85% LTV for a second home.

The following temporary requirements will apply to all loans eligible for insurance (including loans not eligible for sale to the Agencies).

- Allowing the continuance of draws when a renovation loan is in forbearance (for loan applications dated on or before May 17, 2020).
- Remote Online Notarization changes.
 - Addition of eligible states.
 - Requirements to include the property seller in the electronic closing process.

Fannie Mae	Freddie Mac
<p style="text-align: center;">Impact of COVID-19 on Appraisals</p> <p style="text-align: center;"><u>Lender Letter LL-2020-04</u></p>	<p style="text-align: center;">Selling Guidance Related to COVID-19</p> <p style="text-align: center;"><u>Bulletin 2020-11</u></p>

Arch MI will continue to issue communications as this situation evolves. At this time, our published Underwriting Manual will not be updated. Effective immediately, you may underwrite using the information in this announcement.

For more information, contact your [**Arch MI Account Manager**](#).