



ARC Confidential - December 2015

President's Holiday Message

Christmas came early for me this year – I will not be attending a Taylor Swift concert next year! Though my joy might not be shared by the rest of my family (Isabelle, Claire and Luke), I know T.S. and her cats will return soon to the Pacific Northwest.

ARC will celebrate our 30th anniversary next year after registering another successful year in large part due to you. I join our 30 employees in thanking many of you for your amazing support and loyalty – thank you.

With your help we continued our tradition of helping families in need. One of the more difficult decisions this year was which families to support; there continues to be people in our region that are out of work, fallen on tough times or are under-employed and just barely making enough to support their families. We hope these families can have a positive change in the coming year.

Our industry continues to undergo change and this year was not immune to changing times. Although sometimes tough, I think over the last 6 years we are all getting the hang of it – at least the ones that are around.

Appraisal underwent a degree of change with TRID and Collateral Underwriter. ARC responded with an all-inclusive appraisal price to eliminate TRID re-disclosures, and added additional risk rules to our automated and manual compliance reviews to help lower CU risk ratings.

Credit saw the expansion of the use of Undisclosed Debt Monitoring products as an option to pulling a second credit report for LQI. ARC expanded our credit offerings to commercial lending departments with Business Credit Reports. Our Credit Re-Score analysis continues to provide our clients with positive results – at least a 25 point average increase in each of the last 5 years.

We have several initiatives in the pipeline in both credit and appraisal of which Fannie Mae's trended credit data is getting the most press. We have already started testing the inclusion of this data so that when the requirements are set – we can deliver. Conversely with appraisal, FHA will be introducing their appraisal delivery portal (EAD) which is required for late June 2016.

Changes continue in our industry but as my kids say –“*Dad....just Shake it Off, Shake it Off*”.

Thank you for your great support this year

Francois Madath
President - ARC