



Bulletin 15-02

New FHA Annual MIP Rates

HUD [Mortgagee Letter 2015-01](#), issued January 9, 2015, announced the annual mortgage insurance premiums (MIP) for loans with a loan term greater than 15 years are being reduced by 50 basis points from the current premiums effective with FHA case numbers assigned on or after January 26, 2015.

The new MIP rates do **not** apply to Streamline refinance transactions that are refinancing an existing FHA loan endorsed prior to May 31, 2009 (MIP for these loans is 0.55%).

The new annual MIP rates for loans with a term > 15 years are as follows:

Loan Term > 15 Years					
Loan Amount	Loan Term	LTV	Current Annual MIP	New Annual MIP	Up-front MIP
≤ \$625,500	> 15 years	≤ 95%	1.30%	0.80%	1.75% (no change)
≤ \$625,500	> 15 years	> 95%	1.35%	0.85%	
> \$625,500	> 15 years	≤ 95%	1.50%	1.00%	
> \$625,500	> 15 years	> 95%	1.55%	1.05%	

There is no change to the premiums on loan terms ≤ 15 years.

FHA will temporarily approve case number cancellation requests in order for borrowers to take advantage of the new reduced premiums beginning January 15, 2015 through February 26, 2015.

Brokers should coordinate case number cancellation requests through their Account Manager.

HomeBridge will require borrowers to sign the Supplemental Disclosure to Informed Consumer Choice Disclosure Notice (attached) acknowledging they are aware that the MIP rates have been reduced effective January 26, 2015 and that they have either chosen to proceed with their scheduled closing or to delay their closing to take advantage of the new lower annual MIP. HomeBridge will require the Disclosure on FHA loans until further notice.

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



**SUPPLEMENTAL DISCLOSURE TO INFORMED CONSUMER
CHOICE DISCLOSURE NOTICE**

Date: _____

Borrower Name: _____

Loan #: _____

This Supplemental Disclosure to the Informed Consumer Choice Disclosure Notice is being provided by HomeBridge to ensure that you are aware of recent updates to the FHA Mortgage Insurance Program. The Federal Housing Administration (FHA) announced revised Annual Mortgage Insurance Premium rates (also known as monthly MIP) which may result in an available benefit for you.

The loan amounts and factors shown below may vary from your own mortgage loan transaction. You should study this information carefully, ask questions, and determine whether or not you wish to take advantage of this benefit. The information provided below was prepared as of January 9, 2015.

This disclosure is not a contract and does not constitute loan approval. Actual mortgage approval can only be made following a full underwriting analysis by HomeBridge.

The following table shows the existing and the new annual MIP rates by amortization term, base loan amount and loan to value (LTV) ratio. **All New MIP amounts set forth in this table are effective for case numbers assigned on or after January 26, 2015.**

Term > 15 Years			
Base Loan Amount	LTV	Previous MIP	New MIP
≤ \$625,500	≤ 95.00%	130 bps	80 bps
≤ \$625,500	> 95.00%	135 bps	85 bps
> \$625,500	≤ 95.00%	150 bps	100 bps
> \$625,500	> 95.00%	155 bps	105 bps

Please note that the specific process for making your loan eligible for this lower premium cannot begin until January 26, 2015 and the actual steps have not yet been finalized. **Therefore, at this time, HomeBridge is unable to advise you on what date the change can be fully processed so you can receive the lower mortgage insurance premium.**

In the event you elect to potentially postpone your closing to take advantage of this benefit, HomeBridge would like to advise you of the following:

- In the event your rate credit, income, asset and/or property documents expire, you will be subject to an update of all applicable documents and a re-approval of your loan.
- In the event your rate lock expires before you loan closes, you will be subject to the terms and conditions of extending your rate in accordance with HomeBridge's standard policies.
- You must consult your attorney for guidance on any impact a delay in closing has upon the terms and conditions of your contract of sale (for purchase transactions).

I/We the undersigned hereby acknowledge that I/we choose to proceed with the steps to take advantage of the lower annual mortgage insurance premium with the knowledge that my/our closing may be delayed.

To accommodate our scheduled closing date or other time consideration, I/we the undersigned hereby acknowledge that I/we **do not** wish to proceed with the steps to take advantage of the lower annual mortgage insurance premium.

_____	_____	_____	_____
Borrower	Date	Borrower	Date
_____	_____	_____	_____
Borrower	Date	Borrower	Date