

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
January 13, 2017 • COR17-001

Alert

Update

Reminder

Clarification

Training
Information

Preview

New FHA Annual Mortgage Insurance Premiums

The Federal Housing Administration (FHA) is reducing annual mortgage insurance premiums (MIP) that are payable monthly for purchase and refinance transactions with closing or disbursement dates on or after January 27, 2017.

Intended Audience

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

Friday, January 27, 2017

Effective for loans closed or disbursed on or after this date.

Background Information

FHA issued Mortgage Letter [\(ML\) 2017-01](#) reducing the annual mortgage insurance premium (MIP) for purchases and refinance transactions. FHA streamline refinance loan transactions endorsed on or before May 31, 2009, with a term greater than 15 years, are not eligible for this annual MIP change. Additionally FHA is eliminating the distinction in MIP based upon the loan amount.

Bulletin Details

Reduced Annual Mortgage Insurance Premiums

The tables below show the annual MIP for transactions closed or disbursed on or after January 27, 2017.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance and Legal

Starting January 27, 2017

Apply updated annual MIP to loans closed or disbursed on or after this date.

Bulletin Details, continued

Reduced Annual Mortgage Insurance Premiums

Purchase and Refinance Transactions (previous FHA mortgage endorsed after May 31, 2009)			
Annual MIP			
Term > 15 Years			
Base Loan Amount	LTV	MIP (bps)	Duration
All amounts	≤ 90.00%	55bps	11 Years
	> 90.00% but ≤ 95.00%	55bps	Mortgage Term
	> 95.00%	60bps	Mortgage Term
Term ≤ 15 Years			
All amounts	≤ 90.00%	25bps	11 Years
	> 90.00%	50bps	Mortgage Term

For Simple and Streamline Refinance Transactions (previous FHA mortgage endorsed on or before May 31, 2009)			
Annual MIP			
Term > 15 Years			
Base Loan Amount	LTV	MIP (bps)	Duration
All amounts	≤ 90.00%	55bps	11 Years
	> 90.00%	55bps	Mortgage Term
Term ≤ 15 Years			
All amounts	≤ 90.00%	25bps	11 Years
	> 90.00%	25bps	Mortgage Term

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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