



Announcement 15-13

Date: March 16, 2015

Topic: New Loan Programs, Guideline Updates and Rate Sheet Changes

Effective with loan commitments taken on or after Monday, March 23, 2015, PennyMac is pleased to announce the following changes to government loan guidelines and rate sheet grids:

High Balance Loan Terms

Previously, PennyMac restricted government high balance transactions to 20, 25 and 30 year loan terms. With this change, government high balance loan terms of 10 and 15 years will be eligible in addition to the currently available terms.

FHA Occupancy

- **FHA Streamline** – Previously, PennyMac restricted FHA Streamline transactions to owner-occupied or second home occupancy. With this change, PennyMac will allow non-owner occupied loans in addition to owner-occupied and second home transactions.
- **FHA 203b** - Previously, PennyMac restricted HUD REOs to owner-occupied transactions. Effective with this change, non-owner occupied HUD REOs will be eligible for FHA 203(b) financing in addition to the owner-occupied transactions.

VA IRRRL Occupancy

Previously, PennyMac restricted VA IRRRL transactions to owner-occupied. Effective with this change, second home/investment properties will be eligible for VA IRRRL transactions as long as the veteran certifies that he/she had occupied the house as his/her primary residence.

Rate Sheet Updates

To support the above release, numerous changes will be made to the Best Efforts, Mandatory and AOT rate sheets. Program names and section headers have also been updated to more accurately reflect the product offering.

To review the rate sheet formatting changes, please reference the Best Efforts, Mandatory and AOT attachments posted on the gopennymac.com page for Announcement 15-13. Changes are highlighted in yellow. See page 2 below for a list of changes by rate sheet and tab.

Please contact your Sales Representative with any questions.

Rate Sheet	Rate Sheet Tab	Update
Best Efforts	Rate Sheet - BE	Added new grids for Conv 10 Yr and 20 Yr Fixed High Balance <i>(removed from existing 10/15 and 20/25/30 Yr Fixed High Balance grids)</i>
		Added new grids for FHA 10/15Yr and VA 10/15Yr Fixed High Balance <i>(previous overlay to be removed with rate sheet changes)</i>
		Added new grids for FHA Streamline program terms, includes High Balance <i>(removed from existing non-Streamline FHA grids)</i>
		Added new grids for VA IRRRL program terms, includes High Balance <i>(removed from existing non-IRRRL VA grids)</i>
		Updated program names and section headers highlighted in yellow.
	Govt LLPAs	Added FHA LLPA for Investment Property and Second Home <i>(previous overlay to be removed with rate sheet changes)</i>
		Added VA LLPA for Investment Property and Second Home <i>(previous overlay to be removed with rate sheet changes)</i>
Mandatory	Indications	Commitment periods updated to reflect pricing for 3 Day, 7 Day, 10 Day, 15 Day and 30 Day for all programs
		Added new grids for Conv 10 Yr and 20 Yr Fixed High Balance <i>(removed from existing 10/15 and 20/25/30 Yr Fixed High Balance grids)</i>
		Added new grids for FHA 10/15Yr and VA 10/15Yr Fixed High Balance <i>(previous overlay to be removed with rate sheet changes)</i>
		Added new grids for FHA Streamline program terms, includes High Balance <i>(removed from existing non-Streamline FHA grids)</i>
		Added new grids for VA IRRRL program terms, includes High Balance <i>(removed from existing non-IRRRL VA grids)</i>
		Removed FNCL, FNCL and GNSF MBS indications (Now on Security Price Indications worksheet)
		Updated program names and section headers highlighted in yellow.
	Mand Spreads	Commitment periods updated to reflect pricing for 3 Day, 7 Day, 10 Day, 15 Day and 30 Day for all programs
		Added new grids for FHA 10/15Yr and VA 10/15Yr Fixed High Balance <i>(previous overlay to be removed with rate sheet changes)</i>
		Added new grids for FHA Streamline program terms, includes High Balance <i>(removed from existing non-Streamline FHA grids)</i>
		Added new grids for VA IRRRL program terms, includes High Balance <i>(removed from existing non-IRRRL VA grids)</i>
		Updated program names and section headers highlighted in yellow.
	Govt LLPAs	Added FHA LLPA for Investment Property and Second Home <i>(previous overlay to be removed with rate sheet changes)</i>
		Added VA LLPA for Investment Property and Second Home <i>(previous overlay to be removed with rate sheet changes)</i>
	AOT	AOT-DT RateSheet
Added new grids for FHA Streamline 10/15Yr and VA IRRRL10/15Yr Fixed High Balance <i>(previous overlay to be removed with rate sheet changes)</i>		
Combined FNMA DURP 20Yr Fixed LTV <=80% and > 80% <= 105% High Balance with the corresponding 25/30Yr grid		
Combined FNMA DURP 10Yr Fixed LTV <=80% and > 80% <= 105% High Balance with the corresponding 15Yr grid		
Govt LLPAs		Added FHA LLPA for Investment Property and Second Home <i>(previous overlay to be removed with rate sheet changes)</i>
		Added VA LLPA for Investment Property and Second Home <i>(previous overlay to be removed with rate sheet changes)</i>