



Announcement 16-41

Date: November 3, 2016

Topic: Revision To SRP Grids, LLPAs, and Seller's Guide

New SRP Grids

PennyMac will release new SRP grids effective for all commitments taken on or after Monday, November 14, 2016. In this release, the layout and values for all SRP grids will change. Additionally, PennyMac is introducing new conventional SRP grids specific to loans with and without escrow impounds. Please refer to the Best Efforts and AOT-DT Rate Sheet Layout Changes file attached to this announcement as well as the sample rates sheets, discussed below, for the details of the change.

Updates to LLPAs

PennyMac will update select LLPAs for commitments taken on or after Monday, November 14, 2016. Again, please refer to the Best Effort and AOT-DT Rate Sheet Layout Changes file attached to this announcement as well as the sample rates sheets, discussed below, for the details of the change.

Update to Early Payoff Policy in Seller's Guide

Effective for commitments taken on or after Nov 14, 2016, PennyMac will change the first bullet point of the Early Payoff Policy in the Seller's Guide to the following. The changes are highlighted in red below.

*For Mortgage Loans that have been sold to an Agency or securitized into an Agency MBS, Seller shall promptly reimburse the Purchaser **the greater of** the Servicing Released Premium paid by Purchaser on the subject Mortgage Loan or any related servicing released premium as published or calculated internally by Purchaser, **or fifty (50) basis points**. For Mortgage Loans that are not eligible for sale to an Agency or securitization into an Agency MBS, or Mortgage Loans that have not been sold to an Agency or securitized into an Agency MBS, Seller shall promptly reimburse the Purchaser the greater of any premium paid in excess of par or 150 Basis Points of the Stated Principal Balance.*

A sample of the updated rate sheet(s) will be posted to the PennyMac Portal after 6:00 PM (PT) on Wednesday, Nov 9th, 2016 with updates highlighted in yellow. Sample rate sheet(s) will be available for download shortly after the standard rate sheet email notification is sent from 'PennyMac Correspondent Pricing' <donotreply@pnmac.com>.

Note: Sample rate sheet(s) posted to the portal after 6 PM (PT) are intended only to communicate the rate sheet changes as described above. Loan program base pricing will reflect as blank. Rate sheets posted the following morning will be effective for new commitments.

Please contact your Sales Representative with any questions.