



Bulletin 14-13

Borrower Paid Single Premium Mortgage Insurance

HomeBridge is pleased to announce we are lifting the suspension of borrower paid single premium mortgage insurance effective immediately. HomeBridge suspended these MI options in January due to the new QM 3% points and fees test requirements.

HomeBridge will now offer both refundable and non-refundable borrower paid single premium subject to the requirements below.

Non-Refundable Single Premium

If a non-refundable single premium plan is selected the **entire premium** must be included in the 3% points and fees test.

Refundable Single Premium

If a refundable single premium plan is selected the following applies:

- The amount of the premium > 1.75% is included in the 3% points and fees test.

Example:

- Loan amount is \$100,000
- MI premium is 2.55%
- $\$100,000 \times 2.55\% = \$2,550.00$ (total amount of premium)
- $\$100,000 \times 1.75\% = \$1,750.00$
- $\$2,550 - \$1,750 = \$800.00$

The dollar amount of the premium greater than 1.75% is \$800.00 so \$800.00 is the amount entered for the 3% points and fees test.

Loans with borrower paid single premium MI must pass the QM 3% points and fees test.

MI Company Eligibility for Single Premium

HomeBridge accepts mortgage insurance from specific MI companies. The chart below identifies borrower paid single premium mortgage insurance eligibility.

Company	Single Premium
Essent	Ineligible
Genworth	Eligible
Radian	Eligible
United Guaranty	Eligible

As a reminder, HomeBridge allows the financing of borrower paid single premium MI.

The Agency Conforming and High Balance matrices have been updated and posted on the HomeBridge website at www.homebridgewholesale.com

If you have any questions, please contact your Account Executive.