| PLANET OVERLAYS | |
|---|---|
| **All Programs** | |
| **Condotels** | • Ineligible |
| **Cooperatives (Co-Ops)** | • Ineligible |
| **Financed Properties (Planet Exposure)** | • Planet's exposure is limited to the lesser of $7.5 million or 10 financed properties |
| **Minimum Loan Amount** | • $40,000 |
| **Maximum Borrowers** | • Loans are limited to a maximum of four borrowers |
| **Temporary Buydown** | • 30- year Fixed Rate only<br>• The following attributes are not permitted - No Exceptions:<br>  ◦ 1/1 or 1/1/1 Buydown structures<br>  ◦ Arms |
| **Texas 50(a)(6) and 50(f)** | • Allowed on Fannie Mae and Freddie Mac only<br>• Fixed Rate only |
| **AVM** | • AVM that allows for interactive manipulation in any way is not acceptable |
| **Title Insurance** | • Attorney Opinion Letters are not accepted in lieu of Title Insurance |

| CONVENTIONAL PROGRAM OVERLAYS | |
|---|---|
| **Fannie Mae - All Programs** | |
| **AUS Decision** | • DU Approve/Eligible only<br>• Manual Underwrite ineligible |
| **Manufactured Housing** | • ARMs are not permitted (including on MH Advantage).<br>• Singlewide, leaseholds and properties located in a 100-year flood zone are ineligible |
| **Temporary Buydown** | • 3-2-1 Temporary Buydown ineligible<br>• Manual Underwrite not permitted, AUS Approval required |
| **Fannie Mae - HomeStyle Renovation** | |
| **Consultant/Construction Manager** | • Must review the project and provide work write up or Project Acceptance Review for all projects over $75,000 or projects that include structural repairs |
| **Contingency Reserve** | • Minimum of 10% |
| **Self-Help** | • Not allowed<br>• Work must be completed by a licensed contractor |
| **Temporary Buydown** | • Not permitted |
| **Freddie Mac - All Programs** | |
| **AUS Decision** | • LPA Accept/Eligible<br>• Manual Underwrite ineligible |
| **Manufactured Housing** | • ARMs are not permitted.<br>• Singlewide, leasehold, and properties located in a 100-year flood zone are Ineligible |
| **Product** | • 25-year term not permitted for Super Conforming loan amounts. |
| **Temporary Buydown** | • 3-2-1 Temporary Buydown ineligible<br>• Manual Underwrite not permitted, AUS Approval Required |
| **Freddie Mac - Home Possible** | |
| **Assets** | • Sweat Equity is ineligible |
| **Product** | • ARMs are not permitted |
| **Freddie Mac - Choice Renovation** | |
| **Consultant/Construction Manager** | • Must review the project and provide work write up or Project Acceptance Review for all projects over $75,000 or projects that include structural repairs |
| **Product** | • ARMs are not permitted |
| **Self-Help** | • Not allowed<br>• Work must be completed by a licensed contractor |

| | |
|---|---|
| **Temporary Buydown** | • Not permitted |

| GOVERNMENT PROGRAM OVERLAYS | |
|---|---|
| **FHA - All Programs** | |
| **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** | • In addition to FHA Requirements, the following GNMA mortgage seasoning requirements must be met:<br>  • The borrower made at least six consecutive monthly payments on the loan being refinanced, referred to hereinafter as the Initial Loan, beginning with the payment made on the first payment due date<br>  • The first payment due date of the refinance loan occurs no earlier than 210 days after the first payment due date of the Initial Loan |
| **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<br>• Work must be completed by a licensed contractor |
| **VA - All Programs** | |
| **AUS Decision** | • DU Approve/Eligible or LPA Accept/Eligible findings must be downgraded to a manual underwrite for any of the following:<br>  • Mortgage history indicates more than 1x30 in 12 months<br>  • Borrower is in an IRS tax repayment plan<br>  • Active disputed tradelines<br>  • Subject loan was previously a restructured/modified mortgage.<br>  • A minimum of 12 months of 0x30 payments have been made on the modified loan.<br>• If the mortgage was in default at the time of modification, it is not eligible |
| **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 date of:<br>  • The date on which the borrower has made at least six-monthly payments on the loan being refinanced<br>  • The date that is 210 days after the first payment due date of the loan being refinanced<br>• If the loan has been modified, the seasoning starts with the first payment due date of the modification |
| **Cash-Out > 90% LTV** | • Conforming loan amount only; High balance not allowed<br>• Temporary Buydown ineligible<br>• Minimum 600 credit score<br>• 30- and 25-year fixed rate |
| **Credit Score** | • Minimum 580 credit score<br>• Minimum 600 with cash-out and > 90% LTV<br>• Minimum 640 with manufactured housing |
| **Manufactured Housing** | • Fixed Rate Only<br>• Singlewide, leasehold, and properties located in a 100-year flood zone are ineligible<br>• Minimum 640 Credit Score<br>• Manual Underwrites are ineligible, with the exception of VA IRRRLs |
| **Maximum Loan Amount** | • Maximum total loan amount $4,500,000 in all states<br>  • Loan amounts > $1,000,000 require AUS approval (excluding IRRRL transactions)<br>  • Loan amounts > $3,000,000 requires AUS approval, two compensating factors and an exception from Planet Credit Risk Management<br>  • Loan amounts > $3,000,000 for IRRRLs only require an exception from Planet Credit Risk Management) |
| **Property Listed for Sale (Refinance)** | • If the property was listed for sale within the prior 12 months but is not currently listed for sale:<br>  • Cash-out is only eligible if the listing is expired/canceled or withdrawn 180 days prior to the application date.<br>  • 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.<br>  • The borrower must provide written confirmation of their intent to occupy property as their primary residence. |

