

Announcement # 25-33**Date:** March 24, 2025

AUS Jumbo Program Updates

Pennymac has updated our AUS Jumbo program with several key changes, effective with new applications dated on or after 3/24/2025. These updates are outlined below, refer to the AUS Jumbo Product Profile for complete requirements.

Maximum Loan Amount:

The maximum loan amount is increasing to \$3,500,000 subject to the following:

- Primary residence
- Purchase / Rate & Term refinance
- 1-unit
- Maximum LTV/CLTV: 75.00%
- Minimum Credit Score: 740
- Reserve Requirements: 24 months PITIA
- Two full appraisals

Two-unit Primary Residence:

A new LTV/CLTV and FICO option has been added for 2-unit primary residences, with a maximum loan amount of \$2,000,000, subject to the following:

- Purchase/Rate & Term refinance
- Maximum LTV/CLTV: 80.00%
- Minimum Credit Score: 720
- Reserve Requirements: The minimum of 3 months PITIA or as required by the AUS

Reserve Requirements:

Minimum reserve requirements have been updated. All sections of the product matrix where the reserve requirements were labeled "per AUS," have changed.

- The new reserve requirement for those sections is the greater of 3 months PITIA or per the AUS.

Appraisal Requirements:

For purchase transactions, two full appraisals are now required for loan amounts greater than \$3,000,000 (previously \$2,000,000). The lower of the purchase price and the two values must be used to determine the LTV.

Income/Employment Documentation:

A written VOE (WVOE) is acceptable provided that W-2s and paystubs are also obtained in accordance with the AUS.

Hazard Insurance Clarification:

The hazard insurance section of the product profile has been updated to align with Pennymac's Fannie Mae and Freddie Mac product profiles. No guidance has changed. Refer to the Selling Guide of the AUS used for complete property insurance requirements.

Reserve Requirements Clarification - Multiple Financed Properties:

The Multiple Financed Properties section of the product profile has been updated to clarify that the reserve requirements for additional financed properties is based on the aggregate UPB of the other REO, not the loan amount of the subject property. No guidance has changed.

Property Eligibility and Title Updates:

Property eligibility and/or title requirements have been updated to include the following:

- Properties in communities with age-based resale restrictions are eligible.
- Properties with PACE or HERO liens are ineligible (unless paid off prior to or at closing).
- Solar liens or leases must be subordinated to the subject transaction.
 - UCC filings are eligible and must be removed or subordinated at closing.

Miscellaneous Updates:

- Odd terms are no longer allowed for fixed-rate mortgages. 15- and 30-year terms only.
- Clarified that Inter Vivos revocable trusts are eligible, and blind trusts and irrevocable trusts are ineligible.

Please refer to the AUS Jumbo product profile for complete requirements.

Pennymac will update Jumbo LLPAs effective for all Best Efforts Commitments taken on or after **Tuesday, March 25, 2025** as follows:

- Add new '>3000000<=3500000' LLPA to the 'Jumbo Loan Amount Price Adjustments' LLPA grid

Please contact your Sales Representative with any questions.