

Announcement # 25-23**Date:** February 28, 2025

Freddie Mac Bulletin 2024-7 and 2024-12: Flood Insurance Premium Calculations

As previously communicated in [Announcement 24-82](#), Pennymac announced Freddie Mac changes to flood insurance premium calculations. Freddie Mac extended the implementation date for this new requirement, and it is now effective with note dates on and after April 1, 2025.

As outlined in Announcement 24-82: If a flood insurance policy shows a full risk premium and a discounted premium, the full risk premium, plus fees and any surcharges must be used to calculate the Housing Expense-to-Income (HTI) and Debt-to-Income ratios (DTI) for qualification purposes.

For additional information and complete requirements, please refer to Freddie Mac Bulletins 2024-7 and 2024-12, and Freddie Mac Selling Guide sections 5401.1 and 5401.2.

Please contact your Sales Representative with any questions.