

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
January 16, 2015 • COR15-006



Alert

Update

Reminder

Clarification

Training
Information

Preview

FHA Case Number Cancellations Due to New Annual MIP

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. FHA is temporarily allowing bulk case number cancellations for case numbers assigned prior to January 26, 2015, but not yet closed.

Intended Audience

Origination Processing	Secondary Marketing	Underwriting	Closing Delivery Funding	Compliance Legal	Other
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Effective Dates

Thursday, January 15, 2015
Effective for Bulk FHA Case Number
Cancellations on active FHA transactions.

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

Bulk FHA Case Number Cancellation

FHA will permit the cancellation of case numbers previously assigned in order for the borrower to take advantage of the lower annual premium for purchase and refinances that have not closed. Direct Endorsement Correspondent lenders must follow the specific and detailed instructions for bulk and individual cancellations.

SunTrust Mortgage, Inc. requires each FHA loan transaction to meet all SunTrust requirements, including, but not limited to, the annual mortgage insurance reduction reflected in the submission data, accurate automated underwriting system (AUS) findings and documentation, and evidence of the certification required by HUD for the case number being different on the appraisal, when an appraisal had already been obtained prior to the case number cancellation.

Action Required

Correspondent Lenders, Origination, Processing, Underwriting, Closing, and Funding

Beginning Thursday, January 15, 2015
Email bulk cancellation requests to HUD no later than Thursday, February 25, 2015 at 11:59 p.m. following the guidance outlined in this bulletin and the attached [instructions](#) from HUD.

Do not attempt to obtain a new FHA case number before you have confirmed the cancellation of the case number. New FHA case numbers will be issued beginning Monday, January 26, 2015.

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Bulletin Details, continued

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.

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 (excluding Streamline Refinances) 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%
Streamline Refinance			
≤ \$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%

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.
Emerging Banker Account Executive	Specific questions on applying this procedure to specific loan files. Direct contact information for each account executive 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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