

Announcement # 23-15

Date: February 24, 2023

HUD Mortgagee Letter 2023-05

Effective immediately, Pennymac is aligning with the Housing of Urban Development (HUD) [Mortgagee Letter \(ML\) 2023-05](#), which announced the reduction of Federal Housing Administration (FHA) annual Mortgage Insurance Premium (MIP) rates.

The Mortgagee Letter reduces the rate for annual MIP, effective for loans endorsed on or after March 20, 2023.

Pennymac will purchase loans with reduced premium amounts as long as the date of insuring (endorsement) is on or after March 20, 2023. Any loan insured prior must use the current premiums.

For FHA FAQs please click [here](#).

Please contact your Sales Representative with any questions.