

CONVENTIONAL AND GOVERNMENT PROGRAM OVERLAYS

PLANET OVERLAYS

All Programs

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

CONVENTIONAL PROGRAM OVERLAYS

Fannie Mae All Programs

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

Fannie Mae HomeStyle Renovation

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| Consultant/Construction Manager | 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. |
| Contingency Reserve | Minimum of 10%. |
| Renovation | 12 Months to complete renovation. |
| Self-Help | Not allowed. |

Freddie Mac All Programs

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

Home Possible

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| Assets | Sweat Equity is ineligible. |
| Product | ARMs not permitted. |

Choice Renovation

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| Consultant/Construction Manager | 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. |
| Product | ARMs not permitted. |
| Renovation | 9 Months to complete renovation. |
| Self-Help | Not allowed. |

GOVERNMENT PROGRAM OVERLAYS

FHA All Programs

CONVENTIONAL AND GOVERNMENT PROGRAM OVERLAYS

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| HUD REO | Investment properties are not eligible for purchase by Planet Home Lending. |
| Manufactured Housing | Ineligible: Singlewide and Leasehold |
| 203(b) Repairs with Escrow | Not permitted with Good Neighbor Next Door (GNND) and \$100 Down transactions. |
| Investment Properties | Not permitted with Good Neighbor Next Door (GNND) and \$100 Down transactions. |
| FHA Streamline | |
| Mortgage Refinance Seasoning | 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"> • The date on which the borrower has made at least six-monthly payments on the loan being refinanced; and ▪ The date that is 210 days after the first payment due date of the loan being refinanced. |
| FHA 203(k) (Standard and Limited) | |
| CLTV | For purchase transactions, a maximum 110% CLTV on all subordinate financing, excluding government entities and HUD approved non-profits. |
| Self Help | Not allowed; work must be completed by a contractor. |
| VA All Programs | |
| Mortgage Refinance Seasoning | 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"> • The date on which the borrower has made at least six-monthly payments on the loan being refinanced; and ▪ The date that is 210 days after the first payment due date of the loan being refinanced. |
| Cash-Out > 90% LTV | <ul style="list-style-type: none"> • Conforming loan amount only; High balance not allowed. • Minimum 600 credit score. 30- and 25-year fixed rate. |
| AUS Decision | 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"> – Mortgage history indicates more than 1x30 in 12 months – Borrower is in an IRS tax repayment plan – Active disputed tradelines – Subject loan was previously a restructured/modified mortgage. <ul style="list-style-type: none"> – A minimum of 12 months of 0x30 payments have been made on the modified loan. If the mortgage was in default at the time of modification, it is not eligible. |
| Credit Score | <ul style="list-style-type: none"> • Minimum 580 credit score. Minimum 600 with cash-out and > 90% LTV. |
| Credit Score 580-599 | <ul style="list-style-type: none"> • Maximum 90% LTV/CLTV purchase transactions. Minimum 12 months housing history with 0x30 in 12 months. • Maximum 90% LTV/CLTV refinance transactions. Minimum 2 years pay history on loan being refinanced with 0x30 in 24 months. 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"> • 1-unit properties only (SFR, PUD, condos). • 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. • Max payment shock 100%. 50.01%-100% require double residual income. No property flips (property re-sold ≤ 90 days from acquisition). |
| Manufactured Housing | <ul style="list-style-type: none"> • Fixed Rate Only • Ineligible: Singlewide, Condo, Leasehold, and properties located in a 100-year flood zone • Minimum 640 Credit Score Manual Underwrites are ineligible. |
| VA All Programs | |
| Maximum Loan Amount | <ul style="list-style-type: none"> • Maximum total loan amount \$1,500,000 in all states. Loan amounts > \$1,000,000 require a 700 minimum FICO score and AUS approval. |

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| Property Listed for Sale (Refinance) | <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"> • Cash-out only eligible if the listing is expired/canceled or withdrawn 180 days prior to the application date. • 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. <p>The borrower must provide written confirmation of their intent to occupy property as their primary residence.</p> |
| Short Sale | 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 ineligible . |
| > Conventional Loan Amount | <ul style="list-style-type: none"> • Credit score 580 - 639 requires full credit qualification. • Credit score \geq 640 non-credit qualifying eligible. • Maximum LTV is 100%. • Full credit report required for both credit and non-credit qualifying to verify mortgage history. • Mortgage history <ul style="list-style-type: none"> – 0x30 in 12 months for credit qualifying. – 0x30 in 24 months for non-credit qualifying. |
| Alterations and Repairs | |
| Renovation | <ul style="list-style-type: none"> • Alterations and repairs are limited to \$50,000. • Must be non-structural. |
| CLTV/ Subordinate Financing | <ul style="list-style-type: none"> • 90% CLTV on Purchase and Cash-out transaction with a credit score of 580-599. • 100% CLTV on Purchase transactions with a credit score of 600 and above. • 100% CLTV on Cash-out transactions with a credit score of 600 and above. |
| Contingency Reserve | <ul style="list-style-type: none"> • Contingency reserve of 10% of the alteration is required on all transactions. |
| IRRRL | |
| Appraisal | <p>An AVM or 2055 is required for both conforming and high balance transactions as follows:</p> <ul style="list-style-type: none"> • CoreLogic GeoAVM with a standard deviation \leq 18. If standard deviation $>$ 18, a 2055 will be required; or • ProTeck AVM with a confidence score of 80% or more for conforming loan amounts. If confidence score is $<$ 80% a 2055 will be required; high balance loan amount requires a confidence score of 90% or more; or • 2055. |
| Credit Score | <ul style="list-style-type: none"> • Credit qualifying requires minimum 580 credit score. • Non-credit qualifying requires minimum 640 credit score. • Credit scores of 580-599 are subject to specific requirements. Refer to the Credit Score 580-599 topic for details. |
| Occupancy | <ul style="list-style-type: none"> • 1-4 unit owner-occupied primary residence (2-4 unit ineligible on high balance). • 1 unit second home (ineligible on high balance). • 1-4 unit investment (ineligible on high balance). |
| Credit Score 580-599 | <ul style="list-style-type: none"> • Credit qualification required. • Maximum 90% LTV/CLTV refinance transactions. Minimum 2 years pay history on loan being refinanced with 0x30 in 24 months. • 1-unit properties only (SFR, PUD, condos). • Max payment shock 100%. 50.01%-100% require double residual income. |
| LTV/CLTV | <ul style="list-style-type: none"> • Maximum 125% LTV/Unlimited CLTV on loan amounts \leq conforming loan limit. • Maximum 100% LTV/Unlimited CLTV on loan amounts $>$ conforming loan limit. Refer to Credit Score 580-599 topic above for LTV/CLTV restrictions. |
| USDA All Programs | |
| Escrow Holdback | Not permitted. |
| Ineligible Properties | Cooperative projects, single width manufactured homes, and Leaseholds. |