



Announcement 15-27

Date: June 8, 2015

Topic: Clarification to Announcement 15-26 Changes to VA IRRRL Maximum LTV and Valuation

This announcement is intended to provide further clarity regarding Announcement 15-26 regarding Changes to VA IRRRL Maximum LTV and Valuation. See below for the original announcement with all new clarifications in yellow highlight that now supersede old verbiage in ~~strike through~~:

Previously, on VA IRRRL transactions, PennyMac limited the maximum **total**¹ LTV/CLTV to 100% based on the value, as determined by a 2055E/1075 appraisal report.

Effective with commitments taken on or after Monday June 15, 2015, PennyMac is pleased to announce that VA IRRRL transactions will be eligible for delivery up to 110% **base**² LTV/CLTV based on the current value. Current value can be determined by either a:

- CoreLogic GeoAVM Core with FSD not exceeding 15, or
- A 2055E/1075 drive by appraisal report.

Note: If the GEOAVM Core cannot be obtained or the FSD is greater than 15, the lender must obtain at minimum a 2055E/1075.

~~Previously, the LTV was based on the total loan amount. With this change, the LTV will be based on the base loan amount (loan amount prior to financed funding fee).~~

To support this change, on Monday, June 15, 2015 separate grids will be added for 'VA Full Doc' and 'VA IRRRL' programs on the 'Gov LLPAs' tab of the rate sheet for all delivery methods. **As of 6/8/2015, an updated** sample of the new grids and LLPA values has been posted to the page for "Announcement 15-26" on gopennymac.com with updates highlighted in yellow. **Note: All LLPAs continue to be based on total LTV.**

Please contact your Sales Representative with any questions.

1 – Total LTV/CLTV includes any financed funding fee

2 – Base LTV/CLTV excludes any financed funding fee