FHA Conforming & High Balance Program

Fixed Rate and ARM

TRANSACTION TYPE	UNITS	OCCUPANCY	LTV	CLTV[1]	LOAN AMOUNT[2]	FICO[3]
Purchase	1-4	Primary Residence	96.50%[3,7]	96.50%	FHA Loan Limits	Per AUS
Rate and Term Refinance[4]	1-4	Primary Residence	97.75%	97.75%		
Simple Refinance[5]	1-4	Primary Residence[5]	97.75%	97.75%		
Simple Refinance[6]	1	Second Home[6]	85.00%	85.00%		
Cash-Out Refinance	1-4	Primary Residence	80.00%	80.00%		
Manufactured Homes						
Purchase	1	Primary	96.50%	96.50%	FHA Loan Limits	Per AUS
Rate and Term Refinance[4]	1	Primary	97.75%	97.75%		
Cash-Out Refinance	1	Primary	80.00%	80.00%		

Reference:

1. No CLTV limit for secondary financing provided by a Government Entity or a HUD Approved Non-Profit. *See* Down Payment Assistance Program and Subordinate Financing/Secondary Financing for additional details.
2. Minimum loan amount: **$40,000.** Eligible conforming and high balance loan amounts can be found at: FHA Mortgage Limits.
3. Maximum LTV/CLTV for purchase transactions with a FICO score between 500-579 is 90%.
4. Maximum LTV for a **Rate/Term refinance** is limited to 85%, if the borrower has occupied the property as their principal residence for less than 12 months prior to case number assignment.
5. **Primary Simple Refinance transactions**: Must be an existing FHA-insured owner-occupied primary residence.
6. **Second Home Simple Refinance transaction**: Must be an existing FHA-insured HUD-approved Secondary Residence; approval by a Jurisdictional Homeowner Center (HOC) required.
7. LTVs permitted up to 100% under FHA 203(h) Disaster Relief loan.

This matrix is only a guide and does not represent full underwriting guidelines. Additional Requirements may apply.
Refer to the FHA Conforming and High Balance Program Guidelines for any item not addressed by this matrix.

All Planet overlays are notated in bold, light blue text and footnote "O".

Appraisals	• Loans require full appraisal by licensed FHA approved appraiser. • All appraisals must meet UAD & AIR requirement.
Assets	• Verification required on all earnest money deposits that exceed 1% of sales price and any large deposit > 1% of purchase price on purchase transactions/appraised value on refi transactions. • Cash on hand (cash held by the borrower outside of a financial institution) is an eligible source of funds.
AUS	• TOTAL Scorecard Approve/Eligible, Accept/Eligible or Refer/Eligible. • Refer/Eligible requires a Manual Underwriter. refer to Planet's Seller Guide - Manual Underwrite section for manual downgrade requirements. • Refer/Ineligible findings are not eligible.
CAIVRS/LDP/SAM	• All borrowers must be checked against the CAIVRS to determine any delinquent federal debt. Borrower(s) identified on CAIVRS are generally ineligible. • All parties to the transaction must be checked against HUD's LDP and SAM Exclusionary lists (borrower(s), Seller, Listing & Selling Agent, Loan Officer, Processor, Underwriter, Appraiser, (title, escrow, & lender, etc.).
Case Numbers	• Case numbers older than 6 months will be automatically canceled when there has been no activity. • A Case Reinstatement Request must be submitted to reinstate the case number.

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Collections, Charge-offs, Judgements	• Collections/Charge-offs: Cumulative of all borrowers < $2,000 no action required; ≥ $2,000 payoff prior to/ at close, or in payment plan (include payment in DTI), or 5% of outstanding balance included in DTI. • Judgments must be paid off or in a repayment plan with a min of 3 months payments paid as agreed. • Refer to the Planet FHA program guidelines for additional requirements.
Condo Project Approval	• Must be approved under the HRAP process. • In addition, FHA will insure Mortgages meet the Site Condominium requirements or units approved in accordance with the Single-Unit Approval section. • See below restrictions for Single-Unit Approvals: • Total Scorecard of "Accept" or 90% LTV; Must not be on an approved Condo Project list at time of case number assignment. • Project must have at least 5 units. Manufactured Homes are not permitted. • COE must be at least 1 year prior to qualifying or property must be occupied. Refer to FHA 4000.1 for complete details.
Credit History	• Borrower(s) w/insufficient credit history max DTI of 31/43% on occupant borrower only & 2 months reserves required (gift funds not allowed).
Derogatory Credit	• Chapter 7 & 13 Bankruptcy: 2 years elapsed since the discharge; Foreclosure, Deed in Lieu, Short Sale: 3 years elapsed since completion; CCC's = Must be completed for 1 year. • Letter of explanation required.
Doc Type	• Full Doc. • Escrow/Impound account required on all loans.
Down Payment & Gifts	• Minimum 3.5% required from borrower's own funds or an acceptable gift donor. • Eligible Donors: Relative of the borrower, Borrower's employer or labor union, Close friend (with documented relationship), Charitable organization, Government/public agency with a homeownership assistance program • Gift Letter Requirements: Signed by donor and borrower, Donor details (Donor name, address, phone, and relationship), Gift amount, Statement confirming no repayment required • Documentation – Gift Fund Transfer (Prior to Closing): One of the following is required: • Donor's bank statement + evidence of deposit to borrower • Canceled check + evidence of deposit • Withdrawal receipt + evidence of deposit • Electronic transfer confirmation
DTI	• DTI per Total Scorecard.
HUD REO	• HUD REO properties must be owner occupied • **° Investment properties are not eligible for purchase by Planet Home Lending** • May include Good Neighbor Next Door (GNND) and/or $100 Down. • Must be HUD-insured financing with 203(b) or 203(k); 203(b) with Repair Escrow ineligible.
HPMLs	• Refer to the Higher-Priced Mortgage Loans topic in Chapter 2 – Compliance of the Planet Seller Guide for detailed requirements regarding HPML transactions.

