

Freddie Mac CHOICE Renovation Standard Conforming and Super Conforming							
PURCHASE				RATE/TERM REFINANCE			
Occupancy	Units	Loan AMT <sup>1</sup>	LTV/CLTV	Occupancy	Units	Loan AMT <sup>1</sup>	LTV/CLTV
Primary	1		95%	Primary	1		95%
Primary	2		85%	Primary	2		85%
Primary	3		80%	Primary	3		80%
Primary	4		80%	Primary	4		80%
2 <sup>nd</sup> Home	1		90%	2 <sup>nd</sup> Home	1		90%
Manufactured Home	1		95%	Manufactured Home	1		95%
Investment	1		85%	Investment	1		85%

Freddie Mac CHOICE Renovation Home Possible <sup>5</sup>							
CONFORMING <sup>1</sup>				SUPER CONFORMING <sup>1</sup>			
PURCHASE & RATE/TERM REFI				PURCHASE & RATE/TERM REFI			
Occupancy	Units	FICO	LTV/CLTV	Occupancy	Units	FICO	LTV/CLTV
Primary	1	Per LPA	97%/105% <sup>2,3,4</sup>	Primary	1	Per LPA	95%/105% <sup>2,3</sup>
Primary	2		95%	Primary	2		85%
Primary	3		95%	Primary	3		80%
Primary	4		95%	Primary	4		80%

**Reference**

- Standard Conforming and Super Conforming Loan Limits apply.
- CLTV of 105% is permitted with an Affordable Second that meets Freddie Mac requirements; otherwise, max CLTV is limited is 97% for Conforming loan amounts and 95% for Super Conforming loan amounts. See Freddie Mac Selling Guide for complete details.
- LTV > 95%, Mortgage being refinanced must be owned by Freddie Mac.
- Transactions with a Manufactured Home permitted to a maximum LTV/CLTV of 95%. Affordable Seconds are permitted within these parameters.
- Manufactured homes are ineligible.

2025 Conforming and High Balance Loan Limits			
Units	Conforming Limit	High Balance Limit	Conforming Limit- Alaska and Hawaii
1	\$806,500	\$1,209,750	\$1,209,750
2	\$1,032,650	\$1,548,975	\$1,548,975
3	\$1,248,150	\$1,872,225	\$1,872,225
4	\$1,551,250	\$2,326,875	\$2,326,875

<b>Appraisals</b>	Per LPA. Appraisal report must include an “as completed” value of the subject property subject to completion of the proposed renovations; File must evidence a final inspection of the property (after renovation) and completed certification of completion. Appraisal waivers are not allowed. Renovation amount limited to 75% of the “as
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	completed" Value for Single Family Residences and \$50,000 or 50% on Manufactured Housing.
<b>Assets</b>	Per LPA; Cash-on-hand ineligible. Single deposits where any unsourced portion is > 50% of combined gross mo. Income must be sourced & verified.
<b>Condominiums</b>	Eligible subject to Freddie Mac guidelines.
<b>Contingency Reserve</b>	The minimum contingency reserve amount must be greater than or equal to the 10% of the total renovation costs, except if the utilities are not operable as referenced in the contract and/or plans and specifications, then the minimum contingency reserve amount must be greater than or equal to 15% of the total renovation costs. The maximum contingency reserve amount must be less than or equal to 20% of the total renovation costs.
<b>Contractor Validation</b>	Seller review must include contractor's eligibility (jurisdictional licensing and bond requirement), credentials, work experience and client references. A minimum 3 years' experience as a Contractor and a minimum of 1 year in business is required. Non-Delegated Sellers may submit a request for Planet Home Lending to validate the contractor prior to underwriting or locking the loan. Please refer to the Correspondent website at <a href="http://www.phlcorrespondent.com">www.phlcorrespondent.com</a> under "Resources & Forms" for required forms to be executed by the Contractor  <b>Required Insurance:</b> A builder's all risk insurance policy, without co-insurance, in an amount not less than 100% of the replacement cost of the work; A public liability insurance policy with limits of liability equal to at least \$500,000 per occurrence; A workers' compensation insurance policy as required by state law; An automobile liability insurance policy with limits of liability equal to at least \$300,000 per occurrence for each vehicle that will be used in providing the work; Other insurance policies as appropriate for the work being performed. *File must document Owner liability insurance and other reasonably appropriate insurance.
<b>Credit Score &amp; History</b>	Per LPA "Accept."
<b>Financed Properties - Maximum</b>	O/O-unlimited; 2 <sup>nd</sup> Home & NOO max. 10 financed properties. LTV/CLTV restrictions apply. See Seller Guide for complete details.
<b>Gift Funds</b>	Allowed on Primary Residence 1-4 units without restriction. Second home > 80% LTV require a minimum of 5% borrower's own funds. Not allowed on investment properties.
<b>Improvements - Eligible</b>	All renovations and improvements are allowed as long as it is to be permanently affixed to the real property (either dwelling or land). New construction is allowed when the home is at least 90% complete; addition of Accessory units, garages, recreational rooms and swimming pools are allowed according to local zone regulations.
<b>Improvements - Ineligible</b>	Proceeds may not be used to raze an existing structure and build a new dwelling or for personal property, except for new appliances.
<b>Inspections &amp; Draw Disbursements</b>	Draw inspections, the rehabilitation escrow account, and approving the associated draws from the account must be managed by Planet. Permits must be requested prior to first draw. Refer to Planets program guidelines for details on plans, specifications, and cost estimates for the renovation project.
<b>Ineligible Products</b>	FHA and VA Mortgages, Section 502 GRH Mortgages, Community Land Trust Mortgages,
<b>Manufactured Homes</b>	Allowed without structural changes. Total financed renovation costs must not exceed the lesser of \$50,000 or 50% of the "as completed" value of the property as determined by the appraiser. Condos, properties located in a 100-year flood plain, and Manufactured homes built prior to 6/15/1976 are <b>not</b> permitted. Refer to the Planet's Choice Renovation Program Guidelines for complete details on manufactured homes.
<b>Maximum Renovation Cost</b>	Single Family Residences: <ul style="list-style-type: none"> <li>• <b>Purchase</b> - Renovation amount limited to the lesser of 75% of the "as completed" Value or the sum of the purchase price of the property plus renovation costs.</li> <li>• <b>Refinance</b> – 75% of the "as completed value"</li> <li>• <b>Manufactured Homes</b> – the lesser of \$50,000 or 50% of the "as completed" appraised value.</li> </ul>
<b>Mortgage Insurance</b>	Standard Coverage per LPA Approval; Reduced MI coverage not permitted; Borrower paid monthly and single premium; BPMI single premium may be financed. LPMI – single premium only. Refundable and non-refundable options eligible.
<b>Products</b>	<b>Standard Conforming:</b> Fixed Rate 15, 20, 25, and 30 yr.; <b>Super Conforming:</b> Fixed Rate: 15, 20, and 30 yr.; <b>Home Possible:</b> 15, 20, 25, and 30 yr.
<b>Program Related Cost that can be financed in the loan</b>	<ul style="list-style-type: none"> <li>• Architectural/Engineer Fee</li> <li>• Permits Fee</li> <li>• Title Updates Fee (1 per each inspection)</li> <li>• Draw Inspections Fee</li> <li>• Contingency Reserve Fee (minimum of 10%)</li> <li>• Final Inspection Fee</li> </ul>

