Planet Home Lending
EMERGING BANKER

Announcement 2018 – 57

Planet Home Lending Recent Policy Changes

Planet Home Lending is aligning with the recent Agency announcements. The announcements are summarized below with a link to the Agency's full announcement.

Agency	Summary	Effective Date	Agency Announcement
Freddie Mac	Loan Collateral Advisor has a new scoring system which will impact Rep and Warrant relief as well as the LPA feedback messaging. The new risk score: • Is a single score, on a scale of one to five, provided in .5 increments. A score of one represents the lowest risk. • Offers Rep and Warrant relief when LTV / TLTV is less than 95% and the risk score is 2.5 or less. • Applies Rep and Warrant relief to value ONLY. Sellers are still required to review and assess the Subject Property's Condition and Marketability. • Created new feedback messages in LPA.	10/31/18	BUL 2018-18
Freddie Mac	Freddie Mac has updated the requirements for New and Existing Condo Projects. • Unit conveyance requirement has been reduced from 90% to 75%, for projects with greater than 4 units. • Project review documents now expire if dated over one year prior to the Note date for established projects; and 180 days prior to the Note date for new condo projects. • Single Entity ownership requirement for projects with 21 or more units has been increased from 10% to 25%.	Immediate	BUL 2018-18
Freddie Mac	Freddie Mac provided additional options related to Condo Project Reviews. • Condo units in 2-4 unit projects now have a delivery option of "Exempt from Review". ULDD "Project Classification Identifier" Sort ID 42 is required when this option is utilized. ○ Mortgages may still be originated using Streamlined or Full Reviews as well. • Investment property mortgages with LTV / TLTV of 75% or less are eligible for Streamlined Project Reviews. (Condo units in Florida have a maximum LTV / TLTV of 70%). • ULDD "Project Classification Identifier" Sort ID 42 is required when this option is utilized.	11/19/18	BUL 2018-18

Freddie Mac	Freddie Mac is updating their requirement related to the use of the Automated Collateral Evaluation (ACE) Appraisal Waiver for properties located in disaster areas. Effective 11/19/18, ACE can be used for properties in a FEMA declared disaster area; if the condition, value and marketability of the subject property is not impacted by the disaster. As a reminder, Sellers must use an independent third party when providing a Disaster-related Property Inspection to Planet.	11/19/18	BUL 2018-18

All Planet Home Lending documentation will be updated to reflect those changes as applicable.

If you have any questions, please contact your Sales Service Representative.