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Planet Home Lending Home Equity Loan 2 nd Lien (HELOAN)			
Occupancy	Maximum LTV ¹	Maximum CLTV	Credit Score
Primary Residence	80%	85%	700+
			680-699
			640-679
Second Home	80%	85%	700+
		80%	680-699
	N/A	N/A	640-679
Investment Property	75%	75%	700+
	N/A	N/A	680-699
	N/A	N/A	640-679

Reference:

- The maximum LTV for the first lien is based on the first lien loan amount.

1st Lien Eligibility	<ul style="list-style-type: none"> The 1st lien mortgage must be fully amortizing or interest only. 1st lien mortgages with negative amortization, balloon payment, reverse mortgages, and loans in forbearance are ineligible. 1st liens with ARM adjustments must be underwritten to fully amortized rate for determining ATR. Free and clear properties are ineligible.
Appraisals	<ul style="list-style-type: none"> Loans classified as HPML must obtain a full appraisal (1004, 1073, or 1004C) regardless of the loan amount. Loan amount <\$150,000 and not HPML- A Restricted Desktop Appraisal with Inspection Interior (ADII) from Stewart Valuation Intelligence or a ValPRAZE Interior from Valligent. If the ADII or ValPRAZE is not available, one of the following appraisal forms must be utilized: <ol style="list-style-type: none"> 1004 or 1004 Desktop for Single-Family residences, 1073 for Condominiums, 1004C for Manufactured homes, or A prior full appraisal completed within 12 months from the effective date. A recertification of value (1004D- Appraisal Update) of the appraisal is required if the appraisal is dated between 4 and 12 months from the effective date of the appraisal. <ul style="list-style-type: none"> Original appraisal cannot be greater than 12 months old as of the note date of the new 2nd lien. The original appraisal must have been an appraisal ordered through one of the approved AMCs. See Planet Home Equity Loan 2nd Lien (HELOAN) Program Guidelines for a complete list of approved AMCs. Loan amount ≥ \$150,000- A full appraisal (1004, 1073, or 1004C) is required. Original appraisals and new appraisals ordered must be done through an approved AMC. See Home Equity Loan 2nd Lien (HELOAN) Program Guidelines for the approved AMC list.
AUS	Manual underwrite only. All loans must be submitted to Planet for prior approval underwriting.
Available Markets	<ul style="list-style-type: none"> The Seller must be expressly authorized by Planet to submit loans under the Home Equity Loan 2nd Lien (HELOAN) Program. Loans may only be underwritten on a non-delegated basis. Planet will purchase prior approved loans submitted to Planet for underwriting and closed by the Seller. The following states and U.S. territories are ineligible: <ul style="list-style-type: none"> Minnesota New Jersey New York Ohio Oregon Puerto Rico Tennessee Texas

