

Announcement #26-54**Date:** June 03, 2026

Freddie Mac Gift of Equity Update

Pennymac is pleased to announce alignment with Freddie Mac's revised gift of equity requirements announced in Bulletin 2026-03, effective with loan applications dated on or after June 3, 2026.

For eligible transactions (primary residences and second homes), the revised policy adds requirements when the proceeds of a gift of equity exceed the amount needed for closing. The update now allows gifts of equity to pay down debt at closing when paid by the property seller directly to the creditor, or applied as a principal curtailment.

These funds may not be used for reserves or result in cash back to the borrower. All other gift of equity requirements apply.

Refer to the Freddie Mac Seller Guide for complete requirements.

Please contact your Sales Representative with any questions.