

Selling Guide Announcement SEL-2013-09

December 16, 2013

Pricing Update

The Federal Housing Finance Agency (FHFA), in its *Strategic Plan for Enterprise Conservatorships* published in February 2012, set forth a plan for Fannie Mae and Freddie Mac to implement gradual increases in guaranty fees in order to move their pricing closer to the level one would expect to see if mortgage credit risk were borne solely by private capital. Such an initiative meets the conservatorship goal of preserving and conserving the assets of both government-sponsored enterprises.

FHFA is directing Fannie Mae to raise all ongoing single-family guaranty fees by 10 basis points for all maturities. The increase will apply to both whole loan and MBS deliveries. The increase will also apply to the standby purchase fee applicable to loans committed under long-term standby purchase commitments or any other negotiated guaranty transactions on or after April 1, 2014.

In addition, FHFA is directing Fannie Mae to

- implement certain changes to the loan-level price adjustments (LLPAs) for single-family loans with original maturities greater than 15 years, as reflected in the “LLPA by Credit Score/LTV” table in the LLPA matrices noted below;
- remove the Adverse Market Delivery Charge (AMDC) for all states except as noted below; and
- maintain the AMDC for the States of Connecticut, Florida, New Jersey, and New York in the current amount of 25 basis points for all maturities.

This Announcement serves as written notice of pricing increases that may be required by the terms of a lender's Master Agreement, and further serves to document the pricing changes, effective as provided below, whether or not an amendment to any existing Master Agreement or MBS contract is executed. In the event there is any conflict between these provisions and any terms contained in a lender's Master Agreement or other contract with Fannie Mae, the terms of this Announcement will control.

Updated LLPA Matrices

Both the [Loan-Level Price Adjustment \(LLPA\) Matrix and Adverse Market Delivery Charge \(AMDC\) Information](#) and the [Refi Plus™ Mortgages Only Loan-Level Price Adjustment \(LLPA\) Matrix and Adverse Market Delivery Charge \(AMDC\) Information](#) have been updated and posted on Fannie Mae's website. Refer to the Change Tracking Log in each matrix for a list of the changes made.

Effective Dates

The pricing changes noted above are effective as follows:

Pricing Change	Whole Loans	MBS Issue Dates
10 basis point increase in guaranty fee	Commitments on and after March 1, 2014	April 1, 2014
National LLPA changes	Purchased by Fannie Mae on and after April 1, 2014	April 1, 2014
Discontinuance of AMDC for states other than Connecticut, Florida, New Jersey, and New York		



Lenders who have questions about this Announcement should contact their Account Team.

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