



Announcement

Announcement # 19-46

Date: August 12, 2019

Topic: Revision to Announcement 19-45 FHA ML 19-11 and Ginnie Mae APM 19-05: Updates to FHA Cash-out Max LTV and VA Full Doc Refi Max LTV

Please see below for revisions to the first payment due date requirement.

PennyMac is announcing the following updates to FHA cash-out maximum LTV and VA full doc refinance maximum LTV.

FHA

Currently, FHA allows up to 85% max LTV for FHA cash-out transactions. Effective with case numbers assigned on or after September 1, 2019, FHA is reducing the max LTV for cash-out transactions to 80%.

To manage deliveries, PennyMac will require:

- **Non-delegated:** cash-out loans with LTV > 80% must be registered or locked by August 8, 2019.
- **Non-delegated and delegated:** cash-out loans with LTV > 80% must be delivered by September 30, 2019.

VA

Currently, PennyMac aligns with VA and allows up to 100% LTV for VA full doc refinance transactions. Ginnie Mae recently announced updates to pooling requirements for high LTV VA full doc refinance transactions. PennyMac is aligning with Ginnie Mae's APM 19-05 and is reducing the max total LTV to 90% for all full doc VA refinance transactions.

To manage deliveries, PennyMac will require:

- **Non-delegated:** Full Doc refinance loans with total LTV > 90% must be registered or locked by August 8, 2019
- **Non-delegated and delegated:** Full Doc refinance loans with total LTV > 90% must be delivered by September, 30, 2019. All loans must have a first payment due date no later than **November 1** ~~October 1~~, 2019.

Please contact your Sales Representative with any questions.