

QUICK REFERENCE

AUGUST 1, 2015



Planet Home Lending
WE'LL GET YOU HOME



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- ✓ A full preliminary Title Report or a Short Form policy is required
- ✓ Title commitment including all endorsements valid for 90 days on all conventional loans
- ✓ Title commitment including all endorsements valid for 120 days on all government loans
- ✓ 24 month chain of title
- ✓ Real estate taxes must be current
- ✓ Taxes must be paid if due on or before first payment date

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- ✓ Premium amount and balance due must be reflected on the policy
 - ✓ All premiums due must be paid prior to or at close and evidence of payment must be provided
 - ✓ Full homeowner insurance policy:
 - Purchase requires 12 months remaining coverage at close
 - Refinance requires 60 days remaining coverage at close
 - ✓ Maximum deductible may not exceed 5% of dwelling coverage
 - ✓ All condo's require evidence of HO-6 insurance (aka walls-in) coverage (unless interior unit coverage included in HOA Master Policy). Coverage amount is determined by insurer but must be sufficient to repair condo to its condition prior to loss claim event
- NOTE: HO-6 not required on FHA Streamlines
- ✓ Flood insurance is required if property is in a designated flood zone

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Appraisal Requirements:

- ✓ Appraisals must not be more than 120 days old from the Note date on conventional transactions and the effective date on FHA and USDA transactions.
- ✓ Appraisals must not be more than 180 days from the Note date on VA transactions or a new appraisal is required.
- ✓ If an appraisal will be older than 120 days, an Appraisal Update and/or Completion Report (FNMA 1004D) will be required. The appraisal must be completed prior to the expiration of the original appraisal.
- ✓ Planet Home Lending may request a Desk Review on a case-by-case basis.

The following Appraisal Forms apply:

- FNMA Form 1004 – SFR/PUD
- FNMA Form 1025 – 2-4 Units
- FNMA Form 1073 – Condominium

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Conventional Appraisal Requirements:

Age of Appraisal from Note Date	Action
≤ 4 months	No action required
> 4 months to ≤ 8 months	An appraisal Update is required. Must be completed prior to the expiration of the original appraisal. See below for Update requirements. NOTE: If the appraiser indicates the property value has declined, a new appraisal is required.
> 8 months	A new appraisal will be required.

The Appraisal Update should be completed by the original appraiser, however, if the original appraiser does not complete the Appraisal Update form, the appraiser completing the update must review the original appraisal and comment on the original appraiser's opinion of market value and if it was reasonable at the time of the original appraisal. Documentation must be provided as to why the original appraiser did not complete the Appraisal Update.

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FHA and USDA Appraisal Requirements:

Appraisal Validity	Action
≤ 120 days from effective date	No action required. A 30 day extension is allowed provided there is a signed sales contract or the borrower has loan approval prior to the original appraisal expiration date. With the extension the loan must close within 150 days from the effective date of the appraisal report.
> 120 days from effective date	An Appraisal Update is required. Must be completed prior to the expiration of the original appraisal report. The appraisal validity period is 240 days. See next slide for Update requirements. NOTE: A 30 day extension is not allowed when an Appraisal Update has been utilized.

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- ✓ The Appraisal Update must be completed by the original appraiser and must also include a Market Conditions Addendum to the Appraisal Report (FNMA Form 1004MC).

An appraisal Update is not eligible and a new appraisal will be required if any of the following conditions apply:

- The property has declined in value
- The building improvements that contribute to the value of the property cannot be seen from the street
- The exterior inspection of the property identifies deficiencies or other significant changes that did not exist at the time of the effective date of the original appraisal
- The Update was ordered by a lender not identified as the intended user of the original appraisal or report unless the appraiser includes the original report being updated as an attachment; the original appraisal cannot just be referenced (per Advisory Opinion 3 of USPAP)

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MERS Requirements:

- ✓ MERS system identifies each loan and maintains a master registry which provides for the elimination of Corporate Assignments when loans are sold from one lender to another
- ✓ Sellers must register loans in the MERS system using their company name and the MIN number must appear on the Seller's closing documents
- ✓ After Planet Home Lending purchases the loan, Sellers are required to transfer the Beneficial and Servicing Rights to Planet Home Lending.
 - Planet Home Lending ID # : 1006543

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Doc Prep Requirements:

- ✓ Planet Home Lending has two approved document vendors:
 - Doc Magic
 - DocuTech
- ✓ Sellers must contact either doc prep vendor to establish an account and identify Planet Home Lending as the investor
- ✓ Sellers currently set-up with Doc Magic or DocuTech, simply identify Planet Home Lending as the investor in the vendor's system

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✓ Hazard Insurance:

- Planet Home Lending, LLC Its Successors and/or Assigns ATIMA
P.O. Box 5023
Troy, MI 48007-5023

✓ Flood Insurance:

- Planet Home Lending, LLC Its Successors and/or Assigns ATIMA
P.O. Box 5023
Troy, MI 48007-5023

✓ Flood Determination:

- Planet Home Lending, LLC Its Successors and/or Assigns ATIMA
P.O. Box 5023
Troy, MI 48007-5023

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✓ Collateral

- Planet Home Lending Custodian: Planet Home Lending has two document custodians; BNY Mellon and Wells Fargo. Sellers will be notified by Planet Home Lending which custodian will hold the documents.

Custodian Requires:

- Original Note
- Bailee Letter
- Original Note Endorsement, OR
- Allonge

Documentation Uploaded in Core:

- Copy of the Note
- Bailee Letter
- Endorsement or Allonge

Seller to Endorse Note:
Without Recourse Pay to the Order of
Planet Home Lending, LLC.
(Seller)
Signature of Officer
Officer's Name and Title

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✓ Additional Seller Responsibilities

– Once the loan has been purchased:

- Transfer MERS MIN to Planet Home Lending
 - Organization ID: 1006543
 - Batch Number
- FHA Assignment, provide “results” printout
- Final pay history

– Trailing Documents (Within 120 days):

- Original recorded Mortgage/Deed of Trust
- Final Title Policy
- Recorded Assignments
- Any additional Planet Home Lending specified Docs

Send Documents to:
Planet Home Lending, LLC
321 Research Parkway, Suite 303
Meriden, CT 06450
Attn: Transfer Coordinator

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