



Announcement

Announcement # 20-62

Date: October 7, 2020

Topic: Adverse Market Refinance Fee Update

The Federal Housing Finance Agency (FHFA) announced a delay to the implementation date of the Adverse Market Refinance Fee until December 1, 2020. 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 or equal to \$125,000. In order to align with FHFA's announcement, PennyMac will be including the fee as follows:

For Best Efforts:

Lock Period	Effective Date for Refinance LLPA
75 days	August 31, 2020
60 days	September 11, 2020
45 days	September 25, 2020
30 days	October 9, 2020
15 days and less	October 26, 2020

- PennyMac will update the rate sheet footnote on Friday, October 9, 2020, and October 26, 2020 to reflect the above effective dates.
- 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.

For Mandatory, the timing and application of the fee will be addressed in a future announcement.

Please contact your Sales Representative with any questions.