

Announcement # 24-102

Date: September 25, 2024

Fannie Mae SEL 2024-4 and Freddie Mac Bulletin 2024-7: Builder Forward Commitments

On June 5, 2024 Fannie Mae and Freddie Mac announced that builder standby/builder forward commitment fees are not subject to Interested Party Contribution (IPC) limits because they are not attributable to the specific loan transaction. These changes went into effect with loan applications dated on and after September 4, 2024. Pennymac has aligned with these changes.

- Pennymac will accept builder standby/forwards on mandatory commitments only (best effort commitments are not permitted).

In order to support the changes and delivery requirements outlined by the GSEs, Pennymac is adding a new field, *"builder_forward_indicator"*, to the bid tape. **Effective with loan bids on and after October 14, 2024**, Correspondents should complete the *"builder_forward_indicator"* field on the bid tape as follows:

- If builder standby/forward commitment is present input "True"
- If builder standby/forward commitment is not present input "False"
 - Note: A blank or null will be treated as "False"

Refer to Fannie Mae SEL 2024-4 and Selling Guide Section B3-4.1-03, and Freddie Mac Bulletin 2024-7 and Selling Guide 5501.5 for complete requirements.

Please contact your Sales Representative with any questions.