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	<ul style="list-style-type: none"> <li>Review of Renovation Plans or Consultant Work Write Up Fee</li> <li>Construction Management Fee (1.5% of renovation cost or \$500, whichever is greater)</li> </ul> <p>An amount up to but no more than six monthly payments of principal, interest, taxes, and insurance (PITI) not to exceed the amount of time the property cannot be occupied during renovation.</p>
<b>Program Specific Forms</b>	<ul style="list-style-type: none"> <li>Freddie Mac Choice Renovation Homeowner Contractor Agreement – FNMA 3730</li> <li>Rehabilitation Loan Agreement – FNMA 3731</li> <li>Renovation Maximum Mortgage Worksheet</li> <li>Investor Rider to Security Instrument (if Investment Property)</li> <li>Renovation Loan Rider to Security Instrument</li> <li>Planet Consumer Renovation Customer Tips</li> </ul>
<b>Properties - Eligible</b>	1-4-unit Primary Residence, Second home, 1-unit Investment Property, Manufactured Home (Doublewides Only), SFR, PUD, and Warrantable Condo.
<b>Properties - Ineligible</b>	Mobile Homes that are Singlewide or not real property; Leaseholds; Co-Ops; Condotel and Non-Warrantable Condos; Working Farms, ChoiceHome
<b>Rehabilitation Escrow Account</b>	Required on all loans, no exceptions; <b>Contingency Reserve</b> minimum and maximum is established as a % of the repair and improvement cost. The minimum reserve is 10% and the maximum reserve is 20%; <b>Mortgage Payment Reserves</b> must not exceed 6 months of mortgage payments and must only include mortgage payments for which the property cannot be occupied.
<b>Rehabilitation Time Frame</b>	Dependent on the scope of the work. Maximum of 15 months for transactions where the work exceeds \$100,000.
<b>Reserves</b>	Per LPA: Not required on 1-unit primary residence; When the subject property is a 2 <sup>nd</sup> home or investment property, 2 months additional reserves are required for any additional 2 <sup>nd</sup> home or investment property that is financed.
<b>State Specific Requirements</b>	Texas – Loans must be, in compliance with Texas Construction Laws – Contractor must execute the following documents: Mechanics Lien (Home Improvement Rider, Residential Construction Contract Disclosure Statement, Contractors List of Sub Contractors and Suppliers, Notice of Right To Rescind Mechanic's Lien Contract, Assignment Of ML, and Mechanics Lien Note. <ul style="list-style-type: none"> <li>Texas – Appliances cannot be free-standing; they must be built-in.</li> </ul>
<b>States - Ineligible</b>	The U.S. territories of Guam and the Virgin Islands
<b>Subordinate Financing</b>	Standard subordinate financing and Affordable Seconds are permitted
<b>Manual Underwriting</b>	Not allowed
<b>Transactions Type</b>	<ul style="list-style-type: none"> <li>Purchase</li> <li>Limited (rate/term) refinance (*Cash out refinance transactions are not allowed)</li> </ul>
<b>Refer to the Freddie Mac Selling Guide for any item not addressed by this Matrix</b>	
<b>This matrix Refer to the Freddie x is only a guide and does not represent full underwriting guidelines. Additional Requirements may apply</b>	