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	<ul style="list-style-type: none"> ▪ The following states and state specific transactions are eligible with the following limitations: <ul style="list-style-type: none"> ○ California: Minimum 660 FICO. ○ Colorado: Minimum 660 FICO ○ Illinois: Minimum 660 FICO
Borrower Eligibility-Eligible	<ul style="list-style-type: none"> • All borrowers must have a valid Social Security Number • Inter Vivos Trust • Non-permanent residents • Permanent residents • U.S. citizens
Borrower Eligibility-Ineligible	<ul style="list-style-type: none"> • Borrowers possessing diplomatic status. • Borrowers possessing deferred enforced departure • Borrowers possessing humanitarian parole • Borrowers possessing temporary protected status • Borrowers without a Social Security Number. • Corporations, General and Limited Partnerships • Doing Business As (DBA). • Foreign Nationals. • Investment trusts • Land Trusts (other than Illinois Land Trusts). • Life Estates. • Non-occupying co-borrower, guarantor, or co-signer • Power of attorney • Real estate syndications • Religious / Non-Profit Organization
Credit	<ul style="list-style-type: none"> • Minimum 640 FICO • A tri-merged credit report is required for all borrowers. • The lowest middle credit score among all borrowers must be used as the qualifying score.
Credit- Derogatory Credit	<ul style="list-style-type: none"> • Foreclosure - 7 years • Charge-off of a mortgage account, deed-in-lieu, pre-foreclosure sale, or short sale - 7 years • Modified, restructured, or short payoff of a mortgage secured by a property other than the subject property - 4 years • Chapter 7, chapter 11, or chapter 13 bankruptcy- four years from discharge or four years from dismissal <ul style="list-style-type: none"> ▪ Multiple events are not permitted. • Disputed tradelines must be resolved by the borrower and a new credit report must be obtained. The updated credit scores reflected on the credit report must be utilized for qualifying.
Credit- Housing History	<ul style="list-style-type: none"> • Maximum 0x30x24 mortgage payment history is required for all real estate owned by the borrowers on the transaction. • A minimum of 12 months seasoning is required when the 1st lien has had a modification as a result of participating in the CARES ACT Forbearance Plan. • One of the following credit history requirements must be met: <ul style="list-style-type: none"> ▪ Minimum of three tradelines. At least one tradeline must be open and active for the past 12 months, or ▪ 36 months housing history, including all mortgages and rental payments. <ul style="list-style-type: none"> ○ A credit report reflecting housing payment or a third party VOR is acceptable. ○ If the borrower was living rent free, a letter from the borrower's landlord reflecting the rent-free status must be obtained.
DTI	<ul style="list-style-type: none"> • Maximum 50%
Employment and Income	<p>The following documentation must be obtained:</p> <ul style="list-style-type: none"> • For Wage Earner: <ul style="list-style-type: none"> ▪ Most recent two months YTD paystub(s) for the borrower's current employment, ▪ Most recent two years W-2s, and

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	<ul style="list-style-type: none"> ▪ Verbal verification of employment. • For Self-Employed Borrowers: <ul style="list-style-type: none"> ▪ Two years business and personal tax returns, including YTD P&L statement, and tax transcripts are required.
Escrows	An escrow account for the second lien is not permitted. An escrow account for the first lien is permitted, but not required
Financed Properties	<ul style="list-style-type: none"> • Each borrower is limited to no more than 5 financed properties. • Planet will purchase a maximum of five loans to one borrower, and up to a combined total of \$2.5M.
Loan Amount	<ul style="list-style-type: none"> • Minimum loan amount: \$25,000 • Maximum loan amount: \$350,000
Occupancy	<ul style="list-style-type: none"> • Primary residence • Second home • Investment property
Pre-Payment Penalty	<ul style="list-style-type: none"> • Not permitted.
Product	<ul style="list-style-type: none"> • Fixed Rate: 15- and 30-year fully amortizing
Property Eligibility-Eligible	<ul style="list-style-type: none"> • 1-unit • Fannie Mae warrantable condominiums- established condominium projects only. • Manufactured homes – Double-wide or greater. Must be taxed as real property. • PUDs- attached and detached
Property Eligibility-Ineligible	<ul style="list-style-type: none"> • 2-4 units • Condotel • Condo rental • Cooperatives • Free and clear properties • Mobile homes • Properties listed for sale within the most recent 12 months
Transaction Types-Eligible	<ul style="list-style-type: none"> • Stand-alone 2nd lien • The borrower must have purchased the home at least six months prior to the note date of the 2nd lien.
Transaction Types-Ineligible	<ul style="list-style-type: none"> • Purchase transactions • Second mortgages with a simultaneous 1st lien transaction. • Employee loans, including employees of Sage, Planet Home Lending, and the Seller. • Texas 50 (a)(6) • 1st lien mortgages with the following terms: <ul style="list-style-type: none"> ▪ Tax and judgement liens <ul style="list-style-type: none"> ○ Proceeds from the subject transaction cannot be used to satisfy a tax or judgement lien. ▪ Mortgages with balloon terms ▪ Subordinate mortgages that allow negative amortization (this does not include language in the mortgage note warning borrowers that the lack of payment may result in negative equity and negative amortization is not a feature of the product).