



To: All Correspondent Customers **From:** Secondary Marketing
Date: 06/16/21 **Memo#:** 21078
Subject: Agency State Loan Amount MSR and Escrow Waiver LLPA Updates

We are making the following updates to the existing Agency State & Loan Amount MSR and Escrow Waiver loan level price adjustments effective for new locks as of Friday, June 18, 2021.

The Escrow Waivers are being improved to the following:

Fannie Mae and Freddie Mac ≥ 20 Year Grid		
	Current	New
Tier 1 States:	0.000	+0.020
Tier 2 States:	-0.040	-0.020
Tier 3 States:	-0.060	-0.040
Tier 4 States:	-0.090	-0.060
Tier 5 States:	-0.100	-0.080
Tier 6 States:	-0.140	-0.100

Fannie Mae/Freddie Mac ≤ 15 Year Fixed & ARM		
	Current	New
Tier 1 States:	0.000	+0.020
Tier 2 States:	-0.030	0.000
Tier 3 States:	-0.040	-0.025
Tier 4 States:	-0.070	-0.004
Tier 5 States:	-0.100	-0.050
Tier 6 States:	-0.120	-0.070

Tier 1 States:	CA													
Tier 2 States:	AZ	CO	UT	WA										
Tier 3 States:	AL	DC	HI	ID	IN	MA	MT	NM	NV	VA	VI	WV	WY	
Tier 4 States:	AK	AR	CT	DE	GA	IA	IL	KS	KY	LA	MD	ME	MI	MN
	MO	MS	NC	ND	NE	NH	NJ	OH	OK	OR	RI	SC	SD	TN
	VT	WI												
Tier 5 States:	FL	NY	PA											
Tier 6 States:	TX													

We are also updating the loan amount categories and Agency State & Loan Amount MSR values of the LLPA to the following:

Fannie Mae and Freddie Mac ≥ 20 Year Grid

State & Loan Amount MSR Adjustments FICO <700														
	\$0-\$85,000	\$85,001-\$110,000	\$110,001-\$125,000	\$125,001-\$150,000	\$150,001-\$175,000	\$175,001-\$200,000	\$200,001-\$225,000	\$225,001-\$250,000	\$250,001-\$300,000	\$300,001-\$350,000	\$350,001-\$400,000	\$400,001-\$450,000	\$450,001-\$548,250	> \$548,250
Tier 1	-0.017	0.000	-0.117	-0.153	-0.165	-0.147	-0.146	-0.130	-0.141	-0.145	-0.157	-0.172	-0.207	-0.227
Tier 2	0.044	0.062	-0.055	-0.091	-0.102	-0.080	-0.079	-0.059	-0.071	-0.074	-0.086	-0.102	-0.138	-0.159
Tier 3	0.119	0.137	0.020	-0.016	-0.027	-0.005	-0.004	0.016	0.004	0.001	-0.011	-0.027	-0.063	-0.084
Tier 4	0.138	0.155	0.037	0.001	-0.012	0.012	0.011	0.032	0.020	0.015	0.002	-0.015	-0.053	-0.076
Tier 5	0.358	0.375	0.257	0.221	0.208	0.232	0.231	0.252	0.240	0.235	0.222	0.205	0.167	0.144
Tier 6	0.402	0.420	0.303	0.267	0.256	0.285	0.286	0.312	0.300	0.296	0.282	0.266	0.228	0.205

State & Loan Amount MSR Adjustments FICO ≥ 700														
	\$0-\$85,000	\$85,001-\$110,000	\$110,001-\$125,000	\$125,001-\$150,000	\$150,001-\$175,000	\$175,001-\$200,000	\$200,001-\$225,000	\$225,001-\$250,000	\$250,001-\$300,000	\$300,001-\$350,000	\$350,001-\$400,000	\$400,001-\$450,000	\$450,001-\$548,250	> \$548,250
Tier 1	0.029	0.041	-0.078	-0.118	-0.132	-0.113	-0.114	-0.096	-0.110	-0.115	-0.128	-0.145	-0.182	-0.204
Tier 2	0.091	0.103	-0.016	-0.055	-0.069	-0.045	-0.046	-0.025	-0.039	-0.044	-0.057	-0.074	-0.112	-0.134
Tier 3	0.166	0.178	0.059	0.020	0.006	0.030	0.029	0.050	0.036	0.031	0.018	0.001	-0.037	-0.059
Tier 4	0.185	0.196	0.076	0.036	0.022	0.046	0.045	0.067	0.052	0.046	0.031	0.013	-0.028	-0.052
Tier 5	0.405	0.416	0.296	0.256	0.242	0.266	0.265	0.287	0.272	0.266	0.251	0.233	0.192	0.168
Tier 6	0.463	0.462	0.343	0.304	0.290	0.321	0.320	0.347	0.333	0.327	0.313	0.295	0.254	0.231



