

Announcement # 26-39

Date: April 17, 2026

Freddie Mac Bulletin 2026-4: Mortgages with Capitalized Balances

In Bulletin 2026-4, Freddie Mac announced that mortgages with capitalized balances are ineligible. Capitalization occurs when unpaid amounts, such as interest, taxes, hazard insurance premiums, or late payments, are added to the principal balance following a borrower delinquency.

Because Pennymac policy already prohibits the purchase of these loans, Pennymac is aligning with this change effective immediately.

Please refer to Freddie Mac Bulletin 2026-4 for full details.

Please contact your Sales Representative with any questions.