

**Announcement # 23-13**

**Date:** February 27, 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 for loans endorsed on or after March 20, 2023 but at Pennymac the reduction starts now. Effective immediately we will purchase your FHA loans with the reduced MIP.

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

Please contact your Sales Representative with any questions.