



ARC Confidential – January 2016

What's New at ARC for 2016?

ARC is committed to providing products and services that will enhance your lending process. Compliance updates have resulted in several new services from ARC that will benefit your organization.

ACCOUNTCHEK instantly verifies deposits and assets without gathering paper or using the VOD 1006 form. The borrower can register accounts on a secure site online, or using their mobile device. Then **ACCOUNTCHEK** goes to work:

- Verifies account balances and deposits
- Calculates cash flow and residual income
- Analyzes the data for irregularities
- Alerts for fraud, irregular deposits, NSFs and other suspect activities
- Verifies employment, ownership and income

Lenders will receive account documentation for all required verifications. This saves important staff time by replacing the VOD 1006 form or the need to collect statements.

ACCOUNTCHEK is a trusted source for account verification, accepted by most investors in lieu of paper statements. This also meets QM verification standards, CFPB requirements, and fulfills Dodd-Frank Ability-to-Repay.

SmartSelect allows lenders to set a minimum score requirement and specific conditions for a tri-merge credit report. The order will only deliver a single bureau report if the minimum score is **not** met. This can save lenders the full cost of a tri-merge. In the case of joint files, if either borrower meets the minimum required score, the file will be upgraded to a tri-merge.

In addition to reaching a minimum score, there are other criteria that can be required to generate a tri-merge credit report:

- Cumulative collection balances greater than \$1,000.00
- No late payments on mortgage accounts within the past 10 months
- No bankruptcy filings within the past 23 months
- Delinquent child support accounts
- Unreleased federal tax liens
- Defaulted student loans

Did you know that 35% of consumers have a FICO® credit score below 650?

Trended Credit is also on the horizon for lenders this year. In mid-2016, Fannie Mae will require lenders to use trended credit data when underwriting single-family borrowers through Desktop Underwriter®. This data will be provided by Equifax and TransUnion, and allows a smarter, more thorough analysis of the borrower's credit history. Among other benefits, this will allow lenders to determine if the borrower tends to pay off revolving credit lines such as credit cards each month, or if the borrower tends to carry a balance from month-to-month while making minimum or other payments. ARC will have this product available beginning April 2016.

Undisclosed Debt Notification actively monitors a borrower's file for new trade lines, inquiries, or secondary reissues. Similar to a refreshed credit report, these notifications are utilized as a loan nears closing to ensure that nothing new has appeared on the borrower's credit report which might prevent loan approval.

Standard alerts will be sent for new trade lines and new inquiries. Lenders can also select to receive additional alerts for the following activities:

- Secondary Reissues
- Balance Changes
- New Collections
- New Public Records
- New Late Payments
- Scheduled Payment Changes

Lenders can choose from a 90 – 120 day monitoring length.

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Please contact your Account Executive or our Customer Service Team at 1-800-992-1058 or sales@arcreports.com if you would like more information or pricing on these or any of our products and services.

Together let's make it a GREAT 2016!