



# Announcement

## Announcement # 21-71

**Date:** 09/17/2021

**Topic: DU Release Notes Version 11.0 September Update – Credit Score Eligibility and Rent Payment History**

### **Credit Score Eligibility in DU**

**PennyMac is working toward aligning with the Fannie Mae Credit Score change at a future date. An announcement will be issued once an implementation date has been determined.**

As background, Fannie Mae currently requires all borrowers to have a minimum of a 620 credit score.

Effective with casefiles submitted or resubmitted on or after September 18<sup>th</sup>, for loan casefiles with more than one borrower, DU will now use an average median credit score when determining if a loan casefile meets the minimum credit score requirement of 620.

**PennyMac will temporarily continue to require a minimum 620 credit score for *each* borrower and as a result, any loan *not* meeting PennyMac's minimum credit score requirements will *not* be eligible for purchase regardless of a DU Approve/Eligible finding.**

### **Positive Rent Payment History Added to DU Risk Assessment**

Effective with casefiles submitted or resubmitted on or after the weekend of September 18, 2021, Fannie Mae's DU will provide a new feature to consider a first-time home buyer's positive rent payment history in the credit risk assessment.

To be eligible, a borrower must:

- Be a first-time home buyer purchasing a principal residence
- Have a credit score of at least 620 (nontraditional credit is not permitted)
- Have been renting for at least 12 months
- Have rent payments of \$300 or more per month
- Have bank accounts that document the most recent 12 months of recurring rent payments



Announcement

A 12-month verification of assets (VOA) report i.e., bank statement data must be ordered from an authorized report provider during the application process.

Please contact your Sales Representative with any questions.