| | |
|---|---|
| **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<br>• Properties designated as an "Exclusive Listing" are ineligible |
| **VA - All Programs (cont.)** | |
| **Temporary Buydown** | • High Balance loans are ineligible<br>• 1 unit only<br>• VA Purchase and VA Cash Out (Maximum LTV - 90%) : Manual UW Not Permitted, AUS Approval Required<br>• Not permitted for all programs including Alterations and Repairs |
| **Loan Amount** | • Loan amount exceeding conforming loan limits must adhere to the following overlays:<br>  • Maximum LTV is 100%<br>  • Full credit report required for both credit and non-credit qualifying to verify mortgage history<br>  • Mortgage history:<br>  • 0x30 in12 months for credit qualifying<br>  • 0x30 in 24 months for non-credit qualifying |
| **VA - Alterations and Repairs** | |
| **Renovation** | • Alterations and repairs are limited to $75,000 plus allowable fees<br>• Must be non-structural<br>• Work must be completed with 120 calendar days of loan closing<br>• Maximum of four draws allowed, not including the Final Inspection |
| **Contingency Reserve** | • Contingency reserve of 10% of the alteration/repair is required on all transactions |
| **Maximum Loan Amount** | • Maximum total loan amount $1,500,000 in all states<br>  • Loan amounts > $1,000,000 require an AUS approval |
| **VA - IRRRL** | |
| **Appraisal** | • An AVM or 2055 is required for both confirming and high balance transactions as follows:<br>  • Geo AVM with a standard deviation ≤ 18<br>  • If standard deviation > 18, a 2055 will be required; or AVM with a confidence score of 80% or more for conforming loan amounts<br>  • If confidence score is < 80% a 2055 will be required;<br>• High Balance Loan Amount<br>  • Requires a confidence score of 90% or more; or 2055. |
| **Credit Score** | • Credit Qualifying: Minimum 580 credit score.<br>• Non-Credit Qualifying: Minimum Credit Score 600<br>• Manufactured Home: Minimum Credit Score 640 (regardless of credit qualification) |
| **Occupancy** | • 1–4-unit owner-occupied primary residence<br>  • 1 unit, conforming and high balance<br>  • 2-4 units, conforming only (ineligible on high balance)<br>• 1 unit second home (ineligible on high balance)<br>• 1–4-unit investment (ineligible on high balance) |
| **Credit Score 580-599** | • Credit qualification required.<br>• Maximum 90% LTV/CLTV refinance transactions. Minimum 2 years pay history on loan being refinanced with 0x30 in 24 months.<br>• 1-unit properties only (SFR, PUD, condos).<br>• Max payment shock 100%. 50.01%-100% require double residual income. |
| **LTV/CLTV** | • Maximum 125% LTV/Unlimited CLTV on loan amounts ≤ conforming loan limit.<br>• Maximum 100% LTV/Unlimited CLTV on loan amounts > conforming loan limit. |
| **USDA - All Programs** | |
| **Ineligible Properties** | • Cooperative projects, single-width manufactured homes, and Leaseholds. |
| **Mortgage Seasoning** | • On Refinance Transactions, in addition to USDA requirements the following GNMA mortgage seasoning requirements must be met:<br>  • The borrower made at least six consecutive monthly payments on the loan being refinanced, referred to hereinafter as the initial Loan, beginning with the payment made on the first payment due date; and<br>  • The first payment due date of the refinance loan occurs no earlier than 210 days after the first payment due date of the initial Loan. |

| | |
|---|---|
| **Temporary Buydown** | • 1- unit only<br>• High Balance ineligible<br>• Manual Underwrite not permitted<br>• GUS Approval Required |