

Announcement #24-07
2024

Date: February 1,

Freddie Mac 2023-19 Rental Income Requirements Update

Pennymac is aligning with Freddie Mac Bulletin 2023-19, announcing updates to their rental income requirements. The updates are effective with loan deliveries on or after 03/15/2024:

- When a rental agreement is used to document rental income, a minimum original term of one year is no longer required
- For newly executed leases, the first rental payment due date must be no later than the first payment due date of the mortgage
- When a lease agreement is used, documentation requirements evidencing two months receipt of rental income have been expanded to include:
 - In lieu of documenting two months rental payment receipt, verification of receipt of the security deposit and the first month's rental payment is now eligible
 - For security deposits, evidence of deposit into an escrow or business account established for this purpose, or evidence payment was cashed and deposited into the borrower's personal account is required.
 - Payments transferred into a third-party money transfer application account owned by the borrower
- Refer to the Freddie Mac Selling Guide for complete requirements.

Please contact your Sales Representative with any questions.