

Announcement 2018 – 47

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	<p>Loan Product Advisor will now recognize Authorized User accounts on credit reports, and issue messages if additional requirements must be met. If this additional messaging appears, Sellers must meet the following documentation requirements for the authorized user account:</p> <ul style="list-style-type: none"> • Document another borrower on the mortgage owns the trade line in question -or- • Document the trade line is owned by the borrower's spouse -or- • Document the borrower has been making the payments on the account for the last 12 months -or- • Document the authorized user account has an insignificant impact on the borrowers overall credit history 	10/4/18	BUL 2018-15
Freddie Mac	<p>Loan Product Adviser is being updated to assess super conforming mortgages with loan amounts over \$1,000,000. These loan amounts will no longer require a manual underwrite, as of 12/19/18.</p> <p>All Super Conforming mortgage must be submitted through Loan Product Advisor.</p>	12/19/18	BUL 2018-15
Freddie Mac	<p>The Freddie Mac Selling Guide has been updated to reflect borrowers with self-employment disclosed in the loan file, but not used to qualify; no longer require documentation to evaluate the income or loss from the self-employment.</p> <p>The updated guidance applies when the borrower:</p> <ul style="list-style-type: none"> • Has a primary source of income other than self-employment used to qualify -and- • Is self-employed but the self-employment is a secondary source of income 	Immediate	BUL 2018-15
Freddie Mac	<p>The Freddie Mac Selling Guide has been updated to better identify property condition issues. Additional examples are now provided to better define conditions that will result in a property condition rating of C5 or C6; as well as examples of minor repairs that may be completed "As Is" on the appraisal report.</p> <p>Please refer to Sections 5601.5 and 5601.12 of the Freddie Mac Selling Guide for complete details.</p>	Immediate	BUL 2018-15

Freddie Mac	<p>The Freddie Mac Selling Guide now includes Section 5103.8 – Special Borrower Eligibility – Mortgaged Premises occupied by Borrower’s parent or disabled child – which addresses when a Borrower may be considered an occupying Borrower.</p> <p>The mortgaged premises may be occupied as a Primary Residence by an individual who:</p> <ul style="list-style-type: none"> • Is the Borrower’s parent(s), or • Has a physical development disability and the Borrower is the individual’s parent or legal guardian. 	Immediate	BUL 2018-15
USDA	<p>At the beginning of each fiscal year, funding for the USDA Single Family Guaranteed Loan Program is not available for a brief time. During the temporary lapse in funding, USDA will issue Conditional Commitments “subject to the availability of commitment authority”.</p> <p>Planet Home Lending will continue to accept locks on USDA loans and will purchase loans with Conditional Commitments issued subject to the availability of commitment authority. Sellers will be responsible for delivering the Loan Note Guaranty to PHL as a post-closing condition.</p>	9/30/18	SFH Notice

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

If you have any questions, please contact your Regional Sales Manager.