

Announcement # 22-13**Date:** February 14, 2022

Release of Conventional SOFR ARM Program

Effective with locks on or after 2/11/2022, Pennymac is pleased to announce the release of the conventional SOFR ARM loan program.

Highlights of the program include:

- Maximum 95% LTV/CLTV
- Temporary buydowns are not allowed
- Manufactured Homes are ineligible
- 5/6 ARMS with 2/1/5 caps and qualify at the greater of the fully indexed rate or note rate + 2%
- 7/6 or 10/6 ARMs with 5/1/5 caps
 - Fannie Mae qualifies at the greater of the fully indexed rate or note rate
 - Freddie Mac qualifies at note rate unless the loan is an HPML.
 - If HPML qualifies at the greater of the fully indexed rate or note rate
- Margin of 2.75% to 3.0% for delegated loans
 - Margin of 2.75% for non-delegated loans.

Please see the Fannie Mae and Freddie Mac Product Profiles and the Fannie Mae and Freddie Mac Selling Guides for complete details.

Please contact your Sales Representative with any questions.

