

Announcement 2018 – 58

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 Collateral Advisor has a new scoring system which will impact Rep and Warrant relief as well as the LPA feedback messaging.</p> <p>The new risk score:</p> <ul style="list-style-type: none"> • Is a single score, on a scale of one to five, provided in .5 increments. A score of one represents the lowest risk. • Offers Rep and Warrant relief when LTV / TLTV is less than 95% and the risk score is 2.5 or less. • Applies Rep and Warrant relief to value ONLY. Sellers are still required to review and assess the Subject Property's Condition and Marketability. • Created new feedback messages in LPA. 	10/31/18	BUL 2018-18
Freddie Mac	<p>Freddie Mac has updated the requirements for New and Existing Condo Projects.</p> <ul style="list-style-type: none"> • Unit conveyance requirement has been reduced from 90% to 75%, for projects with greater than 4 units. • Project review documents now expire if dated over one year prior to the Note date for established projects; and 180 days prior to the Note date for new condo projects. • Single Entity ownership requirement for projects with 21 or more units has been increased from 10% to 25%. 	Immediate	BUL 2018-18
Freddie Mac	<p>Freddie Mac provided additional options related to Condo Project Reviews.</p> <ul style="list-style-type: none"> • Condo units in 2-4 unit projects now have a delivery option of "Exempt from Review". ULDD "Project Classification Identifier" Sort ID 42 is required when this option is utilized. <ul style="list-style-type: none"> ○ Mortgages may still be originated using Streamlined or Full Reviews as well. • Investment property mortgages with LTV / TLTV of 75% or less are eligible for Streamlined Project Reviews. (Condo units in Florida have a maximum LTV / TLTV of 70%). • ULDD "Project Classification Identifier" Sort ID 42 is required when this option is utilized. 	11/19/18	BUL 2018-18

Freddie Mac	<p>Freddie Mac is introducing Condo Project Advisor as of 11/5/18. Available through the Loan Advisor Suite, the Condo Project Advisor allows Sellers to request unit level waivers for established Condo Projects.</p> <p>In order to utilize the Condo Project Advisor, Sellers must:</p> <ul style="list-style-type: none"> • Be a Delegated Seller with Planet. • Be approved with Freddie Mac • Provide documentation of the Waiver from Freddie Mac <p>Please refer to Sections 2402.2 and 5701.1 of the Freddie Mac Selling Guide for complete details.</p>	11/5/18	BUL 2018-18
Freddie Mac	<p>Freddie Mac is updating their requirement related to the use of the Automated Collateral Evaluation (ACE) Appraisal Waiver for properties located in disaster areas.</p> <p>Effective 11/19/18, ACE can be used for properties in a FEMA declared disaster area; if the condition, value and marketability of the subject property is not impacted by the disaster.</p> <p>As a reminder, Sellers must use an independent third party when providing a Disaster-related Property Inspection to Planet.</p>	11/19/18	BUL 2018-18

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.