



# Announcement

## Announcement # 19-49

**Date:** August 20, 2019

### **Topic: Update to Ginnie Mae Seasoning Requirements**

#### Ginnie Mae Seasoning

Ginnie Mae recently released APM 19-05, which updated seasoning requirements following Senate Bill S.1749. As a reminder, effective August 1, 2019, PennyMac aligned with these updated seasoning requirements for VA. The note date of the refinance loan must be on or after the later of the date

- on which the borrower has made at least six monthly payments on the loan being refinanced; and
- the date that is 210 days after the first payment due date of the loan being refinanced.

Please review Ginnie Mae APM 19-03, 19-05 and Ginnie Mae MBS 5500.3 Rev 1, Chapter 24 for complete details on when seasoning is applicable. The refinances of a loan with no scheduled payments, the refinance of non-mortgage debt only, or the refinance of a permanent financing construction loan may be excluded from Ginnie Mae seasoning requirement. Any applicable VA and PennyMac seasoning must be met.

#### VA High LTV Refinances

As a clarification, PennyMac is aligning with Ginnie Mae's LTV exception for Permanent Financing Construction loans, and will allow up to 100% LTV for these transactions. Permanent Financing Construction Loans are loans used to provide permanent financing for a newly-constructed or renovated property and to satisfy an existing lien against such property resulting from the corresponding construction or renovation project.

VA full doc refinance transactions with LTVs greater than 90% must be delivered to PennyMac by September 30, 2019. In addition, these loans must be purchased by **October 10, 2019**.

Please contact your Sales Representative with any questions.