Fannie Mae and Freddie Mac ≤ 15 Year Fixed and ARM Grid

State & Loan Amount MSR Adjustments FICO <700														
	\$0-\$85,000	\$85,001-\$110,000	\$110,001-\$125,000	\$125,001-\$150,000	\$150,001-\$175,000	\$175,001-\$200,000	\$200,001-\$225,000	\$225,001-\$250,000	\$250,001-\$300,000	\$300,001-\$350,000	\$350,001-\$400,000	\$400,001-\$450,000	\$450,001-\$548,250	> \$548,250
Tier 1	0.445	0.470	0.462	0.466	0.149	0.050	-0.018	-0.122	-0.112	-0.103	-0.098	-0.095	-0.091	-0.090
Tier 2	0.493	0.518	0.510	0.514	0.197	0.100	0.033	-0.069	-0.060	-0.051	-0.046	-0.042	-0.039	-0.039
Tier 3	0.568	0.593	0.585	0.589	0.272	0.175	0.108	0.006	0.015	0.024	0.029	0.033	0.036	0.036
Tier 4	0.584	0.609	0.600	0.605	0.287	0.192	0.124	0.023	0.033	0.041	0.046	0.050	0.053	0.053
Tier 5	0.804	0.829	0.820	0.825	0.507	0.412	0.344	0.243	0.253	0.261	0.266	0.270	0.273	0.273
Tier 6	0.832	0.857	0.849	0.853	0.536	0.443	0.375	0.277	0.286	0.295	0.300	0.303	0.306	0.306

State & Loan Amount MSR Adjustments FICO ≥700														
	\$0-\$85,000	\$85,001-\$110,000	\$110,001-\$125,000	\$125,001-\$150,000	\$150,001-\$175,000	\$175,001-\$200,000	\$200,001-\$225,000	\$225,001-\$250,000	\$250,001-\$300,000	\$300,001-\$350,000	\$350,001-\$400,000	\$400,001-\$450,000	\$450,001-\$548,250	> \$548,250
Tier 1	0.478	0.499	0.489	0.490	0.172	0.073	0.004	-0.099	-0.091	-0.083	-0.079	-0.076	-0.073	-0.073
Tier 2	0.527	0.547	0.537	0.539	0.220	0.124	0.055	-0.046	-0.038	-0.030	-0.026	-0.023	-0.021	-0.021
Tier 3	0.602	0.622	0.612	0.614	0.295	0.199	0.130	0.029	0.037	0.045	0.049	0.052	0.054	0.054
Tier 4	0.617	0.638	0.628	0.629	0.311	0.215	0.146	0.046	0.054	0.062	0.066	0.069	0.071	0.071
Tier 5	0.837	0.858	0.848	0.849	0.531	0.435	0.366	0.266	0.274	0.282	0.286	0.289	0.291	0.291
Tier 6	0.865	0.886	0.876	0.878	0.559	0.467	0.398	0.300	0.308	0.316	0.320	0.322	0.324	0.324

We have also compiled a list of common questions that are asked following a pricing announcement

FREQUENTLY ASKED QUESTIONS	
QUESTION	ANSWER
What if a loan was locked prior to the effective date of these new LLPA's, but then I allow the lock to expire later and relock? Will these new LLPA's apply?	The LLPA's are based on pricing date, when an expired loan is priced to the current market the new adjustments will apply. The new LLPA's will not apply for locks extended prior to expiration date or when original pricing date is worst case for the relock.
If I take advantage of a float down option either before or after lock expiration, will these new LLPA's apply?	Yes, in the case of a float down, the new LLPA's will apply whether done prior to or after lock expiration.