

Announcement # 22-36

Date: May 31, 2022

VA Maximum LTV Update for Cash Out Refinances

Currently, the VA maximum LTV/CLTV is **90%** on Cash Out Refinances including any financed funding fee.

Effective **Monday, June 6, 2022**, Pennymac is pleased to announce the maximum VA LTV/CLTV for Cash Out Refinances is **100%** including any financed funding fee. This applies to Cash Out Type 1 and Type II transactions.

Please refer to below table for additional requirements:

VA Cash Out Refinances	LTV/CLTV <= 90%	LTV/CLTV > 90%
Minimum FICO Score	620	680
Loan Term	10 - 30 Years	30 Year only
Commitment Type	All	Best Effort Only

There are no other changes to VA Cash Out requirements.

In addition, Pennymac will update our Best Effort rate sheet on **Monday, June 6, 2022**, as follows:

- Add two new price grids to the VA tab
 - VA High LTV Cash-Out 30Yr Fixed
 - VA High LTV Cash-Out 30Yr Fixed High Balance
- Add new 'VA Cash-Out >90% LTV' LLPA to the VA Other Price Adjustments grid.

A sample of the updated rate sheet(s) will be posted to the Pennymac Portal after 11:00 PM (PT) today Tuesday, May 31, 2022. Sample rate sheet(s) will be available for download shortly after the standard rate sheet email notification is sent from 'PennyMac Seller Pricing' <donotreply@pnmac.com>.

Note: Sample rate sheet(s) posted to the portal after 11 PM (PT) are intended only to communicate the rate sheet changes as described above. Loan program base pricing will be blank. Rate sheets posted the following morning will be effective for new commitments.

Please contact your Sales Representative with any questions.