



Announcement

Announcement # 20-63

Date: October 7, 2020

Topic: COVID-19 Flexibilities Extended, 4506-T, Reuse of DU Case File ID and UW Help Transition

Conventional COVID-19 Flexibilities Extended

PennyMac is aligning with Fannie Mae and Freddie Mac's extension of COVID-19 related flexibilities for conventional transactions including buying loans in forbearance and several origination flexibilities. These flexibilities have been extended and are effective for transactions with application dates until October 31, 2020. All PennyMac overlays related to COVID-19 will remain in effect.

As a reminder, paystubs and bank statements are not eligible alternatives to verbal verifications of employment for any loan delivered to PennyMac. Transactions using the expanded POA flexibilities announced by Fannie Mae and Freddie Mac including the temporary expansion of who is an eligible power of attorney (POA) are also ineligible for delivery. PennyMac will continue to accept POAs in accordance with standard Fannie Mae and Freddie Mac guidelines.

Remote Online Notarization (RON) and Remote Ink Notarization (RIN) remain ineligible at this time. Additional information will be released when these options become available.

PennyMac encourages Correspondents to review the updated Fannie Mae Lender Letters 2020-03/04/06 and Freddie Mac Bulletin 2020-37 for complete details.

4506-T

Due to an increase in instances where the attestation box is not marked or incorrect previous address are listed on the 4506-T, PennyMac is reminding Correspondents that the 4506-T form must be correctly and fully completed in order for the 4506-T to be successfully executed.

PennyMac requires a signed final 4506-T form for all transactions, except those that already contain transcripts. Self-employed borrowers also require a signed 4506-T for the business(s) generating income used to qualify. The 4506-T must be filled out completely and accurately. Failure to do so could result in pre purchase conditions and delays in purchasing the loan.



Please see Fannie Mae B3.3.1-06 for complete details on 4506-T requirements.

Reuse of DU Case File IDs

PennyMac reminds Correspondents that each loan requires a unique casefile ID when selecting DU as the AUS engine. A casefile associated with a previous transaction may not be reused for a current transaction. Reusing a case file ID will render both the originally approved loan and the current loan ineligible for the rep and warranty relief provided by DU.

Underwriting Help Transition

Effective Immediately, PennyMac is moving to a more robust platform to process and answer your underwriting questions. Correspondents will utilize a portal to submit the question and receive an email response back with the answer. To save time correspondents will be able to search a knowledge base to see if their question can be answered immediately and the portal will retain all the questions and answers for future reference.

Correspondents will need to register at underwritinghelp.gopennymac.com. Instructions for registering are attached to this announcement. The current email address will be monitored during this transition period.

Please remember, underwriting help questions should not be submitted by loan originators. Originators must direct their questions to their underwriting resource and if further assistance is needed, that underwriting group can submit the request to PennyMac. In addition, PennyMac does not accept non-public personal information (NPPI) and will delete any questions containing unacceptable information.

Please contact your Sales Representative with any questions.