



## Announcement 2018 – 51

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### Planet Home Lending - Prior Approval for 203(k) Loans

Planet Home Lending (Planet) is pleased to announce it is offering prior approval for FHA 203(k) loans.

#### Prior Approval Stipulations:

- Delegated and Non-Delegated Sellers may submit FHA 203(k) loans.
- Delegated Sellers must be approved to submit loans for prior approval. Once approved, all 203(k) loans must be underwritten by Planet prior to loan purchase.
  - Delegated Sellers will be re-established in CORE with a status of “Sponsored” for FHA.
  - All non-FHA 203(k) loans can continue to be submitted on a delegated basis.
- The Administration Fee for all FHA 203(k) loans underwritten by Planet is \$695.
- Contractor Validation Process: As part of the 203(k) process, Planet will offer prior approval of the contractor. **It is highly recommended that Sellers delivering 203(k) loans for prior approval take advantage of this offer.** Submitting a complete Contractor Validation Package is easy and ensures the Seller has everything needed to provide to the appraiser and get a complete appraisal. When the file is ready for underwriting, it will eliminate potential delays related to incomplete contractor information.
- Sellers must pay the Up Front Mortgage Insurance Premium (UFMIP) for FHA loans underwritten by Planet, and Planet will submit the loan for insuring.

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

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