

Announcement # 22-63**Date:** October 20, 2022

Fannie Mae 2022-08 and Freddie Mac Bulletin 2022-18

Pennymac is aligning with the Fannie Mae Updates announced in SEL-2022-08 and Freddie Mac Bulletin 2022-18, with the exception of updates on remote online notarization and community land trusts. The updates include but are not limited to the following:

Fannie Mae

Personal Gifts

Fannie Mae allows a gift to be provided by a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship.

Effective immediately, Fannie Mae has expanded the list of acceptable gift donors to include a non-relative that shares a familial relationship with the borrower such as a:

- domestic partner or individual engaged to marry the borrower
- relative of domestic partner
- former relative or
- godparent

In addition, Fannie Mae clarified that evidence of electronic transfer of funds from a donor's account to the borrower's account or to the closing agent represents acceptable documentation to meet the requirements for verifying donor availability of funds and transfer of gift funds.

Freddie Mac

Gift Funds and Gift Letter Requirements

Effective immediately, Freddie Mac has updated their requirements to permit graduation gifts from a related or unrelated person(s) as an eligible source of funds for a purchase of a primary residence. The following documentation must be obtained:

- Evidence of graduation from an educational institution (e.g. diploma or transcripts) that support the date of graduation.
- A verification of the gift funds in the borrower's depository account. The gift funds must be deposited within 90 days of the date of graduation.

In addition, Freddie Mac has updated their guidelines to allow gift letters to state the maximum amount of the gift funds or gift of equity or the actual amount. This flexibility will eliminate the need to obtain a corrected gift letter, should the actual amount of the gift be less than the amount stated on the gift letter.

Please contact your Sales Representative with any questions.