Manufactured Housing	• Properties in a 100-year flood zone are eligible (File must evidence a FEMA National Flood Insurance Program (NFIP) Elevation Certificate (FEMA Form 086-33) indicating all improvements are at or above the 100-year flood elevation.
	• **Ineligible:**
	  ◦ **°Singlewide**
	  ◦ 2-4 units
	  ◦ Processing as a site condo not permitted.
	  ◦ **°Leasehold**
	  ◦ Manufactured Homes title as a Condo projects must be processed under the HRAP option and comply with the general FHA Condominium Project Approval requirements

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Manual Underwrites	• Acceptable subject to HUDs guidance. • Borrowers with a credit score below 580 or no credit score may not exceed 31/43% ratio.
Mortgage/Rental History	• Per Total Scorecard Approve/Eligible or Accept/Eligible finding. Max 1x30 in last 12 months on purchase or rate/term refinance allowed at underwriter discretion for extenuating circumstances.
Mortgage Seasoning	• **[O] For all cash-out refinance transactions, the following GNMA mortgage seasoning requirements must be met:** • **[O] 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** • **[O] 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.**
Mortgage Insurance for Disaster Victims	• Section 203(h) provides mortgages to victims of Presidentially Declared Major Disaster Area (PDMDA) for the purchase or reconstruction of single-family property. Alternative documentation allowed. • Refer to the Planet Seller Guide for complete details.
Program Parameters	• Fixed **Rate:** 15- and 30-year term • ARM: 3/1 and 5/1 1-year CMT index • Caps: 1/1/5, Margin: 2.00, Floor: 2.00, Qualified using Note rate. • Loans must be in compliance with HUD QM/ Planet Home Lending guidelines, meet the Safe Harbor/Rebuttable • Presumption provisions and pass points and fees test. • **[O] Investment Properties: Not permitted with Good Neighbor Next Door (GNND) and $100 Down transactions**
Property Flips	• Property Flipping / Resale Restrictions: Ineligible if resold ≤ 90 days from seller's acquisition (deed recording date). • Resales 91–180 days → eligible subject to review. • 2nd appraisal required if resale price > 100% of seller's acquisition cost; may also be required at UW discretion when < 100%. Borrower cannot be charged. • If 2nd appraisal > 5% lower → use lower value.
Reserves	• 1-2 units reserves not required; • 1-2 units manual underwrite 1-month reserves; • 3-4 units 3 months PITIA and must pass self- sufficient test (net rental to PITI). • Reserves cannot be from a gift. • Additional reserves may be required on manually underwritten loans.
Secondary Financing	• CLTV is unlimited when subordinate financing is provided by government entities, HOPE grantees, or HUD-approved nonprofits. • Refer to HUD Handbook 4000.1 for full requirements.
Simple Refinance	• Allowed on existing FHA-insured mortgages in which all proceeds are used to pay lien on the subject property and costs associated with the transaction. • Permitted on Owner Occupied primary residence and HUD-approved Secondary Residences only. • Refer to the Planet Seller Guide for complete details.
Seller Contribution	• Seller and Interested Party Contributions are limited to a maximum of 6% of the sales price or acquisition costs.
Temporary Buydown	• 3/2/1, 2/1 and 1/0 buydowns allowed. Purchase Only, **[O] 30 Year Fixed only, [O] High Balance Ineligible. [O] AUS Approval Required.** • Refer to the Seller Guide for complete details.
Property Flips	• Property Flipping / Resale Restrictions: Ineligible if resold ≤ 90 days from seller's acquisition (deed recording date). • Resales 91–180 days → eligible subject to review. • 2nd appraisal required if resale price > 100% of seller's acquisition cost; may also be required at UW discretion when < 100%. Borrower cannot be charged. • If 2nd appraisal > 5% lower → use lower value.

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