



Announcement 17-19

Date: May 5, 2017

Topic: Release of HomeReady, Home Possible Programs and 75 Day Best Efforts Commitments

PennyMac is pleased to announce the release of Fannie Mae's HomeReady and Freddie Mac's Home Possible programs along with expansion of the Best Efforts program to allow a 75 day commitment period.

Effective with all commitments taken on or after **May 22, 2017**, the aforementioned product updates will be available. Program highlights include:

Fannie Mae HomeReady

- Up to 97% LTV
- 50% DTI maximum
- 30 year-fixed rate term only
- Reduced MI coverage
- Flexible income sources are allowed, including income from boarders and household members who are not a party to the note
- Cash-on-hand as an acceptable source of funds
- Required homeownership education or counseling

Freddie Mac Home Possible

- Up to 97% LTV with Home Possible Advantage
- 50% DTI maximum
- 30 year-fixed rate term only
- Reduced MI coverage
- Flexible income sources are allowed, including income from boarders
- Cash-on-hand as an acceptable source of funds
- Required homeownership education or counseling when all borrowers are first-time homebuyers

Please see the HomeReady and Home Possible Product Profiles for complete details.

Commitment Availability

Commitment Availability		
Commitment Type	Fannie Mae HomeReady	Freddie Mac Home Possible
Best Efforts	Yes	Yes
Bulk*	Yes	Yes
Assignment of Trade	Yes	No
Direct Trade	Yes	No

*For bulk commitments, please identify respective programs using the following convention: HomeReady, Home Possible, or Home Possible Advantage

75 Day Best Efforts commitments will be available on the rate sheet and selectable in the Correspondent Portal.

Rate Sheets

A sample of the updated rate sheet will be posted to the PennyMac Portal after 6:00 PM (PT) on Monday, May 8th, 2017. Sample rate sheets will be available for download shortly after the email notification is sent from 'PennyMac Correspondent Pricing' <donotreply@pnmac.com>.

Note: Sample rate sheets are intended for communication only. Rate sheets posted the following business morning will be effective for new commitments.

Please contact your Sales Representative with any questions.