

## CONVENTIONAL AND GOVERNMENT PROGRAM OVERLAYS

### PLANET OVERLAYS

#### All Programs

<b>Cooperatives (Co-Ops)</b>	Ineligible
<b>Financed Properties</b>	Planet will purchase a maximum of 5 loans to one borrower and up to \$2.5MM.
<b>Minimum Loan Amount</b>	\$40,000
<b>Texas 50(a)(6) and 50(f)</b>	Allowed on Fannie Mae and Freddie Mac only; Fixed Rate only.

### CONVENTIONAL PROGRAM OVERLAYS

#### Fannie Mae All Programs

<b>AUS Decision</b>	DU Approve/Eligible. Manual Underwrite ineligible.
<b>Manufactured Housing</b>	ARMs not permitted (including on MH Advantage). <b>Ineligible Properties:</b> Singlewide, Leasehold, and properties located in a 100-year flood zone.
<b>Temporary Buydown</b>	3-2-1 Buydown Ineligible

#### Fannie Mae HomeReady

<b>Assets</b>	Sweat equity is ineligible.
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#### Fannie Mae HomeStyle Renovation

<b>Consultant/Construction Manager</b>	Must review the project and provide work write up or Project Acceptance Review for all projects over \$35,000 or projects that include structural repairs.
<b>Contingency Reserve</b>	Minimum of 10%.
<b>Renovation</b>	12 Months to complete renovation.
<b>Self-Help</b>	Not allowed.

#### Freddie Mac All Programs

<b>AUS Decision</b>	LPA Accept/Eligible. Manual Underwrite ineligible.
<b>Manufactured Housing</b>	ARMs not permitted. <b>Ineligible Properties:</b> Singlewide, Leasehold, and properties located in a 100-year flood zone.
<b>Product</b>	25-year term not permitted for Super Conforming loan amounts.
<b>Temporary Buydown</b>	3-2-1 Buydown Ineligible

#### Home Possible

<b>Assets</b>	Sweat Equity is ineligible.
<b>Product</b>	ARMs not permitted.

#### Choice Renovation

<b>Consultant/Construction Manager</b>	Must review the project and provide work write up or Project Acceptance Review for all projects over \$35,000 or projects that include structural repairs.
<b>Product</b>	ARMs not permitted.
<b>Renovation</b>	9 Months to complete renovation.
<b>Self-Help</b>	Not allowed.

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GOVERNMENT PROGRAM OVERLAYS	
All Government Programs	
<b>Mortgage Refinance Seasoning</b>	The following GNMA mortgage seasoning requirements must be met. The note date of the refinance loan must be on, or after, the later of: <ul style="list-style-type: none"> <li>• The date on which the borrower has made at least six-monthly payments on the loan being refinanced; and</li> <li>▪ The date that is 210 days after the first payment due date of the loan being refinanced.</li> </ul>
FHA All Programs	
<b>HUD REO</b>	Investment properties are not eligible for purchase by Planet Home Lending.
<b>Manufactured Housing</b>	<b>Ineligible:</b> Singlewide and Leasehold
<b>203(b) Repairs with Escrow</b>	Not permitted with Good Neighbor Next Door (GNND) and \$100 Down transactions.
<b>Investment Properties</b>	Not permitted with Good Neighbor Next Door (GNND) and \$100 Down transactions.
FHA 203(k) (Standard and Limited)	
<b>CLTV</b>	For purchase transactions, a maximum 110% CLTV on all subordinate financing , excluding government entities and HUD approved non-profits.
<b>Self Help</b>	Not allowed; work must be completed by a contractor.
VA All Programs	
<b>Cash-Out &gt; 90% LTV</b>	<ul style="list-style-type: none"> <li>• Conforming loan amount only; High balance not allowed.</li> <li>• Minimum 600 credit score.</li> </ul> 30- and 25-year fixed rate.
<b>AUS Decision</b>	DU Approve/Eligible or LPA Accept/Eligible findings must be downgraded to a manual underwrite for any of the following: <ul style="list-style-type: none"> <li>– Mortgage history indicates 1x30 in 12 months</li> <li>– Borrower is in an IRS tax repayment plan</li> <li>– Active disputed tradelines</li> <li>– Subject loan was previously a restructured/modified mortgage.               <ul style="list-style-type: none"> <li>– A minimum of 12 months of 0x30 payments have been made on the modified loan.</li> </ul> </li> </ul> If the mortgage was in default at the time of modification, it is not eligible.
<b>Credit Score</b>	<ul style="list-style-type: none"> <li>• Minimum 580 credit score.</li> </ul> Minimum 600 with cash-out and > 90% LTV.
<b>Credit Score 580-599</b>	<ul style="list-style-type: none"> <li>• Maximum 90% LTV/CLTV purchase transactions. Minimum 12 months housing history with 0x30 in 12 months.</li> <li>• Maximum 90% LTV/CLTV refinance transactions. Minimum 2 years pay history on loan being refinanced with 0x30 in 24 months.</li> </ul> Note: Document with in-file credit report trade line rating or checks/money orders with evidence of bank withdrawals. <ul style="list-style-type: none"> <li>• 1-unit properties only (SFR, PUD, condos).</li> <li>• 10% down from borrower’s own funds required. No gifts/DPA until after 10% borrower own funds requirement met. 2 months bank statements dated prior to loan application date and signed letter attesting all funds are borrower funds required.</li> <li>• Max payment shock 100%. 50.01%-100% require double residual income.</li> </ul> No property flips (property re-sold ≤ 90 days from acquisition).
<b>Manufactured Housing</b>	<ul style="list-style-type: none"> <li>• Fixed Rate Only</li> <li>• <b>Ineligible:</b> Singlewide, Condo, Leasehold, and properties located in a 100-year flood zone</li> <li>• Minimum 640 Credit Score</li> </ul> Manual Underwrites are ineligible.
<b>Maximum Loan Amount</b>	<ul style="list-style-type: none"> <li>• Maximum total loan amount \$1,500,000 in all states.</li> </ul> Loan amounts > \$1,000,000 require a 700 minimum FICO score and AUS approval.

