

Announcement # 22-71**Date:** November 04, 2022

Updates to Conventional LLPAs

Fannie Mae and Freddie Mac recently announced updates to Loan Level Price Adjusters (LLPA) that will apply to Home Possible & HomeReady and cash-out refinances.

Pennymac will update Conventional LLPAs effective for all Best Effort Commitments taken on or after **Monday, November 7, 2022** as follows:

- Update Home Possible & HomeReady LLPA Cap to zero on the 'Cumulative LLPA Cap' Grid
- Introduce new 'Cash-Out Refinance' LLPA Grid for Lock Periods >45 Days
 - Lock extensions and relocks will be subject to the new LLPAs if the loan is delivered after January 01, 2022 and purchased after January 09, 2022, and the new fee was not included previously. The LLPA may not be reflected in the price until after the lock extension or relock has been completed.

Please contact your Sales Representative with any questions.