



# Announcement

## Announcement # 21-63

**Date:** 08/16/2021

### **Topic: Fannie Mae LL 2021-03 (8.11.21) and Freddie Mac Bulletin 2021-28 COVID-19 Related Updates**

Effective immediately, PennyMac is aligning with Fannie Mae Lender Letter 2021-03 (8.11.2021) and Freddie Mac Bulletin 2021-28. The updates include but are not limited to the expiration of the following temporary credit underwriting COVID-19 requirements and reinstatement of the standard guide requirements:

<b>Requirement Topic</b>	<b>Expired Temporary Credit Underwriting COVID-19 Requirements</b>	<b>Effective Immediately: Standard Selling Guide Requirements</b>
<b>Age of Documentation (certain income and asset)</b>	Must be dated no more than 60 days before the Note date	Must be dated no more than 120 days before the Note date
<b>Evidence of liquidation (stocks, stock options, mutual funds)</b>	Required when funds are used for closing	When assets that are invested in stocks, bonds, mutual funds, U.S. government securities, retirement accounts or other securities are needed for closing, evidence of liquidation is required unless the combined value of the assets is at least 20% greater than the amount from these assets needed for closing.
<b>Reserves (stocks, stock options, mutual funds)</b>	No more than 70% of the balance can be used as reserves.	No balance reduction required

Note: any remaining temporary credit underwriting COVID-19 requirements e.g. self-employed P&L dated within 60 days, are still in effect until further notice, without a defined expiration date.

Please contact your Sales Representative with any questions.