

Announcement #26-60

Date: June 12, 2026

## Non-QM Program Updates

Effective with new loan applications dated on and after June 12, 2026, Pennymac has updated several Non-QM requirements across all programs, including but not limited to the following:

### Credit Score Models (All Programs)

Requirements have been updated to clarify that the Classic FICO credit score model is required for both qualification and pricing. No exceptions are permitted.

### Reserve Eligibility (All Programs)

- Cryptocurrency: Liquidation is no longer required; the following requirements apply:
  - Up to 60% of the current valuation may be used toward reserves.
  - Documentation proving ownership of the crypto assets.
  - The valuation must be sourced exclusively from Coinbase and dated within 30 days of the note date.
- Dividend and Interest Income: Now eligible to meet reserve requirements.

### Asset Depletion / Asset Qualifier (A, A+ Programs)

Cryptocurrency, life insurance, and annuity products are now eligible asset classes, subject to the following:

- Life Insurance/Annuities: 100% of the cash surrender value is eligible.
- Cryptocurrency: 60% of the borrower's current valuation for Bitcoin or other cryptocurrencies is eligible. The following requirements apply:
  - Documentation proving ownership of the crypto assets.
  - The current valuation must be sourced exclusively from Coinbase and dated within 30 days of the note date.
- As a reminder, funds for closing must be liquidated and documented in accordance with the requirements in the Assets section of the product profile.

### Housing Payment History (A-, A, A+ Programs)

Clarification has been added to specify that for housing payment histories of less than 24 months, payment activity for all available months is required.

### Income: Bank Statement Program (A-, A, A+ Programs)

When utilizing the 'third-party profit and loss statement' or 'third-party expense ratio' options, a tax professional is no longer required to perform an audited review. A tax professional must now attest to having 'reviewed' the business financial statements or working papers provided by the borrower.

**Condominium Projects (All Programs)**

Project Waivers: Project review requirements have been updated to allow project waivers for condominium projects with 10 units or less (previously four units or less). For complete details and specific requirements, refer to the applicable product profiles.

- Florida Condos: The requirement for a review of the most current Structural Integrity Reserve Study (SIRS) to confirm the project's approved status within 48 hours of the closing (note) date is removed. All other Florida condo project review requirements apply.

**Hazard Insurance Requirements (All Programs)**

Property insurance requirements across all programs have been updated to align with recent Fannie Mae changes. These updates establish new guidelines for 1–4-unit properties, master property insurance for condominium and PUD projects, and individual unit property insurance (HO-6) policies. For complete details and specific requirements, refer to the applicable product profiles.

Please contact your Sales Representative with any questions.