

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
January 23, 2015 • COR15-008



Alert

Update

Reminder

Clarification

Training
Information

Preview

New FHA Annual Mortgage Insurance Premiums

FHA is reducing annual mortgage insurance premiums (MIP) 50 basis points for purchase and refinance transactions with terms greater than 15 years, with case numbers assigned on or after January 26, 2015 and originally endorsed after May 31, 2009, but not yet closed.

Intended Audience

**Origination
Processing**

Secondary Marketing

Underwriting

**Closing
Delivery
Funding**

**Compliance
Legal**

Other

Effective Dates

Monday, January 26, 2015

Effective for all FHA case number assignments on or after this date.

Background Information

FHA issued instructions to allow case number cancellations in bulk for FHA loans that qualify for the reduced Annual Mortgage Insurance Premium (MIP) structure described in Mortgage Letter (ML) [2015-01](#). FHA loan transactions endorsed on or before May 31, 2009 are not eligible for this annual mortgage insurance premium change.

Bulletin Details

FHA Changes the Annual Mortgage Insurance Premium
The following table shows Upfront Mortgage Insurance Premiums and Annual Monthly (UFMIP and Monthly) for Case Numbers Assigned on or after January 26, 2015 and for Streamline Refinances when the existing loan being paid off was endorsed by FHA after May 31, 2009.

Action Required

Correspondent Lenders, Origination, Processing, Underwriting, Closing, and Funding Case Numbers Assigned on or After January 26, 2015

Begin using the new annual MIP structures for loans impacted by these updates.

For FHA Case Number Cancellations, [click here](#) to see the revised instructions.

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Bulletin Details, continued

FHA Changes the Annual Mortgage Insurance Premium, continued

FHA Single Family Mortgage Insurance Upfront and Annual Mortgage Insurance Premiums (All Loan Terms) Effective with case number assignments on or after January 26, 2015			
Base Loan Amount	LTV	Loan Term	Purchase & Refinance Transactions (including Streamline Refinances Endorsed After May 31, 2009) FHA 203(b) Loan Program
≤ \$625,500	≤ 95%	Greater than 15 Years	1.75% / .80%
≤ \$625,500	> 95%	Greater than 15 Years	1.75% / .85%
> \$625,500	≤ 95%	Greater than 15 Years	1.75% / 1.00%
> \$625,500	> 95%	Greater than 15 Years	1.75% / 1.05%
≤ \$625,500	≤ 90%	Less than or equal to 15 Years	1.75% / .45%
≤ \$625,500	> 90%	Less than or equal to 15 Years	1.75% / .70%
> \$625,500	≤ 78%	Less than or equal to 15 Years	1.75% / .45%
> \$625,500	78.01% to 90%	Less than or equal to 15 Years	1.75% / .70%
> \$625,500	> 90%	Less than or equal to 15 Years	1.75% / .95%

Revised Materials

Click [FHA](#) to view the revised material.

Former Guidelines

The following table shows Upfront Mortgage Insurance Premiums and Annual Monthly (UFMIP and Monthly) for Case Numbers Assigned on or after June 3, 2013.

FHA Single Family Mortgage Insurance Upfront and Annual Mortgage Insurance Premiums (All Loan Terms) Effective with case number assignments on or after June 3, 2013			
Base Loan Amount	LTV	Loan Term	Purchase & Refinance Transactions (excluding Streamline Refinances) FHA 203(b) Loan Program
≤ \$625,500	> 95%	Greater than 15 Years	1.75% / 1.35%
> \$625,500	> 95%	Greater than 15 Years	1.75% / 1.55%
≤ \$625,500	≤ 95%	Greater than 15 Years	1.75% / 1.30%
> \$625,500	≤ 95%	Greater than 15 Years	1.75% / 1.50%
≤ \$625,500	> 90%	Less than or equal to 15 Years	1.75% / .70%
> \$625,500	> 90%	Less than or equal to 15 Years	1.75% / .95%
≤ \$625,500	78.01% to 90%	Less than or equal to 15 Years	1.75% / .45%
> \$625,500	78.01% to 90%	Less than or equal to 15 Years	1.75% / .70%
All	≤ 78%	Less than or equal to 15 Years	1.75% / .45%

Note: FHA is not authorized, and will not, insure any mortgages for which new FHA case number assignments are made on or after June 3, 2013, where the above premium structure has not been utilized.

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Former Guidelines, continued

The following table shows the Upfront Mortgage Insurance Premiums and Annual Monthly (UFMIP and Monthly) for streamline refinances with case numbers assigned on or after June 3, 2013 when the existing loan being paid off was endorsed by FHA after May 31, 2009.

FHA Single Family Mortgage Insurance Upfront and Annual Mortgage Insurance Premiums (All Loan Terms) Effective with case number assignments on or after June 3, 2013, When the existing loan being paid off was endorsed by FHA after May 31, 2009.				
Base Loan Amount	LTV	Loan Term	Endorsement Date	Streamline Refinances FHA 203(b) Loan Program
≤ \$625,500	> 95%	Greater than 15 Years	After May 31, 2009	1.75% / 1.35%
> \$625,500	> 95%	Greater than 15 Years	After May 31, 2009	1.75% / 1.55%
≤ \$625,500	≤ 95%	Greater than 15 Years	After May 31, 2009	1.75% / 1.30%
> \$625,500	≤ 95%	Greater than 15 Years	After May 31, 2009	1.75% / 1.50%
≤ \$625,500	> 90%	Less than or equal to 15 Years	After May 31, 2009	1.75% / .70%
> \$625,500	> 90%	Less than or equal to 15 Years	After May 31, 2009	1.75% / .95%
≤ \$625,500	78.01% to 90%	Less than or equal to 15 Years	After May 31, 2009	1.75% / 45%
> \$625,500	78.01% to 90%	Less than or equal to 15 Years	After May 31, 2009	1.75% / .70%
All	≤ 78%	Less than or equal to 15 Years	After May 31, 2009	1.75% / 45%

Note: FHA is not authorized, and will not, insure any Streamline Refinance mortgages for which new FHA case number assignments are made on or after June 3, 2013, when the existing loan being paid off was endorsed by FHA after May 31, 2009, where the above premium structure has not been utilized.

Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Direct contact information for each correspondent relations coordinator is located in General Section 1.01: The Correspondent Division.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 4.

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