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PennyMac Financial Services, Inc. Launches Home Equity Lending Product

Westlake Village, CA, January 18, 2019 – PennyMac Financial Services, Inc. (NYSE: PFSI) today announced the launch of a Home Equity Line of Credit (HELOC) product being offered through its wholly-owned subsidiary, PennyMac Loan Services, LLC. The HELOC product is designed to support the financing needs of its 1.4 million customers by offering them a flexible way to use their home equity for home improvements, debt consolidation and other expenses while allowing them to maintain their current first-mortgage interest rates.

“We are excited to announce PennyMac’s entry into the HELOC segment of mortgage finance,” said Doug Jones, Chief Mortgage Banking Officer. “We believe this is the right time to introduce this product to our customers who have seen the equity in their homes increase and want to keep their current first-mortgage interest rates. By taking this step, PennyMac becomes the only major non-bank lender to directly offer this opportunity for customers to tap into the equity in their homes with a simple, flexible line of credit. We expect our leading market position and operational capabilities to help fuel our HELOC production activities.”

PennyMac has begun accepting HELOC applications from current customers in five states – California, Florida, Oregon, Virginia and Washington – and will roll out the home equity product in additional states throughout the year. As the HELOC program expands, the company plans to offer it to prospective customers who do not yet have a lending relationship with PennyMac.

PennyMac Financial's HELOC program leverages its strategic partnership with PennyMac Mortgage Investment Trust (NYSE: PMT), a leading mortgage real estate investment trust, with PMT's ability to securitize and invest in HELOC assets.

For more information about PennyMac Financial's new HELOC program, please visit the company's website at <https://quote.pennymacusa.com/heloc/>.

About PennyMac Financial Services, Inc.

PennyMac Financial Services, Inc. is a specialty financial services firm with a comprehensive mortgage platform and integrated business focused on the production and servicing of U.S. mortgage loans and the management of investments related to the U.S. mortgage market.

Additional information about PennyMac Financial Services, Inc. is available on its investor relations website at www.ir.pennymacfinancial.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, regarding management's beliefs, estimates, projections, the recently completed corporate reorganization, the expected benefits and market and financial impact of the reorganization and assumptions with respect to, among other things, the Company's financial results, future operations, business plans and investment strategies, as well as industry and market conditions, all of which are subject to change. Words like "believe," "expect," "anticipate," "promise," "plan," and other expressions or words of similar meanings, as well as future or conditional verbs such as "will," "would," "should," "could," or "may" are generally intended to identify forward-looking statements. Actual results and operations for any future period may vary materially from those projected herein and from past results discussed herein. Factors which could cause actual results to differ materially from historical results or those anticipated include, but are not limited to: the continually changing federal, state and local laws and regulations applicable to the highly regulated industry in which we operate; lawsuits or governmental actions that may result from any noncompliance with the laws and regulations applicable to our businesses; the mortgage lending and servicing-related regulations promulgated by the Consumer Financial Protection Bureau and its enforcement of these regulations; our dependence on U.S. government-sponsored entities and changes in their current roles or their guarantees or guidelines; changes to government mortgage modification programs; the licensing and operational requirements of states and other jurisdictions applicable to the Company's businesses, to which our bank competitors are not subject; foreclosure delays and changes in foreclosure practices; certain banking regulations that may limit our business activities; changes in macroeconomic and U.S. real estate market conditions; difficulties inherent in growing loan production volume; difficulties inherent in adjusting the size of our operations to reflect changes in business levels; purchase opportunities for mortgage servicing rights and our success in

winning bids; changes in prevailing interest rates; increases in loan delinquencies and defaults; our reliance on PennyMac Mortgage Investment Trust (NYSE: PMT) as a significant source of financing for, and revenue related to, our mortgage banking business; any required additional capital and liquidity to support business growth that may not be available on acceptable terms, if at all; our obligation to indemnify third-party purchasers or repurchase loans if loans that we originate, acquire, service or assist in the fulfillment of, fail to meet certain criteria or characteristics or under other circumstances; our obligation to indemnify PMT if its services fail to meet certain criteria or characteristics or under other circumstances; decreases in the returns on the assets that we select and manage for our clients, and our resulting management and incentive fees; the extensive amount of regulation applicable to our investment management segment; conflicts of interest in allocating our services and investment opportunities among us and our advised entities; the effect of public opinion on our reputation; our recent growth; our ability to effectively identify, manage, monitor and mitigate financial risks; our initiation of new business activities or investment strategies or expansion of existing business activities or investment strategies; our ability to detect misconduct and fraud; our ability to mitigate cybersecurity risks and cyber incidents; our exposure to risks of loss with real estate investments resulting from adverse weather conditions and man-made or natural disasters; and our organizational structure and certain requirements in our charter documents. You should not place undue reliance on any forward-looking statement and should consider all of the uncertainties and risks described above, as well as those more fully discussed in reports and other documents filed by the Company with the Securities and Exchange Commission from time to time. The Company undertakes no obligation to publicly update or revise any forward-looking statements or any other information contained herein, and the statements made in this press release are current as of the date of this release only.