

Announcement # 24-73**Date:** July 31, 2024

Fannie Mae SEL 2024-04: HomeReady Housing Counseling LLPA Credit

Fannie Mae Selling Guide Announcement 2024-04 announced updates and new flexibilities to the HomeReady program that make it easier for borrowers to qualify for the \$500 loan-level price adjustment (LLPA) credit when HUD-approved housing counseling is completed on a HomeReady transaction.

Updates

- Borrowers now have a full 12 months prior to loan closing to complete HUD-approved housing counseling and be eligible for the LLPA credit.
- Housing counseling information from the Supplemental Consumer Information Form (Form 1103) must be submitted directly through Desktop Underwriter[®] (DU[®]).
- The Certificate of Completion of Housing Counseling (Form 1017) is no longer required.

Important Reminders

- A copy of the borrower's housing counseling completion certificate must be retained in the loan file.
- Loans where homeownership education is required and the completion certificate is dated after the note date are ineligible for purchase by PennyMac

Note: These changes were implemented in DU[®] the weekend of July 20, 2024. PennyMac is aligning with these changes effective immediately.

Please contact your Sales Representative with any questions.