

Announcement # 23-10

Date: January 27, 2023

Fannie Mae and Freddie Mac LLPA Changes

Fannie Mae and Freddie Mac recently announced updated loan-level price adjustments (LLPAs) to be assessed on whole loans purchased by the agencies on or after May 1, 2023, and loans delivered into MBS pools with issue dates on or after May 1, 2023.

PennyMac will introduce new LLPA adjustments in its Best Effort pricing starting with 60, 75 and 90 day lock commitments, effective **Monday, February 6, 2023**. PennyMac will display the new LLPA worksheet by adding a new tab into the rate sheet.

- Pricing for lock commitments 45 days or less will not be impacted by this update at this time. Additional announcements are planned as the implementation date approaches to communicate when pricing will change for lock commitments 45 days or less.
- Lock extensions and relocks will be subject to the new LLPAs if the loan is purchased after April 10, 2023, and the new agency LLPAs were not included previously. The updated LLPAs may not be reflected in the price until after the lock extension has been completed.
- The new LLPA tab will be included in the Excel Rate Sheet ahead of February 6, before the effective date, for the purpose of communicating the new grids and format.

Please contact your Sales Representative with any questions.