



WHOLESALE ANNOUNCEMENT 2023-7

February 10, 2023

Fannie/Freddie

Loan Level Price Adjustment (LLPA) Update



Effective Date

New locks on or after February 15, 2023¹

¹Loans locked prior to 2/15/23 are allowed to extend up until 4/1/2023. Extensions prior to 2/15/23 extended beyond 4/1/23 are subject to worst case pricing

Summary:

Fannie Mae and Freddie Mac recently announced updated Loan Level Price Adjustments (LLPAs) on whole loans purchased by agencies on or after May 1, 2023. FCM is adopting Fannie/Freddie updated Loan Level Price Adjustment (LLPA) grids.

Note: Loans with an LTV greater than 60% and a DTI ratio greater than 40% will be subject to pricing adjustments

The following is an example grid for purchases only and is not inclusive of all LLPA Changes:

Reference: [Mortgage News Daily](#)

New vs Old for Purchases

	higher LLPAs				lower LLPAs					
	< 30.00%	30.01 – 60.00%	60.01 – 70.00%	70.01 – 75.00%	75.01 – 80.00%	80.01 – 85.00%	85.01 – 90.00%	90.01 – 95.00%	>95.00%	>97.00%
≥ = 780	0.000%	0.000%	0.250%	0.250%	0.125%	-0.125%	0.000%	0.000%	0.625%	0.625%
780 – 779	0.000%	0.000%	0.250%	0.000%	-0.125%	-0.375%	-0.250%	-0.250%	0.500%	0.500%
740 – 759	0.000%	0.000%	0.125%	-0.125%	-0.375%	-0.750%	-0.500%	-0.375%	0.250%	0.250%
720 – 739	0.000%	0.000%	0.000%	-0.250%	-0.500%	-0.750%	-0.500%	-0.375%	0.250%	0.250%
700 – 719	0.000%	0.000%	0.125%	0.125%	-0.125%	-0.500%	-0.250%	-0.125%	0.625%	0.625%
680 – 699	0.000%	0.000%	-0.125%	0.125%	0.000%	-0.375%	-0.250%	-0.125%	0.375%	0.375%
660 – 679	0.000%	0.000%	0.250%	0.875%	0.875%	0.625%	0.500%	0.625%	1.000%	1.000%
640 – 659	0.500%	0.500%	0.125%	1.250%	0.750%	0.750%	0.750%	0.875%	1.250%	1.250%
≤ 639	0.500%	0.375%	0.000%	0.875%	0.250%	0.375%	0.625%	1.000%	1.750%	1.750%

For additional details, please review

[FNMA Lender Letter \(LL-2022-05\)](#) / [FNMA \(LL-2023-1\)](#) and [Freddie Mac Bulletin 2023-1](#)

Should you have any questions, please reach out to your Account Executive or Client Manager

