



# Announcement

## **Announcement # 19-31**

**Date:** May 24, 2019

### **Topic: Overlay Updates**

In PennyMac's continuing effort to align program requirements and market risk, the following overlays are being updated effective immediately.

#### Verification of Mortgage or Rent

For non-delegated transactions only, PennyMac will no longer accept handwritten Verification of Mortgages (VOM) or handwritten Verification of Rent (VOR), when such documents are required. A VOM or VOR from an institutional lender or landlord continues to remain acceptable.

#### VA IRRRL Term Reduction

Previously, for all non-delegated VA Interest Rate Reduction Refinance Loan (IRRRL) transactions, PennyMac required a minimum one year term reduction to not show the months to recoup on the old versus new form.

Effective immediately for all non-delegated IRRRL transactions, a minimum 5 year term reduction is required in order to not show the months to recoup.

Please contact your Sales Representative with any questions.