



Announcement 15-18

Date: April 15, 2015

Topic: Fannie Mae SEL 2014-16: Changes to Student Loans and Properties with Solar Panels

Effective immediately, PennyMac is aligning with Fannie Mae's updates to student loans and solar panels, as announced SEL 2014-16, for conforming DU approved loans.

Student Loans

- For all student loans, whether deferred, in forbearance, or in repayment (not deferred), the lender must use the greater of the following to determine the monthly payment to be used as the borrower's recurring monthly debt obligation:
 - 1% of the outstanding balance; or
 - the actual documented payment (documented in the credit report, in documentation obtained from the student loan lender, or in documentation supplied by the borrower).
- If the payment currently being made cannot be documented or verified, 1% of the outstanding balance must be used.

Note: If the actual documented payment is less than 1% of the outstanding balance and it will fully amortize the loan with no payment adjustments, the lender may use the lower, fully-amortizing monthly payment to qualify the borrower.

Properties with Solar Panels

PennyMac will purchase a mortgage loan on a property with solar panels, in accordance with Fannie Mae's requirements. If the property owner is the owner of the solar panels, standard eligibility requirements apply (for example, appraisal, insurance, and title). If the solar panels are leased or owned by a third party, additional requirements may be applicable. Please see Fannie Mae's Selling Guide, section B2-3-04 for full details on the requirements.

Please contact your Sales Representative with any questions.