## MPF® Announcement



**MPF Announcement:** 

2023-34

Date:

May 31, 2023

Alert:

Clarification
New Policy
Policy Update
Reminder

Training Information

Audience:

Compliance/Legal
Program
Management
Origination
Quality Control
Servicing

**Product:** 

MPF Government MBS MPF Traditional MPF Xtra®

### **Effective Date:**

**Immediately** (unless otherwise noted)

### Fannie Mae Lender Letter LL-2023-06

Please note you can access the MPF Guides and MPF
Announcements on our MPF
Website.

Visit the MPF Website to review and register for upcoming complimentary MPF Webinars.

# MPF Xtra Selling Guide Updates-LLPAs

On May 17, 2023, Fannie Mae published <u>Lender Letter</u> 2023-06, which communicated the future changes to loan-level pricing adjustments (LLPAs). This update rescinds the DTI ratio-based LLPAs that were originally scheduled to be effective for loans funded on or after August 2, 2023.

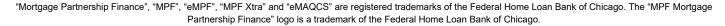
This Lender Letter supersedes LL-2023-01 regarding the DTI ratio LLPAs. All other LLPA changes announced became effective May 2, 2023.

To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Announcement and any applicable Fannie Mae Selling Guide chapters, forms, or exhibits noted in the announcements.

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### Lender Letter (LL-2023-06)

May 17, 2023

## To: All Fannie Mae Single-Family Sellers Rescission of Loan-level Price Adjustments Based on DTI Ratio

At the direction of FHFA and in alignment with Freddie Mac, we are rescinding the DTI ratio loan-level price adjustment (LLPA) attribute that was scheduled to apply to loans purchased on and after Aug. 1, 2023.

Earlier this year, we announced a new LLPA framework that included an additional LLPA attribute related to debt-to-income (DTI) ratio. This attribute was originally scheduled to apply to loans purchased beginning May 1, 2023. We then announced a delay in the implementation of this LLPA until Aug. 1, 2023.

This Lender Letter supercedes LL-2023-01 with regard to the DTI ratio LLPA. All other LLPA changes announced in LL-2023-01 became effective May 1.

For a complete list of LLPAs, see the updated *LLPA Matrix*.

Lenders may contact their Fannie Mae Account Team if they have questions about this Lender Letter. Have guide questions? Get answers to all your policy questions, straight from the source. Ask Poli.