



# Announcement

## Announcement # 20-55

**Date:** September 9, 2020

**Topic:** Adverse Market Refinance Fee LLPA Update

The Federal Housing Finance Agency (FHFA) announced a delay to the implementation date of the Adverse Market Refinance Fee until December 1, 2020. In order to align with FHFA's implementation date, PennyMac will be including the fee in its Best Effort pricing as follows:

Lock Period	Effective Date for Refinance LLPA
75 days	August 31, 2020
60 days	September 11, 2020
45 days and less	Pricing for lock commitments 45 days and less will not include the fee at this time. Additional announcements are planned as the implementation date approaches to communicate when pricing will include the fee.

- PennyMac will update the rate sheet footnote on Friday, September 11, 2020 to display the Refinance LLPA applies to 60 days and longer commitments.
- Lock extensions and relocks will be subject to the new Adverse Market Refinance Fee if the loan is delivered after November 9, 2020 and purchased after November 20, 2020, and the fee was not included previously. The 50 basis point fee may not be reflected in the price until after the lock extension or relock has been completed.
- Exempt from the fee are HomeReady, Home Possible, Fannie Mae Single Close with Special Feature Code 151, and refinance transactions with loan balances less than \$125,000.

Please contact your Sales Representative with any questions.