



Announcement

Announcement # 18-48

Date: October 29, 2018

Topic: Freddie Mac Bulletin 2018-15 and 2018-16: Various Updates

PennyMac is aligning with the updates announced in Freddie Mac's Bulletin 2018-15 and 2018-16. Changes identified below are included but not limited to the below. Effective dates are also listed below.

Special Borrower Eligibility

Effective with this change, PennyMac is aligning with Freddie Mac's update to allow for a borrower to be considered an occupying borrower if the subject property is occupied by an individual(s) who:

- Is the Borrower's parent(s), or
- Has a physical or developmental disability and the Borrower is the individual(s)'s parent or legal guardian

For Loan Product Advisor submissions, the lender may select "Yes" in the declarations section of the 1003.

Community Land Trust Mortgages

Effective November 5, 2018, Freddie Mac is introducing new requirements for the origination of Community Land Trusts. Due to operational complexity, and additional levels of authority needed, loans originated under this option are not eligible for purchase at this time. PennyMac will announce at a future date when these loans become eligible for purchase.

Properties Subject to Resale Restrictions

Effective November 5, 2018, Freddie Mac is updating the resale restrictions requirements to calculate the LTV/TLTV based on the value of the property once the resale restrictions are terminated at foreclosure, in lieu of the standard LTV/TLTV calculation.

At this time, loans approved through LPA using the alternative LTV calculation will not be eligible for purchase. PennyMac will announce at a future date when these loans become eligible for purchase. Loans with resale restrictions utilizing the standard LTV calculation will continue to be eligible for purchase.

Super Conforming Mortgages



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Currently, PennyMac does not accept Super Conforming loans over \$1,000,000 as these loan amounts require a manual underwrite.

Effective December 19, 2018, Loan Product Advisor (LPA) is being updated to assess risk on super conforming mortgages with original loan amounts greater than \$1,000,000.00. PennyMac is aligning with Freddie Mac's update and these loans will be eligible for purchase. As a reminder, all conforming conventional loans require an AUS approval to be eligible for purchase by PennyMac.

Please contact your Sales Representative with any questions.