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### VA All Programs

<b>Property Listed for Sale (Refinance)</b>	<p>If the property was listed for sale within the prior 12 months but is not currently listed for sale:</p> <ul style="list-style-type: none"> <li>Cash-out only eligible if the listing is expired/canceled or withdrawn 180 days prior to the application date.</li> <li>The appraised value should be at least 10% below the lowest listing price. If the appraised value is not at least 10% less than the lowest list price, the underwriter must address the variance satisfactorily.</li> </ul> <p>The borrower must provide written confirmation of their intent to occupy property as their primary residence.</p>
<b>Short Sale</b>	2-4 unit properties subject to a Short Sale Agreement must have been listed on the MLS for a minimum of 30 days prior to the execution of the sales contract. Properties designated as an “Exclusive Listing” are <b>ineligible</b> .
<b>&gt; Conventional Loan Amount</b>	<ul style="list-style-type: none"> <li>Credit score 580 - 639 requires full credit qualification.</li> <li>Credit score <math>\geq</math> 640 non-credit qualifying eligible.</li> <li>Maximum LTV is 100%.</li> <li>Full credit report required for both credit and non-credit qualifying to verify mortgage history.</li> <li>Mortgage history <ul style="list-style-type: none"> <li>0x30 in 12 months for credit qualifying.</li> </ul> </li> </ul> <p>0x30 in 24 months for non-credit qualifying.</p>

### Alterations and Repairs

<b>Renovation</b>	<ul style="list-style-type: none"> <li>Alterations and repairs are limited to \$50,000.</li> <li>Must be non-structural.</li> </ul>
<b>CLTV/ Subordinate Financing</b>	<ul style="list-style-type: none"> <li>90% CLTV on Purchase and Cash-out transaction with a credit score of 580-599.</li> <li>100% CLTV on Purchase transactions with a credit score of 600 and above.</li> <li>100% CLTV on Cash-out transactions with a credit score of 600 and above.</li> </ul>
<b>Contingency Reserve</b>	<ul style="list-style-type: none"> <li>Contingency reserve of 10% of the alteration is required on all transactions.</li> </ul>

### IRRRL

<b>Appraisal</b>	<p>An AVM or 2055 is required for both conforming and high balance transactions as follows:</p> <ul style="list-style-type: none"> <li>CoreLogic GeoAVM with a standard deviation <math>\leq</math> 18. If standard deviation <math>&gt;</math> 18, a 2055 will be required; <b>or</b></li> <li>ProTeck AVM with a confidence score of 80% or more for conforming loan amounts. If confidence score is <math>&lt;</math> 80% a 2055 will be required; high balance loan amount requires a confidence score of 90% or more; <b>or</b></li> <li>2055.</li> </ul>
<b>Credit Score</b>	<ul style="list-style-type: none"> <li>Credit qualifying requires minimum 580 credit score.</li> <li>Non-credit qualifying requires minimum 640 credit score.</li> <li>Credit scores of 580-599 are subject to specific requirements. Refer to the Credit Score 580-599 topic for details.</li> </ul>
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>1-4 unit owner-occupied primary residence (2-4 unit ineligible on high balance).</li> <li>1 unit second home (ineligible on high balance).</li> <li>1-4 unit investment (ineligible on high balance).</li> </ul>
<b>Credit Score 580-599</b>	<ul style="list-style-type: none"> <li>Credit qualification required.</li> <li>Maximum 90% LTV/CLTV refinance transactions. Minimum 2 years pay history on loan being refinanced with 0x30 in 24 months.</li> <li>1-unit properties only (SFR, PUD, condos).</li> <li>Max payment shock 100%. 50.01%-100% require double residual income.</li> </ul>
<b>LTV/CLTV</b>	<ul style="list-style-type: none"> <li>Maximum 125% LTV/Unlimited CLTV on loan amounts <math>\leq</math> conforming loan limit.</li> <li>Maximum 100% LTV/Unlimited CLTV on loan amounts <math>&gt;</math> conforming loan limit. Refer to Credit Score 580-599 topic above for LTV/CLTV restrictions.</li> </ul>

### USDA All Programs

<b>Escrow Holdback</b>	Not permitted.
<b>Ineligible Properties</b>	Cooperative projects, single width manufactured homes, and Leaseholds.