

Announcement # 22-11**Date:** February 04, 2022**COVID Self-Employed Updates: FNMA LL 2021-03, FHLMC Bull 2022-3**

Effective immediately, Pennymac is aligning with Fannie Mae and Freddie Mac's updates and is retiring the temporary COVID-19 self-employed income requirements for profit and loss (P&L) statements and business bank statements.

If the P&L and bank statements are provided, they must continue to support the income used to qualify and that the income is stable and continuing. Please note that Pennymac requires at least the 2020 transcripts at this point in the year. Transcripts must match the information on the tax returns.

As a reminder, Fannie Mae and Freddie Mac's requirement to validate the borrower's self-employed business remains open and operating continues to be required within 20 days of the note.

Please read Fannie Mae Lender Letter 2021-03 updated 2.2.22 and Freddie Mac Bulletin 2022-03 for complete details.

Please contact your Sales Representative with any questions.

